

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("AGREEMENT") is made and entered into as of November 4, 2009, between the **UNION COUNTY IMPROVEMENT AUTHORITY**, a public body politic and corporate, established pursuant to N.J.S.A. 40:37A-44 et seq., as amended, with its principal office at 10 Cherry Street, Elizabeth, New Jersey 07207 ("EMPLOYER" or "AUTHORITY") and **CHARLOTTE DEFILIPPO** domiciled at 65 King Street, Hillside, New Jersey 07205 ("EMPLOYEE").

WHEREAS, EMPLOYEE has held the position of Executive Director since November 29, 2000; and

WHEREAS, the Authority continues to require the services of an Executive Director by virtue of significant projects and activities which require administrative and managerial direction; and

WHEREAS, the Authority has determined to appoint Charlotte DeFilippo as the Executive Director for a term of five (5) years, effective December 1, 2009.

IT IS THEREFORE AGREED that in return for the mutual promises given and received herein, that the EMPLOYER hereby agrees to employ the EMPLOYEE as its Executive Director and the EMPLOYEE hereby accepts employment on the terms and conditions hereinafter set forth:

1. Duties - The EMPLOYEE shall serve as the EMPLOYER'S Executive Director and shall devote the full time and skill reasonably necessary to perform the duties of that position as hereinafter defined. Nothing contained herein shall be construed to prohibit outside activities by the

EMPLOYEE, whether for profit, recreation, public service, or of a religious or charitable nature, which do not unreasonably conflict with or interfere with the duties hereunder.

The duties and responsibilities of the EMPLOYEE in her capacity as Executive Director shall include the duties and responsibilities as set forth herein:

The Executive Director of the AUTHORITY is the chief operating officer of the agency. The Executive Director is a leader and manager who guides the day-to-day operations, budget, and services of the AUTHORITY.

Reporting to the Commissioners, the Executive Director directs planning, finance and administration, personnel management, inter-agency collaboration, and relationships and communications with other municipalities and local, state, and Federal governments. The Executive Director is responsible for employee evaluations, procurement and other functions and services.

The Executive Director is involved directly with agency governance. The Executive Director attends all meetings of the Authority and is excluded from closed sessions only if there is a majority vote of the Commissioners to exclude the Executive Director for reasons that are stated specifically.

The EMPLOYER shall not materially change the employment duties and responsibilities described above without the written agreement of the EMPLOYEE.

2. Term - The term of this AGREEMENT shall be for a period of five (5) years effective December 1, 2009. On or before the twelve (12) month anniversary date of each year of this AGREEMENT the Authority shall notify the EMPLOYEE in writing with regard to its intent to renew the AGREEMENT for an additional twelve (12) month period. The purpose of this provision is to ensure that the EMPLOYEE will receive notice each year as to the remaining number of years of the term hereof. In the event that the EMPLOYEE is notified on such anniversary date of the AUTHORITY'S intent to extend the term by an additional twelve (12) month period, then, and in that event, the remaining term of this AGREEMENT shall be five (5) years. Nothing herein shall be

construed to prevent the AUTHORITY and the EMPLOYEE from extending the term of this AGREEMENT at any time prior to its expiration.

After the expiration of this AGREEMENT, this AGREEMENT may, by mutual consent of the EMPLOYER and EMPLOYEE continue on a month-to-month basis or upon such other terms and conditions as EMPLOYER and EMPLOYEE may mutually agree. Notwithstanding anything else to the contrary contained herein, the EMPLOYEE may, at her sole option, terminate this AGREEMENT upon reasonable notice to the EMPLOYER, such notice to be not less than forty-five (45) days.

3. Compensation - The EMPLOYER shall pay and the EMPLOYEE shall accept as full consideration for the services to be rendered hereunder compensation consisting of the following:

(A) Upon the commencement of this AGREEMENT, EMPLOYEE shall be compensated at the rate of One Hundred Forty Seven Thousand Seven Hundred Twelve Dollars and Nineteen Cents (\$147,712.19) per annum.

EMPLOYEE's salary shall be paid in twenty-six installments (every two weeks), subject to appropriate deductions for taxes and pension contribution.

(B) Pension - The EMPLOYER shall take any and all actions necessary for EMPLOYEE's enrollment and/or continuance in the New Jersey Public Employees' Retirement System (PERS), including but not limited to making the EMPLOYER's required contributions commensurate with EMPLOYEE's salary and payment of all premiums for life insurance and death benefits in accordance with the program available to members of the PERS. The parties agree that EMPLOYEE shall be entitled to the cumulation of total years within which EMPLOYEE has made contribution to PERS, regardless of employer, as pertains to EMPLOYEE's entitlement to benefits at

the time of retirement. By way of example, if EMPLOYEE has worked a total of 25 years for employers who participate in PERS, then and in that event, EMPLOYEE shall be entitled to paid health care and medical benefits as if EMPLOYEE had been employed by a sole employer participating in the PERS.

(C) Health Insurance - EMPLOYEE shall receive the same health, major medial, and dental and other health care benefits as are currently provided to employees employed by the AUTHORITY and/or the County of Union together with such improvements in said benefits as may be provided to said employees during the term of this AGREEMENT.

(D) Vacations, Holidays, Compensatory Time, Longevity Payments, Personal and Sick Days - EMPLOYEE shall receive the same level of vacation, holidays, compensatory time, longevity payments, personal days, sick days and the accrual and compensation therefor, as are currently provided to employees of the County of Union, but in any event not less than fifteen (15) sick days and thirty five (35) days vacation, together with such improvements in said benefits as may be provided to said employees during the term of this AGREEMENT. EMPLOYEE shall be entitled to full compensation for the value of unused vacation and sick days at such time as there is a separation of service and/or termination of this AGREEMENT for any reason. EMPLOYEE may elect to either carry over unused vacation days to the following year or to receive compensation in lieu of any unused accrued vacation days.

4. Professional Assistance and Office Location - EMPLOYER shall provide EMPLOYEE with such clerical, technical, and professional services and assistance as may be reasonably necessary to the performance of EMPLOYEE's duties hereunder and suitable to her position, including but not limited to, the assignment to the EMPLOYEE of a competent and

efficient secretary. The EMPLOYER shall provide and maintain suitable offices for the use of the EMPLOYEE and her staff in order that the day to day activities of the EMPLOYER can be efficiently undertaken and completed. The EMPLOYEE, in her discretion and at her sole expense may maintain an additional or home office in her place of residence and may telecommute and/or carry out the activities of the Executive Director from such location. EMPLOYER shall provide and maintain appropriate liability insurance on and for EMPLOYEE'S home office at all times throughout the term of this AGREEMENT.

5. Reimbursement of Expenses - EMPLOYER shall promptly reimburse or advance to EMPLOYEE expenses reasonably incurred by EMPLOYEE in the performance of her duties hereunder. Such reimbursement shall be subject to the approval of the full Union County Improvement Authority. EMPLOYEE shall present to EMPLOYER, from time to time, an itemized accounting of such expenses consistent with such agency's policies and procedures. Such expenses shall include, but not be limited to, the reasonable costs of attending professional association conventions from time to time.

6. Indemnification - EMPLOYER shall indemnify, defend, and hold EMPLOYEE harmless for any claim(s) arising from an act of omission of the EMPLOYEE or any act of omission by the EMPLOYER, its members, employees and representatives within the scope of the performance of EMPLOYEE's duties. The AUTHORITY may refuse to provide for the defense of an action if it determines that:

- A) The act or omission was not within the scope of employment; or
- B) The act or failure to act was the result of actual fraud, willful misconduct or actual malice; or

C) The defense of the action or proceeding by the AUTHORITY would create a conflict of interest between the AUTHORITY and the EMPLOYEE or former employee.

7. Termination - EMPLOYER shall not abolish or alter EMPLOYEE's position or duties and EMPLOYEE shall not be discharged, disciplined, reprimanded, reduced in status, rank or compensation, or deprived of any professional or employment advantage, or given any adverse evaluation of her performance without just cause, including EMPLOYEE's malfeasance which shall have first been determined by a court of competent jurisdiction.

8. Waiver of Breach - The failure of either party to require the performance of any term or condition of this AGREEMENT shall not prevent a subsequent enforcement of any such term or be deemed to be waiver of any subsequent breach. The non-breaching party shall not be deemed to have waived any breach of the other party nor any of the non-breaching party's rights attributable to that breach, unless the non-breaching party executes a specific, dated, written waiver.

9. Assignment - The rights and obligations under this AGREEMENT shall inure to the benefit and burden of and shall be binding upon the successors in interest and assigns of the EMPLOYER. EMPLOYEE shall be entitled to assume the same or substantially similar position and duties of any successor in interest or assign of the EMPLOYER upon the terms and conditions contained herein. Additionally, any rights that EMPLOYEE may have with respect to accrued employee benefit(s), including but not limited to, vacation, holidays, compensatory time, longevity payments, personal days and sick days shall inure to the benefit of the estate of the EMPLOYEE in the event of her death.

10. Governing Law - The terms of and performance under this AGREEMENT shall be governed by the law of the State of New Jersey.

11. Notices - Any notice required or desired to be given under this AGREEMENT shall be given in writing and sent by certified mail to his or her residence in the case of the EMPLOYEE, which is 65 King Street, Hillside, New Jersey 07205 or to its principal office in the case of the EMPLOYER.

12. Entire Agreement - This instrument contains the entire agreement of the parties respecting the employment of EMPLOYEE, and there are no representations, warranties, or commitments, except as set forth herein. This AGREEMENT may be amended only by an instrument in writing executed by the parties hereto.

13. Headings - Section and other headings contained in this employment AGREEMENT are for reference purposes only and shall not effect in any way the meaning or interpretation of this AGREEMENT.

14. Savings Clause - Should any valid federal or state law or final determination of any court or administrative agency affect any provision of this AGREEMENT, the provisions or provisions so affected shall be automatically conformed to the law or determination and otherwise the AGREEMENT shall continue in full force and effect.

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IN WITNESS WHEREOF, EMPLOYER has by its authorized representative, signed and affected its seal and EMPLOYEE has signed this AGREEMENT.

FOR:

UNION COUNTY IMPROVEMENT
AUTHORITY

BY:


ANTHONY R. SCUTARI, CHAIRMAN

FOR:

EMPLOYEE


CHARLOTTE DEFILIPPO

DATE:

11/04/09

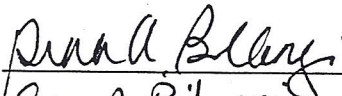
11/05/09

SEAL:

ATTEST:


JOHN SALERNO, SECRETARY

WITNESS:


Gina A. Bilangi