



EMPLOYMENT AGREEMENT CITY MANAGER

This Agreement, entered into this seventeenth day of April 2025, is between the City of Palm Bay, Florida (hereinafter "City") and Matthew Thomas Morton (hereinafter "City Manager").

IN CONSIDERATION of the mutual covenants below, sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I: PARTIES, TERM AND DUTIES

Section 1.01: Appointment of the City Manager

Pursuant to Section 4.011 of the City Charter of the City of Palm Bay, City, acting through its City Council, appoints Matthew Thomas Morton as its City Manager.

Section 1.02: Term

This agreement is effective May 1, 2025, and will remain in full force and effect through November 1, 2027, except as terminated by the City or City Manager as provided in Article IV of this Agreement. City and City Manager may extend the term of this Agreement by mutual consent in writing.

Section 1.03: Duties and Authority

A. City agrees to employ City Manager as City Manager to perform the functions and duties specified in Section 4.015 of the City of Palm Bay charter and ordinances and to perform other legally permissible and proper duties and functions as assigned by City, subject to any limitations set forth in this Section. City Manager shall not be required to accept City's assignment of any duties outside of the scope of those customarily performed by persons holding the role of City Manager in the absence of City Manager's express written consent to such assignment. City may not reassign City Manager to another position in the absence of City Manager's express written consent to such assignment. City shall not unreasonably interfere with City Manager's performance of such duties.

B. City Manager shall be the chief executive officer of the City and faithfully perform City Manager's lawfully prescribed and assigned duties with reasonable care, diligence, skill, and expertise in compliance with all applicable, lawful governing body directives; state, local, and federal laws; and City policies, rules, and ordinances as they exist or may be amended.

C. Except as otherwise provided by the City's charter, applicable law, regulation, or collective bargaining agreement, City Manager shall have the ultimate responsibility for the supervision and direction of all departments, agencies and offices of the city including the responsibility to hire, direct, assign, reassign, evaluate, change the terms and conditions of employment, and terminate the employment of City of Palm Bay employees consistent with any applicable collective bargaining agreement, administrative policies, ordinances and charter

provisions of the City, which authority may be delegated by City Manager to such other employees as City Manager deems appropriate.

D. Except as otherwise may be provided by the City's charter, applicable law, regulation, or collective bargaining agreement, City Manager shall have the authority to establish internal regulations, rules, and procedures which the City Manager deems necessary for the efficient and effective operation of the City.

E. City Manager shall attend all Council meetings unless excused by City Council, and then he shall have a designated replacement.

F. City agrees to promptly communicate and provide City Manager a reasonable opportunity to cure all substantive criticisms, complaints, and suggestions with respect to City Manager's performance of services pursuant to this Agreement.

G. Except as may otherwise be provided by the City's charter, applicable law, regulation, or this Agreement, City Manager shall carry out City's lawful policy directives, goals, and objectives, as communicated to City Manager by City Council, while presenting information and recommendations that allow for fully informed policy decisions that both address immediate needs and anticipate future conditions.

Section 1.04: Ethical Commitments

The City expects the City Manager to adhere to the highest professional standards. The City Manager's actions will always comply with those standards. The City Manager agrees to follow the Code of Ethics of the International City/County Management Association (ICMA) and the ethics rules, regulations, and laws of the State of Florida. The ICMA Code of Ethics can be found on the ICMA website, icma.org. Consistent with the standards outlined in the Code, the City Manager shall 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. City shall support City Manager in keeping these commitments by refraining from any order, direction or request that would require City Manager to violate the ICMA Code of Ethics. Neither the City Council nor any individual member thereof shall request City Manager to endorse any candidate, make any financial contribution, sign or circulate any petition, or participate in any fundraising activity for individuals seeking or holding elected office, nor to handle any matter of personnel on a basis other than fairness, impartiality, and merit.

ARTICLE II: COMPENSATION AND BENEFITS

Section 2.01: Compensation

A. Base Salary: City agrees to pay City Manager an annual base salary of two hundred forty thousand dollars (\$240,000) payable in installments at the same time that the other employees of the City are paid. City Manager shall receive a fiscal-year salary increase to his annual base salary at the same time that the City provides pay increases for Group 1 employees. City Manager's annual base salary shall be increased by the amount awarded to Group 1 employees.

B. Concurrent with each performance review, City may consider, in its discretion, increasing the base salary of City Manager. Base salary increases must be memorialized in writing as amendments to this Agreement.

C. During the term of the Agreement, City may not reduce City Manager's salary set forth in Section 2.01.A. above, except as may be reduced to other Group 1 employees or by mutual written agreement between City Manager and City. Such reductions, if any, shall be made only pursuant to a lawful governing body action.

Section 2.02: Health, Disability, and Life Insurance

A. City Manager may select and City agrees to provide and to pay the total premiums for comprehensive medical, dental and term life insurance for City Manager and his family equal to that which is provided to Group 1 employees.

B. The City agrees to provide City Manager with coverage under its standard disability insurance policy.

C. Except as otherwise provided in this Agreement, the City Manager shall be considered a Group 1 employee for the purpose of determining entitlement to employment benefits.

Section 2.03: Vacation, Sick, and Military Leave

City Manager shall accrue sick, annual, holiday, administrative, and military leave under the same conditions as Group 1 employees. Consistent with other Group 1 employees, City Manager will receive a lump sum administrative leave prorated to his start date.

Section 2.04: Automobile

City will provide City Manager with an automobile allowance to the same extent and subject to the same terms and conditions provided to Group 1 employees. The City Manager shall be responsible for paying for liability, property damage, and comprehensive insurance coverage upon such vehicle and shall further be responsible for all expense's attendant to the purchase, operation, maintenance, repair, and regular replacement of said vehicle.

Section 2.05: Retirement

City agrees to pay, on City Manager's behalf, the same percentage of City Manager's salary as is paid by the City on behalf of Group 1 employees into the 401(a) Executive Retirement Plan each pay period. The City agrees to execute all necessary agreements required for the City Manager's participation in the 401(a) Executive Retirement Plan. The City further agrees to transfer CITY MANAGER's 401(a) Executive Retirement Plan account to succeeding employers of City Manager or a qualified plan manager. City Manager is solely responsible for selecting and monitoring investments and all other participant obligations as provided in the 401(a) and 457 plans.

Section 2.06: Deferred Compensation

City agrees to pay, on City Manager's behalf, seven percent (7%) per year into the International City and County Management Association - Retirement Corporation (ICMA-RC) 457 Deferred Compensation Plan. City agrees to authorize all necessary arrangements required by the ICMA-RC for City Manager's continued participation in the 457 Deferred Compensation Plan. CITY further agrees to transfer ownership to City Manager the Plan account funds upon City Manager's resignation or termination.

Section 2.07: Executive Expense Allowance

City Manager shall receive an Executive Expense Allowance of two hundred fifty dollars (\$250.00) paid monthly through payroll. The allowance is a discretionary expenditure fund, and the City Manager is not required to account for expenditures from the allowance.

Section 2.08: General Business Expenses

A. City agrees to budget and pay for professional dues, including but not limited to ICMA, and subscriptions of the City Manager necessary for continuation and full participation in national, regional, state, and local associations, and organizations necessary and desirable for the City Manager's continued professional participation, growth, and advancement, and for the good of the City.

B. City agrees to pay reasonable and customary travel and subsistence expenses for the City Manager's travel and attendance at the annual conferences for both the International City/County Management Association and Florida City and County Management Association. The City shall pay for City Manager's attendance at other seminars, conferences, and committee meetings as are approved in the City's annual budget or as authorized by the City Council.

C. City shall not require City Manager to use vacation leave when participating in professional development activities.

D. City Manager shall be provided, for business use, a laptop computer, software, mobile phone, and/or tablet computer required for the City Manager to perform his duties and to maintain communication with City's staff and officials, as well as with other individuals doing business with City. Upon termination of City Manager's employment, the equipment described herein shall remain the property of the City and at the discretion of the City any mobile phone number may be transferred to the City Manager.

Section 2.09: Moving and Relocation Expenses

A. City Manager agrees to establish a residence within the city limits of the City of Palm Bay within six months of employment, and in accordance with section 4.01 of the City Charter of the City of Pam Bay, shall reside within the City during his tenure.

B. City shall provide a one-time reimbursement to City Manager, in an amount not to exceed ten thousand dollars (\$10,000), for the expenses of moving City Manager and his spouse and their personal property from their current primary residence to their residence within the City of Palm Bay city limits. Said moving expenses include packing, moving, storage costs, unpacking, and insurance charges. The City Manager shall provide receipts of actual moving expenses.

ARTICLE III: GENERAL WORK CONDITIONS

Section 3.01: Performance Evaluation

A. City shall initially review the performance of City Manager in November 2025. City shall review the performance of the City Manager in April 2026 and each April thereafter. City and City Manager recognize that performance reviews are conducted in open and public sessions of the governing body and that the written performance reviews are public records.

B. In the event the City deems the evaluation instrument, format, or procedure is to be modified by the City and such modifications would require new or different performance expectations, then the City Manager shall be provided a reasonable period of time to demonstrate such expected performance before being evaluated.

Section 3.02: Hours of Work

It is recognized that the City Manager must devote significant time outside the normal office hours on business for the City, and to that end City intends that reasonable time off be permitted to City 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 and the City Manager complies with the City Charter of the City of Palm Bay concerning any temporary absences.

Section 3.03: Outside Activities

The employment provided for by this Agreement shall be the City Manager's primary employment. Recognizing that certain outside consulting or teaching opportunities provide indirect benefits to the City and the community, the City Manager may elect to accept limited teaching, consulting or other business opportunities with the understanding that such arrangements must neither constitute interference with nor a conflict of interest with their responsibilities under this Agreement.

ARTICLE IV: EMPLOYMENT SEPARATION

Section 4.01: Resignation

City Manager may terminate this Agreement by providing a minimum of 30 days' advanced written notice of City Manager's voluntary resignation subject to any applicable requirements set forth by state or local law.

Section 4.02: Termination

A. Nothing in this Agreement shall prevent, limit or otherwise interfere with the absolute right of the City to terminate the services of City Manager at any time, with or without cause, in accordance with Section 4.012 of the City Charter of the City of Palm Bay.

B. For the purpose of this Agreement, termination shall occur when:

1) The majority of the City Council votes to terminate the City Manager in accordance with applicable law at a properly noticed and duly authorized public City Council meeting.

2) If the City, citizens or legislature acts to amend any provisions of the City charter or other applicable law pertaining to the role, powers, duties, authority, or responsibilities of the City Manager's position that substantially changes the form of government, the City Manager shall have the right to declare that such amendments constitute termination.

3) If the City reduces the base salary, compensation or any other financial benefit of the City Manager, unless it is applied in no greater percentage than the average reduction of all other Group 1 employees, such action shall constitute a breach of this Agreement and will be regarded as a termination.

4) A breach of contract, declared by either party, is not cured within 30 days of written notice describing the conduct that constitutes a breach. Written notice of a breach of contract shall be provided in accordance with the provisions of Section 6.03 of this Agreement.

C. City Manager's refusal to comply with a directive that violates the law or the ICMA Code of Ethics shall not serve as cause for termination.

Section 4.03: Severance

Severance shall be paid to the City Manager when employment is terminated as defined in Section 4.02 of the Agreement.

A. If the City Manager is terminated, the City shall provide a minimum severance payment equal to ten (10) weeks salary. This severance shall be paid in a lump sum or in a continuation of salary on the existing biweekly basis, at the City Manager's option. However, pursuant to Section 215.425(4)(a)2., Florida Statutes the payment of severance shall be prohibited if City Manager is fired by City for misconduct, as defined in section 443.036(29), Florida Statutes.

B. Accrued sick, annual, and administrative leave shall be paid at the time of termination.

C. If the City Manager is terminated because of a felony conviction, then the City is not obligated to pay severance under this Section.

D. In the event the City Manager is terminated by the City during the three months immediately following the seating and swearing-in of two or more new council members, and during such time that City Manager is willing and able to perform his duties under this Agreement, then, City agrees to pay severance equal to the twenty (20) week maximum provided by Florida law.

ARTICLE V: INDEMNIFICATION

Section 5.01: Indemnification

The City will defend, save harmless, and indemnify the City Manager from and against any costs, fines, judgments, fees, expenses, damages, suits, claims, demands, actions, or awards, incurred in connection with any cause of action arising out of an alleged act or omission occurring in the course and scope of City Manager's duties or function as City Manager, consistent with the

provisions of section 34.13, Code of Ordinances, and sections 111.07 and 111.071, Florida Statutes (2024) shall apply to any legal action brought against City Manager. The City (and/or its insurer) are authorized to compromise and settle any qualifying claim on behalf of the City Manager without any contribution from the City Manager. The City may defend the City Manager by using in house counsel or retaining outside counsel, at City's option, to represent the City Manager in connection with any such suit, claim, complaint, mediation, arbitration, or similar actions. This Section survives the termination of this Agreement.

ARTICLE VI: GENERAL COVENANTS

Section 6.01: General Provisions

A. Upon City Manager's death, the City's obligations under the Agreement shall terminate, except for:

- 1) Transfer of balances in City Manager's ICMA 457 Deferred Compensation Plan and 401(a) Executive Retirement Plan to his designated beneficiaries;
- 2) Payment of accrued leave balances in accordance with this Agreement;
- 3) Payment of all outstanding hospitalization, medical and dental bills, in accordance with City's insurance policies or plans;
- 4) Payment of all life insurance and disability benefits;
- 5) Any other benefits provided to Group 1 employees in the event of death; and
- 6) Indemnification in accordance with Section V, *supra*, in addition to any other protections that may be afforded city employees in accordance with the Palm Bay Code of Ordinances or Florida Statutes, as may be applicable at the time of death.

B. City and City Manager each waive the privilege of jurisdiction and venue and agree that any litigation involving this Agreement shall take place in the appropriate state court, in and for Brevard County, Florida.

C. This Agreement shall be construed and governed by the laws of Florida.

D. This Agreement shall supersede all provisions of City resolutions in conflict with this Agreement, to the extent of such conflict.

Section 6.02: Other Terms and Conditions of Employment

The City, only upon agreement with City Manager, shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of the City Manager, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, the City charter, local ordinances or any other law.

A. Integration. This Agreement sets forth and establishes the entire understanding between the City and the City Manager relating to the employment of the City Manager by the

City. Any prior discussions or representations by or between the City and City Manager are merged into and rendered null and void by this Agreement. This Agreement may be amended only by an express written agreement signed by the City and City Manager. Such amendments must be incorporated and made a part of this Agreement.

B. Successors in Interest. The provisions of this contract will be binding upon and will inure to the benefit of the parties, and their respective successors and approved assigns, if any.

C. Severability. In the event that any provision of this Agreement should be found invalid, unlawful or unenforceable by reason of any existing or subsequently enacted legislation or judicial decision, all other provisions of this Agreement shall remain in full force and effect.

Section 6.03: Notices

All notices and requests pursuant to this Agreement must be sent as follows:

CITY:

City of Palm Bay
Attn: City Attorney
120 Malabar Road
Palm Bay, Florida 32907

CITY MANAGER:

Matthew Thomas Morton
At the address on record with the City of Palm Bay Human Resources Department

Notice must be deemed given as of the date of personal service, Federal Express, certified mail or as the date of deposit of such written notice in the course of transmission in the United States Postal Service.

IN WITNESS WHEREOF, this Agreement has been executed on behalf of CITY by its Mayor and duly attested to by its City Clerk; and agreed to, accepted and executed by CITY MANAGER, in duplicate, on the respective dates under each signature.

CITY OF PALM BAY, FLORIDA

ATTEST:

By

ROB MEDINA
Mayor

TERESE M. JONES, City Clerk

DATE: _____

City of Palm Bay, Florida
Employment Agreement
City Manager – Matthew Thomas Morton

By:



MATTHEW THOMAS MORTON
City Manager

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____
2025, by Matthew Thomas Morton, as City Manager of the City of Palm Bay, who is personally
known to me.

NOTARY PUBLIC, State of Florida