

## SEVERANCE AGREEMENT

**THIS SEVERANCE AGREEMENT** (hereinafter referred to as the “Agreement”) is made and entered to be effective the twenty-sixth (26<sup>th</sup>) day of August, 2025, by and between the **CITY OF HURST, TEXAS**, a Texas home-rule municipality (hereinafter referred to as the “City”); and **Clay Caruthers** (hereinafter referred to as “Manager”), both of which parties hereto understand and agree as follows:

**WHEREAS**, on or about March 22, 2016, the City and Manager entered into an employment agreement concerning the services of City Manager (hereinafter referred to as the “Employment Agreement”); and

**WHEREAS**, the Manager meets with the City Council annually to provide an operational update and review the Employee Agreement; and

**WHEREAS**, Employee Agreement updates and amendments are made annually after Council consideration and under the Mayor’s signature; and

**WHEREAS**, the City Council of the City of Hurst, Texas, finds it is in the best interest of the City to enter into a separate agreement to address any severance payment provided to Manager in the event the City Council decides to terminate Manager’s employment during such time Manager is willing and able to continue performing the duties of the City Manager.

**NOW, THEREFORE**, for and in consideration of the agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Manager agree as follows:

### **SECTION 1. FINDINGS INCORPORATED.**

The foregoing recitals are hereby incorporated into the body of this Agreement and shall be considered part of the mutual covenants, consideration and promises that bind the parties.

### **SECTION 2. TERM.**

This Agreement shall be effective as of the Effective Date of this Agreement, and shall continue thereafter through the term of the Employment Agreement, as amended, unless terminated sooner under the provisions hereof.

### SECTION 3. DEFINITIONS.

The following words shall have the following meanings when used in this Agreement.

- (a) **Agreement.** The word "Agreement" means this Severance Agreement, together with all exhibits and schedules attached to this Agreement from time to time, if any.
- (b) **City.** The word "City" means the City of Hurst, Texas, a Texas home-rule municipality. For the purposes of this Agreement, City's address is 1505 Precinct Line Road, Hurst, Texas (76054).
- (c) **Effective Date.** The words "Effective Date" mean the date of the latter to execute this Agreement by and between the City and Manager.
- (d) **Employment Agreement.** The words "Employment Agreement" mean the Employment Agreement by and between the City and Manager, as amended.
- (e) **Manager.** The word "Manager" means Clay Caruthers, City Manager of the City of Hurst, Texas.
- (f) **Term.** The word "Term" means the term of this Agreement as specified in Section 2 of this Agreement.

### SECTION 4. AFFIRMATIVE OBLIGATIONS.

The City and Manager covenant and agree that while this Agreement is in effect, it shall comply with the following terms and conditions:

- (a) **Severance Pay.** In the event the City Council decides to terminate Manager's employment during such time Manager is willing and able to continue performing the duties of Manager, then the City shall provide a one-time severance payment equal to twenty (20) weeks' salary, or the maximum allowed by state law, at the current rate of pay in return for a full and complete release to the fullest extent permitted by law from Manager in favor of the City of any and all claims Manager may have against the City. Only after Manager signs and provides a signed release of claims shall severance be paid. The failure to execute and deliver such release shall nullify any obligation by the City to pay severance. The City shall endeavor to pay severance to Manager in the next regular payroll cycle. Payment shall be made no later than fourteen (14) days after Manager provides a signed release of claims.

- (b) **No Severance Payment.** In the event the City terminates Manager's employment based on a felony conviction, then the City shall have no obligation to pay any severance pay designated in this section.

## **SECTION 5. TERMINATION.**

This Agreement shall terminate automatically without further notice to Manager or City upon: (1) termination of the Employment Agreement; and (2) payment of the severance pay as provided in Section 4(a) of this Agreement by City to Manager, and consistent with the terms of the Employment Agreement.

## **SECTION 6. MISCELLANEOUS PROVISIONS.**

The following miscellaneous provisions are a part of this Agreement:


- (a) **Amendments.** This Agreement constitutes the entire understanding and agreement of the parties as to the matters set forth in this Agreement. No alteration or amendment to this Agreement shall be effective unless given in writing and signed by the party or parties sought to be charged or bound by the alteration or amendment.
- (b) **Applicable Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, and all obligations of the parties created hereunder are performable in Tarrant County, Texas. Venue for any action arising under this Agreement shall lie in the state courts of Tarrant County, Texas.
- (c) **Assignment.** This Agreement is personal to each of the parties hereto and may not be assigned.
- (d) **Caption Headings.** Caption headings in this Agreement are for convenience purposes only and are not to be used to interpret or define the provisions of the Agreement.
- (e) **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which shall constitute one and the same document.
- (f) **Entire Agreement.** This written agreement represents the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties. There are no unwritten oral agreements between the parties.
- (g) **Severability.** The provisions of this Agreement are severable. If any paragraph, section, subdivision, sentence, clause, or phrase of this Agreement is for any reason


held by a court of competent jurisdiction to be contrary to law or contrary to any rule or regulation, the remaining portions of the Agreement shall be enforced as if the invalid provision had never been included.

**IN WITNESS WHEREOF**, The City of Hurst, Texas and the Manager have caused this agreement to be signed and executed on the 26<sup>th</sup> day of August 2025.

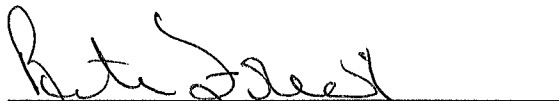
**CITY:**

**MANAGER:**

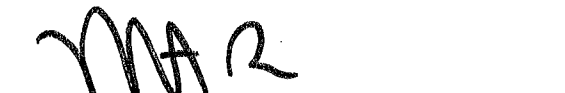
  
Henry Wilson, Mayor

  
Clay Caruthers, City Manager

**ATTEST:**

  
Rita Frick, City Secretary

**APPROVED AS TO FORM:**

  
Matthew Boyle, City Attorney

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