

EMPLOYMENT AGREEMENT

This agreement, made and entered into on December 27th, 2016, and intended to become effective the 27th day of December, 2016, by and between the Town of Exeter, a municipal corporation, hereinafter called the "Town," and Russell J. Dean, hereinafter called the "Manager", both of whom understand as follows:

WITNESSETH

WHEREAS, the Town of Exeter has employed Russell J. Dean as its Town Manager since March 1st, 2005; and

WHEREAS, the Board of Selectmen desire to continue the employment relationship between the Town and the Town Manager; and

WHEREAS, it is the desire of the Board of Selectmen, hereinafter referred to as "the Board", to provide certain benefits, establish certain conditions of employment, and to set the working conditions of said Manager; and,

WHEREAS, it is the desire of the Board to: (1) secure and retain the services of the Manager and to provide inducement for him to remain in such employment, (2) to make possible full work productivity, (3) to act as a deterrent against malfeasance or dishonesty for personal gain on the part of the Manager, and (4) to provide a just means for terminating the Manager's services; and,

WHEREAS, the Manager desires to continue employment as Town Manager of the Town of Exeter;

NOW, THEREFORE, in consideration of mutual covenants herein contained, the parties agree as follows:

Section 1 – Duties

The Town hereby agrees to continue the employment of Russell J. Dean as Town Manager to perform the functions and duties as specified in NH RSA 37 and other applicable RSAs including the Town Manager job description (attached hereto). In all matters, the Manager shall be subject to the direction and supervision of the Selectboard. The Manager shall have access to all books and papers and electronic data for information necessary for the proper performance of his duties and shall perform any other legally permissible and proper duties and functions as the Board shall from time to time assign.

Section 2 – Term

- A. The term of this Agreement shall be for a period from the date of signing through December 27th, 2023, unless the town meeting votes to terminate the form of government in which case this contract will terminate in accordance with RSA 37:15. Under this termination, provisions of Section 3 shall apply.
- B. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Board to terminate the services of the Manager at any time, subject only to the provisions set forth in Section 3 of this Agreement.
- C. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Manager to resign at any time from his position with the Town, subject to only the provisions set forth in Section 4 of this Agreement.
- D. The Manager agrees to remain in the exclusive employ of the Town from the date upon which this Agreement is signed until December 19th, 2023, and to neither accept other employment nor become employed by any other Town during this period unless the Manager resigns or is terminated prior thereto.

The term "employed" shall not be construed to include occasional teaching, writing, or consulting performed on the Manager's time off. Any consulting engagement must be expressly approved by the Board prior to the Manager entering into any such consulting agreement.

- E. Within the period six months before the expiration of this Agreement, the Town Manager and Board shall meet to negotiate a successor Agreement. This Agreement shall remain in effect until a successor Agreement is reached or the Manager is terminated under the provisions of Section 3.

Section 3 – Termination and Severance Pay

- A. In the event that the Manager is terminated by the Board before expiration of the aforesaid term of employment, and at such time the Manager is willing and able to perform his duties under this Agreement, then in that event the Town agrees to pay the Manager a cash payment equal to one month's salary for each year of completed service with the Town, plus all accrued benefits. However, in the event that the Manager is terminated for just cause, the Town shall have no obligation to pay the aggregate severance sum designated in this paragraph. "Just cause" is defined by the following three paragraphs:
 - 1. A conviction of or a plea of guilty or nolo contendere by the Manager to a felony or misdemeanor involving fraud, embezzlement, theft, or dishonesty or

other criminal conduct whether or not against the Town or,

2. Habitual neglect of the Manager's duties or failure by the Manager to perform or observe any substantial lawful obligation of employment that is not remedied within ten days after written notice thereof from the Board, or,
 3. Any material breach by the Manager of this contract, all in accordance with RSA 37.
- B. In the event the Manager voluntarily resigns his position with the Town before the expiration of the aforesaid term of his employment, then the Manager shall give the Town a 60-day notice in advance, unless the parties otherwise mutually agree.
- C. A four vote majority (out of 5 votes) of the Board of Selectmen will be required to terminate the manager without cause under this section.

Section 4 – Disability

If the Manager is unable to perform the essential functions of the job, with or without reasonable accommodations, because of sickness, accident, injury, mental incapacity or health, for a period beyond any accrued sick leave, the Board shall have the option to terminate the Manager's employment without paying severance, subject to the Family Medical Leave Act and Americans and Disabilities Act, as they may apply. However, the Manager shall be compensated for any accrued vacations, holidays, and other accrued benefits.

Section 5 – Salary

The Town agrees to pay the Manager for his services rendered pursuant to an annual salary of one-hundred ten thousand, two hundred seventy six dollars (\$110,276), which represents the current salary of the Manager at Grade 20, Step 9 on the Town's compensation scale. Further annual adjustments to the Manager's salary shall be made consistent with other non-union employees of the Town.

Section 6 – Performance Evaluation

- A. The Board shall review and evaluate the performance of the Manager annually in January of each year. Said review and evaluation shall be in accordance with the specific criteria which as a minimum will include a written statement of goals and objectives developed jointly by the Board and the Manager. Said criteria may be added to or deleted from as the Board may from time to time determine in consultation with the Manager. Further, the Chairperson of the Board shall provide the Manager with a written summary statement of the findings of the Board and provide an adequate opportunity for the Manager to respond in writing

and discuss his evaluation with the Board. The Board may consider a salary change at the time of the evaluation.

- B. Annually, the Board and the Manager shall define such goals and performance objectives which they determine necessary for proper operation of the Town and the attainment of the Board's policy objectives, and shall further establish a relative priority among those various goals and objectives, said goals and objectives to be reduced to writing. They shall generally be attainable within the time limitations as specified and the annual capital budgets and appropriations provided, and shall be primary consideration in the Manager's evaluation.

Section 7 – Hours of Work

The Manager recognizes that he must devote a great deal of time outside the normal office hours to business of the Town. The Manager is expected to devote the time necessary to accomplish his duties and goals and, as a salaried employee, shall receive no additional compensation. At a minimum, the Manager shall be expected to work forty (40) hours per week, thereby ensuring his continuing availability to the citizens of the Town and the Town's employees, attend meetings of the Board, and other meetings as required. The Board agrees that the Manager may adjust his regular workweek to reasonably balance out these additional hours. The Town shall not be responsible to pay for overtime or compensatory time, and there shall be no accumulation of compensatory time.

Section 8 – Residency

The Manager will establish or maintain residency in the Town of Exeter as a condition of obtaining or retaining employment as Town Manager for the Town of Exeter. This provision may be waived by the Selectboard in the event of extenuating circumstances.

Section 9 – Automobile and Mileage Allowance

The Manager agrees to utilize his personal vehicle as may be necessary to perform his duties and responsibilities as Town Manager. In consideration thereof, the Town shall reimburse the Manager for all documented business miles at the rate permitted by the IRS at the time said mileage is incurred. Mileage incurred commuting to and from the Town Offices from the Manager's residence is not reimbursable.

Section 10 – Vacation, Personal, and Sick Leave

The Manager shall continue to receive vacation, personal, and sick leave benefits in accordance with the Town's Personnel Policy reflecting his employment with the Town since March 1, 2005. The Town Manager shall continue to be entitled to all benefits enumerated in the Town Personnel Policy sections 6 and 7.

Section 11 – Health, Disability and Life Insurance

The provisions of the Exeter Personnel Policy, rules and regulations covering health and dental insurance, life insurance, disability insurance shall continue to apply to the Manager commensurate with his original date of employment, March 1, 2005.

Section 12 – Retirement

The Town agrees to continue to contribute the amount required by the NH State Retirement System as the Group 1 “employer’s share” of the total contribution necessary to satisfy the Manager’s participation in said Retirement System.

Section 13 – Dues, Memberships, Subscriptions and Professional Development

The Town agrees to provide a reasonable sum in the annual budget for the Manager to maintain membership and participation in various professional organizations and to pay reasonable fees and travel expenses relative to the Manager’s attendance at seminars, courses and other continuing education activities directly related to the position of Town Manager and/or the affairs of the Town.

Section 14 – General Expenses

The Town recognizes that certain expenses of a non-personal and generally job- related nature are incurred by the Manager and hereby agrees to reimburse or to pay said general expenses as may be pre-approved and/or budgeted.

Section 15 – Smart Phone

The Manager agrees that, for mutual convenience, he will utilize his personal smart phone for business calls, emails and other Town-related communication. The Town agrees to reimburse the Manager for this usage at \$100 per month or a mutually agreed upon amount.

Section 16 – Indemnification

The Town shall provide the Manager with Public Officials Liability Insurance and, subject to the provisions of such insurance coverage, shall defend, save harmless and indemnify the Manager against any tort, professional liability claim or demand, or other legal action, whether groundless or otherwise, arising out of alleged acts or omissions occurring within the scope of the Manager’s duties as Town Manager. The Town shall have no duty to defend, save harmless or indemnify the Manager for any act or omission constituting bad faith or done with malicious intent. Additionally, to the extent that the Town may require the Manager to secure a bond required of Town Managers under the provisions of NH RSA 37, the Town shall pay the cost of providing said bond.

Section 17 – Appointment of Acting Town Manager

In the event the Manager is absent from the Town for more than one week or otherwise unavailable to perform his duties, he may, with the consent of the Board, designate another Town employee to serve in his absence to perform duties in an acting capacity the manager would otherwise perform.

Section 18 – Notices

Notices pursuant to this Agreement shall be given by deposit in the custody of the United States Postal Service, postage prepaid, addressed as follows:

Town: Chair, Board of Selectmen
 Town of Exeter
 Town Offices
 10 Front Street
 Exeter, NH 03833

Manager: Russell J. Dean
 8 Riverbend Circle
 Exeter, NH 03833

Section 19 – Personnel Policy Not to Apply

It is explicitly understood and agreed by the Town and Manager that the Town's Personnel Policy shall not apply to the relationship between the Town and the Manager contemplated hereby, with the exception of Sections 5, 10, 11 and 12 in this Agreement that incorporates the provisions of the Personnel Policy.

Section 20 – General Provisions

- A. The text herein shall constitute the entire Agreement between the parties. Nothing herein shall prohibit the parties from negotiating in good faith any issue that may arise regarding the terms and conditions of the Manager's continued employment. Any amendment of this Agreement must be in writing and signed by the parties.

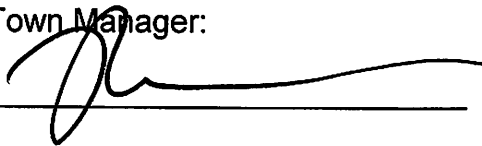
- B. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of the Manager.

- C. This Agreement shall become effective upon signing

- D. If any provisions or any portion thereof, contained in this Agreement is held to be unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.
- E. Amendments to this Agreement may be made from time to time with mutual consent of the parties.
- F. The Manager's obligations under this Agreement are not assignable.
- G. This Agreement shall be interpreted in accordance with and governed by New Hampshire law.

IN WITNESS THEREOF, The Town of Exeter has caused this Agreement to be signed and executed both in duplicate, for the day and year first above written.

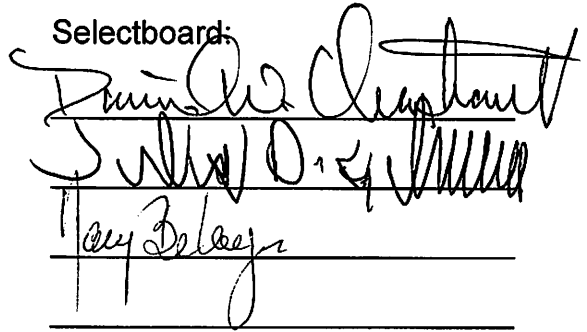
Town Manager:



Russell J. Dean

Dated: 12/27/16

Selectboard:



Dated: 12/27/16