

EMPLOYMENT AGREEMENT

Introduction

This Agreement, made and entered into this 27th day of January, 2012, by and between the City of Venice, Florida, a municipal corporation, (hereinafter called "Employer") and Edward F. Lavalley (hereinafter called "Employee"), both of whom agree as follows:

Witnesseth:

WHEREAS, the Employer desires to employ the services of Employee as City Manager of Venice, Florida as provided by law and to provide for compensation and to establish the conditions of employment; and,

WHEREAS, the Employee desires to accept employment as City Manager for Employer.

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, the parties agree as follows:

Section 1: Date of Hire

The Employee's date of hire shall be the 5th day of March, 2012 and he shall commence his employment as City Manager on that date.

Section 2: Term

This Agreement shall remain in full force and effect until terminated by the Employer or Employee as provided in Section 9 of this Agreement and consistent with the terms of the City of Venice Charter.

Section 3: Duties and Authority

Employer agrees to employ Edward F. Lavalley as City Manager to perform the functions and duties specified in the City of Venice Charter and the City of Venice Code of Ordinances and to perform other legally permissible and proper duties and functions as the City Council shall, from time to time, assign.

Section 4: Compensation

A. Employer agrees to pay Employee an annual base salary of \$148,500 payable in installments at the same time that other management employees of the Employer are paid.

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B. This Agreement shall be automatically amended to reflect any salary adjustments that are provided by the Employer.

Section 5: Health, Disability and Life Insurance Benefits

A. The Employee and his eligible dependants are entitled to participate in the Employer's group health insurance program upon the same terms and conditions as other City of Venice employees.

B. The Employee is entitled to participate in the Employer's short-term and long-term disability plans upon the same terms and conditions as other City of Venice employees.

C. The Employee shall submit once per calendar year to a complete physical examination by a qualified physician who is a member of the City's health insurance plan, the cost of which shall be paid by the Employer.

D. The Employer shall pay the premium due for a term life insurance policy insuring the Employee's life in the amount of the Employee's annual base salary. The Employer shall maintain an accidental death and dismemberment insurance policy insuring the Employee. The Employee shall name the beneficiaries on both policies.

Section 6: Vacation and Sick Leave

A. The Employee shall accrue sick and vacation leave on an annual basis in accordance with the City's Personnel Procedures and Rules. For vacation leave only, the Employee shall accrue vacation leave beginning on his date of hire at the rate specified for a management employee with six (6) years of service. On the Employee's date of hire, the Employer shall award the Employee an additional fourteen (14) days of vacation leave.

B. Upon separation from the City of Venice, the Employee shall be compensated for all accrued sick and vacation leave in accordance with the City's Personnel Procedures and Rules.

Section 7: Moving and Relocation Expenses

A. Employer shall pay the mover directly or reimburse the Employee for the expenses (packing, transporting, unpacking and related insurance costs) incurred in moving the Employee, his immediate family and their personal property from Newport, Rhode Island to Venice, Florida. The amount of reimbursement shall not exceed the lowest estimate evidenced by written quotes obtained by the Employee from three (3) moving companies. While employee seeks permanent residence within the City the employer agrees to pay for personal property storage costs for a period not to exceed 12 months and not to exceed \$1,000.00 per month.

B. During the period of relocation, Employer agrees to pay local hotel lodging costs for the employee for a period not to exceed 30 days at a maximum of \$100.00 per day. Employer shall

reimburse the Employee for the expenses incurred for temporary housing in the Venice, Florida area. The amount of reimbursement shall not exceed \$1,000 per month for a maximum of six (6) months. To assist with house hunting and related relocation and transition activities the Employer agrees to pay for up to four (4) round trip airfare tickets to be utilized by the Employee and/or family.

Section 8: Retirement

A. The Employer shall enroll the Employee in the Florida Retirement System (senior management class). Employer and Employee contributions shall be made as required by law.

B. The Employee is entitled to participate in the City's Section 457 deferred compensation plan upon the same terms and conditions as other City of Venice employees. If the Employee elects to participate, then the Employer shall pay into said plan an amount equal to ten (10) percent of the Employee's annual base salary. The Employee shall retain all rights and ownership to all contributions made to said plan by either the Employer or Employee.

C. The Employee is entitled to participate in the City's 401(a) deferred compensation plan upon the same terms and conditions as other City of Venice non-bargaining employees.

Section 9: Termination

For the purpose of this Agreement, termination shall occur when either a majority of the Venice City Council votes to terminate the Employee at a duly authorized public meeting or the Employee resigns.

Section 10: Severance

The Employer shall pay severance pay to the Employee only if a majority of the Venice City Council votes to terminate the Employee at a duly authorized public meeting for other than just cause or if the Employee resigns in response to an offer to accept resignation made by a majority of the Venice City Council.

No severance pay shall be paid if the termination or resignation occurs within the first two years of employment. If the termination or resignation occurs within the third year of employment, the amount of severance pay shall be equal to ten (10) weeks of the Employee's annual base salary. If the termination or resignation occurs within the fourth year of employment, the amount of severance pay shall be equal to fifteen (15) weeks of the Employee's annual base salary. If the termination or resignation occurs anytime after the Employee has been employed for four years, the amount of severance pay shall be equal to twenty (20) weeks of the Employee's annual base salary.

Section 11: Residency

Employee agrees to establish residence within the City of Venice within six (6) months of employment, and thereafter to maintain residence within the City throughout the term of this Agreement.

Section 12: Other Terms and Conditions of Employment

All provisions of policy, law, ordinance, resolution, and rules of the Employer relating to retirement, sick leave, disability programs, holidays, and other fringe benefits and working conditions as they now exist or may be amended, shall apply to the Employee as they would to other employees of the City, except as herein provided.

Section 13: General Provisions

A. Integration. This Agreement sets forth and establishes the entire understanding between the Employer and the Employee relating to the employment of the Employee by the Employer. 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 agreement may amend any provision of this Agreement during the life of the Agreement. Such amendments shall be incorporated and made a part of this Agreement.

B. Binding Effect. This Agreement shall be binding on the Employer and the Employee as well as their heirs, assigns, executors, personal representatives and successors in interest.

C. Effective Date. This Agreement shall be effective as of January 27, 2012.

D. Severability. The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by the parties subsequent to the expungement or judicial modification of the invalid provision.

WHEREAS, the parties have executed this Agreement the day and year above written.

EMPLOYER

By: *John W. Holic*
John Holic, Mayor

[Signature]
Robert C. Anderson, City Attorney

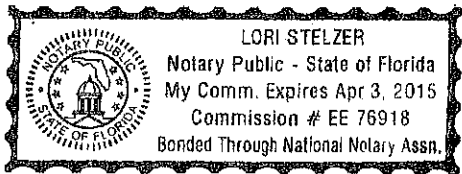
EMPLOYEE

Edward F. Lavallee
Edward F. Lavallee

STATE OF FLORIDA
COUNTY OF SARASOTA

On this 27th day of January, 2012, before me personally appeared JOHN HOLIC, Mayor, pursuant to authority granted by City Charter and the City council and to me known to be the person described in and who executed the foregoing instrument, and acknowledges that he executed the same as his free act and deed on behalf of the City of Venice.

IN TESTIMONY THEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid.



Lori Stelzer
NOTARY PUBLIC - STATE OF FLORIDA

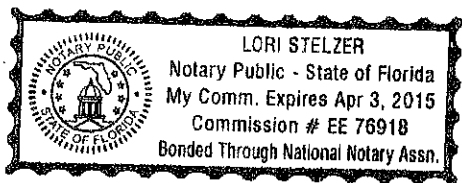
Lori Stelzer
Printed Name of Notary

My Commission Expires: 4/3/15

STATE OF FLORIDA
COUNTY OF SARASOTA

On this 27th day of January, 2012, before me personally appeared EDWARD F. LAVALLEE, to me known to be the person described in and who executed the foregoing instrument, and acknowledges that he executed the same as his free act and deed.

IN TESTIMONY THEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid.



Lori Stelzer

NOTARY PUBLIC - STATE OF FLORIDA

Lori Stelzer

Printed Name of Notary

My Commission Expires: *4/3/15*