EMPLOYMENT AGREEMENT

This agreement, made and entered into this 30th day of March, 2015, by and between the TOWN OF AUBURN, New Hampshire, a municipal corporation acting through its Board of Selectmen with its principal place of business at 47 Chester Road, Auburn, New Hampshire (hereinafter "Town" or "Employer") and WILLIAM G. HERMAN, CPM of Concord, New Hampshire (hereinafter "Employee"), witnesseth:

Whereas, the Town desires to retain the services of a qualified municipal management individual to administer the affairs of the Town of Auburn as governed by the Board of Selectmen; and,

Whereas, the Employee is well-qualified and experienced as a New Hampshire Certified Public Manager (CPM), has served in a town government administrative capacity since 1992, has served as Auburn's Town Administrator from September 13, 2005 through February 13, 2015, and is ready, willing and able to continue to provide the services required by the Town hereunder;

Now, therefore, it is mutually agreed as follows:

I. ***Rescind Previous Agreements:***

The Town and the Employee mutually agree to rescind all previous agreements between them including the Memorandum of Understanding – Condition of Employment dated and signed February 21, 2011; the Employee Letter of Resignation dated February 12, 2015, and the General Release and Separation Agreement dated and signed February 13, 2015.

II. ***Services to be Performed by Employee:***

The duties and responsibilities are set out in the Town of Auburn job description for the position of Town Administrator, as that job description may be amended from time to time with mutual agreement of the Town and the Employee. Other duties may be required from time to time by the Board of Selectmen, or under any applicable Federal, State or Local law, rule, regulation or ordinance.

III. ***Employee's Salary:***

The Town agrees to pay the employee an annual base salary of $79,741.00 (Grade 20, Step 11 of the Town of Auburn Wage and Salary Scale in effect since March 5, 2007) while serving in the capacity of Town Administrator, payable every two weeks at the same time as other employees of the Town are paid.

The Town agrees to increase this base salary by any appropriate step increases or Cost of Living Adjustments (COLA) in the same manner as other employees of the Town as outlined in the Town of Auburn Personnel Policy.

In addition, the Employer agrees to increase said base salary and/or other benefits of Employee in such amounts and to such extent as the Board of Selectmen may determine is desirable to do so on the basis of an ANNUAL PERFORMANCE & SALARY REVIEW of said Employee. Said reviews are to be conducted near the Employee's anniversary date.

IV. ***Probationary Period:***

The Employer and the Employee, in recognition of the service previously provided to the community during the Employee's tenure as Town Administrator for the Town of Auburn, both parties agree that a probationary period for any duration is not desired or necessary. To the extent that such a status is called for under the "Town of Auburn Personnel Plan", the Employer and Employee agree to waive this requirement in this instance.

V. ***Hours of Work:***

It is expected that the Employee will work the normal business hours of the Town Hall. However, it is understood that as a salaried exempt employee, the Employee will also be expected to work such additional hours as are necessary to complete all duties as the Town Administrator. This will involve hours that are spent at the Employer's work place and at various activities and meetings that are held away from the Employer's work place and on occasion work that is performed at the Employee's home.

VI. ***Termination and Severance Pay:***

In the event the Employee is terminated by the Board of Selectmen for just cause, then the Employer agrees to pay the Employee, within 72 hours of termination, all wages due through the date of termination and any accrued and unused leave time payable in accordance with the Town of Auburn Personnel Policy.

In the event the Employee is terminated by the Board of Selectmen for reasons other than just cause or the Board of Selectmen by majority vote simply desire a change in administration, during which time the Employee is willing to perform his duties under this agreement, then the Employer, in addition to the lump sum cash payment for all accrued leave credited to the Employee prior to

termination, shall continue to pay the Employee's current salary and benefits at the same time as other employees of the Town are paid for a period of six (6) months after termination.

For the purpose of this section, "just cause" shall mean (i) a conviction of any crime; (ii) substantial evidence of gross misconduct which demonstrates an unfitness for the position of Town Administrator; or (iii) failure to perform the duties of Town Administrator after having been notified by the Board of the Selectman of the deficiency and having been provided an opportunity to correct the deficiency. Determination that just cause for termination exists shall be made by a majority vote of the Board of Selectmen after notice to the Employee, which shall include a statement of the reason(s) for the proposed termination, and an opportunity to address the board prior to a final determination being made.

In the event that Employee shall become unable to perform the duties of his position due to a physical or mental disability, for a continuous period of more than three (3) months, the Board of Selectmen may, by a majority vote, elect to terminate this Agreement.

In return, the Employee agrees to provide a two (2) months' notice to the Board of Selectmen of a voluntary separation of employment.

VII. ***Seniority / Longevity:***

For the purposes of seniority and longevity concerning employment with the Town, the Employee shall be credited with service from his original date of hire by the Town of Auburn on September 13, 2005.

VIII. ***Benefits of Employment:***

Earned Time Leave: Upon rehire, the Employee shall be credited with 80 hours of Earned Time Leave. Employee will immediately commence accruing Earned Time hours. The accrual of and use of Earned Time shall be in accordance with the Town of Auburn Personnel Plan, as may be amended from time to time.

Health & Dental Insurance: The Town agrees to provide Health, Dental and Disability Insurance coverages in accordance with the terms of the Town of Auburn Personnel Plan, as may be amended from time to time.

Retirement: The Town agrees to maintain the employee in the New Hampshire Retirement System (NHRS) in accordance with the Town of Auburn Personnel Plan, state law and NHRS regulations & by-laws.

Longevity Pay: The Town agrees to provide Longevity Pay benefits to the Employee in accordance with the Town of Auburn Personnel Plan, as may be amended from time to time.

Cell Phone Stipend: The Town agrees to provide a monthly stipend of $40.00 to the Employee in acknowledgement he will utilize his personal cell phone on occasion in the performance of his duties for the Employer.

Other Terms: The employee is entitled to all other fringe benefits given to full-time, permanent town employees in accordance with the Town of Auburn Personnel Plan as may be amended from time to time.

IX. ***Professional Development:***

The Employer agrees to budget for and to pay travel and subsistence expenses of the Employee to certain conferences, courses and seminars which are relative to the position of Town Administrator, and which would benefit both the Employee and the Employer. Although the Employer will pay for expenses through the allocation included in the Town's annual operating budget, the Employer encourages the Employee to cost-share in the total expenses associated with various conferences, courses and seminars.

The Employee shall be entitled to participate in the annual conferences of the New Hampshire Municipal Management Association (NHMMA); New Hampshire Public Risk Management Exchange (Primex); the International City/County Management Association (ICMA) and/or other similar conferences, courses and seminars within the confines of the Town's budget allowance and with the prior approval of the Board of Selectmen.

Nothing in this section shall be construed as requiring the Town to pay travel expenses in connection with meetings of any official Town of Auburn Board, Commission or Committee held in Auburn.

X. ***Dues and Subscriptions:***

The Town agrees to budget and to pay for the professional dues and subscriptions of the Employee in certain professional organizations which are necessary and/or desirable not only for the good of the Employer, but for the Employee to properly fulfill the duties of Tow Administrator.

These professional organizations may include, but are not limited to, the New Hampshire Association of Certified Public Managers (NHACPM); the New

Hampshire Municipal Management Association (NHMMA), and the International City/County Management Association (ICMA).

XI. ***Mileage Reimbursement:***

The Employer recognizes that the Employee will need the use of a motor vehicle from time to time in order to fulfill the requirements of his position. In accordance with the Town of Auburn Personnel Policy, the Town shall provide mileage reimbursement to the Employee at the rate then established by the U.S. Internal Revenue Service for the documented mileage of the Employee's personally-owned vehicle used for Town business.

XII. ***Other Terms and Conditions of Employment:***

The Board of Selectmen shall fix any other terms and conditions of employment as it may determine from time to time, relating to the performance of the Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this agreement or any other law. The attached job description is incorporated as part of this agreement.

All provisions of the Town's policies, regulations and rules of the Employer, relating to earned time leave, retirement and pension system contributions, holidays and other fringe benefits and working conditions as they now exist or hereafter may be amended, also apply to the Employee as they would to other employees of the Employer, in addition to said benefits enumerated specifically for the Employee as provided in this agreement. If any provision of this Agreement conflicts with any provision of any policy, rule or regulation of the Town of Auburn, this Agreement shall govern.

In the event that any provision of this Agreement is determined by a court of competent jurisdiction to be contrary to any federal or state law, that provision shall be deemed struck from the Agreement and the remaining provisions of this Agreement shall remain in full force and effect. In such event, the parties shall meet promptly to negotiate a replacement provision which will satisfy their original intent to the greatest extent possible. If the parties are unable to agree on a replacement provision, either party may terminate this Agreement in accordance with Paragraph VI above.

XIII ***Indemnification of Employee:***

The Town shall provide the Employee with full indemnification from legal action as outlined in RSA 31:105; 31:106, and 491:24 while in service to the

Town of Auburn and acting within the scope of the position to which he is legally appointed to serve.

XIV. ***Entire Agreement:***

This Employment Agreement contains the entire agreement of the parties unless otherwise provided for by law or local regulation. This Employment Agreement may be amended or modified in the future only by mutual agreement of both parties and by instrument in writing executed by both parties.

XV. ***Effective Date and Term:***

This Agreement shall commence on the 19th day of April, 2015 and shall remain in effect for a period of three (3) years through April 18, 2018. The Agreement will automatically renew for successive one (1) year terms unless either party has provided written notice of intent to non-renew at least ninety (90) days prior to the expiration of the then current term.

IN WITNESS WHEREOF, the parties hereto have executed this Employment Agreement.

Employee:

William G. Herman, CPM
Town Administrator

Witness to All

Dated: 4/14/15

For the Town of Auburn:
AUBURN BOARD OF SELECTMEN

James F. Headd, Chairman

Richard W. Eaton, Selectman

Dale W. Phillips, Selectman