

**CONTRACT BETWEEN THE
CITY OF SUGAR LAND
AND MICHAEL W. GOODRUM**

This Contract is made between the **CITY OF SUGAR LAND, TEXAS**, and **MICHAEL W. GOODRUM**. In consideration of the mutual promises of each, the City of Sugar Land and Mr. Goodrum agree as follows:

1. Definitions. In this Contract:

City means the City of Sugar Land, Texas.

City Manager means the City Manager of the City.

Council means the City Council of the City.

Goodrum means Michael W. Goodrum.

- 2. Employment as City Manager.** The Council employs Goodrum as City Manager to perform all the duties of the City Manager as provided for in the City's Charter, the Code of Ordinances, the City's written policies, and as the Council directs, unless the direction is opposed to the forgoing. Except as otherwise provided for by the Charter or this Contract, Goodrum will be subject to and follow all the personnel policies of the City that are applicable to other full-time employees.
- 3. Outside Employment.** Goodrum acknowledges, for and during the term of this Contract, that Goodrum will devote his full time and effort to the performance of the duties required hereunder and will not undertake, nor accept, any outside or other employment which would limit Goodrum's performance of his duties hereunder, or his availability for performance of his duties hereunder, without the prior approval of Council.
- 4. Term of Agreement.** The Initial Term of this Contract begins on a mutually agreeable date, but no later than January 31, 2020 and terminates on September 30, 2020 unless earlier terminated. This Contract will automatically renew thereafter for consecutive one-year terms.
- 5. Compensation and Benefits.**
- (a) **Salary.** The City will pay Goodrum a salary in the amount of \$305,000 per year and a car allowance in the amount of \$13,000 per year, with the Initial Term prorated. The salary and car allowance will be paid to Goodrum in installments that coincide in time with the salary payments made to other City employees. In addition, Council agrees to review the base salary and/or other compensation as a part of the annual performance evaluation process and at any other time the Council deems appropriate. It is understood that this review normally takes place in accordance with Section 9 of this Contract.
- (b) **Benefits.** The City will provide Goodrum with all the benefits provided to other full-time City employees under the regulations, policies, and benefit plans adopted by the City, in addition to any other benefits as determined from time-to-time by the Council. Provided, however,

that Goodrum will begin his employment with a bank of 80.00 hours of vacation leave and 80.00 hours of sick leave. Additionally, Goodrum will receive credit for his prior years of public service in the amount of 18 years to establish Goodrum's accrual rate for vacation and sick leave under the City's personnel policies.

(c) Recognizing that the City Manager may be required to work on behalf of the City outside of regular City business hours, Goodrum may from time-to-time take paid leave during the City's normal business hours as Goodrum determines appropriate or necessary and without making use of Goodrum's accrued vacation time, so long as the duties of the City Manager are adequately performed.

6. Residency. The City Manager must continuously remain a permanent resident of the City during his tenure as the City Manager. Such residency must be established within three months from the start of the Initial Term of this Contract.

7. Relocation Payment.

(a) The City will pay directly for the expenses of moving Goodrum and his family and personal property from Coral Springs, Florida to Sugar Land, Texas. Said moving expenses include packing, moving, storage costs, unpacking, and insurance charges. Goodrum will provide evidence of such moving expenses by securing quotations from three companies. Goodrum will submit these quotes to the City who, in consultation with Goodrum, will select the moving company.

(b) In addition, the City will provide a reimbursement of up to \$20,000 to Goodrum to assist with:

- (1) Airfare, transportation, lodging and meal expenses in connection with house hunting and relocation to the City; and
- (2) Costs incidental to buying or building a primary residence within the corporate limits of the City, including real estate fees, title insurance, and other costs directly associated with the purchase or construction of the house.

The City will reimburse Goodrum for all such documented expenses within 30 days of the City's receipt of such documented expenses.

(c) If Goodrum voluntarily resigns or is terminated for cause, Goodrum agrees to repay the relocation payment to the City in accordance with the following schedule:

Length of Service	Reimbursement Rate
Less than 1 year	75%
From 1 to 2 years	50%
After 2 years of service	0%

- (d) Goodrum agrees and consents to the City deducting any relocation payment reimbursement required under this section from any final pay due to Goodrum at the time of resignation or termination.

8. Deferred Compensation, Retirement.

- (a) In addition to the compensation described above, the City agrees to contribute the maximum allowable amount, currently \$19,000, as deferred compensation into a 457 deferred compensation plan for the City Manager. Goodrum may elect to take in cash, in whole or in part, the foregoing in Goodrum's sole and absolute discretion but subject nonetheless to applicable Internal Revenue Code provisions.
- (b) The City will allow Goodrum to participate in the Texas Municipal Retirement System in the same manner as that provided generally to other employees of the City. City agrees to pay Goodrum's contribution to said plan on Goodrum's behalf. This contribution is in addition to the annual salary in Section 5.

9. Performance Evaluation.

- (a) The Council will review and evaluate the performance of Goodrum at least annually within three months of the end of the City's fiscal year. The review and evaluation will be in accordance with specific criteria developed jointly by the Council and Goodrum. The criteria may be added to or deleted from as the Council may from time to time determine, in consultation with Goodrum.
- (b) Annually, the Council and Goodrum will define the goals and performance objectives which they determine necessary for the proper operation of the City; and in the attainment of the Council's policy objectives and will further establish a relative priority among those various goals and objectives, the goals and objectives to be reduced to writing by Goodrum and presented to the Council within a reasonable time after their establishment. They will generally be attainable within the time limitations as specified and within the annual operating and capital budgets and appropriations provided.

10. Termination or Suspension of Employment.

- (a) Goodrum may terminate his employment as City Manager at any time during the term of this Contract by giving written notice to the City's mayor at least 60 days prior to the termination date. Upon such termination of employment by the City Manager with notice, all deferred compensation retirement contributions made in his behalf will remain the benefit of Goodrum. Further, Goodrum will be entitled to a lump-sum settlement on any unpaid compensation and any unused leave benefits, in compliance with prevailing City policy.
- (b) As provided for in section 4.01 of the City's Charter, Goodrum will serve as City Manager at the pleasure of the Council and the Council may terminate Goodrum's employment as City Manager at any time with or without cause. The Council's termination of Goodrum's employment as City Manager is final and may not be appealed.

- (c) The Council may suspend Goodrum from performing the duties of City Manager at any time, with pay, pending the completion of an inquiry into the performance of the City Manager.

11. Termination and Separation Pay.

- (a) Termination without Cause. The Council may terminate this Contract prior to the expiration of the term at any time, without cause, upon 60 day's prior written notice to Goodrum. In the event of termination by the Council without cause, Goodrum will be entitled to receive a separation payment. Except as provided in paragraph (b), the City will pay Goodrum a separation payment within 30 days of the date the Council terminates Goodrum's employment as City Manager if, at the time of termination, Goodrum is willing and able to perform all the duties of the City Manager. Except as provided in paragraph (b), the Council will be considered to have terminated Goodrum's employment as City Manager without cause if:

- (1) a majority of the Council members vote at a Council meeting to terminate Goodrum's employment as City Manager;
- (2) the Council reduces the salary or other benefits of Goodrum in a greater percentage than across-the-board reductions applicable to all city employees; or
- (3) Goodrum resigns within 60 days following the date of a public directive by a majority of the members of the Council at a Council meeting that Goodrum resign.

Goodrum agrees to accept as his sole and exclusive severance remedy, a separation payment in an amount equal to ~~six month's salary if Goodrum is terminated within the first year of this Contract, for each successive year of this Contract, the separation payment will increase by one month of salary, to a maximum of twelve month's salary. Additionally, upon such termination of employment by the City without cause, all deferred compensation retirement contributions made on his behalf remain the benefit of Goodrum. Further, Goodrum will be entitled to a lump-sum settlement on any unpaid compensation and unused leave benefits, subject to prevailing City policy. Any separation payment is subject to deductions for federal taxes, TMRS contributions and relocation reimbursements as permitted under this Contract.~~

- (b) Termination for Cause. The Council may terminate Goodrum's employment at any time, for cause, as set forth herein. In the event of termination for cause, Goodrum will be entitled to all compensation earned through the date of termination. Goodrum will not be entitled to severance pay or any other compensation. For the purposes of this Contract "cause" means and includes, but is not limited to, any of the following:

- (1) Conviction, including probation or deferred adjudication, deferred disposition of a felony, crime involving moral turpitude, or fraud upon the City or any person, or entity with which the City does business;
- (2) Knowing or negligent violation of any rule or law, the City's Charter, the Code of Ordinances, or the City's written policies which causes substantial harm to the City;

Pursuant to SB 2237 and effective 9/1/2025, this provision is deleted.

(3) Knowingly falsifying any records or documents kept or maintained for the benefit of the City; or

(4) Any breach of this Contract or any willful, knowing, or grossly negligent failure to perform any duty or obligation required to be performed by Goodrum under this Contract which causes substantial harm to the City.

12. Ethical Commitment. Goodrum will, at all times, uphold the tenants of the ICMA Code of Ethics and the City's Employee Code of Ethics. Specifically, Goodrum will not endorse candidates, make financial contributions, sign or circulate petitions, or participate in fundraising activities for individuals seeking or holding elected office, nor seek or accept any personal enrichment or profit derived from confidential information or misuse of public time. Goodrum agrees to handle all matters of personnel on a basis of fairness, impartiality, and merit.

13. Dues and Subscriptions. The City agrees to budget and to pay the professional dues and subscriptions of Goodrum necessary for his continuation and full participation in organizations necessary and desirable for his continued professional participation, growth and advancement and for the good of the City, specifically but not limited to the International City Management Associations and the Texas City Management Association.

14. Assignment. Goodrum may not assign this Contract to any other person or entity.

15. Law Governing and Venue. The laws of the State of Texas govern this Contract and a state lawsuit may not be prosecuted on this Contract except in a court of competent jurisdiction located in Fort Bend County, Texas. To the extent permitted by law, the parties to this Contract waive all right to a jury trial to contest disputes arising under this Contract.

16. Notices. Notice pursuant to this Contract must be given in writing and delivered by personal service or deposited in the custody of the United States Postal Service, postage prepaid, and addressed as follows:

CITY: City of Sugar Land
2700 Town Center Blvd., North
Sugar Land, Texas 77479
ATTN: Mayor

CITY MANAGER: Michael W. Goodrum

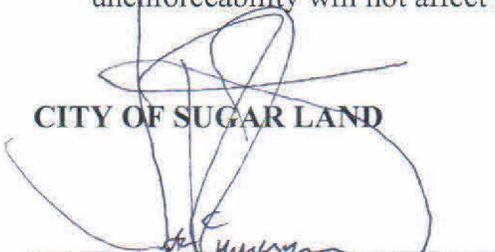

Sugar Land, Texas 7747__

Notice will be deemed given as of the date of personal service or as the date of deposit of such written notice with the United States Postal Service.

17. **Entire Agreement.** This Contract represents the entire agreement between the City and Goodrum and supersedes all prior negotiations, representations, or contracts, either written or oral. This Contract may be amended only by written instrument signed by both parties.

18. **Severability.** In the event any one or more provisions contained in this Contract, is for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability will not affect the other provisions to this Contract.

CITY OF SUGAR LAND



Joe R. Zimmerman, Mayor

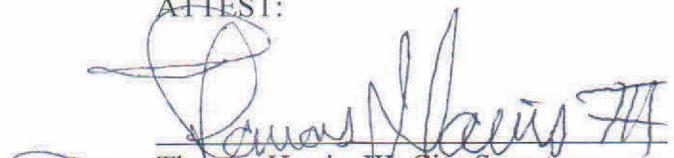
Date: 11/6/2019

MICHAEL W. GOODRUM

By: 

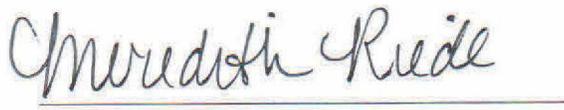
Date: 11/6/19

ATTEST:



Thomas Harris, III, City Secretary

APPROVED AS TO FORM:



Meredith Riede, City Attorney