

CONFIDENTIAL SEPARATION AGREEMENT AND RELEASE

This Confidential Severance Agreement and Release (“Agreement”) is entered into by and between Jason Reynolds (“Employee”) and the City of Nassau Bay, Texas, for itself and the benefit of its agents, officers, and employees (“Employer”).

1. The purpose of this Agreement is to set forth the terms of the Employee’s separation from employment with the Employer and to resolve fully any and all obligations arising out of Employee’s employment and separation thereof.
2. Employee’s last date of employment shall be January 1, 2022. Employer will pay Employee his normal salary and benefits through January 1, 2022, plus a six (6) month’s severance of his current base salary and any accrued but unpaid vacation (in an amount not to exceed 4 weeks) as of January 1, 2022, the sufficiency of which Employee hereby acknowledges, which shall be paid in accordance with paragraph 3 below.
3. In exchange for the agreements expressed herein, as well as any claim for compensation or reimbursement of any type or nature Employer will pay and provide Employee the following:
 - a. Employee and Employer agree that this separation is mutually agreed and not in any way as a result of Employee’s job performance or any reason that would negatively reflect on Employee; and
 - b. Employer, including current, future, and past Councilmembers, agree to refrain from providing Employee with a negative recommendation if contacted by Employee’s future employer(s) for any reference on inquiry related to Employee or the work he performed for Employer; and
 - c. The sum of Twenty-Seven Thousand Five Hundred Forty-Five and No/100 Dollars (\$27,545.00), within five (5) days after Employer receives Employee’s duly executed Agreement in consideration for Employee’s release of all claims as contained herein, except such amount is not consideration for Employee’s release of any age discrimination or age-related claim; and
 - d. The sum of Fifty-Five Thousand Ninety and No/100 Dollars (\$55,090.00), in consideration of Employee’s agreement not to complain of and release of any age discrimination or other age-related claim. If Employee does not revoke the release of any age discrimination or age-related claims as set forth in Section 12 below, Employer shall pay Employee the amount set forth in this sub-section no later than ten (10) business days after receiving Employee’s executed Agreement. If Employee revokes the release of any claims of age discrimination or other age-related claims, as set forth in Section 12 below within seven (7) days after signing this Agreement, Employer shall pay only those amounts set forth in Sections 3(c) above and this Agreement shall be fully effective except as to release of any claims of age discrimination.

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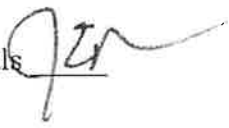
Employer’s Initials AR

- e. Employer shall pay Employee his accrued but unused vacation time as of January 1, 2022 in his final paycheck, in an amount not to exceed four (4) weeks.
- f. Employer and/or its insurer(s) will provide information to Employee in separate correspondence regarding continuing health insurance coverage in accordance with the Affordable Care Act and/or the Consolidated Omnibus Budget Reconciliation Act (“COBRA”) as may be available under existing plans.

4. In exchange for and in consideration of the payments, benefits, and other commitments described in this Agreement, Employee for himself and his heirs, executors, administrators, and assigns, hereby FULLY RELEASES, QUILTS AND FOREVER DISCHARGES Employer and each of its predecessors, assigns, and the investors, owners, officers, managers, board of directors, Councilmembers, employees, attorneys and agents, past and present, of and from any and all claims, liabilities, causes of action, demands to any rights, damages, costs, attorney’s fees, expenses, and compensation whatsoever, of whatever kind or nature, in law, equity or otherwise, whether known or unknown, vested or contingent, suspected or unsuspected, Employee may now have, has ever had, or hereafter may have through the last date of Employee’s employment with Employer, relating directly or indirectly to their employment with Employer or the separation of such employment. Such claims may include, but are not limited to, claims for wages, back pay, front pay, commissions, bonuses, overrides, or reimbursement, reinstatement, damages or benefits. Employee also releases any and all claims for all conduct and any claim Employee may have that arose prior to the date of this Agreement, and hereby specifically waives and releases all claims under Title VII of the Civil Rights Act of 1964, as amended, the Civil Rights Act of 1991, the Equal Pay Act, the Americans With Disabilities Act, as amended, the Age Discrimination in Employment Act, as amended, the Consolidated Omnibus Budget Reconciliation Act (COBRA), the Affordable Care Act, the Family and Medical Leave Act, the Employment Retirement Income Security Act of 1974, as amended, the National Labor Relations Act, the Fair Labor Standards Act, and any and all related or unrelated state or local statutes, ordinances, or regulations, as well as all claims arising under federal, state or local law, involving any tort, employment contract claim whether express or implied, “wage and hour” or other claim, of any nature, for compensation or reimbursement of any type, claim of violation of public policy or Sabine Pilot Act or Whistleblower claim of any nature, and any assertion of wrongful discharge or any other claim or cause of action relating to any aspect of Employee’s employment with Employer, including, but not limited to, the separation thereof. Notwithstanding anything to the contrary in this Agreement, Employee does not waive any right or claim to enforce the terms of this Agreement.

5. Employer, and each of its predecessors, assigns, and the investors, owners, officers, managers, board of directors, councilmembers, employees, attorneys and agents, past and present, hereby FULLY RELEASES, QUILTS AND FOREVER DISCHARGES Employee, his heirs, executors, administrators and assigns, of and from any and all claims, liabilities, causes of action, demands to any rights, damages, costs, attorney’s fees, expenses, and compensation whatsoever, of whatever kind or nature, in law, equity or otherwise, whether known or unknown,

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Employer’s Initials



vested or contingent, suspected or unsuspected, Employer may now have, has ever had, or hereafter may have through the last date of Employee's employment with Employer, relating directly or indirectly to their employment with Employer or the separation of such employment. Notwithstanding anything to the contrary in this Agreement, Employer does not waive any right or claim to enforce the terms of this Agreement.

6. Employee agrees and affirms, until penalty of the laws of perjury, that Employee has timely and properly reported all time Employee has worked, the same has been properly counted, and credited by Employer, Employee has not worked any unreported or uncounted time, and Employee has been fully and properly paid for all time worked.

7. Employee represents he has not filed or caused to be filed on his behalf, any charge, complaint, action, lawsuit or claim of any nature against Employer with any local, state, or federal agency or state or federal court arising out of or related to any aspect of Employee's employment with Employer, including the separation therefrom. For the consideration paid as described in this Agreement, Employee will not file a lawsuit in any state or federal court arising out of or related to any aspect of Employee's employment with Employer, including the separation therefrom.

8. Employee specifically waives any right Employee may otherwise have to collect damages or any other any compensation whatsoever in connection with or as a result of any complaint, charge, grievance or lawsuit brought by any person or entity related to any aspect of Employee's employment with Employer, including the separation thereof.

9. Employee understands the effect and intent of this Agreement is Employee may never claim, demand or recover, through any means, any money from Employer for any past, present, or future claims, damages or losses whatsoever, of any kind or character, arising out of Employee's employment with Employer, or the termination thereof. Notwithstanding anything in this Agreement to the contrary, Employee does not waive and may enforce the indemnification obligation in Section 14 of the Employment Agreement dated October 7, 2015, which survives the execution of this Agreement.

10. Employee and Employer understand this is a full, complete, and final release, and that the consideration set forth above is accepted by Employee and Employer in full compromise and settlement of any and all causes of action, claims, or disputes Employee or Employer has or may have in the future and that Employer and Employee do not admit any liability or wrongdoing but, to the contrary, Employer and Employee deny there is any legal liability but Employer and Employee has agreed to enter into this Agreement in an effort to avoid any dispute.

11. Employee and Employer will not, either orally or in writing, disparage or make any defamatory or otherwise negative or potentially injurious statements concerning Employer, Employee, or Employee's employment relationship, including the separation thereof, to any person including, but not limited to, any current or potential employee, supplier, customer, client or potential client of Employer, regardless of whether Employee or Employer believes such


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statements to be, or such statements are in fact, truthful. The parties acknowledge and agree the intent of this provision is to avoid all derogatory or disparaging remarks by Employee or Employer and not simply those which may be legally defined as defamatory.

12. In addition to the consideration provided herein, and specifically in exchange for Employee's release of claims of age discrimination, Employer will pay Employee the sums and manner set forth in Sections 3(c) and 3(d) above, provided Employee has not revoked Employees' release of claims of age discrimination or any other age-related claim.

- a. Employee acknowledges receipt of notification, previously and through this document, in accordance with the Older Workers' Benefit Protection Act, and that Employer has given Employee twenty-one (21) days to consider the offer made by this Agreement and has instructed, and does expressly instruct Employee that Employee should review this proposed Agreement with an attorney of Employee's choosing at Employee's expense.
- b. After signing this Agreement, Employee shall have seven (7) calendar days within which to exercise a right of revocation of any waiver of an age-related claim and this Agreement will not be enforceable or effective as to any waiver of any claim of age discrimination or age-related claim, and no payment, as set forth in Section 3(d) above, shall be made until the expiration of such seven-day period without revocation. Any such revocation must be communicated in writing and actually delivered in person to Mayor, Bob Warters at 1800 Space Park Drive #200 Houston, Texas 77058, with a delivery confirmation, at, so it is actually received by Employer not later than the close of its normal business day on the seventh (7th) calendar day following Employee's execution of this Agreement. Otherwise, such revocation shall be of no force or effect and that failure to revoke Employee's acceptance of this Agreement within seven (7) calendar days from the date Employee signs this Agreement will result in this Agreement being permanent and irrevocable as to any and all potential claims.
- c. In the event Employee revokes Employee's waiver and release of claims for age discrimination under this agreement, Employee shall be entitled to only the consideration set forth in Section 3(c) above, in return for the release of all claims and causes of action set forth in Section 4, above, except Employee shall have revoked any waiver or release of any claim of age discrimination, including, claims under the federal Age Discrimination in Employment Act of 1967, 29 U.S.C. 626 only. In such instance, other than the consideration set forth in Section 3(c) above, for waiver and release of any and all other claims, Employee shall not be entitled to any other payment set forth in Section 3 above.

13. Employee hereby declares he has read this Agreement and that, at all times in the negotiation, review and acceptance of this Agreement, has known he could be represented by counsel of his own choice, and Employee has had adequate time to discuss this Agreement with

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an attorney of his choosing. Employee fully understands and appreciates the meaning of this Agreement and has executed the same of his own free will and accord.

14. The parties understand and agree that Employee has entered into and executed this Agreement voluntarily and that such execution by Employee is not based upon any representations or promises of any kind made by Employer or any of its representatives, except as expressly recited in this Agreement. Employee agrees this Agreement is valid, fair, adequate and reasonable, was not procured through fraud, duress or mistake and has not had the effect of misleading, misinforming or failing to inform Employee. Employee acknowledges that any payments or benefits provided under this Agreement are not an admission by Employer of any wrongful or prohibited act.

15. With the exception of the indemnification obligation in Section 14 of the Employment Agreement dated October 7, 2015, which survives and is incorporated into this Agreement by reference, this Agreement constitutes the only existing and binding agreement between the parties concerning Employee's employment with Employer and the separation thereof as well as the subject matter of this Agreement and the parties acknowledge there are no other promises or representations of any kind, express or implied, upon which the parties have relied in entering into this Agreement, except as expressly set forth herein.

16. This Agreement shall be binding on, and inure to the benefit of, the parties hereto and their respective successors and assigns.

17. If any portion or provision of this Agreement is found to be unenforceable or invalid, the parties agree any such portion may be excised by a court of competent jurisdiction but that the remaining portions will remain in full force and effect.

18. From and after the date of this Agreement, neither Employee or Employer shall divulge or disclose the terms or conditions of this Agreement to any person or entity not a party to this Agreement at any time, for any reason, except that either party to this Agreement can disclose the terms and conditions of this Agreement to their attorneys, referring attorneys, financial advisors, insurers, and auditors, on the condition that these persons shall keep such information strictly confidential. No party to this Agreement will disclose any of the terms of this Agreement or the consideration received from Employer or any communications, written, verbal or otherwise, constituting or concerning the negotiation of this Agreement to any third person except as may be required by subpoena, court order, or court ruling, except as follows:

- a. In the event the parties are asked about the status or outcome of the issues made the basis of this Agreement, they agree to reply with the following words or words imparting substantially the same information: "the matter is settled and nothing more can be said"; and,
- b. To the extent disclosure may be required by law.

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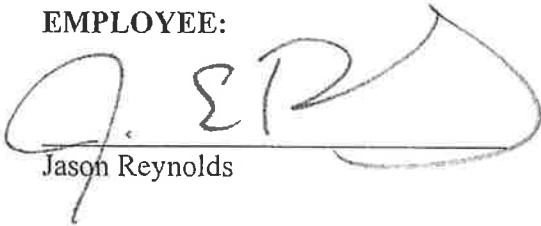
Employer's Initials

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19. From the date Employee signs this Agreement, Employee agrees to assign all duties and powers of City Manager to Tim Cromie (save and except the specific role of implementing the home elevation program for 2018 and 2019, submitting the 2021 home elevation application (36 homes applied), and writing the budget memo for the fiscal year 2022 Budget book that will be performed by Employee from the effective date of this Agreement until January 1, 2022. Employer agrees that Employee will remain employed until January 1, 2022 and will receive his regular salary and benefits through January 1, 2022. From the date Employee signs this Agreement and until January 1, 2022, Employee agrees to work remotely from home and refrain from maintaining an office at City Hall. Employer agrees that Employee will remain as a signatory and bank representative until January 1, 2022. Employee agrees to assign Tim Cromie the role and duty of running the daily operations of the City and Employee agrees Tim Cromie shall solely attend all City meetings and interface with City Council and City Staff.

IN WITNESS WHEREOF, Employee and Employer have entered into and executed this Agreement.

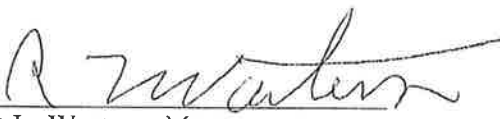
EMPLOYEE:



Jason Reynolds

EMPLOYER:

City of Nassau Bay, Texas



Robert L. Warters, *Mayor*

