

EMPLOYMENT AGREEMENT
between the
City of Beaumont & Kenneth R. Williams

THIS EMPLOYMENT AGREEMENT (“Agreement”) is made and entered into by and between the City of Beaumont, Texas, a municipal corporation (the “City”), and Kenneth R. Williams, a natural person (the “Manager”).

WITNESSETH:

WHEREAS, the City of Beaumont (“City”) is a home-rule municipality that has adopted the *Manager-Council* form of government under Beaumont’s Home Rule Charter Article III, Section 10, and Article V, Section 1, and in accordance with Texas Local Government Code Chapter 9; and

WHEREAS, the City Council of the City (the “Council”) and the Manager believe that an employment agreement negotiated between the Council, on behalf of the City, and the Manager can be mutually beneficial to the City, the Manager, and the community they serve; and

WHEREAS, when appropriately structured, the Council and the Manager believe an employment agreement can strengthen the Council-Manager relationship by enhancing the excellence and continuity of the management of the City for the benefit of its citizens; and

WHEREAS, the Council, on behalf of the City, desires to employ the services of the Manager, as the city manager of the City (“City Manager”), pursuant to the terms, conditions, and provisions of this Agreement; and

WHEREAS, the Manager has agreed to accept employment as the City Manager, subject to the terms, conditions, and provisions of this Agreement; and

WHEREAS, the Council is obligated to appoint a City Manager solely on the basis of the City Manager’s executive and administrative training, experience, and ability, who shall be the chief administrative and executive officer of the City and shall be responsible to the Council for the administration of all the affairs of the City.

NOW, THEREFORE, the City and the Manager, for and in consideration of the terms, conditions, and provisions hereinafter established, have agreed, and do hereby agree as follows:

I. DURATION

1.1 INDEFINITE TERM. The term of this Agreement shall be for an indefinite term, beginning on September 6, 2022 (the “Commencement Date”). In accordance with Article V, Section 2 of the Charter, no definite term of office or employment for the Manager is

created herein. September 6, 2022, shall be the Manager's official start date.

- 1.2 AT-WILL EMPLOYMENT.** This Agreement provides for certain terms and conditions but does not alter the Manager's *at-will* employment. In accordance with Article V, Section 2 of the Charter, the Manager may be removed at the will and pleasure of the City Council by a vote of the majority of the entire Council, as provided herein. The City Council retains the right to terminate Manager's employment *with or without cause*, subject to the obligations stated herein.
- 1.3 AUTOMATIC RENEWAL.** Although this Agreement is for an indefinite term, if it is construed by a court of competent jurisdiction as a one-year agreement it shall automatically extend to subsequent years, unless one party notifies the other in writing at least ninety (90) days prior to the anniversary of the effective date of this Agreement that it does not intend to extend this Agreement. The anniversary date shall coincide with the City's fiscal year, which commences October 1st, for purposes of salary adjustments and the severance period. Either party may decide to not extend this Agreement for an additional year for any reason, with or without cause. A notice by the Council to the Manager of an intention not to renew this Agreement shall be construed as a Termination Event under Section 6.1(c) [Unilateral Severance].

II. EMPLOYMENT

- 2.1 APPOINTMENT.** Through this Agreement, the Council hires the Manager as an employee of the City, and appoints Manager to serve in the capacity of City Manager.
- 2.2 CHIEF ADMINISTRATIVE & EXECUTIVE OFFICER.** The Manager is the chief administrative and executive officer of the City.
- 2.3 DUTIES.** The Manager shall faithfully perform the duties of the City Manager as prescribed in the job description, as set forth in the City Charter and the City's Code of Ordinances and, as may be lawfully assigned by the Council (collectively the "City Manager's Duties"). Further, the Manager shall comply with: state and federal law; the City's Charter; all City policies, rules, regulations, and ordinances as they exist or may hereinafter be amended; and, all lawful Council directives (collectively "Applicable Laws and Authorities"). All duties assigned to the Manager by the Council shall be appropriate to and consistent with the professional role and responsibility of the City Manager position.
- 2.4 COUNCIL MEETINGS.** Except to the extent prohibited by or in material conflict with Applicable Laws and Authorities, the Manager (or the Manager's designated Assistant City Manager or Department Director) shall attend, and shall be permitted to attend, all meetings of the Council, both public and closed, except those closed meetings devoted to the consideration of any action or lack of action on this Agreement, or any amendment thereto, the Manager's evaluation or performance, or for purposes of resolving conflicts between individual Council members.

- 2.5 INDEMNIFICATION.** To the extent permitted by applicable law, including, but not limited to Texas Civil Practice & Remedies Code Chapter 102, the City does hereby agree to defend, hold harmless, and indemnify the Manager from any and all demands, claims, suits, actions, judgments, expenses and attorneys' fees incurred in any legal proceedings brought against Manager in the Manager's individual or official capacity as an employee and as City Manager, providing the incident(s), which is (are) the basis of any such demand, claim, suits, actions, judgments, expenses and attorneys' fees, arose or does arise in the future from an act or omission of Manager, as an employee of the City, acting within the course and scope of the Manager's employment with the City; excluding, however, any such demand, claim, suits, actions, judgments, expenses and attorneys' fees for those claims or any causes of action where it is determined that the Manager committed official misconduct, or committed a willful or wrongful act or omission, or an act or omission constituting gross negligence, or acted in bad faith; and excluding any costs, fees, expenses or damages that would be recoverable or payable under an insurance contract, held either by the City or by the Manager. The selection of the Manager's legal counsel shall be with the mutual agreement of the Manager and the City if such legal counsel is not also City's legal counsel. A legal defense may be provided through insurance and/or risk pool coverage, in which case the Manager's right to agree to legal counsel provided for the Manager will depend on the terms of the applicable insurance or risk pool contract. To the extent this section exceeds the authority provided and limitations imposed by Texas Civil Practice & Remedies Code, Chapter 102, it shall be construed and modified accordingly. The provisions of this section shall survive the termination, expiration, or other end of this Agreement and/or the Manager's employment with the City.
- 2.6 APPROPRIATION.** To the extent allowed by law, the Council has appropriated, set aside, and encumbered available and otherwise unappropriated funds of the City in an amount sufficient to fund and pay all financial obligations of the City pursuant to this Agreement. The City's obligations created in this Agreement shall be payable out of current revenues and/or fund balance.
- 2.7 HOURS OF WORK.** The Manager acknowledges the proper performance of the City Manager's Duties require the Manager to generally observe normal business hours and will also often require the performance of necessary services outside of normal business hours. The Manager agrees to devote such additional time as is necessary for the full and proper performance of the City Manager's Duties and that the compensation herein provided includes compensation for the performance of all such services. However, the City intends that reasonable time off be provided to the Manager, such as is customary for exempt employees, so long as the time off does not interfere with the normal conduct of the office of the City Manager.
- 2.8 EXCLUSIVE EMPLOYMENT.** The Manager will devote full time and effort to the performance of the City Manager's Duties, and shall remain in the exclusive employ of the City during the term of this Agreement; provided that, with the prior written consent of the Council, the Manager may accept outside professional employment that does not interfere with the Manager's performance of, or the Manager's availability for the performance of, the City Manager's Duties hereunder. The term, "outside professional employment", means

professional services provided to third parties for which the Manager is compensated and that are performed on the Manager's time off.

III. COMPENSATION

- 3.1 SALARY.** The City shall provide the Manager with an annual salary in the sum of two hundred and fifty thousand dollars and no cents (\$250,000.00). This annual salary rate shall be paid to the Manager in equal installments on the same schedule as other City employees and shall be paid net of any applicable withholding or deductions required by the Applicable Laws and Authorities.
- 3.2 SALARY ADJUSTMENTS.** At any time during the term of this Agreement, the Council may, in its discretion, review and adjust the salary of the Manager, but in no event shall the Manager be paid less than the salary set forth in Section 3.1 of this Agreement, except by mutual agreement of the parties. Such adjustments, if any, shall be justified by performance reviews and shall be made in the form of Council resolutions. Manager shall be exempt from any across the board employee pay raise, unless specified by the Council. Salary adjustments shall be made by resolution of the Council approving an addendum to this Agreement and done in accordance with the terms of this Agreement.
- 3.3 PAID LEAVE.**
- a. Vacation.** The Manager may take, at the Manager's choice, the same number of hours of vacation authorized for administrative employees of the City, which can be taken in a single period or at different times. To help ensure that the Manager's vacation leave will be taken at such time or times as will least interfere with the performance of the City Manager's Duties, the Manager will inform the Mayor of leave.
 - b. Holidays.** The Manager may observe the same legal holidays as provided by the City for its administrative employees.
 - c. Sick.** The Manager shall be entitled to accrue and use sick leave as would any other administrative employee under the *Beaumont Employee Handbook* (as may be revised).
 - d. Compensatory Time.** Manager is entitled to compensatory time for hours worked beyond 40 in a work period in accordance with the *Beaumont Employee Handbook* (as may be revised). Compensatory time shall be calculated at the rate of one-for-one (1:1) for each hour past 40 hours worked in a work period. Eligible activities for exempt employee to accrue compensatory time include the actual time in a Council meeting, City Board or Commission meeting, City Committee meeting, or other work-related activity. Ineligible activities include volunteer activities and non-required professional events (e.g., city recreational events, conferences, seminars, and civic events).
 - e. Accrual.**

1. **Generally.** The Manager shall be entitled to accrue and carry over compensatory time, vacation leave, and sick leave as would any other administrative employee under the *Beaumont Employee Handbook* (as may be revised), except as provided for herein. For purposes of accrual and payout upon separation the maximum amount of accrued vacation leave and compensatory time for the Manager is five hundred (500) hours. Accumulated leave beyond this threshold shall expire and be considered forfeited if not taken. Sick leave shall accrue and carry over in accordance with the *Beaumont Employee Handbook*.
2. **Upon Commencement.** Upon the Commencement Date, the Manager shall be deemed to have accrued 80 hours to be used as compensatory time, vacation leave, or sick leave, which are acknowledged as having been accrued prior to the Effective Date of this Agreement.
- 3.4 **BENEFITS - GENERAL.** Unless expressly provided otherwise in this Agreement, in addition to those benefits specifically set forth herein, the Manager shall be entitled to the same benefits that are enjoyed by any other administrative employees of the City pursuant to all Applicable Laws and Authorities, including but not limited to the *Beaumont Employee Handbook* (as may be revised).
- 3.5 **INSURANCE.** The City agrees to pay provide for health, hospitalization, vision, dental, comprehensive medical, and disability insurance for the Manager per employee policy and provide health, hospitalization, vision, dental, comprehensive medical, and disability insurance of Manager's spouse pursuant to the group health care plan provided by the City for its administrative employees.
- 3.6 **RETIREMENT BENEFITS.** The City agrees to maintain the Manager's enrollment in the Texas Municipal Retirement System (TMRS), the applicable state retirement system, and to make the same level of contributions for the Manager or on the Manager's behalf as the City does for its other administrative employees consistent with all Applicable Laws and Authorities.
- 3.7 **SUPPLEMENTAL RETIREMENT PLAN.** For each calendar year beginning on the effective date of this contract and for each year thereafter during the term of this Contract, the City shall add to the Salary of the Manager the amount of twenty-six thousand dollars dollars (\$26,000.00) per calender year ("Additional Salary"). In the event the Manager executes a salary deferral agreement in accordance with the requirements of Section 457(b) of the Internal Revenue Code (the "Code") in at least the amount of the Additional Salary, the Additional Salary shall be paid as a salary deferral contribution ("Salary Deferral Contribution"). Under and pursuant to applicable Internal Revenue Service rules the Superintendent shall have the option to elect to receive the Additional Salary in cash rather than as a Salary Deferral Contribution. All such Salary Deferral Contributions contemplated herein shall be paid to a plan established by the City under Section 457(b) of the Code. Such plans shall include investments as allowed under Section 457(b) of the Code and the investments for the Manager's accounts shall be solely at their discretion. The Manager shall at all times be 100% vested in their account under the 457(b) plan. The Salary Deferral

Contributions contemplated herein shall be treated as salary deferrals under the Code and shall be reported as "creditable compensation" by the City for purposes of the Texas Municipal Retirement System (TMRS). No payments under this Section shall be made after the Manager's employment terminates.

- 3.8 EXPENSES.** The City shall pay or reimburse the Manager for reasonable expenses incurred by the Manager in the continuing performance of the Manager's duties under this Agreement in the same manner as other administrative employees. The City agrees to pay the actual and incidental costs incurred by the Manager for out-of-town travel. Such actual or incidental costs may include, but are not limited to, gasoline, hotels and accommodations, meals, rental car, and other expenses incurred in the performance of the business of the City. The Manager shall comply with all procedures and documentation requirements in accordance with Applicable Laws and Authorities.
- 3.9 VEHICLE ALLOWANCE.** Manager shall be paid a yearly automobile allowance (prorated monthly) in the amount of ten thousand dollars (\$10,000.00) per year for vehicle-related travel expenses within a 50-mile radius from Beaumont City Hall. Manager shall be responsible for paying for basic coverage for their vehicle, which shall consist of at least \$30,000 of coverage for injuries per person, up to a total of \$60,000 per accident, and \$25,000 of coverage for property damage (30/60/25 coverage). Manager will also be entitled to reimbursed vehicle-related travel expenses on a mileage basis if the Manager is required to drive their vehicle on City business, outside a fifty-mile radius from Beaumont City Hall. The mileage expense shall be calculated using the then current rate for a deduction for income tax purposes by the Internal Revenue Service.
- 3.10 BONDS.** The City shall bear the full cost of any fidelity or other bonds required of the Manager under any law or ordinance.
- 3.11 CIVIC ACTIVITIES.** The Manager is encouraged to participate in community and civic organizations and activities. The reasonable cost of such activities shall be borne by the City.
- 3.12 RELOCATION EXPENSES.** City shall reimburse the Manager reasonable out-of-pocket expenses related to relocating to Beaumont, including temporary housing, moving, storage, and other expenses up to a maximum total of ten thousand dollars (\$10,000.00). The reimbursement(s) shall be paid within thirty (30) days of Manager submitting receipts for actual expenses to the City.

IV. PROFESSIONAL GROWTH

- 4.1 PROFESSIONAL DUES & SUBSCRIPTIONS.** The City agrees to budget for and to pay for professional dues and subscriptions of the Manager necessary for the continuation and full participation in national, state, regional, and local associations and organizations as necessary and/or desirable for the good of the City through the Manager's continued professional development, growth, and advancement.
- 4.2 PROFESSIONAL DEVELOPMENT TRAVEL.** The City agrees to budget for and to

pay for travel and subsistence expenses of the Manager for board membership, professional and official travel and meetings to adequately continue the professional development of the Manager and to pursue necessary official functions for the City, which may include but are not limited to the International City/County Management Association (ICMA) Annual Conference, the Texas Municipal League (TML), the Texas City Management Association (TCMA), National Forum of Black Public Administrators (NFBPA) and such other national, regional, state and local governmental groups and committees in which the Manager is a member.

- 4.3 PROFESSIONAL CONTINUING EDUCATION.** The City also agrees to budget for and to pay for travel and subsistence expenses of Manager for short courses, institutes, and seminars that are necessary and/or desirable for the good of the City through the Manager's professional development.
- 4.4 TECHNOLOGY.** The Manager shall be provided (at City expense, for City purposes) the use of an appropriate desktop computer, laptop computer, cell phone (smartphone), or other necessary technology. Employee shall comply with the City's technology policy regarding personal use of city equipment. At the request of the Manager, in lieu of providing the Manager with a city-owned cell phone, the City will reimburse the Manager for the cost of Manager's cell phone and mobile service on a monthly basis not to exceed \$125 dollars per month for cell phone service.

V. PERFORMANCE EVALUATION

- 5.1. EVALUATION PROCESS.** The Council shall review the Manager's job performance at least once annually. The annual performance reviews and evaluations shall be in writing and in accordance with the criteria and format developed by the Council. Performance reviews shall address expectations and objectives established by the Council in consultation with the Manager. The Council shall provide the Manager a reasonable and adequate opportunity to discuss the criteria and format with the Council and/or respond to the Manager's evaluation.
- 5.2. MODIFICATION OF PROCESS.** If the Council determines that the evaluation instrument, format and/or procedure are to be modified by the Council, and such modifications would require new or different performance expectations, then the Manager shall be provided a reasonable period of time to demonstrate such expected performance before being evaluated.
- 5.3. REASSIGNMENT.** The Manager cannot be reassigned from the position of City Manager to another position without the Manager's prior express written consent.
- 5.4. CRITICISMS, COMPLAINTS & SUGGESTIONS.** The Council, individually and collectively, shall refer in a timely manner all substantive criticisms, complaints, and suggestions called to the Council's attention to the Manager for study and/or appropriate action, and the Manager shall refer the matter(s) to the appropriate City employee or shall investigate such matter(s) and promptly inform the Council of the results of such efforts.

VI. TERMINATION

6.1 TERMINATION EVENTS. This Agreement shall terminate upon any of the following:

- a. Mutual agreement of the Council and Manager in writing and signed by both parties;
- b. Termination of Manager's Employment for Good Cause (as defined in Section 6.2, below);
- c. Unilateral Severance (as defined and set forth in Section 6.2 below);
- d. Retirement or death of the Manager;
- e. Manager's written voluntary resignation; or
- f. Expiration of the term of this Agreement (upon one or both parties stating in writing their intention that it not be renewed, in accordance with Section 1.2).

6.2 DEFINITIONS.

- a. **Good Cause.** For purposes of this Agreement, the term "good cause" is defined as follows:
 1. **Class 1 Causes:** The terms and conditions of this section shall justify good cause if the Council has provided the Manager *with* written notification, a reasonable opportunity to remediate, and commitment to pay the value of all Current Obligations, Severance Amount, and Severance Benefits.
 - (a) Failure to fulfill the City Manager's Duties as required in this Agreement, City Charter, or City Code of Ordinances;
 - (b) Incompetence or inefficiency in the performance of the City Manager's Duties as documented by evaluations, supplemental memoranda, or other written communication from the Council; with Council being the entire board and not as individuals;
 - (c) Failure to comply with Applicable Laws and Authorities;
 - (d) Neglect of duties;
 - (e) Knowingly falsifying records or documents related to the City's activities; and/or
 - (f) Knowingly misrepresenting material facts to the Council or other City officials in the conduct of the City's business.
 - (g) Disability, not otherwise protected by law, that impairs performance of the required duties of the Manager;
 - (h) Engaging in a romantic or sexual relationship with a subordinate;
 - (i) Violation of the ICMA / TCMA Code of Ethics; and/or
 - (j) Any other reason constituting "good cause" under established Texas law.

2. **Class 2 Causes:** These terms and conditions shall justify good cause *with* written notification, but *without* the Council providing the Manager an opportunity to remediate, or payment of the Severance Amount or Severance Benefits.

(a) Conviction of a felony or crime involving moral turpitude;

(b) Indictment or conviction for having assaulted an employee or citizen of the City;

b. **Current Obligations.** Current Obligations means all accrued salary and benefits (compensatory time, vacation leave) under this Agreement payable or otherwise owing by City to Manager through and including the Termination Effective Date or Severance Effective Date.

c. **Severance Amount.** Severance Amount means the total amount of:

1. an amount equal to the value of the Manager's then-current yearly base salary, and

2. the value of any Current Obligations, computed on an hourly basis determined by dividing the Manager's then-current annual salary by 2080 hours.

d. **Severance Benefits** means continued health insurance benefits at the City's expense, pursuant to Section 3.5 of the Agreement, for the Severance Period unless, if sooner, the Manager obtains other full-time employment and coverage through a group health insurance plan from the Manager's new employer.

e. **Severance Period:** The initial Severance Period is twelve (12) months. After (2) years of the anniversary of this Agreement, the severance compensation shall reduce to (6) six months of base salary for the life of employment. Nothing in this provision shall constitute a term of employment.

6.3 TERMINATION FOR GOOD CAUSE.

a. **Alternative Discipline.** When contemplating Termination for Good Cause, the Council may first consider counseling, verbal reprimands, mandatory corrective training, and administrative leave with pay. These forms of progressive discipline are available as options for the Council, but are not mandatory.

b. **For Good Cause- Class 1.** As one of the termination events specified above in Section 6.1, the Council may end the employment relationship and terminate this Agreement, at the pleasure of the Council, for good cause, upon written notice to the Manager as specified below.

c. **Notice for Class 1.** If the Council determines that it desires Termination for Cause, it shall promptly provide written notice to the Manager of the effective date of such termination, which specifies:

1. a *majority* of the entire Council has voted to pursue a Termination for Cause,

2. the effective date of the Termination for Cause (“Termination Effective Date”); and
 3. the City’s commitment to pay the value of all Current Obligations, Severance Amount, and Severance Benefits.
- d. For Good Cause- Class 2.** As one of the termination events specified above in Section 6.1, the Council may end the employment relationship and terminate this Agreement, at the pleasure of the Council, for good cause, upon written notice to the Manager as specified below.
- e. Notice for Class 2.** If the Council determines that it desires Termination for Cause, it shall promptly provide written notice to the Manager of the effective date of such termination, which specifies:
1. a *majority* of the entire Council has voted to pursue a Termination for Cause,
 2. the effective date of the Termination for Cause (“Termination Effective Date”); and
 3. the City’s commitment to pay the value of all Current Obligations.

6.4 UNILATERAL SEVERANCE.

- a. Without Cause.** As one of the termination events specified above in Section 6.1, the Council may end the employment relationship and terminate this Agreement, at the pleasure of the Council, without good cause, upon written notice to the Manager as specified below, and payment to the Manager of the Severance Amount (as defined above), the Severance Benefits (as defined above) and the Current Obligations (the “Unilateral Severance”).
- b. Notice.** If the Council determines that it desires a Unilateral Severance it shall provide written notice to the Manager at least thirty (30) days in advance of the effective date of such termination, which specifies:
1. a *majority* of the entire Council has voted to pursue a Unilateral Severance,
 2. the effective date of the Unilateral Severance (“Severance Effective Date”), and
 3. the City’s commitment to pay the Severance Amount (including a specific line item breakdown of the items that constitute the total Severance Amount), the Severance Benefits and the Current Obligations.
- c. Waiver & Release.** Conditioned upon the City fulfilling its obligations to pay the Severance Amount, the Severance Benefits and the Current Obligations, upon a Unilateral Severance, the Manager waives and releases the Manager’s rights to continued employment with the City. Payment of the Severance Amount and Severance Benefits by the City to the Manager shall be the Manager’s sole remedy for termination. Manager agrees to accept the Severance Amount in full settlement of all claims, causes of action, damages, and rights that the Manager has or may have against the City, whether sounding in contract, tort, or statutory violation. At the point the City fulfills its obligations set out above in this section, this language shall then constitute a mutual release and waiver. In the event of a Unilateral Severance, the parties agree not to make disparaging comments

or statements about each other.

d. Removal after Six Months. In accordance with Article V, Section 2 of the Charter, notification from Council to Manager of an intention to remove Manager after Manager has served for six (6) months, Manager may demand notification of written charges and the right to be heard a public meeting of the Council prior to the date on which Manager's final removal is scheduled to take effect. Pending such hearing, the Council may suspend Manager from office.

6.5 RESIGNATION. Manager may end the employment relationship and terminate this Agreement, at the pleasure of the Manager, whether with or without good cause, upon thirty (30) days' written notice to the Council. The Council may waive the notice required by this section. This form of separation does not entitle the Manager to Severance Pay or Severance Benefits. Upon the Manager's resignation, the City will pay the value of all Current Obligations any accrued but unused vacation leave and compensatory time, computed on an hourly basis determined by dividing the Manager's then-current annual salary by 2080 hours, within sixty (60) days of the Resignation Effective Date. There shall be no limitations on the City making all deductions and withholdings required by law. This provision does not address a resignation made as part of a mutually agreed written separation agreement, which may involve compensatory elements.

6.6 OTHER SEPARATION. If this Agreement terminates due to Retirement or Death of the Manager, or expiration of the term of this Agreement due to the Manager having provided notice to the Council of an intent not to renew this Agreement pursuant to Section 1.2, the City will pay the value of all Current Obligations within sixty (60) days of the Retirement Effective Date or having received written notification of the Manager having passed away. There shall be no limitations on the City making all deductions and withholdings required by law. This form of separation does not entitle the Manager to Severance Pay or Severance Benefits.

VII. GENERAL PROVISIONS

7.1 COMPLETE AGREEMENT. This Agreement sets forth and establishes the entire understanding between the City and the Manager relating to the employment of the Manager by the City. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this Agreement. The parties by mutual written signed agreement may amend any provision of this Agreement during the term of this Agreement; such amendments shall be incorporated and made a part of this Agreement.

7.2 BINDING EFFECT. This Agreement shall be binding on the City and the Manager as well as their heirs, assigns, executors, personal representatives and successors in interest.

7.3 SAVINGS CLAUSE. If any term or provision of this Agreement, as applied to any party or to any circumstance, is declared by a court of competent jurisdiction hereof to be illegal, unenforceable or void in any situation and in any jurisdiction, such determination shall not

affect the validity or enforceability of the remaining terms and provisions hereof or the validity or enforceability of the offending provision in any other situation or in any other jurisdiction. The parties agree that the court or arbitrator making such determination shall have the power to reduce the scope, duration, area or applicability of the term or provision, to delete specific words or phrases or to replace any illegal, unenforceable or void term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision.

7.4 CONFLICTS. The Parties agree that this Agreement has been mutually prepared. In the event of any conflict between the terms, conditions and provisions of this Agreement and the Applicable Laws and Authorities, then, unless otherwise prohibited by law, the terms of this Agreement shall take precedence over the contrary provisions of the Applicable Laws and Authorities during the term of this Agreement.

7.5 CONTROLLING LAW. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Texas, and shall be performable in *Jefferson County*, Texas, unless otherwise provided by law.

7.6 NOTICE. Notice given pursuant to this Agreement shall be given by depositing in the custody of the U.S. Postal Service, postage prepaid, addressed as follows:

a. **City of Beaumont** , P.O. Box 3827, Beaumont, TX, 77704.

b. **Kenneth Williams**, 1287 Heep Run, Buda, TX, 78610.

Notice shall be deemed to have been given as of the date of postmark in the course of transmission in the U.S. Postal Service.

7.7 ASSIGNMENT. Neither party may assign its rights, duties, or obligations under this Agreement to any person or entity, in whole or in part, and any attempt to do so shall be void and deemed a material breach of this Agreement.

7.8 HEADINGS & CAPTIONS. Headings and captions used in this Agreement are provided for convenience only and shall not be used to construe or interpret meaning or intent.

7.9 WAIVER OF RIGHTS OR REMEDIES. No waiver of any provision hereof or of any right or remedy hereunder shall be effective unless in writing and signed by the party against whom such waiver is sought to be enforced. No delay in exercising, no course in dealing with respect to, or no partial exercise of any right or remedy hereunder shall constitute a waiver of any other right or remedy, or future exercise thereof.

7.10 NONWAIVER OF IMMUNITY. Nothing contained in this Agreement shall be construed as a waiver of governmental, official, sovereign, qualified or other immunities or defense held by the City or the Manager. Nothing herein shall be construed as creating a right or interest in any third party.

7.11 EFFECTIVE DATE. This Agreement shall become effective on the date it is finally signed by the Parties, with the official start date of Manager' employment being as stated in Section 1.1.

The duly authorized parties having mutually agreed to the terms stated herein, this Agreement was executed as evidenced by the affixing of signatures below.

CITY OF BEAUMONT , TEXAS:

by: _____
Robin Mouton, Mayor

Executed this, the ____ day of August 2022.

ATTEST:

by: _____
Tina Broussard, TRMC, City Clerk

MANAGER:

by: _____
Kenneth Williams

Executed this, the ____ day of August 2022.

ATTEST:

by: _____
Notary Public