

EMPLOYMENT AGREEMENT

WHEREAS, the City of East Ridge, Tennessee is desirous of retaining John R. Anderson as the Attorney for the City of East Ridge, Tennessee; and

WHEREAS, John R. Anderson is desirous of being the City Attorney for the City of East Ridge, Tennessee; and

WHEREAS, the City Council desires that the parties set forth their agreement with particularity; and

WHEREAS, it is the desire of the Council to (1) retain the services of John R. Anderson and to provide inducement for him to remain in such employment, (2) to make possible full work productivity by assuring his morale and peace of mind with respect to future security, (3) to act as a deterrent against malfeasance or dishonesty for personal gain on the part of John R. Anderson, and (4) to provide a just means for terminating his services at such time as he may be unable to fully discharge his duties due to age or disability or when Council may desire to otherwise terminate his employment; and

WHEREAS, the City Attorney agrees to continue to dedicate the reasonably necessary time and energy to the needs of the City of East Ridge, and he agrees at all times reasonably possible not to schedule any conflicts with the legal needs of the City of East Ridge; and he specifically agrees not to knowingly accept any new clients in conflict with the City of East Ridge;

NOW, THEREFORE, the parties hereto, the City of East Ridge, Tennessee, a Tennessee municipality and John R. Anderson, an Attorney licensed to practice law in the State of Tennessee, in consideration of the mutual promises set forth in this agreement, do hereby agree as follows:

I.

All agreements between the parties hereto particularly enunciated are subject to the Charter of the City of East Ridge and if there is a conflict between the terms of this agreement and the Charter the terms of the Charter will be controlling and the parties specifically agree that if such conflict arises it shall not operate to make this entire agreement void but only those parts of the agreement effected by such conflict.

II.

The City of East Ridge, Tennessee hereby appoints, engages, employs, and hires John R. Anderson as the City Attorney of the City of East Ridge, Tennessee, and John R. Anderson hereby accepts and agrees to such continued appointment, engagement, employment and hiring, subject to the general supervision and pursuant to the orders, advice, and direction of the City Council of the City of East Ridge consistent with the Charter of the City of East Ridge, Tennessee and the laws of the State of Tennessee as a part time position in the City of East Ridge.

III.

John R. Anderson shall perform those duties of the City Attorney which are set forth in Section 5-L of the Charter of the City of East Ridge, Tennessee and shall also perform such other duties as are customarily performed by one holding such position in other cities and such other duties required of a City Attorney delegated to him by the City Council sitting in a duly convened meeting pursuant to the Charter of the City of East Ridge, Tennessee and the laws of the state of Tennessee.

IV.

The parties acknowledge that under the Charter as City Attorney John R. Anderson is not required to maintain his residency in the City of East Ridge, Tennessee.

V.

The term of this agreement shall be for a period commencing on February 14, 2008, and continuing through June 30, 2010, at the end of which, this agreement shall automatically renew for continuous two-year periods. Ninety (90) days prior to any automatic renewal of this agreement the parties may, if they desire, renegotiate the terms of this agreement. The terms of this agreement may be terminated by John R. Anderson on thirty (30) days written notice to the City Manager of the City of East Ridge. The City of East Ridge may terminate this agreement at any time subject to the termination conditions in paragraph VII of this agreement.

VI.

Rather than being charged a monthly retainer fee, the City of East Ridge shall pay John R. Anderson on a time-spent basis at the rate of \$250.00 per hour for the term of this agreement, which is his current minimum hourly rate. It is understood that, as City Attorney, John R. Anderson may employ from time to time at his discretion other attorneys and professional staff of the law firm in which John R. Anderson is a director at the current

hourly rate for such professionals. Also as advised, hourly rates charged do not include out-of-pocket expenses which are billed separately at actual cost which include mileage, photocopies, filing fees, long-distance calls, travel and other such similar expense. The City of East Ridge shall not withhold any federal income taxes or other withholding taxes or fees and will issue the City Attorney a 1099 at the end of each year for all sums earned in the previous year. The hourly rates payable in this agreement shall cover payment for all services rendered to the City of East Ridge by the City Attorney including but not limited to phone conferences, conferences at the City of East Ridge, preparation of ordinances and resolutions, including without limitation involving in any and all litigation matters involving the City of East Ridge.

VII.

If this agreement is terminated by the City of East Ridge or John R. Anderson resigns at the request of the City Council, during such time as John R. Anderson is willing and able to perform his duties, the City of East Ridge shall pay unto John R. Anderson as severance pay the equivalent of three (3) times the average monthly billing based on the immediately preceding twelve (12) months billing to the City of East Ridge; provided, however, that in the event John R. Anderson is terminated, or resigns at the Council's request, because of his conviction of any (a) felonious act, (b) illegal act involving personal gain to him, or (c) incompetence, malfeasance, misfeasance, or neglect of duty as set forth in the City Charter of the City of East Ridge, during the term of this agreement, then, in that event the City of East Ridge shall have no obligation to pay the severance payments and benefits described herein.

VIII.

As set forth in the City Charter, John R. Anderson as City Attorney shall directly manage all litigation in which the City is a party or interested, or in which any of its officers is officially interested.

IX.

In addition to the amounts set forth above in Article VI, the City of East Ridge shall pay expenses for professional development and official travel to meetings and occasions appropriate to continue the professional development and legal education of the City Attorney, however, all such travel and classes will depend on City funds available for such endeavors and the City Attorney shall, prior to any travel, have the approval of the City Council.

X.

All travel for and on the behalf of the City of East Ridge shall be done pursuant to the City of East Ridge, Tennessee travel policy as the same may be amended from time to time.

XI.

The text herein shall constitute the entire agreement between the parties.

XII.

If any provision, or any portion thereof, contained in this agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this agreement, or portion thereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

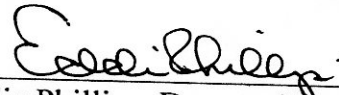
In Witness Whereof this Agreement is executed as of the 14 day of March, 2008.

City of East Ridge, Tennessee

By: 

Mike Steele, Mayor

Attest:



Eddie Phillips, Deputy City Manager

City Attorney


John R. Anderson