

Borough of South River  
48 Washington St  
South River, NJ 08882-0660  
732-257-1999

Employment Contract  
Borough Administrator

THE WITHIN EMPLOYMENT CONTRACT (hereinafter referred to as "Contract") is hereby entered into 13<sup>th</sup> day of March, 2012, by and between the:

BOROUGH OF SOUTH RIVER, with offices at:

48 Washington Street

South River, NJ 08882-1247

(hereinafter referred to as the "Borough"),

-and-

ANDREW J. SALERNO, residing at:

27 Caledonia Drive

Ocean View, NJ 08230

(hereinafter referred to as the "Administrator").

**WITNESSETH:**

WHEREAS, pursuant to N.J.S.A.40A:60-7 and N.J.S.A.40A:9-136 et seq., the Mayor and Borough Council entered into a contract with Andrew J. Salerno on January 15, 2007 whereby Andrew J. Salerno was engaged as Borough Administrator; and

WHEREAS, said contract was amended on December 23, 2008; and

WHEREAS, the Mayor and Borough Council desire to continue the employment of the Administrator; and

WHEREAS, the Borough and the Administrator have agreed upon the terms and conditions of employment and wish to memorialize such matters as follows:

1. **Term and Renewal:** The Borough, in consideration of the Administrator's promises as set forth below, hereby employs, and the Administrator hereby accepts continued employment as full-time Borough Administrator. The Administrator's term of office shall be at the pleasure of the Mayor and Council as provided under N.J.S.A.40A:9-137 and New Jersey Public Employee's Pension Regulations. Subject to the foregoing, the terms of the Contract shall be from January 1, 2012 through December 31, 2012.
2. **Duties:** The Administrator shall perform those duties set forth in Chapter 13 of the Ordinance of the Borough of South River, as amended from time to time. The Administrator shall also provide Executive Management for the Borough's Electric, Water and Parking Utilities. In addition, the Administrator shall also perform related additional duties as assigned by the Mayor and Council.
3. **Outside Activities:** The Administrator shall devote his time, attention and energy to the business of the Borough. Andrew J. Salerno shall not undertake any activities that shall interfere with his duties as Borough Administrator.
4. **Salary:** The Borough shall pay the Administrator a gross annual salary during the term hereof as follows, less all normal and required tax, PERS pension deductions and similar deductions:

Calendar Year 2012 \$155,000

The salary shall be allocated 45% to the current fund, 35% to the Electric Utility and 20% to the Water Utility. The allocation shall reflect compensation for the duties as they relate to the various responsibilities appropriate for each function.

The Administrator shall receive his compensation in accordance with the established schedule of salary payments in effect for the other Borough employees. The Administrator is not eligible and shall not receive longevity set forth in the Borough Employee and Personnel Policy Manual.

## 5. **Benefits:**

- a. **Vacation:** The Administrator shall be granted a total of seventeen (17) vacation days per year. Vacation time shall be earned pro rata on a monthly basis for reimbursement purposes only. The Administrator shall be permitted to carryover unused vacation time for a maximum of twenty-four (24) months from the year it is accrued. The Administrator shall notify the Mayor and Borough Council of all vacation days to be taken and the vacation as submitted by the Business Administrator shall be approved by the Mayor.
- b. **Personal Time:** The Administrator shall be granted seven (7) personal days and birthday as set forth in the Employee and Personnel Policy Manual. The Administrator shall provide the Mayor with at least twenty-four (24) hours advance notice prior to using any personal day, except in case of an emergency whereupon the Administrator shall notify the Mayor as soon as practical under the circumstances. Personal days shall not accumulate from year-to-year if unused.
- c. **Sick Leave:** The Administrator shall be granted twelve (12) sick days per year, earned at a rate of one (1) day per month, which, if unused, shall accumulate from year-to-year to a maximum of one hundred and thirty (130) days. Upon his retirement, the Borough will reimburse the Administrator for all accumulated unused sick leave up to a maximum of one hundred and thirty (130), except that the Borough of South River shall pro rate the twelve (12) sick days accrued and unused sick days for the year of retirement.
- d. **Holidays:** The Administrator shall receive Holidays as set forth in the Employee and Personnel Policy Manual.
- e. **Business Allowances:** The Borough will provide the Administrator with up to a \$200 monthly allowance with provided receipts for legitimate business expenses.
- f. **Pension:** The Borough shall pay its required share of contributions for the Administrator's PERS pension account.
- g. **Health Benefits:** The Borough will provide to the Administrator the same health benefits package as provided to other full-time Borough employees. Such benefits shall commence as provided in the Borough's agreement with its health insurance carrier. The Administrator's health benefit package shall remain identical to that provided to other full-time Borough employees for the life of this

Contract. Upon retirement the Administrator shall receive Borough paid health and prescription in existence on the date of retirement.

- h. **Use of Vehicle:** The Administrator shall use his personal vehicle for any and all job assignments and/or obligations he may need to perform once the Administrator arrives in South River daily. The Administrator shall submit receipts for all legitimate expenses incurred while on the job assignments and/or obligations. Said expenses shall include mileage, tolls, and parking.
- i. **Professional and Civic Organizations:** The Borough will pay for the Administrator's membership to such professional and civic associations as the Borough deems necessary and appropriate, including but not limited to the International City Management Association (ICMA) and the New Jersey Municipal Managers Association (NJMMA), not to exceed a total yearly cost of two thousand dollars (\$2000.00).
- j. **Conferences:** The Borough will provide and reimburse associated costs for the Administrator's attendance at the New Jersey League of Municipalities Annual Conference and the International City Management Annual Conference upon submission of appropriate documentation. Professional conference attendance funded by the JIF and PPANJ are also authorized for attendance. The Borough will pay for the Administrator's attendance at other conferences as it deems necessary and appropriate.
- k. **Educational Reimbursement:** The Borough will reimburse the Administrator for all Borough Council approved educational courses taken and completed for which the Administrator receives a passing grade. The Administrator must remain in the employment of the Borough for at least one (1) year subsequent to completing the approved educational course and in the event he does not, the costs for the same shall be repaid to the Borough of South River.
- l. **Continuing Education Classes:** The Borough will reimburse the Administrator for seminars/classes taken to maintain all State of New Jersey Certification held by the Administrator not to exceed the sum of four hundred dollars (\$400.00) per year. The Borough will also reimburse the Administrator for all renewal costs for such certifications, not to exceed four hundred dollars (\$400.00) per year.
- m. **Remote Office Work Time:** The Administrator may utilize a remote office work schedule during his employment with the Borough. The use of the remote office schedule is solely at the discretion of the Administrator. The remote office work

schedule shall be provided to the Mayor the first work day of each month (no later than the 10<sup>th</sup> day of the month). If the remote office work schedule is not provided to the Mayor by the 10<sup>th</sup> day of the month, any days taken as a remote office day during the time period will be recorded as vacation for payroll purposes. The remote office work schedule shall be limited to four (4) non-consecutive days per month.

- n. **Equipment:** Any equipment required by the Administrator for his employment tenure with the Borough shall be approved and paid for by the Borough and shall also be maintained by the Borough (i.e. Cellular Phone, Laptop Computer, etc.). Said equipment shall remain the property of the Borough and upon termination of the Administrator's employment; all said items and equipment shall be returned to the Borough in good working order.
6. **Indemnification:** The Borough agrees to defend, hold harmless, and indemnify the Administrator from any and all demands, claims, suits, actions, and legal proceedings brought against the Administrator, for any act or omission arising out of and directly related to the lawful performance of the duties of his office and employment, but not for his defense in a criminal proceeding. The Borough will provide a defense, if the action is not covered by the JIF, either by appointing and paying for counsel of its choice to defend the Administrator in connection with such legal proceedings or by reimbursing the Administrator's choice of counsel for the actual expenses of his defense, upon the submission of appropriate documentation of such expenses, at a maximum rate of two hundred dollars (\$200.00) per hour plus reasonable and necessary costs. In the event that a criminal proceeding brought against the Administrator related to any act or omission arising out of and directly related to the lawful performance of the duties of his office and employment is finally determined in favor of the Administrator, the Borough will reimburse the Administrator for the actual expenses of his defense upon the submission of appropriate documentation of the acquittal and fees and costs charged at a maximum rate of two hundred dollars (\$200.00) per hour plus reasonable and necessary costs.
  7. **Termination:** This Contract may be terminated by or at the pleasure of the Mayor and Council as provided in and subject to the requirements of N.J.S.A.40A:9-137 and N.J.S.A.40A:9-138, by resolution of a two-thirds (2/3) vote of the governing body. The resolution of approval shall be effective ninety (90) days from the adoption by the governing body or such other time frame as set forth in the resolution. During this period the Borough will continue to pay the Administrator's salary and will maintain his health benefit coverage. The governing body may provide that the

resolution shall have immediate effect, provided, however, that the governing body shall cause to be paid to the Administrator forthwith any unpaid balance of his salary, in a lump sum less usual deductions and maintain health benefit coverage. The Administrator may terminate this contract by providing a thirty (30) days advance written notice.

8. **Residency:** It shall not be a requirement that the Business Administrator reside in the Borough of South River.
9. **Conflicts:** In the event of any conflict between the terms, conditions and provisions of this Contract and the provisions of the Borough's ordinance of policies, then, unless otherwise prohibited by law, the terms of this Contract shall take precedence over the contrary provisions of the Borough's ordinances or policies.
10. **Savings Clause:** If, during the term of this Contract, it is found that any clause of the Contract is illegal under Federal or State law, then the remainder of the Contract not affected by such ruling shall remain in full force and effect.
11. **Headings:** The captions and headings of this Contract are for convenience and ease of references only and in no way define, limit or describe the scope or intent of this Contract and such headings do not in any way constitute a part of this Contract.
12. **Notices:** Any notice or other communication which is required to be given under this Contract, or pursuant to Borough Ordinance, shall be in writing and shall be deemed to have been validly given if delivered in person or mailed by certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the Borough:

Borough of South River  
48 Washington Street  
South River, NJ 08882-0660  
Attention: Mayor

If to the Administrator:

Andrew J. Salerno  
27 Caledonia Drive  
Ocean View, NJ 08230

Changes in respective addresses to which such notices may be directed may be made from time-to-time by any party by providing written notice to the other party in accordance with the terms of this paragraph.

13. **Advice of Attorney:** Each party hereto acknowledges that it has had ample opportunity to have the form of this Agreement reviewed by an attorney of his or her choosing prior to the execution of this Agreement.

14. **Counterparts:** This Contract may be executed in any number of counterparts with the same effect as if the signature and seals thereto and hereto were upon the same instrument.

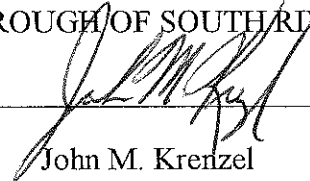
15. **Construction:** The language of all parts of this Contract shall in all cases be constructed as a whole, according to its fair meaning, and not strictly for or against any party.

16. **Governing Law:** This Contract is made and entered into in the State of New Jersey and in all respects shall be interpreted, enforced and governed under and in accordance with the Laws of the State of New Jersey.


17. **Complete Agreement:** This Contract embodies the entire agreement between the parties hereto and supersedes any prior or contemporaneous agreement, representation or understanding, whether written or oral. This Contract may not be modified except by written instrument executed by all parties hereto.

**IN WITNESS WHEREOF**, the Borough has caused these presents to be executed and its seal to be hereunto affixed by its duly authorized officer, and Andrew J. Salerno has hereunto set his hand and seal this 13<sup>th</sup> day of March, 2012.

BOROUGH OF SOUTH RIVER

By:   
John M. Krenzel

Mayor

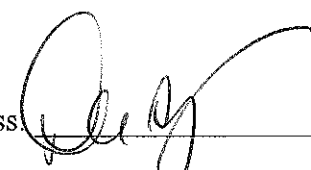
  
Andrew J. Salerno

Administrator

Witness: 

Patricia O'Connor

Borough Clerk

Witness: 

Debra A. Jones

Executive Assistant

RES:2012-118

MARCH 12, 2012

RESOLUTION

WHEREAS, the Mayor and Borough Council desire to amend the terms and conditions of employment of the Borough Administrator, other than his term of office which is established by N.J.S.A. 40A:9-136, et seq; and

WHEREAS, the terms of said contract are memorialized in the attached agreement.

NOW, THEREFORE, BE IT AND IT IS HEREBY RESOLVED by the Mayor and Borough Council of the Borough of South River that the Mayor and Borough Clerk are authorized to execute the attached agreement with the Borough Administrator.

DATED: MARCH 12, 2012

/s/ Jim Hutchison  
Councilmember

/s/ Donna Farren  
Councilmember

CERTIFIED COPY OF THE ORIGINAL  
FILED IN THE OFFICE OF THE  
BOROUGH CLERK, SOUTH RIVER, N.J.

DATED 3/13/12

PATRICIA E. O'CONNOR, RMC  
BOROUGH CLERK PO

BA  
JONES  
PAYROLL