

EMPLOYMENT AGREEMENT

THIS AGREEMENT, made and entered into this 5th day of September, 2017, by and between the VILLAGE OF ORLAND PARK, an Illinois municipal corporation (hereinafter "VILLAGE" or "Corporate Authorities of the Village"), and JOSEPH S. LAMARGO (hereinafter "LAMARGO"), both parties agreeing, as follows:

WHEREAS, the VILLAGE desires to employ the services of LAMARGO as the Village Manager of the VILLAGE and for LAMARGO to perform all of the customary duties of Village Manager in accordance with the provisions of Title 1, Chapter 7, Section 1-7-1 of the Orland Park Village Code and this Agreement; and

WHEREAS, LAMARGO desires to work as the Village Manager of the VILLAGE and agrees to perform all of the customary duties of Village Manager in accordance with the provisions of Title 1, Chapter 7, Section 1-7-1 of the Orland Park Village Code and this Agreement; and

WHEREAS, the VILLAGE, as a home rule Illinois municipal corporation, has the authority to enter into this Agreement pursuant to its home rule powers and Sections 5-3-7 and 8-1-7 of the Illinois Municipal Code. 65 ILCS 5/5-3-7 and 8-1-7.

NOW, THEREFORE, IN CONSIDERATION OF the payment of money, and the making of the mutual covenants and promises set forth below, the receipt and sufficiency of which is acknowledged, the parties agree, as follows:

1. **SERVICES AND DUTIES.** The VILLAGE agrees to utilize the municipal manager skills, services and experience of LAMARGO as a Municipal Officer and employee. LAMARGO agrees to work as the Village Manager of the VILLAGE and to perform all of the duties of Village Manager as set forth in Title 1, Chapter 7, Section 1-7-1 of the Orland Park Village Code, including but not limited to working as the Village Manager, attending and, or as appropriate on limited occasions, having his designee attending, all VILLAGE Board meetings (and related closed/executive session meetings), committee, commission and other Board meetings (and related closed/executive session meetings) and performing any additional tasks or services within the scope of the duties of the Village Manager as requested by the Village President and Board of Trustees. During his employment, LAMARGO shall devote all of his employable time, attention, skill and best efforts exclusively to the faithful performance of his duties as Village Manager. LAMARGO agrees and understands that his relationship with the VILLAGE is an "at-will" relationship and that the Corporate Authorities may terminate him and this Agreement at any time and for any reason. LAMARGO agrees and understands that he does not have the right to receive any type of progressive discipline prior to the termination of this Agreement, and he waives any and all claims to a contract right of employment having been created by this Agreement or any Village Code provision. Nothing in this Agreement shall prevent, limit or otherwise interfere with the rights of the VILLAGE to terminate the employment of LAMARGO at any time, subject only to the provisions set forth herein. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of LAMARGO to terminate his employment with the VILLAGE by resigning at any time from his position as Village Manager, subject only to the provisions herein.

2. **TERM.** This Agreement shall become effective immediately upon approval and execution by both parties, and this Agreement shall terminate on September 4, 2020, at 5:00 p.m., unless it is extended by mutual agreement of the parties or is terminated by either party pursuant to the terms of this Agreement prior to said date.

3. **TERMINATION AND SEVERANCE PAY.** For the purpose of this Agreement, termination shall occur when:

1. The VILLAGE terminates LAMARGO at a meeting held in accordance with Illinois law.

2. If LAMARGO resigns in lieu of his termination by the VILLAGE in accordance with this Agreement, such resignation shall be deemed a "termination" for purposes of the remainder of this Paragraph 3.

In the event LAMARGO's employment is terminated by the VILLAGE without cause during the term of this Agreement, as severance payments, the VILLAGE shall continue to pay LAMARGO his salary for a period of time ending on the first to occur of a) six (6) months from the date of his termination, or b) LAMARGO's commencement of new employment, which LAMARGO shall diligently pursue. LAMARGO shall also be paid any accrued employee benefits he is entitled to under the terms of this Agreement.

In addition, if LAMARGO is terminated without Cause, the VILLAGE, at its cost, will provide to LAMARGO for a maximum of six (6) months after the termination date, health insurance benefits under the same terms as provided while LAMARGO was employed under this Agreement, which health insurance benefits shall remain in effect only until LAMARGO is hired by another employer, which employer provides LAMARGO with health insurance benefits. LAMARGO agrees to and is obligated to promptly notify the then acting Village Manager of his acceptance of other employment so that such VILLAGE benefits can be terminated. LAMARGO agrees to reimburse the VILLAGE for the monthly premium(s) paid if he fails to promptly notify the VILLAGE of his new employment. In the event LAMARGO is terminated by the VILLAGE for Cause, as defined below, LAMARGO will not be entitled to severance benefits provided for in this paragraph but rather will be terminated immediately.

In consideration for, and as a condition precedent to the payment of the severance benefits payable under this Paragraph 3, LAMARGO shall be required to execute a Resignation and Severance Agreement and Release of All Claims, as prepared by the Village Attorney, and which Severance Agreement and Release of all Claims shall release and discharge the VILLAGE, its officers, employees and agents from any claim by LAMARGO, including his heirs, successors, executors and personal representatives, from any and all claims, demands, grievances or liabilities of any kind including but not limited to claims under the Age Discrimination in Employment Act, the Illinois Human Rights Act, the Civil Rights Act of 1964, the Employee Retirement Income Security Act and the Americans with Disabilities Act, the Family and Medical Leave Act and the Illinois Wage Payment and Collection Act. No other form of severance payment or benefits shall be owed by the VILLAGE. Where, at LAMARGO's election, the employment relationship terminates due to expiration of the term of this Agreement, no form of severance payment or benefits shall be owed by the VILLAGE, but he shall be paid any accrued employee benefits he is entitled to under this Agreement. In the event the VILLAGE elects not to renew LAMARGO's employment with the VILLAGE upon the expiration of the term of this Agreement, at least one hundred and twenty (120) days prior to the expiration date of this Agreement (by May 8, 2020), the VILLAGE will endeavor to advise LAMARGO of its intention to allow the Agreement to expire at the end of its term. Not later than one hundred eighty (180) days prior to March 9, 2020, LAMARGO shall notify the VILLAGE in writing of the forthcoming May 8, 2020, notification date. Where, at the Village's election, the employment relationship terminates due to expiration of the term of this Agreement, the Village shall continue to pay LAMARGO his salary for a period of time ending on the first to occur of a) six (6) months from the date of expiration of the term of this Agreement, or b) LAMARGO's commencement of new employment which he shall diligently pursue. LAMARGO shall also be paid any accrued employee benefits he is entitled to under this Agreement, and the cost of health insurance premiums for a period of time ending on the first to occur of a) six (6) months from the date of expiration of the term of this Agreement, or b) LAMARGO's receiving health insurance coverage from a new employer. No other form of severance payment or benefit shall be owed by the Village, but he shall be paid any accrued employee benefits he is entitled to under this Agreement. The VILLAGE'S decision to advertise or post notice that résumés are being accepted for the Manager's position shall be sufficient notice under the preceding sentence. The payment of severance under this Agreement shall be calculated using the then current base salary of LAMARGO at the time the payments are due.

The VILLAGE may terminate this Agreement for Cause immediately upon written notice to LAMARGO, if the VILLAGE shall have reasonably determined, in good faith, that LAMARGO engaged in conduct defined as "Cause" below.

"Cause" Defined. For purposes of this Agreement, "Cause" means: (i) willful malfeasance or willful misconduct by LAMARGO in connection with his employment; (ii) LAMARGO's gross negligence in performing any of his duties under this Agreement; (iii) LAMARGO being found guilty of any felony, or LAMARGO being found guilty of any misdemeanor involving dishonesty, a drug-related offense, or moral turpitude, or LAMARGO being convicted of any other misdemeanor (i.e., with a judgment of conviction being entered rather than an order of supervision being entered), but excluding any misdemeanor or petty offense which relates to a traffic violation (other than a misdemeanor DUI while operating a VILLAGE-owned vehicle) or infraction; (iv) LAMARGO's willful breach of any written policy or ordinance applicable to all employees adopted by the VILLAGE; or (v) a material breach by LAMARGO of any of the terms of this Agreement.

4. **COMPENSATION.** In consideration of LAMARGO performing all of the duties required of the Village Manager, as set forth at Title 1, Chapter 7, Section 1-7-1 of the Village Code, and this Agreement, the VILLAGE shall pay to LAMARGO the sum of ONE HUNDRED SIXTY-FIVE THOUSAND AND NO/100 DOLLARS (\$165,000.00) PER YEAR. The above salary may be increased by an amount determined by the Corporate Authorities upon satisfactory performance by LAMARGO as determined by the Corporate Authorities, in their sole discretion, at each Annual Performance Review. Any salary increase shall go into effect on September 1 of each calendar year. Absent a deficiency in performance, in the event that salary increases are given to non-unionized employees in any year, LAMARGO shall be provided with a salary increase at least equal to the minimum salary increase given to said employees. The Corporate Authorities agree not to reduce LAMARGO's salary at any time without his consent. The failure of the Corporate Authorities to conduct a performance review shall not be a breach or violation of this Agreement. LAMARGO will be reimbursed for expenditures made as a result of and, or in the course of the conduct of VILLAGE business. Receipt documentation will be required for reimbursement to be made by the VILLAGE for all said expenditures exceeding TEN DOLLARS (\$10.00). LAMARGO will also be entitled to the standard employee benefits (life insurance, Illinois Municipal Retirement Fund contributions and health insurance) provided to the management employees of the VILLAGE, except as modified herein.

4A. **VACATION AND SICK LEAVE.** LAMARGO shall receive 25 vacation days during each 12 months of employment with the VILLAGE under this Agreement. The vacation days shall be granted to LAMARGO consistent with the terms of the VILLAGE's Employee Manual. LAMARGO agrees that for each 12-month period under this Agreement that he shall be allowed to take only one extended vacation (e.g., a two week vacation or 10 consecutive vacation days) and that the other remaining vacation days shall be used in one week or less increments. LAMARGO may carry over any accrued or unused vacation days in accordance with the VILLAGE's Employee Manual. LAMARGO shall be granted sick leave in accordance with the VILLAGE'S Employee Manual.

5. **AUTOMOBILE USAGE/TRANSPORTATION.** During the term of this Agreement, the VILLAGE will pay to LAMARGO an automobile usage allowance of SIX HUNDRED (\$600.00) DOLLARS per calendar month, and LAMARGO shall be obligated to pay for insurance, maintenance and repairs due to usage and fuel in relation to operating his personal automobile. Also, LAMARGO may utilize methods of public transportation to conduct VILLAGE business, and he shall be reimbursed for the expense to do so. However, receipt documentation will be required for reimbursement to be made by the VILLAGE for all said expenditures.

6. **PROFESSIONAL DEVELOPMENT.** LAMARGO may, at the expense of the VILLAGE, attend seminars and conferences intended to foster professional development, including the annual ICMA Conference, the annual ILCMA Conference and the IML Annual Conference, and may join certain professional municipal government related organizations and subscribe to similar publications, provided the cost of said dues, subscriptions, seminars and conferences does not exceed an amount which is usual and customary VILLAGE practice.

7. **RESIDENCY.** LAMARGO shall be required to continue residency within the VILLAGE.

8. **INDEMNIFICATION.** As a material inducement for the VILLAGE to enter into this Agreement, LAMARGO agrees to waive and hold harmless the VILLAGE, its representatives, officers, trustees, agents, employees and attorneys from and against any and all claims, actions, suits, damages, costs, expenses and liabilities, including the reasonable fees and expenses of their attorneys, expert witnesses and consultants, court costs and fines, asserted against them or sought to be imposed upon them, individually, jointly or severally, and which arise directly or indirectly out of or in connection in any way with the termination of this Agreement, except to the extent that those claims, actions, suits, damages, costs, expenses and liabilities arise solely from the VILLAGE'S failure to fulfill its obligations under the Agreement.

The VILLAGE agrees to defend, indemnify and hold harmless LAMARGO from and against any and all claims, actions, suits, damages, costs, expenses and liabilities, including all reasonable fees and expenses of attorneys selected by the VILLAGE to defend LAMARGO, expert witnesses and consultants, court costs and fines, asserted against him or sought to be imposed upon him and which arise directly or indirectly out of or in connection in any way with his performance of the terms of this Agreement, provided that LAMARGO's actions or conduct giving rise to any litigation or dispute was within the scope of the duties of Village Manager, but excepting from the indemnification those claims, actions, suits, damages, costs, expenses and liabilities that arise from any willful or wanton conduct of LAMARGO.

9. **RETURN OF VILLAGE'S PROPERTY.** Upon the termination of this Agreement, LAMARGO shall immediately deliver to the VILLAGE all building, equipment and vehicle keys, correspondence, letters, e-mails, computer disks or stored information, manuals, contracts, call reports, price lists, mailing lists, customer lists, advertising or product materials, photographs, ledgers, supplies, files, computers, pagers, cellular phones, beepers, other business-related equipment, VILLAGE-owned automobile and other VILLAGE property, checks, petty cash, and all other material and records of any kind belonging to or relating to VILLAGE that are in the possession or control of LAMARGO.

10. **EXCLUSIVITY AND DUTY OF LOYALTY.** During the term of this Agreement, LAMARGO shall not be self-employed in any kind of profit or non-profit business venture, and shall not be employed by or work for compensation for any other person, corporation, partnership, firm or municipality of any kind without prior approval by the Corporate Authorities of the VILLAGE. This Paragraph shall not be interpreted to preclude LAMARGO from speaking or writing activities on a limited basis during LAMARGO's personal time off.

11. **TAXES.** All salary, benefits, reimbursements and any other payments to LAMARGO under this Agreement shall be subject to all applicable payroll and withholding taxes and deductions required by any law, rule or regulation of Federal, Illinois, county or local authority. LAMARGO agrees that he shall be responsible for the payment of his share of any such required Federal, Illinois, county or local taxes.

12. **ENTIRE AGREEMENT.** This Agreement represents the entire agreement between the parties concerning LAMARGO's employment with the VILLAGE and supersedes all prior negotiations, discussions, understandings and agreements, whether written or oral, between LAMARGO and VILLAGE relating to the subject matter of this Agreement. No provision of this Agreement may be amended or waived unless such amendment or waiver is agreed to in writing and signed by LAMARGO and the VILLAGE.

13. **SEVERABILITY.** If any provision of this Agreement or the application of any such provision to any party shall be determined by any court of competent jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement shall not be affected, and each remaining provision of this Agreement shall be considered valid and shall be enforced to the fullest extent permitted by law.

14. **ASSIGNMENT.** This Agreement is a personal contract, and the rights and interest that the Agreement accords to LAMARGO may not be sold, transferred, assigned, pledged, encumbered, or hypothecated by him. This Agreement shall be binding upon, and inure to the benefit of, LAMARGO, his

heirs, executors, administrators, and personal representatives, and the VILLAGE and its former, current and future elected and appointed officers, officials, trustees, agents, transferees, assigns, and successors-in-interest.

15. **NOTICES.** All notices, demands or other communications of any kind to be given or delivered under this Agreement shall be in writing and shall be deemed to have been properly given if (a) delivered by hand, (b) delivered by a nationally recognized overnight courier service, (c) sent by registered or certified United States Mail, return receipt requested and first class postage prepaid, or (d) facsimile transmission followed by a transmission confirmation copy being sent by U.S. Mail on the same day. Such communications shall be sent to the parties at their respective addresses as follows:

If to LAMARGO:

Joseph S. LaMargo
16817 Sheridans Trail
Orland Park, Illinois 60467

Ph. (708) 277-3209

If to VILLAGE:

Village President
Village of Orland Park
14700 S. Ravinia Avenue
Orland Park, Illinois 60462
Ph. (708) 403-6167
Fax (708) 403-6169

Either party may change such address for delivery to the other party by delivery of a notice in conformity with the provisions of this Section specifying such change. Notice shall be deemed proper (i) on the date of delivery, if delivery is by hand, (ii) three (3) days after the date of mailing if sent by certified or registered mail, (iii) on the date of delivery by the overnight courier, or (iv) on the facsimile transmission date if sent before 4:30 p.m.; otherwise, the next business day after the date of transmission by facsimile.

16. **HEADINGS.** All descriptive headings of Sections and Paragraphs in this Agreement are intended solely for convenience of reference, and no provision of this Agreement is to be construed by reference to the heading of any Section or Paragraph.

17. **VENUE AND APPLICABLE LAW.** The statutes and common law of the State of Illinois shall govern the interpretation, validity, enforcement and performance of the terms of this Agreement. The parties agree that for the purpose of any litigation or proceeding brought with respect to this Agreement and its enforcement, venue shall be in the Circuit Court of Cook County, Illinois. LAMARGO and VILLAGE agree to submit to the jurisdiction of such court for the purpose of any such litigation or proceeding.

18. **ADMISSIBILITY.** The parties agree that this Agreement shall be admissible in evidence in any action in which the terms of this Agreement are sought to be enforced.

19. **ATTORNEY REVIEW.** LAMARGO acknowledges that he fully understands all of the terms, conditions, provisions, and obligations of this Agreement, that he was not coerced into signing it, that he either was represented by an attorney of his own choosing during the negotiation of this Agreement, or offered the opportunity to do so, and that he executed this Agreement voluntarily and with full knowledge and understanding of the meaning and significance of its terms, conditions, provisions, and obligations.

20. **DISCLOSURE.** Subject to any applicable exception of the Freedom of Information Act (5 ILCS 140/1 et seq.), as amended, LAMARGO and the VILLAGE acknowledge that this Agreement is a public record, as that term is defined under FOIA, and therefore is subject to inspection and copying by the public if requested pursuant to a FOIA request.

21. **EFFECTIVE DATE.** This Agreement shall be effective on the date set forth on Page 1 of this Agreement. If any of the signatories to this Agreement shall fail to execute this Agreement, it shall be null and void in its entirety.

IN WITNESS WHEREOF, the VILLAGE, pursuant to the authority granted by the passage of a Resolution by its Board of Trustees, has caused this Agreement to be executed by the Village President and attested by the Village Clerk, and LAMARGO has voluntarily executed the Agreement on the date set forth above.

JOSEPH S. LAMARGO

VILLAGE OF ORLAND PARK

By: _____
Joseph S. LaMargo

By: _____
Keith Pekau, Village President

Date: _____

By: _____
John C. Mehalek, Village Clerk

Date: _____