

## **EMPLOYMENT AGREEMENT**

THIS AGREEMENT ("Agreement") is made and entered into this first day of November, 2023 between the Town OF ELIOT, Maine (hereinafter called Town) and Michael Sullivan (hereinafter called Employee), (collectively, the Parties), pursuant to these terms and conditions:

- A. WHEREAS, the Town wishes to employ the services of Michael Sullivan as Town Manager of the Town of Eliot; and
- B. WHEREAS, the Town and Employee desire to provide for certain procedures, benefits and requirements regarding the employment of Employee by the Town; and
- C. WHEREAS, Employee wishes to accept employment as Town Manager of said Town under the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein; and intending to be legally bound hereby, the Town and Employee agree to the following:

### **1. DUTIES**

Town agrees to employ Michael Sullivan as the Town Manager of the Town of Eliot to perform all duties as specified by law and ordinance, and to perform such other proper duties as assigned by the Select Board as outlined in summary fashion in the approved job description, a copy of which is incorporated into this Agreement by reference. Employee shall devote his best efforts to the performance of such duties and devote his full time to the performance of his employment under this Agreement. During Employee's employment as Town Manager under this Agreement, Employee shall not, at any time or place, either directly or indirectly, hold any other employment position, except as may be allowed by a majority vote of the Select Board.

### **2. COMPENSATION**

Town agrees to pay Employee a starting annual salary of one-hundred eight thousand dollars (\$122,000 November 1, 2023-October 31, 2024, \$124,000 November 1, 2024-October 31, 2025, \$126,000 November 1, 2025- October 31, 2026), payable in such installments as the Town may from time to time determine for all management employees, currently weekly. The Employee's annual salary shall be subject to adjustment, as the Select Board shall determine based upon an annual performance evaluation of the Employee.

### **3. TERMS OF EMPLOYMENT**

- (a) Employee will continue employment under this successor agreement commencing November 1, 2023.
- (b) The Town (Select Board) shall review and evaluate the Employee regularly and formally at least once annually. Employee shall be responsible for scheduling these reviews. The Employee or Town may terminate this Agreement at their discretion, subject to the conditions and limitations contained herein.
- (c) This Agreement shall be for three (3) years from the date of this Agreement, subject to the termination and other conditions contained herein. The Parties mutually agree this Agreement shall expire at the end of the three (3) years term, unless a written successor agreement is negotiated by consent of both parties.

All reviews are intended to assure communications between the Town Manager and the Board, as well as to help improve the Employee's performance, define goals and performance objectives for

the proper operation of the Town government, and help to set in place objectives for the future.

- (c) Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of the Select Board to terminate the services of Employee at any time and for any reason, with or without cause, subject only to provisions set forth in Section 4, paragraph (a) of this Agreement. The Select Board shall provide eight (8) working days written notice of termination.
- (d) Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of the Employee to resign at any time from his position with the Town, subject only to the provisions set forth in Section 4, paragraph (b) of this Agreement.

#### 4. **TERMINATION**

(a) In the event Employee is terminated by the Select Board while Employee is willing and able to perform the duties of Town Manager, the following terms shall apply.

- (1) Should the Select Board contemplate termination for cause proceeding as outlined by the Charter and provided for by law, the Select Board shall provide eight (8) days notice of possible termination. The Select Board may determine, depending upon the circumstances, that the notice period be served while the Employee is on paid administrative leave. Termination for cause and after hearing, requires a super majority of the Select Board, defined as majority plus one.
- (2) Employee may voluntarily resign his position at any time upon providing sixty (60) days written notice to Town. Further, upon receipt of such written notice of voluntary resignation, the Town may in its sole discretion accelerate Employee's departure and pay Employee in lieu of working any or all of the period up to the announced departure date.

5. **RETIREMENT PLAN:** Employee and Town will make contributions to either the Maine Public Employees Retirement System (MainePERS) or ICMA, but not both, at the rates prescribed by the Retirement System and the Town's Personnel Policy, rules, or guidelines.

6. **AUTOMOBILE ALLOWANCE:** Employee will provide his own automobile for use on Town business. Reimbursement for automobile use for Town business travel for out of town travel shall be at the rate paid to all non-union Town employees for business travel, paid upon receipt of invoices for the same.

#### 7. **INSURANCE COVERAGE**

(a) Town shall make available to Employee a health insurance program for Employee and spouse, at the rate of payment provided for all non-union municipal employees as provided in the Personnel Policy. If the Employee chooses not to participate in the Town health insurance plan, the Town agrees to pay two-hundred fifty dollars (\$250) per month in lieu of Employee utilizing the Town's health insurance program. Employee shall annually provide the Town with proof of outside health insurance coverage. If Employee chooses to utilize Town health insurance, the Town shall cease paying the Employee monthly \$250.00, and Employee will be responsible for such premiums in the same manner as provided for other Town employees. The Town shall also provide Employee with term life insurance at no cost to his in an amount equal to one hundred thousand dollars (\$100,000).

(b) Town shall defend, hold harmless and indemnify Employee against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance and within the scope of Employee's duties as Town Manager. Town will defend, compromise, or settle as appropriate any such claim or suit and pay the amount of any settlement or judgment. This section does not apply to any claims resulting from Employee's willful and/or intentional misconduct, or for claims arising outside the scope of Employee's lawful and required duties as Town Manager.

**8. PAID TIME OFF:**

Employee is entitled to 28 days of PTO per year which Employee will accrue at the beginning of each fiscal year on July 1. Any accrued and used PTO remaining at the end of the fiscal year shall not be carried over. Employee shall provide the Select Board Chair with five (5) business days notice when advance time off is requested. In the event notice is not possible due to the nature of the emergency such as illness or unexpected event, Employee will notify the Chair of the Select Board as soon as practicable. The Parties agree that this provision is more generous than leave required by Maine's Earned Paid Leave law.

**9. BUSINESS EXPENSES**

Town shall reimburse Employee for all business-related expenses approved by the Select Board, paid upon receipt of invoices for the same.

**10. CONFERENCES, TRAINING AND EDUCATION**

(a) The Town shall pay for annual membership dues to Maine Town and City Management Association (MTCMA) and attendance at the MTCMA Annual Meeting, and the registration fee and associated costs for attendance at the Maine Municipal Association's Annual Convention. Reimbursement for any dues, attendance at meetings, and expenses for other professional development activities of the Employee are subject to Board of Selectmen pre-approval and paid upon receipt of invoices for the same.

(b) The Town shall pay for annual membership dues to ICMA and the registration fee and associated costs for attendance at the ICMA's Annual Convention if requested by Employee no less than thirty (30) days in advance. Reimbursement for any dues, attendance at meetings, and expenses for other professional development activities of the Employee are subject to Select Board approval and paid upon receipt of invoices for the same.

**11. GENERAL BENEFITS**

In addition to the benefits cited herein, Town shall provide Employee with any and all benefits available to non-union employees as outlined in the Town's personnel policy and not otherwise enumerated in this Agreement.

**12. GENERAL PROVISIONS**

(a) This Agreement shall become effective as of November 1, 2023, once executed by the parties.

(b) If any provision, or portion thereof, contained in this Agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this Agreement shall not be affected and shall remain in full force and effect.

(c) No term or provision of this Agreement shall be deemed to have been waived by either party unless such waiver is in writing and signed by the party making the waiver.

(d) This Agreement may be amended at any time only by a writing duly executed by both parties.

(e) The subject headings of the Sections of this Agreement are included for the purpose of convenience only and shall in no way affect the meaning, construction, or interpretation of any provision of this Agreement.

(f) Governing Law: This Agreement shall be governed in all respects, whether as to its validity, construction, capacity, performance, or otherwise, by the laws and in the courts of the State of Maine.

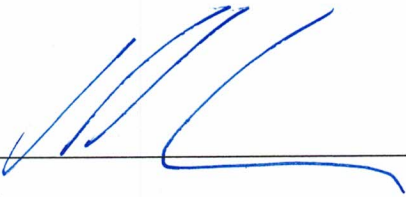
13. **SUCCESSION PLANNING**

All Parties agree to cooperate in providing all employees the necessary tools to excel at their jobs to the greatest extent possible and to encourage advancement within the organization to all levels.

14. **MEDIATION**

After the execution of this Agreement, the Parties agree to submit any substantive dispute over the terms and conditions of this Agreement to non-binding mediation. Such mediation will be conducted by a person agreed-upon by the Parties. The Parties agree to share equally in the cost of the mediator, and to be individually responsible for their own respective costs for mediation preparation and attendance, including any attorney's fees.

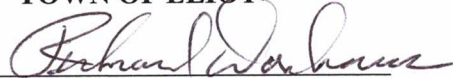
IN WITNESS WHEREOF, and intending to be legally bound, the parties have, in good faith, executed this Agreement the day and year above written.



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Employee

**TOWN OF ELIOT**



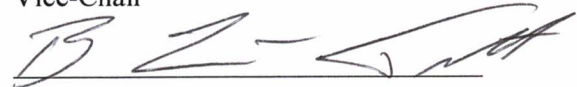
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Chair



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Vice-Chair



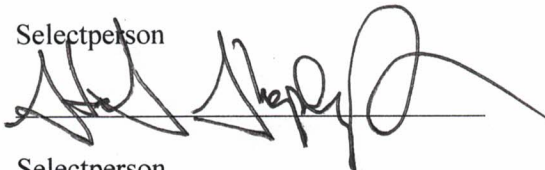
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Selectperson



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Selectperson



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Selectperson

ATTEST:

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Date

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