



TO: Board of Estimates, Office of Comptroller  
 FROM: AGC3500 - Law  
 DATE: 09/19/2023  
 SUBJECT: EMPLOYMENT AGREEMENT FOR FIRE CHIEF DESIGNATE JAMES WALLACE

**ACTION REQUESTED OF BOARD OF ESTIMATES:**

The Board is requested to approve a Employment Contract for the Designate Fire Chief James Wallace.

**PERIOD OF CONTRACT/AGREEMENT:** Based on Board Approval

**AMOUNT AND SOURCE OF FUNDS:**

Transaction Amount: \$ 218,000.00

Project Fund	Amount	Start Date	End Date
1001-CCA000106-SC610101	\$ 218,000.00	07/26/2023	

**BACKGROUND/EXPLANATION:**

On July 26, 2023, Mayor Brandon M. Scott announced the appointment of Chief Wallace to serve as Fire Chief for the City of Baltimore. During the term of his service as Fire Chief, Chief Wallace shall have the authority to exercise the duties and responsibilities of the Fire Chief as detailed in Article VII Sections 48-53 of the Baltimore City Charter, Article 9 of the Baltimore City Code, and Part VIII of the Building, Fire, and Related Codes of Baltimore City and oversee, manage and direct the day-to-day operations of the City Fire Department. Chief Wallace will be serving as "Acting Fire Chief" until his nomination is approved by the Baltimore City Council.

Chief Wallace is a 33-year fire service professional with the Baltimore City Fire Department and brings a wealth of experience and an exceptional track record of leadership, and dedication to the Baltimore City Fire Department and its emergency response team. Chief Wallace has led the Office of Emergency Management since March 2020, first serving as the Acting Director before becoming the permanent director in October 2021. Chief Wallace began his BCFD career as a paramedic, before becoming a firefighter/paramedic and then being promoted to Fire Lieutenant. He has since served various levels of leadership within the department including Battalion Chief for Special Operations Command and Deputy Chief.

Chief Wallace has been recognized for his exceptional leadership and contributions to the fire service. He has been further recognized for rendering lifesaving care for two Baltimore City Police Officers and a Department of Public Works employee. Chief Wallace holds certifications in emergency management, safety officer training and management training from institutions like the National Fire Academy and the Emergency Management Institute.

Mayor Scott wishes to employ Chief Wallace as the Fire Chief for the City of Baltimore, subject to City Council confirmation. Chief Wallace agrees to enter into an agreement with the City to serve in this role. The agreement (attached) details the benefits to which Chief Wallace is entitled, including potential severance payments in the event he is not confirmed by the City Council or in case of a “termination without cause”.

The Law Department has reviewed and approved this Agreement for form and legal sufficiency.

COUNCIL DISTRICT: Citywide

EMPLOY BALTIMORE:	LIVING WAGE:	LOCAL HIRING:	PREVAILING WAGE:
N/A	N/A	N/A	N/A

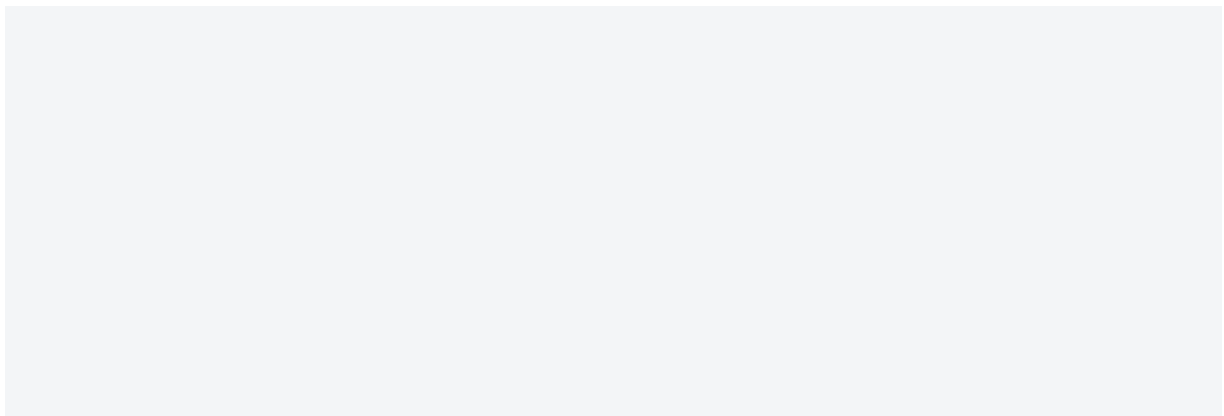
1% FOR PUBLIC ART: N/A.

**ENDORSEMENTS:**

Finance (BBMR) has reviewed and approved for funds.

Law has reviewed and approved for form and legal sufficiency

MWBOO has reviewed and approved



**EMPLOYMENT AGREEMENT  
BY AND BETWEEN  
THE MAYOR AND CITY COUNCIL OF BALTIMORE  
AND  
JAMES WALLACE**

**THIS EMPLOYMENT AGREEMENT** (“Agreement”) is entered into this \_\_\_\_ day of \_\_\_\_\_, 2023, by and between James Wallace and the Mayor and City Council of Baltimore, a municipal corporation of the State of Maryland (“City”), and sets out the terms of James Wallace’s employment as the Chief of the Fire Department of Baltimore.

**RECITALS**

**WHEREAS**, pursuant to Article VII, §48 (b), and Article IV, §6 of the Baltimore City Charter (the “Charter”), the Mayor has appointed Deputy Fire Chief James Wallace (“Chief Wallace”) as the Chief of the Fire Department (“Fire Chief”), subject to confirmation by the Baltimore City Council (the “City Council”); and

**WHEREAS**, Chief Wallace desires to serve as the Fire Chief and the City desires to continue Chief Wallace’s employment as the Fire Chief.

**NOW THEREFORE, THIS AGREEMENT WITNESSETH:** That in consideration of the premises, terms and conditions contained herein, and other good valuable consideration, the adequacy of which is acknowledged by the parties, it is agreed as follows:

**I. EMPLOYMENT**

The City agrees to continue to employ Chief Wallace as the Fire Chief.

**II. REPRESENTATIONS AND DECLARATION OF CITY RESIDENCE**

Chief Wallace represents that he meets the qualifications for the position of Fire Chief, that all information provided regarding his qualifications was and is true and accurate, and that there are no disqualifying matters in his background that were undisclosed. By executing this Agreement, Chief Wallace further declares and represents, consistent with Article IV, §6 (L)(2) of the Charter and Article 1, §7-10 of the City Code, that, upon approval of this Agreement by the Board of Estimates, he will relocate his residence to the City of Baltimore and continue to reside within the City of Baltimore during the entire term of this Agreement and will continue to be a Baltimore City resident and Baltimore City registered voter.

**III. DUTIES**

**A.** During the term of his service as Fire Chief, Chief Wallace shall have the authority to exercise the duties and responsibilities of the Fire Chief as detailed in Article VII

Sections 48-53 of the Baltimore City Charter, Article 9 of the Baltimore City Code, and Part VIII of the Building, Fire, and Related Codes of Baltimore City.

**B.** As Fire Chief, Chief Wallace shall report directly to the Mayor or the Mayor's designee.

**C.** As Fire Chief, Chief Wallace's duties and responsibilities shall include planning, organizing, directing, staffing and coordinating fire operations. He shall be responsible for reporting the operational performance of the Baltimore City Fire Department ("Department" or "Fire Department"), and shall assist in the preparation of the Fire Department's budget.

**D.** Provide policy advice to the Mayor and the City Council.

**E.** Chief Wallace shall devote his entire professional time and effort to his service as Fire Chief and shall not engage in any outside employment, except as may be approved and authorized in advance and in writing by the Mayor or his designee.

**F.** Chief Wallace's performance shall be evaluated by the Mayor on an annual basis, at which time Chief Wallace shall share with the Mayor a list of goals and initiatives for himself and for the Fire Department for the following year.

#### **IV. OTHER TERMS AND CONDITIONS OF EMPLOYMENT**

The Mayor may fix any terms and conditions of employment as he may from time to time determine to be desirable or necessary, relating to Chief Wallace's performance as Fire Chief, provided such terms and conditions are not inconsistent with the terms and conditions of this Agreement and the requirements of law.

#### **V. TERM**

The term (the "Term") of this Agreement shall begin on or about July 26, 2023 (the "Effective Date"), subject to Board of Estimates approval and shall expire in accordance with the requirements of Article IV §6(b) of the Baltimore City Charter, unless terminated earlier in accordance with the terms of this Agreement. Beginning on the Effective Date, Chief Wallace shall serve as the Acting Fire Chief until his appointment is confirmed by the Baltimore City Council, at which time Chief Wallace will be the Fire Chief. In the event that his appointment is not confirmed by the City Council, Chief Wallace shall continue to serve in his present position as Deputy Fire Chief in the Fire Department at his existing base salary and subject to all the same conditions of employment by the City to serve at the pleasure of the Mayor.

#### **VI. COMPENSATION**

**A. Base Salary.** During the Term, Chief Wallace's base salary shall be Two Hundred Eighteen Thousand Dollars and Zero Cents (\$218,000.00) per year, minus

withholdings. The City shall pay the base salary in equal bi-weekly installments, subject to such payroll and withholdings deductions as may be required by law.

**B. Salary Increases and Bonuses.** Chief Wallace's base salary shall be subject to a minimum three percent (3%) increase per annum. The applicable classification system places the position of Fire Chief in the Managerial and Professional Society ("MAPS"). As a member of MAPS, Chief Wallace will be eligible to receive the same annual percentage rate increase, if any, as provided generally to other members of MAPS (inclusive of the minimum 3% salary increase previously mentioned). The parties acknowledge that the decision whether to award Chief Wallace any additional salary increase or bonus, beyond any MAPS increases applicable to Chief Wallace as a matter of law, is vested exclusively with the Board of Estimates.

**C. Housing Allowance.** Chief Wallace shall be paid One Thousand Dollars (\$1,000.00) a month, minus withholdings, for six (6) months as a housing allowance.

**D. Leave.** The parties acknowledge that the duties of the Fire Chief extend twenty-four hours a day. Chief Wallace shall accrue vacation, sick and compensatory leave consistent with the policies generally applicable to new City employees, and Chief Wallace shall be paid out for accrued but unused vacation and sick leave, subject to the same conditions as such leave is paid to other similarly situated employees. Chief Wallace agrees to ensure that accurate and complete records of his leave time are maintained. Further, Chief Wallace acknowledges and agrees that his base salary takes his extended duties into account and that he shall not be entitled to exhaust accrued compensatory time, or to receive a payout for accrued compensatory time, at the conclusion of his employment for any reason.

**E. Benefits.** Chief Wallace shall receive the same health and life insurance, pension, and other benefits on the same terms those benefits are made available to other members of the Department's command staff and in accordance with the generally applicable terms of those policies as they exist from time to time.

Chief Wallace shall also be eligible to participate or continue to participate in the Deferred Compensation Plan offered by the City. Nothing contained in this Agreement shall alter or amend in any way Chief Wallace's status in the Deferred Compensation Plan or the benefits he may be entitled to receive as a result of his participation in the Deferred Compensation Plan.

Further, Chief Wallace shall also be eligible to participate or continue to participate in Fire and Police pension programs (including but not limited to the Deferred Retirement Option Plan) offered by the City. Nothing in this Agreement shall alter or amend any benefits Chief Wallace is entitled to receive as a result of his participation in the Fire and Police pension program.

**F. Relocation Expenses.** Chief Wallace shall be reimbursed for actual and reasonable relocation expenses to a residence within the City of Baltimore, subject to the terms

of City Policy A.M. 200-3, a copy of which is attached as Exhibit A. Those costs shall be supported by appropriate receipts.

**G. Professional Development.** Subject to Board approval and applicable City requirements, the City shall pay for professional membership dues, travel, subsistence expenses incurred by Chief Wallace for professional conferences, continuing education programs, law enforcement institutes and similar seminars which are necessary for his professional development and for the good of the Department and/or of the City.

**H. Community Engagement.** The City encourages Chief Wallace's participation in and appearance at local events and will pay for and/or reimburse Chief Wallace for reasonable expenses associated with such appearances, it being the City's and Chief Wallace's belief that the Fire Chief serves as an ambassador of the City at such functions.

## **VII. SEPARATION FROM EMPLOYMENT.**

**A. Termination by the City for Just Cause.** Chief Wallace may be terminated for "just cause" by the Mayor, acting on behalf of the City, and nothing in this Agreement shall affect the rights of the City or of the Mayor in that respect. A termination for Just Cause shall be effective immediately upon notice to Chief Wallace, and his right to salary or compensation and his service shall end immediately upon delivery of such written notice. However, termination for "just cause" shall have no effect on Chief Wallace's continued entitlement to vested benefits if any.

"Just Cause" for purposes of this section shall include, but not be limited to, the following:

(1) The willful failure to perform Chief Wallace's material duties, unless the failure is remediable, and Chief Wallace has cured the deficiency within thirty (30) days of receiving written notice of the deficiency from the Mayor or his designee;

(2) Any material breach of this Agreement, unless the failure is remediable, and Chief Wallace has cured the deficiency within thirty (30) days of receiving written notice of the deficiency from the Mayor or his designee;

(3) The City's reasonable determination Chief Wallace has committed any act, whether or not within the course of Chief Wallace's job duties, which reasonably calls into question his moral character or which, in the reasonable judgment of the City, harms the Fire Department's reputation or Chief Wallace's ability to lead the department, including but not limited to any violation of the laws ensuring equal opportunity in employment;

(4) Chief Wallace's intentional breach of any material Fire Department policy or applicable City Administrative Policy;

(5) Chronic and excessive use of legal intoxicants, the use of illegal intoxicants, or the operation of a motor vehicle under the influence of any kind of intoxicant, whether legal or illegal;

(6) Indictment for any criminal offense constituting a felony or serious misdemeanor, or the commission of any act that could constitute grounds for terminating a member of the Fire Department; or

(7) Mental or physical incapacitation that extends for longer than thirty (30) days.

**B. Termination by the City Without Cause.** The City may terminate this Agreement at any time without cause upon written notice to Chief Wallace. "Termination without cause" is defined as any basis for termination other than the bases specifically enumerated in Section VI-A of this Agreement as "Just Cause" termination bases. If Chief Wallace is terminated without just cause at any time during the term of this Agreement, he shall be paid the remaining balance due under the term of this Agreement in regular bi-weekly payments as if he remained employed ("Severance Pay"); provided however, that if Chief Wallace obtains subsequent employment of any kind for regular compensation, whether through employment, consultancy or other arrangement that generates income reportable on IRS Form 1099 to Chief Wallace, then the Severance Pay otherwise payable shall be reduced by such gross amount of compensation earned by Chief Wallace in such subsequent employment and the City shall receive a credit against such otherwise payable Severance Pay. Chief Wallace agrees to provide the City prompt notice of his post-employment work activities. The City's Administrative Manual 205-7-1 related to severance pay is not applicable to Chief Wallace as this Agreement contemplates Severance Pay. Termination without cause shall have no effect on Chief Wallace's continued entitlement to vested benefits if any.

**C. Resignation by Chief Wallace.** If Chief Wallace voluntarily resigns prior to the end of the term of this Agreement, he must give at least ninety (90) days' written notice. In the event of a resignation, Chief Wallace shall not be entitled to Severance Pay as detailed in Section VII-B, but shall receive accrued salary for services performed until the effective date of his resignation and the payout of any leave required by this Agreement and applicable City policies.

## **VIII. VEHICLE AND PARKING ALLOWANCE**

The City shall provide the Fire Chief a take-home, unmarked, four-wheel drive response vehicle. The City shall be responsible for vehicle fuel, maintenance, repairs and insurance coverage for said vehicle.

Chief Wallace will abide by all applicable laws and regulations pertaining to take-home vehicles.

The City shall also provide and pay for a reserved parking space for the Fire Chief in the Baltimore Street Parking Garage, located at 15 Guilford Avenue in Baltimore, Maryland or an alternative parking garage within close proximity of the Fire Department Headquarters.

**IX. STAFF AIDE TO THE FIRE CHIEF**

The City shall designate in each fiscal year's budget, a fully funded position to serve as the Staff Aide to the Fire Chief. This position will be exempt from hiring freeze and/or budgetary or staffing plan reduction and shall be selected and appointed by the Fire Chief.

**X. INDEMNIFICATION.**

A. To the fullest extent allowed by law, the City shall defend, indemnify, and hold harmless Chief Wallace, or his estate, in any civil or criminal action or proceeding seeking any kind of relief including compensatory or punitive damages, arising out of any act or omission that occurred while Chief Wallace was properly exercising or performing his job duties and responsibilities within the scope of his employment, so long as Chief Wallace was acting in good faith, did not act in a way that violates an applicable law, and did not act in an intentionally tortious matter.

B. Further, the City shall indemnify and save harmless Chief Wallace in the amount of any compensatory damages obtained against him in any judgment, or in the amount of any settlement; provided that Chief Wallace's act(s) or omission(s) underlying the judgment or settlement occurred while Chief Wallace was properly exercising or performing his job duties and responsibilities within the scope of his employment, so long as Chief Wallace was acting in good faith, did not act in a way that violates an applicable law, and did not act in an intentionally tortious matter.

C. Notwithstanding the foregoing, by law, the City cannot legally contract to pay any punitive damages which arise from Chief Wallace's conduct. While the City cannot legally agree prospectively to satisfy punitive damages awards without limitation or qualification, in the unlikely event that any punitive damages are assessed against Chief Wallace, the City's retained counsel will file appropriate post-trial motions seeking to overturn such damages and will exhaust the appropriate appeals within the Maryland court system or to the United States Court of Appeals for the Fourth Circuit at no expense to Chief Wallace. If such appeals are unsuccessful in reversing any award of punitive damages against Chief Wallace and the verdict becomes final, the City Solicitor will then make an independent evaluation of the evidence upon which the verdict was based and recommend to the Board of Estimates that the City pay the judgment if in the City Solicitor's opinion, the evidence does not support or warrant punitive damages under the law of Maryland.



D. Furthermore, nothing herein shall require the City to pay the costs of any criminal defense or any fines or penalties associated with any criminal action or proceeding which results in the conviction of Chief Wallace. Notwithstanding the foregoing, the City's obligation to indemnify Chief Wallace hereunder is contingent on his full assistance and cooperation in any proceedings in which the City will provide indemnification to Chief Wallace.

E. This provision shall survive the termination of this Agreement for any reason.

#### **XI. MERGER CLAUSE**

This Agreement contains the entire agreement between the parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written.

#### **XII. AMENDMENTS**

This Agreement may be amended by mutual consent of all parties. Any amendment must be in writing and executed by all parties. Thereafter, the original Amendment shall be affixed to the original of this Agreement.

#### **XIII. WAIVER**

Any waiver of any provision of this Agreement shall not be deemed to be a waiver of any other provision or of a subsequent breach and shall not be construed to be a modification of the terms of this Agreement.

#### **XIV. SEVERABILITY CLAUSE**

If a court of competent jurisdiction shall adjudge any clause, sentence, subparagraph of this Agreement to be invalid or unenforceable for any reason, the invalid portion shall be deemed severable and such judgment or decree shall not affect, impair, invalidate or nullify the remainder of this Agreement.

#### **XV. RESOLUTION OF DISPUTES**

The exclusive jurisdiction for the filing of any claim or the adjudication of any Dispute shall be in the federal or state courts located in Maryland, and the exclusive venue for a Dispute shall be the Circuit Court for Baltimore City or in the United States District Court for the District of Maryland—Northern Division. For purposes of this Agreement, the term Dispute shall mean any claim that arises out of or relates in any way to this Agreement or to Chief Wallace's employment, including but not limited to claims of wrongful termination or failure to provide benefits, and excluding only workers' compensation claims and claims for benefits under the State of Maryland's Unemployment Insurance laws or any other matter under the jurisdiction of

the Labor Commissioner. The parties agree that before judicial relief is sought, the Mayor and Chief Wallace shall meet face to face in an effort to resolve the dispute.

**XVI. NOTICE**

Notices relating to this Agreement shall be effective when hand-delivered or when mailed by certified mail to the following:

To City:                   Ebony Thompson, Acting City Solicitor  
101 City Hall  
100 N. Holliday Street  
Baltimore, Maryland 21202

To Chief James Wallace:   Chief James Wallace  
Baltimore City Fire Department  
401 East Fayette Street  
Baltimore, Maryland 21202

**XVII. ENTIRE AGREEMENT**

This Agreement shall constitute the entire agreement of the parties respecting the matters set forth herein. No oral agreement, representation or agreement, not expressed herein in writing shall be binding upon or inure to the benefit of the parties or their heirs at law or to the personal representative of Chief Wallace.

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IN WITNESS WHEREOF, the parties have entered into this Agreement effective as of the day and year first above written.

**ATTEST:**

\_\_\_\_\_

**MAYOR AND CITY COUNCIL OF  
BALTIMORE**

By: \_\_\_\_\_  
Brandon Scott, Mayor

**WITNESS:**

\_\_\_\_\_

**JAMES WALLACE**



**Approved as for Form and Legal  
Sufficiency**

**Approved by the Board of Estimates**

 9-5-2023  
\_\_\_\_\_  
City Solicitor                      Date

\_\_\_\_\_  
Clerk                                      Date