

COUNCIL COMMUNICATION

Meeting Date: 03/05/2026

Item Title: Employment Agreement for City Attorney

Department: Council

Presented by: Shane McFarland, Mayor

Requested Council Action:

- Ordinance
 - Resolution
 - Motion
 - Direction
 - Information
-

Summary

Consider Employment Agreement for City Attorney between City of Murfreesboro and Jeffrey L. Peach.

Staff Recommendation

Approve employment agreement.

Background Information

On February 12, 2026, the City Council directed employment contract negotiations to move forward with Jeffrey L. Peach as the City's new City Attorney. Per the direction of City Council, the Mayor and City Manager have negotiated the attached employment agreement with Mr. Peach. Mr. Peach is anticipated to start his new duties on or before May 4, 2026.

Fiscal Impact

The salary and benefits to be paid under the agreement are budgeted for in the City's FY2026 budget.

Attachments

Employment Agreement

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT is made and entered into as of the last date signed below (“Effective Date”) by and between the City of Murfreesboro, a Tennessee municipal corporation (“Employer”), and Jeffrey L. Peach (“Employee”).

1. **Term.** This Agreement will remain in full force and effect from the Effective Date until terminated by Employer or Employee as provided herein.
2. **Licensure and Certification.** Employee warrants that Employee is licensed to practice law in the State of Tennessee without limitation. Employee must and agrees to maintain Employee’s license to practice law in good standing throughout the term of this Agreement as a condition of employment.
3. **Applicable Law.** For purposes of this Agreement, the term “Applicable Law” means all laws pertinent, relevant, or governing a particular person, office, conduct, action, transaction, document, subject, power, duty, or responsibility, including all pertinent, relevant, or governing common law and equitable principles, state and federal statutes, rules, and regulations, the Charter Laws of the City of Murfreesboro (“Charter”), the Murfreesboro City Code (“City Code”), and non-codified ordinances and resolutions adopted by the Murfreesboro City Council.
4. **Duties and Authority.**
 - 4.1 Employer employs the Employee as City Attorney to perform the duties specified in Section 66 of the Charter and to perform other legally permissible and proper duties and functions of the position, including Employer’s job description for the City Attorney position.
 - 4.2 Employee shall manage all other employees of Employer’s Legal Department consistent with the policies of the governing body and Employer’s ordinances and charter.
 - 4.3 Employee shall direct, assign, reassign, evaluate, and terminate, as appropriate, employees of Employer’s Legal Department consistent with Employer’s policies and Applicable Law. policies, ordinances, charter, state, and federal law..
 - 4.4 All duties assigned to Employee by the governing body shall be appropriate to and consistent with the professional role and responsibility of the Employee.
 - 4.5 Employee will perform the duties of City Attorney with reasonable care, diligence, skill and expertise, and all duties assigned to Employee by City Council will be appropriate to and consistent with the professional role and responsibility of Employee.
 - 4.6 Employee or Employee’s designee shall attend and be permitted to attend all public meetings of the City Council, both public and closed, with the exception of

those closed meetings devoted to the subject of this Agreement or any amendment thereto.

- 4.7 Employer cannot reassign Employee to another position without Employee's express written consent. Absent the Employee's written consent, Employee's reassignment to another position shall constitute termination without cause under Section 10.1.2 of this Agreement.

5. Compensation.

- 5.1 Employer agrees to pay Employee an annual base salary of \$235,000.00, payable in installments at the same time that the other City employees are paid ("Initial Salary"). After the Effective Date, this Agreement will be automatically amended to reflect any salary adjustments that are provided or required by Employer's compensation policies to include all salary adjustments on the same basis as applied to all other City employees.
- 5.2 On an annual basis, Council will consider an increase in Employer's compensation. Such increase may be in the form of a salary increase, performance incentive, an increase in benefits, or a combination of methods but shall at least be the economic equivalent to that applied to the executive classification of employees, if any, and if not to that applied to all other City employees.
- 5.3 At any time during the term of the Agreement, Employer may in its discretion review and adjust the salary of Employee, but in no event may Employee be paid less than the Initial Salary of the Agreement except by mutual written agreement between Employee and Employer. Such adjustments, if any, will be made pursuant to a lawful action of City Council, and in which case Employer and Employee agree to provide their best efforts and reasonable cooperation to execute a new agreement incorporating the adjusted salary.
- 5.4 Except as otherwise provided in this Agreement, Employee is entitled, at a minimum, to the highest level of benefits enjoyed by and available to other employees, department heads or general employees of Employer as provided by Employer's policies, the Charter, Ordinances, personnel rules and regulations, or other practices.

6. Health, Disability and Life Insurance Benefits.

- 6.1 Employer agrees to provide and to pay the City's portion of the premiums for health, vision, and dental insurance for Employee and his dependents, long-term disability insurance, and life insurance that are at least equal to that which is provided to all other employees of the City. In the event no such plan exists, Employer agrees to provide coverage for Employee and dependents in a manner mutually agreed upon by Employer and Employee.

6.2 Employee may elect to submit once per calendar year to a complete physical examination, including a cardio-vascular examination, by a qualified physician selected by Employee, the cost of which will be paid by Employer.

7. Vacation and Sick Leave.

7.1 Upon commencing of this Agreement, Employee will receive 3 weeks of personal time off (PTO) accrue vacation and sick leave in accordance with Employer's standard leave accrual policies. In addition, recognizing that Employee during the Term of this Agreement is forgoing opportunities to vest in a defined benefit plan offered by other state and local governmental entities, Employee will also accrue at the beginning of each month a supplemental vacation leave accrual of hourly units that is equal to Employee's annual salary multiplied by .0001 and rounded to the next highest whole number ("Supplemental Vacation Accrual").

7.2 Employee is entitled to accrue all unused vacation and sick leave, without limit, and in the event Employee is separated from Employer's employment, either voluntarily or involuntarily, Employee will be compensated for all accrued vacation and sick time, all paid holidays, and other benefits accrued to that date.

8. Retirement Accounts.

8.1 Employee shall become vested in Employer's defined contribution plan, and Employer agrees that it will continue to make all the appropriate contributions on Employee's behalf in accordance with the terms of Employer's defined contribution plan and this agreement.

8.2 Employer will keep in force all necessary agreements provided by Mission Square or another similar plan administrator, required to administer a 401(a) and 457 deferred compensation plan for Employer's continued participation.

8.3 Employer further agrees that it will enroll Employee into any state or local retirement system in which Employer elects to participate in the future and make all the appropriate contributions on Employee's behalf.

8.4 To the extent permitted by Employer's plan and consistent with IRS statutes or rules, Employer will contribute, on a quarterly basis, on behalf of Employee a dollar value equal to Employee's unused Supplemental Vacation Accrual hourly units multiplied by the factor of Employee's base salary divided by 2080, but not more than the permitted maximum contribution. Upon contribution to Employee's 401(a) plan account, Employee's Supplemental Vacation Accrual will be reduced by the number of hourly units converted for purposes of contribution to the 401(a) plan. If the total amount of Employee's Supplemental Vacation Accrual requested by Employee to be contributed on his behalf to Employee's 401(a) plan account exceeds the constraints or contribution limits of Employer's 401(a) plan, Employee shall have the option at the end of each calendar year of converting some or all of his Supplemental Vacation Accrual to

either regular vacation leave or cash to be paid to Employee as taxable compensation.

- 8.5 Upon termination of this Agreement for any reason other than termination by the City for cause, Employee will be eligible for benefits under the City's retiree health insurance program (generally referred to as Employer's Other Than Pension Benefits ("OPEB")) on the same term as other eligible former employees, provided prior to Employee's separation of employment, Employee has been employed by the City in any capacity for at least 15 years or is at least 62 years of age.

9. General Business Expenses.

- 9.1 Employer agrees to budget and pay for licensing fees, privilege tax or charges that are required of lawyers to practice law in the State of Tennessee and professional dues and subscriptions of the Employee necessary for continuation and full participation in national, regional, state, and local associations, and organizations necessary and desirable for the Employee's continued professional participation, growth, and advancement, and for the good of the Employer. These include: the International Municipal Lawyers Association (IMLA), the Tennessee Municipal Attorneys Association (TMAA), the American Bar Association, the Tennessee Bar Association, and the Rutherford/Cannon County Bar Association.
- 9.2 Employer agrees to budget and pay for travel and subsistence expenses of Employee for professional and official travel, meetings, and occasions to adequately continue the professional development of Employee and to pursue necessary official functions for Employer, including but not limited to the IMLA Annual Conference, TMAA conferences, and such other national, regional, state, and local governmental groups and committees in which Employee serves as a member..
- 9.3 Employer also agrees to budget and pay for tuition, travel, and subsistence expenses of Employee for short courses, institutes, and seminars as approved by Employer that are necessary for the Employee's professional development and maintenance of the Employee's required licensure and certification and for the good of the Employer.
- 9.4 Employer recognizes that certain expenses of a non-personal but job-related nature are incurred by Employee and benefit Employer, and therefore agrees to reimburse or to pay these general expenses. Such expenses may include meals where Employer business is being discussed or conducted and participation in social events of various organizations when representing Employer. Such expenditures are subject to annual budget constraints as well as state and Employer ethics and policies.
- 9.5 Employer acknowledges the value of having Employee participate in local civic clubs or organizations. Accordingly, Employer will pay for the reasonable

membership fees and dues to enable Employee to become an active member in local civic clubs or organizations.

- 9.6 Recognizing the importance of reliable communication and maximum productivity, Employer will provide Employee a laptop computer, mobile phone, tablet computer, software, and internet connection at Employee's permanent residence, all beneficial for Employee to perform his duties and to maintain communication with staff and officials as well as other individuals who are doing business with Employer. Employee agrees not to use these devices for his personal benefit. Upon termination of this Agreement, this equipment will become the property of Employee, and, at Employee's discretion, the mobile phone number will be transferred to Employee.
- 9.7 The Employer shall reimburse Employee for any business use of his personal vehicle in accordance with standard policies established by the Employer from time to time for the benefit of its employees.

10. Termination.

10.1 This Agreement terminates in the event of the following:

- a. The majority of the City Council meets in accordance with Tennessee law and votes to terminate Employee with cause as provided in Section 10.4; or
- b. The majority of the City Council meets in accordance with Tennessee law and votes to terminate Employee without cause, cause being hereinafter defined in Section 10.4.

10.2 In addition, Employee shall have the right, in Employee's sole discretion, to declare this Agreement terminated in the event of any of the following:

- a. The City Council, citizens of Murfreesboro, or the General Assembly amends any provisions of the Charter, statutes, or Ordinances pertaining to the role, powers, duties, authority, responsibilities of Employee's position and that substantially changes the form of government;
- b. Employer reduces the base salary, compensation, or any other financial benefit of Employee;
- c. Employee resigns following an offer to accept resignation without cause, as hereinafter defined, whether formal or informal, by Employer as representative of the majority of the City Council, in which case Employee may declare a termination occurs as of the date of the offer or thereafter; or
- d. This Agreement is breached by Employer and after a 30-day cure period; provided however, a written notice of a breach of contract will be provided in accordance with the provisions of the section addressing notices.

10.3 If this Agreement is terminated pursuant to section 10.1.b, 10.2.a, 10.2.b, 10.2.c, or 10.2.d, Employee will receive the following:

- a. Salary continuation equal to nine months' salary at the then current rate of pay, which will be paid, at Employee's option, in a lump sum or in a continuation of salary on the existing biweekly basis ("Severance"), subject to all applicable federally required withholding deductions for compensation.
- b. Accrued vacation and sick leave, at Employee's option, will be (i) taken as salary continuation prior to Severance; (ii) paid to Employee in a lump sum; (iii) contributed in the amount designated by Employee to Employee's 457 account as that retirement plans permit; or (iv) any combination of these methods.
- c. Employer will pay the City's portion of health and dental insurance for Employee and all dependents for a period of nine months following termination at Employer's expense after which time.
- d. Employee will be provided access to health insurance pursuant to the Consolidated Omnibus Budget Reconciliation Act ("COBRA"); provided, however, such coverage will cease at the time Employee and all dependents become covered under another health and dental insurance plan.
- e. If Employee is participating in the Employer's Defined Contribution Plan and termination occurs prior to Employee vesting in the Defined Contribution Plan, Employer agrees to contribute to Employee's account or accounts in the plan equal to the amount of Employer's contributions up through the date of termination and including any severance period. Employer agrees to pay to Employee the amount equal to the Employer's contribution to the plan from other City funds in a lump sum as taxable compensation grossed up such that Employee receives the amount equal to Employer's contribution to the plan.

10.4 Employer may terminate this Agreement for cause. If the Employer declares cause for termination based on "Employee's substantial breach of this Agreement" as hereinafter provided, Employer must first give Employee a 30-day notice and cure period. Employer may relieve Employee of some or all of his duties during such 30-day notice and cure period. During this notice and cure period, the Employee shall have an opportunity to cure the substantial breach. If the substantial breach is cured within the 30-day period, the Employer may not use the substantial breach as a basis for terminating the Agreement; however, this does not waive the Employer's right to reassert another occurrence of the substantial breach of this Agreement as a future reason for termination, subject to the terms of this required notice and cure period. Upon such termination, Employer shall be released from the obligations of Section 10.3.a and 10.3.c; provided, however, COBRA benefits will be offered in accordance with federal

law. For purposes of this Agreement, "cause" shall include, without limitation, the following:

- a. Employee refuses to perform, or does not perform, in a normal business manner his duties of employment with Employer, provided, however, refusal or failure to perform to such duties shall not constitute cause where performance of the duties could reasonably be viewed as a violation of the Tennessee Supreme Court's Rules of Professional Conduct or other applicable law;
- b. Employee fails or refuses to obey and comply with the instructions, rules and regulations of Employer as promulgated by the City Council, respecting the operations of Employer.
- c. Employee engages in any unlawful conduct in connection with his duties of employment with Employer, is guilty of any acts of dishonesty in connection therewith, is convicted of a felony, is convicted of a misdemeanor involving moral turpitude, dishonesty, theft or unethical business conduct, or engages in any conduct clearly detrimental to the business of Employer;
- d. Except as otherwise protected by applicable state or federal law, Employee is abnormally absent from the workplace for reasons other than reasonable periods of remote work, approved vacation periods, business trips, sick leave, or other periods common to his position without permission of Employer;
- e. Loss of license to practice law in Tennessee as a result of disciplinary action taken against Employee by the Tennessee Board of Professional Responsibility;
- f. Employee fails to fully cooperate in any investigation by Employer;
- g. Employee engages in any gross misconduct; or
- h. Employee's substantial breach of this Agreement.

10.5 If, in the opinion of Employer, Employee, because of physical or mental illness or incapacity, shall become unable to perform substantially all of the duties and services required of him under this Agreement for a period of 60 business days in the aggregate during any 12-month period, Employer may, upon at least 10 days' prior written notice given at any time after the expiration of such 60-day period, notify Employee of its intention to terminate this Agreement for cause, unless such termination in such instance is otherwise prohibited by applicable state or federal law.

11. **Resignation.** In the event that Employee voluntarily resigns his position with Employer, Employee will provide a minimum of a 60-day notice unless Employer and Employee agree otherwise. Employee shall not use accrued vacation leave during such notice period unless the parties agree otherwise. Termination of this agreement by Employee pursuant

to Sections 10.2.a, 10.2.b, 10.2.c, or 10.2.d does not constitute a voluntary resignation and instead is to be governed by the terms of Section 10

12. Performance Evaluation.

- 12.1 Employer may annually review the performance of Employee in June, July, or August subject to a process, form, criteria, and format fairly established and reasonably agreed upon by City Council and Employee.
- 12.2 The annual evaluation process may include a discussion of the achievements during the prior evaluation period as well as a discussion and establishment of goals and objectives for the next evaluation period.
- 12.3 In the event Employer modifies an evaluation process or measure such that a new or different performance expectation is established, Employee will be provided a reasonable period of time to demonstrate such expected performance before being evaluated.

13. Hours of Work.

- 13.1 Recognizing that Employee must devote a great deal of time outside the normal office hours on business for Employer and that Employee will when traveling continue to conduct much of the business of Employer, to that end Employee has the discretion to establish an appropriate work schedule provided the schedule is appropriate to the needs of Employer and sufficient for Employee to faithfully perform his assigned duties and responsibilities.
- 13.2 Employee will devote full time and effort to the performance of the Employee's duties and shall remain in the exclusive employ of Employer during the term of this Agreement; provided that, with the prior consent of the Employer, the Employee may accept temporary, outside professional employment which will not in any way interfere with the performance of, or Employee's availability for the performance of, Employee's duties hereunder. Employer encourages Employee to accept invitations to speaking engagements, writing or other opportunities to communicate with the community, subject to the rules regarding confidentiality and attorney client privilege to make use of and share data and information with relevant persons and groups, and encourages Employee to participate in pertinent seminars, groups, associations and organizations, as well as in informational meetings with those individuals whose particular skills, expertise, or backgrounds would serve to improve the capacity of Employee to perform Employee's Duties. The term "outside professional employment" means professional services provided to third parties for which Employee is compensated and which are performed on Employee's time off.
- 13.3 Unless prohibited by law or ethical requirements, the Employee may offer pro bono services in conjunction with the requirements of the State Bar of Tennessee without violating this Agreement.

14. **Ethical Commitments.** Employee shall not endorse candidates, make financial contributions, sign, or circulate petitions, or participate in fundraising activities for individuals seeking or holding elected office with Employer, nor seek or accept any personal enrichment or profit derived from confidential information, or holding office, or misuse of public time. Employer shall support Employee in keeping these commitments by refraining from any order, direction or request that would require Employee to undertake any of the aforementioned activities. Specifically, neither the City Council nor any individual member thereof shall request Employee to endorse any candidate, make any financial contribution, sign, or circulate any petition, or participate in any fundraising activity for individuals seeking or holding elected office associated with the City of Murfreesboro, nor to handle any matter involving personnel on a basis other than fairness, impartiality, and merit.

15. **Outside Activities.** The employment provided for by this Agreement will be Employee's primary employment activity. Recognizing, however, that certain outside consulting or teaching opportunities provide indirect benefits to Employer and the community, Employee may elect to accept limited teaching, consulting, or other business opportunities, including the business already owned by the Employee at the time of the execution of this agreement, with the understanding that such arrangements must neither constitute interference with nor a conflict of interest with his responsibilities under this Agreement.

16. **Indemnification.**
 - 16.1 Beyond that required under federal, state or local law, Employer must defend, save harmless, and fully indemnify Employee against any obligation to pay money or perform or refrain from performing actions, including without limitation, any and all losses, damages, judgments, interests, settlements, penalties, fines, court costs and other reasonable costs and expenses of legal proceedings including attorney's fees, and any other liabilities arising from, related to, or connected with any third party tort action, professional liability claim, or demand or any other threatened, pending, or completed action, suit or proceeding, whether civil, criminal, administrative, arbitative, or investigation, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of Employee's duties as City Attorney or resulting from the exercise of judgment or discretion in connection with the performance of program duties or responsibilities, unless the act or omission involved willful or wanton misconduct. If the provision of legal representation by the Employer may reasonably present a legal conflict of interest, the Employee may request independent legal representation at the Employer's expense, and the Employer may not unreasonably withhold approval of such request. Legal representation, provided by Employer for Employee, will extend until a final determination of the legal action including any and all appeals. In the event independent legal representation is provided by the Employer, any settlement of any claim against Employee may not be made without prior approval of the Employer, which shall not be arbitrarily or capriciously withheld.

- 16.2 Employer must indemnify Employee against any and all losses, damages, judgments, interest, settlements, penalties, fines, court costs and other reasonable costs and expenses of legal proceedings including attorney's fees, and any other liabilities incurred by, imposed upon, or suffered by such Employee in connection with or resulting from any third party claim, action, suit, or proceeding, actual or threatened, arising out of or in connection with the performance of his duties, unless the act or omission involved willful or wanton misconduct. Any settlement of any claim must be made with prior approval of Employer. Employee recognizes that Employer has the right to compromise provided no fault, guilt, or reputational denigration falls upon Employee.
- 16.3 Employer agrees to pay all reasonable litigation expenses of Employee throughout the pendency of any litigation to which Employee is a party, witness, or advisor to Employer unless the action is brought by Employer against Employee. Such expense payments survive the termination of this Agreement for any reasons and continue beyond Employee's service to Employer as long as litigation is pending.
- 16.4 After termination of this Agreement, Employer agrees to pay Employee reasonable consulting fees and travel expenses when Employee serves as a witness, advisor, or consultant to Employer regarding pending litigation.
17. **Bonding.** Employer bears the full cost of any fidelity or other bonds required of Employee under any law or ordinance.
18. **Appropriation.** Employer has appropriated, set aside, or encumbered, and does hereby appropriate, set aside, and encumber, or will appropriate, set aside, or encumber as necessary to make available funds of the municipality in an amount sufficient to fund and pay all financial obligations of Employer set forth herein.
19. **Dispute Resolution.** Any dispute regarding this Agreement shall be resolved by binding arbitration conducted under the applicable rules of the American Arbitration Association ("AAA"). The parties shall agree upon an arbitrator who shall be an experienced attorney in Tennessee. Should the parties be unable to agree upon an arbitrator within 30 days of a party's notice of arbitration, the matter shall be submitted to AAA for assignment to an AAA arbitrator. Nothing in this section shall be deemed to preclude Employee from initiating an administrative proceeding or filing a lawsuit in a court of competent jurisdiction against Employer for any alleged violation of state or federal statute or regulation.
20. **Notices.** Notice pursuant to this Agreement will be given by depositing in the custody of the United States Postal Service, postage prepaid, and addressed as follows:

If to Employee:

At the address provided by Employee to the Employer's Human Resources Department

If to Employer:

Mayor
City of Murfreesboro
111 West Vine Street
Murfreesboro, TN 37130

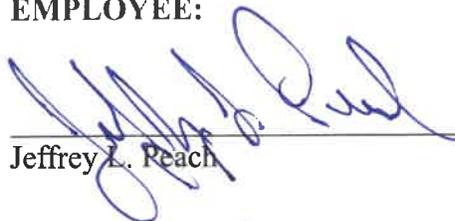
Notice is deemed given as of the date of personal service or as the date of deposit of such written notice in the course of transmission in the United States Postal Service.

21. General Provisions.

- 21.1 Integration. This Agreement sets forth and establishes the entire understanding between Employer and Employee relating to the employment of Employee by Employer. Any prior discussions or representations by or between Employer and Employee are merged into and rendered null and void by this Agreement.
- 21.2 Amendment. Employer and Employee by mutual written agreement may amend any provision of this Agreement during its term with such amendments being incorporated into and made a part of this Agreement.
- 21.3 Binding Effect. This Agreement is binding on Employer and Employee as well as their heirs, assigns, executors, personal representatives, and successors in interest.
- 21.4 Severability. The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. If any provision of this Agreement is held to be invalid, the remaining provisions will be deemed to be in full force and effect as if they have been executed by both Employer and Employee subsequent to the expungement or judicial modification of the invalid provision.
- 21.5 Precedence. In the event of any conflict between the terms, conditions and provisions of this Agreement and the provisions of Employer's policies, Ordinances, or rules and regulations, or any permissive state or federal law, then, unless otherwise prohibited by law, the terms of this Agreement takes precedence over contrary provisions of Employer's policies, Ordinances, or rules and regulations, or any permissive state or federal law.
- 21.6 Non-Assignment. Employee acknowledges that this is a professional, personal service agreement and, as such, Employee cannot assign Employee's duties hereunder.

IN WITNESS WHEREOF, the parties hereto have entered in this Agreement as of the day and year first hereinabove written.

EMPLOYEE:



Jeffrey L. Reach

2/19/2026

Date

EMPLOYER:

Shane McFarland, Mayor

Date