

**CITY OF CHARLOTTE
CITY MANAGER
EMPLOYMENT AGREEMENT**

This employment agreement is made and entered into this 25th day of February, 2013, by and between the City of Charlotte ("City") and Ron Carlee ("City Manager").

WHEREAS, the Mayor and City Council of the City have appointed Carlee to the Office of City Manager to serve at the pleasure of the Mayor and Council; and

WHEREAS, this agreement serves to memorialize the terms and conditions of Carlee's employment with the City.

NOW THEREFORE, the parties agree as follows:

1. Term. The official date of Carlee's appointment to the Office of City Manager is April 1, 2013. The term of this employment agreement shall begin on April 1, 2013 and expire on March 31, 2016. Notwithstanding the term of this agreement, Carlee shall be an employee at will whose employment may be terminated at any time, with or without cause, subject to the provisions of Section 8.
2. Compensation. During the term of this agreement, Carlee's annual compensation shall consist of:
 - a. Base Salary - \$245,000.00
 - b. Deferred 401(k) compensation - \$7,350.00
 - c. Deferred 401(a) compensation - \$37,650.00
3. Leave.
 - a. Vacation – At the beginning of year one of his employment, Carlee will be credited with 15 days of vacation leave. Beginning with the second year of his employment, Carlee will accrue vacation leave at the rate of 4 weeks per year.
 - b. Sick – At the beginning of his employment, Carlee will be credited with 12 days of sick leave. Carlee will also accrue sick leave at the rate of 12 days per year.
4. Relocation.
 - a. Pursuant to City Human Resources Standards and Guidelines, Carlee shall establish permanent residence in the City within six months of date of hire (i.e., on or before November 1, 2013) and maintain residence in the City throughout his tenure of employment.

b. Relocation expenses are approved pursuant to the Human Resources Standard Operating Procedure for Relocation Assistance for Assistant Department Directors and above, to include:

- Transportation of household goods up to agreed upon limits.
- Two pre-move visits to Charlotte to locate housing.
- Reimbursement of storage fees up to 90 days, approved in 30 day increments.
- Temporary housing for up to 90 days, approved in 30 day increments.
- Lump sum payment of up to \$750 for incurred incidental moving expenses.
- Assistance in the sale of primary home.

Reimbursement or payment for the above referenced costs will not exceed \$24,000 (40% of \$60,000). In addition to the reimbursement for these costs, the City will pay 100% of costs incurred towards the sale of the primary home, not to exceed \$36,000 (60% of \$60,000).

c. Carlee shall reimburse the City for expenses related to relocation should he voluntarily terminate his employment according to the following schedule:

Time Frame	Reimbursement Schedule
1 st day to 12 months	100%
12 months to 18 months	80%
18 months to 24 months	60%
24 months to 30 months	40%
30 months to 36 months	20%
After 36 months	0%

5. Vehicle. The City will provide Carlee with a late model, full-size City pool vehicle for Carlee's business and incidental personal use, comparable to vehicles provided to certain other senior executives. The City will be responsible for paying for liability, property damage, and comprehensive insurance, and for the purchase (or lease), operation, maintenance, and repair of the vehicle.
6. Other Benefits. Carlee shall be entitled to other City employee benefits on the same terms offered to other City employees. These currently include major medical insurance, including preventive care; dental insurance; life insurance (both group term and voluntary supplemental); voluntary vision; and voluntary long-term care.
7. General Business Expenses. The City agrees to pay for professional dues and subscriptions, travel and subsistence expenses of Carlee necessary for full participation in national, regional, state and local associations and organizations necessary for Carlee's continued professional growth and advancement, and for the good of the City.

8. Severance. The City may end the employment relationship and terminate this agreement at any time, with or without good cause, upon written notice to Carlee. Should the City terminate Carlee's employment without good cause during the first thirty months of this agreement, Carlee shall be entitled to a lump sum severance payment equal to one-half his annual base salary (*i.e.*, \$122,500.00). Should the City terminate Carlee's employment without good cause during the final six months of this agreement, Carlee shall be entitled to a lump sum severance payment equal to the base salary that he would have received from the date of termination through the end of the term of this agreement had his employment not been terminated.
9. Good Cause. For purposes of this Agreement, the term "good cause" is defined as follows:
- a. 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; provided, however, the terms and conditions of this paragraph shall not justify good cause unless the Council has provided Carlee a reasonable opportunity to remediate any incompetency or inefficiency;
 - b. Insubordination or failure to comply with lawful written Council directives;
 - c. Failure to comply with applicable laws and authorities;
 - d. Neglect of duties;
 - e. Drunkenness or excessive use of alcoholic beverages;
 - f. Illegal use of drugs, hallucinogens, or other controlled substances;
 - g. Conviction of a felony;
 - h. Conviction of a crime involving moral turpitude;
 - i. Immorality, which is conduct that is not in conformity with the accepted moral standards of the community encompassed by the City. Immorality is not confined to sexual matters, but includes conduct inconsistent with rectitude or indicative of corruption, indecency, or depravity;
 - j. Assault on an employee or citizen of the City;
 - k. Knowingly falsifying records or documents related to the City's activities;
 - l. Conscious misrepresentation or material facts to the Council or other City officials in the conduct of the City's business; or,
 - m. Any other reason constituting "good cause" under North Carolina law.
10. Consistent with City policy, this agreement is contingent upon Carlee's successful completion of a pre-employment drug test.

Approved and agreed to:



Ron Carlee



City of Charlotte
Mayor Anthony Foxx