

**I, Brittney Hunt, Town Clerk of the Town of Chapel Hill, North Carolina, hereby certify that the attached is a true and correct copy of (2025-06-25/R-9) adopted by the Chapel Hill Town Council on June 25, 2025.**



**This the 26th day of June, 2025.**

*Brittney N. Hunt*

**Brittney Hunt  
Town Clerk**

**A RESOLUTION APPROVING THE CONTRACT OF TOWN MANAGER THEODORE L. VOORHEES  
(2025-06-25/R-9)**

WHEREAS, the Town Council has selected Theodore L. Voorhees to serve as Town Manager effective August 11, 2025, pursuant to terms and conditions set forth in the Contract brought forth by Council as part of this Agenda Item.

NOW, THEREFORE, BE IT RESOLVED that the Council hereby approves the Contract of Town Manager Theodore L. Voorhees and authorizes the Mayor to execute the Contract on behalf of the Council.

This the 25<sup>th</sup> day of June, 2025.

North Carolina  
Orange County

**TOWN OF CHAPEL HILL  
EMPLOYMENT CONTRACT FOR THE TOWN MANAGER**

**Introduction**

This Contract, made and entered into this the \_\_\_\_<sup>st</sup> day of June, 2025, by and between the Town of Chapel Hill, a North Carolina municipal corporation (the “Town”) and Theodore L. Voorhees.

**Section 1: Term.**

This Contract shall remain in full force and effect until terminated by the Town or Theodore L. Voorhees or as provided in Section 9, 10, or 11 of this Contract.

**Section 2: Duties and Authority.**

The Town agrees to employ Theodore L. Voorhees as the Town Manager to perform the functions and duties specified in the policies, resolutions, and ordinances of the Town, as defined in the applicable laws of the State of North Carolina for a manager under the council-manager form of government, and to perform other legally permissible and proper duties and functions.

Theodore L. Voorhees (the “Town Manager” or “Manager”) agrees to accept and perform the functions and duties of Town Manager in accordance with said policies, resolutions, and ordinances of the Town, as defined in the applicable laws of the State of North Carolina for a manager under the council-manager form of government, and to perform other legally permissible and proper duties and functions.

It is recognized that the Manager may need to devote a great deal of time outside of the normal office hours on business for the Town, and to that end the Manager shall be allowed to establish for himself an appropriate work schedule.

**Section 3: Salary.**

The Town agrees to pay the Manager an annual base salary of \$265,000.00, effective beginning August 11, 2025, payable in installments at the same time the other employees of the Town are paid. The compensation of the Manager shall be adjusted as deemed appropriate by Council and upon assessment of the results of the performance evaluation conducted under the provisions of Section 12 of this Contract. Increased compensation may be in the form of a salary increase and/or bonus.

**Section 4: Health, Disability and Life Insurance Benefits.**

The Town agrees to provide and to contribute to the payment of the premiums for comprehensive medical insurance and other insurance for the Manager and his dependents in accordance with the ordinances and policies of the Town for providing such insurance benefits to other full-time employees.

**Section 5: Vacation and Sick Leave.**

A. Upon commencing employment, the Manager shall be credited with 10 days of vacation leave and 12 days of sick leave. The Manager shall then accrue sick leave on an annual basis at the rate equivalent for other Town Department Directors, and vacation leave on an annual basis at the rate available for Town Department Directors.

B. Upon commencing employment and only for the period ending one month after the commencement of employment, the Employee shall have access to a bank of an additional 30 sick days to be used in the case of serious medical conditions. This leave can only be used to provide coverage during the waiting period between the onset of illness or disability and the point at which short or long term disability coverage takes effect.

C. The Manager is entitled to accrue all unused leave in accordance with the Town's policies, and in the event the Manager's employment is terminated, either voluntarily or involuntarily, the Manager shall be compensated for all accrued vacation time and all paid holidays.

D. The Town agrees to accept a transfer of up to 180 days of the Manager's accrued sick leave from the last employer with which he contributed to the North Carolina Local Government Employees' Retirement System (LGERS), if such leave remains available for transfer and is communicated to the Town within the first 30 days of employment. Such leave shall not be available for use during the Manager's employment with the Town, and it shall be accepted by the Town solely for purposes of allowing the Manager to gain service credit in retirement within the LGERS, unless such credit creates additional financial liability for the Town. The Town makes no representations and has no control over what credit or other benefits may be available under the LGERS related to such leave.

#### **Section 6: Use of Personal Vehicle.**

The Manager's duties require that he have at all times during his employment with the Town an automobile available for Town business. The Manager shall be responsible for the purchase, operation, insurance, maintenance, repair and regular replacement of said automobile. The Town shall reimburse the Manager at the IRS standard mileage rate for any business use of the vehicle beyond the greater Chapel Hill area. For purposes of this Section, use of the automobile within the greater Chapel Hill area is defined as travel to locations within a 40-mile radius of Chapel Hill. All travel outside this radius shall be reimbursed at a cents-per-mile rate equal to the IRS allowable rate then in effect. The Manager shall have the option to use one of the Town-owned fleet vehicles, which are routinely housed in the lot adjacent to his office in Town Hall, for travel related to Town business.

#### **Section 7: Retirement.**

The Town agrees to execute all necessary agreements for the Manager to participate in retirement plans and supplemental plans available to Town employees and to make contributions thereto on the same basis as for other full-time employees of the Town, except as may be limited by the rules governing the Manager's existing retirement status within the LGERS.

#### **Section 8: General Expenses.**

The Town agrees to budget and pay for:

- Professional dues and subscriptions of the Manager necessary for continuation in associations and organizations suitable and desirable for the Manager's professional development and for the good of the Town;
- Travel and subsistence expenses of the Manager for professional and official travel and meetings to pursue necessary official functions of the Town, including but not limited to the ICMA Annual Conference, the NC League of Municipalities, and other similar groups and committees of which the Manager serves as member;
- Travel and subsistence expenses of the Manager for short courses, institutes, and seminars necessary for professional development and the good of the Town;
- Non-personal but job-related reasonable expenses incurred by the Manager on a reimbursement basis and in accordance with existing Town policies upon receipt of duly executed expense vouchers, receipts, statements, or personal affidavits;
- Reasonable fees for membership in local civic clubs and organizations relevant to the Manager's duties;
- A laptop computer and all necessary hardware and software for professional use (to remain property of the Town upon employment termination); and
- Mobile phone service reimbursement at a rate commensurate with the rate paid to the Town Attorney.

#### **Section 9: Termination of Contract.**

The Town and the Manager acknowledge and agree that under the provisions of North Carolina Municipal Corporation Law, the Manager is appointed by the Town Council and serves at the pleasure of the Council. The provisions in Sections 10 and 11 below shall apply to the termination of such service and this Contract.

For purposes of this Contract, termination by action of the Council shall occur when any of the following occurs on a date on or before the Initial Term (as defined below) of this Contract:

1. The majority of the Council votes to terminate the Manager at a duly authorized public meeting.
2. If the Town or legislature acts to amend any provisions of the charter or law pertaining to the role, powers, duties, authority, responsibilities of the Manager's position that substantially change the form of government, the Manager shall have the right to declare that such amendments constitute termination.
3. If the Town reduces the base salary, compensation, or any other material financial benefit of the Manager, unless it is applied in no greater percentage than the average reduction of all department heads, such action shall constitute a breach of this Contract and will be regarded as a termination.
4. If the Manager resigns following an offer to accept resignation, whether formal or informal, by the Town as representative of the majority of Council, then the Manager may declare a termination as of the date of the offer.
5. There is a material breach of this Contract by the Town, which breach is not cured within a 30-day cure period. Written notice of a breach of contract shall be provided in accordance with the provisions of this Contract.

## **Section 10: Contract Term and Severance**

Severance shall be paid to the Manager when employment is terminated as defined in Section 9.

If the Manager is terminated during or at the conclusion of the first four months of employment with the Town (the Probationary Period) (or such extension the parties agree to by amendment to this Contract) the Town shall provide a severance payment equal to two months' salary.

The Town shall provide the Manager 20 days' notice prior to termination during the Probationary Period, unless the termination is concluded based on the final paragraph of this Section below.

Following the completion of the four-month Probationary Period (or such extension the parties agree to by amendment to this Contract) this Contract shall convert to a contract for an additional three-year period (the Initial Term).

If the Manager is terminated during the term of this Contract following the Probationary Period, the Town shall provide a severance payment equal to 12 months' salary, subject to the other provisions of this Section.

At least 120 days prior to the conclusion of the three-year term of this Contract (after the Probationary Period), the Council and Manager shall meet and discuss the status of the Contract and options for renewal or whether the Contract shall be allowed to conclude without renewal. The Council shall provide the Manager a minimum of 90 days' notice prior to expiration of this Contract of its intent not to renew or extend the Contract unless the employment of the Manager is concluded based on paragraph 8 of this Section below. A decision not to renew or extend the Contract shall not be considered termination as defined in Section 9 for purposes of payment of severance.

The Town's obligation to pay severance under this Contract shall cease at such time as the Manager commences employment with any other employer at a base salary that is equal to or higher than the Manager's base salary on the date of termination. In the event the Manager accepts employment with another employer at a base salary that is lower than the Manager's base salary on the date of termination, then the Town shall pay the Manager, for the remainder of the severance payment period, the difference between the base salary on the date of termination and the base salary of the new employer.

Severance shall be paid on the same schedule as salary payments are made to other employees and shall be paid at the rate of pay for the Manager at the time of termination. Severance pay shall include continuation of health insurance, life insurance, and short-term and long-term disability insurance on the same basis and for the same length of time as the severance pay is provided.

The Town is not obligated to pay Severance under this Section if the Manager is terminated because of a conviction for a felony, or, upon determination of the Council based on substantial evidence, due to serious detrimental personal conduct which would constitute grounds for termination of other Town employees under the Town's personnel ordinances.

**Section 11: Resignation.**

In the event the Manager voluntarily resigns his position with the Town (after the conclusion of the Probationary Period), the Manager shall provide 90 days' notice unless the parties agree otherwise.

In the event the Manager commits a material breach of this Contract that is not cured within a 30-day period, the Town may consider such breach a resignation. Written notice of breach shall be provided in accordance with the provisions of this Contract.

If the Manager voluntarily resigns his position with the Town (other than in response to an offer as described in Section 9, above), the Town is not obligated to pay Severance under Section 10.

**Section 12: Establishment of Performance Goals and Objectives; Performance Evaluation.**

The Town Council shall meet with the Manager during the first month of the Manager's employment with the Town to establish a set of priorities for the Manager, measurable performance goals, and a reasonable timetable and set of benchmarks for achieving those goals that the Council and Manager agree to. The Town Council and Manager shall, at the option of Council, meet monthly during the Probationary period and, thereafter, on a regular basis as the Council and Manager deem appropriate, to assess progress toward meeting those benchmarks and goals. The Council and Manager agree that consideration of the progress made toward meeting those goals and achieving the priorities may be considered in decisions to adjust the salary of the Manager.

The Town Council and Manager agree that the Town Council shall annually review the performance of the Manager in the September to November time period, at which time performance and progress toward meeting those measurable goals shall be assessed. The performance of the Manager shall be reviewed based on a process, form, criteria, and format for the evaluation which shall be mutually agreed upon by the Town Council and the Manager. The process at a minimum shall include the opportunity for both parties to: (1) prepare a written evaluation, (2) meet and discuss the evaluation, and (3) present a written summary of the evaluation results. Upon a determination of a majority of the Town Council that such evaluation is warranted the Council may conduct such additional evaluations as it deems appropriate.

**Section 13: Hours of Work.**

It is recognized that the Manager must devote a great deal of time outside the normal office hours on business for the Town, and to that end the Manager shall be allowed to establish an appropriate work schedule.

**Section 14: Outside Activities.**

The employment provided for by this Contract shall be the Manager's principal employment. Recognizing that certain outside speaking or teaching opportunities provide indirect benefits to the Town and the community, the Manager may elect to accept limited teaching or speaking opportunities with the understanding that such arrangements shall not interfere with nor create a conflict of interest with his or her responsibilities under this Contract. The Manager may accept payment of expenses and reasonable speaker's fees and/or honoraria, but shall otherwise not accept compensation for such activities.

## **Section 15: Residency and Moving Expenses.**

A. Residence within Town Required. The Manager agrees to establish residence within the corporate boundaries of Chapel Hill, North Carolina within six months of employment, and thereafter to maintain permanent, primary residence within the corporate boundaries of Chapel Hill.

B. Moving Expenses. The Town shall pay directly the actual expenses of moving the Manager and his family and personal property to Chapel Hill in an amount not to exceed \$20,000 upon the provision of appropriate receipts or equivalent documentation of said expenses. Said moving expenses may include packing, moving, and storage costs; unpacking; loan application fees, appraisals, deed preparation and other closing costs associated with the purchase of a residence; insurance charges; and mileage costs for moving two personal automobiles at the current IRS allowable rate per mile. In addition to the receipts of actual expenses, the Town may require documentation of bids received by the Manager from at least two moving companies.

In addition, the Town shall add three days of personal leave to the Managers' leave balance to accommodate the time spent moving to Chapel Hill.

In the event the Manager voluntarily resigns during the first three years of employment with the Town, he shall reimburse the Town for these moving expenses in accordance with the following schedule:

### **Resignation date:**

During first year of employment:

During second year of employment:

During third year of employment:

### **Reimbursement amount:**

Full amount of expenses paid by Town

Two-thirds of expenses paid by Town

One-third of expenses paid by Town

## **Section 16: Indemnification.**

The Town Council has adopted a policy for the protection of Town Officers and employees who have claims or suits filed against them arising out of their service for the Town of Chapel Hill. The terms of that policy are spelled out in "A Resolution Relating to Claims and Judgments Sought or Entered Against Town Officers or Employees" adopted on October 14, 1985. The Town agrees that said policy applies to the Manager in the same manner as it applies to all other officers and employees of the Town. The Town further agrees that it will not materially alter the terms of that policy as to the Manager during the term of this Contract without the Manager's consent, except as may be required by law. The Town further certifies that it has and will continue comprehensive liability insurance for officers and employees for the defense of officers and employees and that it will not materially alter the terms of its insurance coverage during the term of this Contract without the Manager's consent, except as may be required by law.

In the event the Manager believes that in any particular case there is a need for the Manager to have independent legal representation in connection with any claim or suit brought against the Manager along with the Town or other officers or employees, he may request such counsel. The decision to provide the Manager independent legal representation at the Town's expense will be made by the Town Council after consultation with the Town Attorney and the Town's insurance carrier.

## **Section 17: Bonding.**



The Town shall bear the cost of any fidelity or other bonds required of the Manager under any law or ordinance.

#### **Section 18: Other Terms and Conditions of Employment.**

Except as have been modified by this Contract, the Employee Benefit provisions of Chapter 14, Article VII, and the provisions of Holiday and Leaves of Absence provisions of Chapter 14, Article VIII of the Town Code of Ordinances, as currently written or as may be modified in the future, shall apply to the Manager.

#### **Section 19: Notices.**

Notice pursuant to this Contract shall be in writing and given as follows:

TOWN: By depositing in the custody of the United State Postal Service, postage prepaid, addressed as follows: Mayor, Town Hall, 405 Martin Luther King Jr. Blvd., Chapel Hill, NC 27514; or by hand delivery from the Manager to the Mayor or Town Attorney.

MANAGER: By depositing in the custody of the United State Postal Service, postage prepaid, addressed as follows: Manager, Town Hall, 405 Martin Luther King Jr. Blvd., Chapel Hill, NC 27514, or by hand delivery from the Mayor or Town Attorney to the Manager.

Notice shall be deemed given as of the date of hand delivery or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

#### **Section 20: Withdrawal of any Pending Applications.**

Upon the execution of this Contract by both parties, the Manager shall withdraw as a candidate for positions for which he is now an applicant with other employers.

#### **Section 21: General Provisions.**

A. Integration. This Contract sets forth and establishes the entire understanding between the Town and the Manager relating to the employment of the Manager by the Town. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this Contract. The parties by mutual written agreement may amend any provision of this Contract during the life of the Contract. Such amendments shall be incorporated and made a part of this Contract.

B. Binding Effect. This Contract shall be binding on the Town and the Manager as well as their heirs, assigns, executors, personal representatives and successors in interest.

C. Effective Date. The Manager shall assume the duties of Town Manager effective August 11, 2025.

D. Severability. The invalidity or partial invalidity of any portion of this Contract will not affect the validity of any other provision. In the event that any provision of this Contract is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by both parties subsequent to the expungement or judicial modification of the invalid provision.

**IN WITNESS WHEREOF**, the parties cause this instrument to be executed in their respective names as of the date first written above.

\_\_\_\_\_  
Name: Theodore L. Voorhees

\_\_\_\_\_  
Witness

TOWN OF CHAPEL HILL

\_\_\_\_\_  
By: Jessica Anderson, Mayor

\_\_\_\_\_  
Town Clerk

Approved as to form and authorization: \_\_\_\_\_

Town Attorney

This instrument has been pre-audited in a manner required by the Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Finance Officer

\_\_\_\_\_  
Date