

**An Employment Agreement Between
The Town of North Andover
And
The Town Manager**

Preamble

This AGREEMENT is made pursuant to M.G.L. Chapter 41, Section 108N as of July 24, 2006 by and between the Board of Selectmen, hereinafter referred to as the 'Board' of the Town of North Andover, Massachusetts, hereinafter referred to as the 'Town' and Mark H. Rees, hereinafter referred to as the 'Manager';

WHEREAS the Board, by an affirmative vote on August 7, 2000, appointed the Manager for an indefinite term pursuant to the provisions of the Town Charter;

WHEREAS the Board and the Town Manager entered into an employment agreement the purpose of which was to define the terms of employment, benefits and compensation for the period of September 5, 2000 to September 4, 2003;

WHEREAS the employment agreement was modified by vote of the Board of Selectmen on June 24, 2002, March 24, 2003 and August 25, 2003;

WHEREAS the Board and the Town Manager desire to enter into a new employment agreement that will replace and supersede the existing employment agreement as modified;

Now in consideration of the promises contained, the parties hereto mutually agree as follows:

Article I: Functions and Duties of the Manager

The Manager shall perform faithfully, the best of his ability, the functions and duties of the Town Manager as enumerated in the North Andover Town Charter.

Article II Term

This Agreement shall become effective September 5, 2006, and shall be in full force and effect until September 4, 2009. The Agreement shall be for a term of three years, subject to Article IX.

Article III Vacation and Other Leaves:

A. Vacation: The Manager shall be granted 20 days paid vacation leave per year. Notwithstanding any provisions in the Town's personnel by-law or rules and regulations unused vacation days may be carried over from one year to another, (including accumulated vacation from the previous employment agreement), however, the maximum accumulation of unused (carried over) vacation days shall be 60 days. In lieu of the reduction of vacation days from 25

days in the prior agreement to 20 days, the monetary value of the five days vacation shall be added to the base salary of the Town Manager in the first year of this agreement. The Manager may also at his sole discretion receive cash payment of up to five days vacation per year from accumulated vacation time with a corresponding reduction in accumulated vacation time.

B. Sick Disability: The Manager shall carry over all accumulated sick leave from the previous agreement and thereafter shall accrue sick leave pursuant to the provisions of the Town's personnel by-law and/or rules and regulations. The sick leave benefit shall be administered in conformance with the Town's personnel by law and/or rules and regulations.

C. Other Leave: The Manager shall be afforded all other leaves, as detailed in the Town's personnel by-law and/or rules and regulations, that do not conflict with any provision included in this agreement. In addition, attendance at conferences or other professional seminars shall be not deducted from the Manager's vacation leave. The Board may also grant other leave with or without compensation upon request by the Manager.

Article IV: Other Benefits:

A. Automobile Allowance: The Manager shall receive an automotive allowance of \$450 per month.

B. Insurance: Health Insurance will be provided in accordance with eligibility requirements, as provided under Town plans. In addition, the manager shall be provided with an allowance of up to \$2,500 for Life and Disability Insurance.

C. Professional Membership, Development, Conferences:

1) The Town agrees to pay for the professional dues and subscriptions of the Manager necessary for his membership in the following professional organizations: International City Management Association (ICMA), and the Massachusetts Municipal Management Association (MMMA) .

2) The Town agrees to pay for the registration, travel and subsistence expenses of the manager for short courses, institutes and seminars that are necessary for his professional development.

3) The Town shall pay the Manager's registration fees, travel and subsistence expenses to and from the ICMA annual conference, the Massachusetts Municipal Association Annual Conference, and the MMMA Annual Spring Conference.

4 However, the maximum amount of money that the Town will pay per year for the total expenses associated with Section IV-C shall be \$3,500.

D. Other: The Manager shall be afforded all other benefits, as detailed in the Town personnel by-law and/or rules and regulations that do not conflict with any provisions included in this agreement.

Article V: Professional Liability

A. The Board agrees that it shall defend, hold harmless, and indemnify the Manager from any and all demands, claims, suits, actions, and legal proceedings brought against the Manager in his official capacity as Town Manager provided the incident arose while the Manger was acting within the scope of his employment and in good faith. Except that in no case will individual Board members be considered personally liable for indemnifying the Manager against such demands, claims, suits, actions, and legal proceedings.

B. The Board shall not, however, be required to pay any costs of any legal proceedings in the case of any allegations brought by the Board under the removal provisions of Section 9 of the Town Charter.

Article VI: Renewal of Employment Agreement

A. In the event either party hereto desires not to renew this agreement, such party shall provide the other with notice of such intention at least forty-five (45) working days prior to the expiration of this agreement. In the event that the Board so elects not to renew this agreement, the Manager shall be paid severance pay for either the period which the Manager remains unemployed as a town manager or three months, which ever is less, provided, however, that in the event this agreement is not renewed due to gross misconduct in office by the Manager, the Town shall have no obligation to pay the severance sum provided for in this paragraph. This article shall survive the termination of this agreement.

Article VII: Manager Evaluation

A. Annually the Board and Manager shall define the goals and objectives which they determine necessary for the proper operation of the Town and the attainment of the Board's policy objectives, and shall further establish a general priority among those various goals and objectives, said goals and objectives to be reduced to writing. They shall generally be obtainable within the time limits specified and within the annual operating and capital budgets and appropriations provided by the Town and the events that have occurred during the year.

B. The Board shall review and evaluate the Manager every year from the date of appointment. Said review and evaluation shall be based on the goals and objectives developed jointly by the Board and the Manager. Further, the Chair of the Board shall provide the Manager with a summary written statement of the evaluation findings of the Board and shall provide an adequate opportunity for the Manger to discuss his evaluation with the Board.

Article VIII: Performance

The Manager shall fulfill all aspects of this Agreement. Any exceptions thereto shall be by mutual agreement between the parties, in writing.

Article IX: Termination of Employment

A. **Termination by the Manager:** The Manager, may, at his option and by a minimum of ninety (90) days written notice to the Board unilaterally terminate this agreement. The Board may, at its discretion, shorten or waive such requirement.

B. **Termination by the Board:** As detailed in the Town Charter, Chapter Four, Section 9, the Board may, by the affirmative vote of at least three members, terminate this agreement and initiate the removal process. The salary of the Manger shall continue to be paid for a period of sixty days after the vote effecting removal from office. This article shall survive the termination of this agreement.

Article X Compensation:

A. **Base Salary:** The Town shall pay the manager the following salary:

First Year: \$117,460 plus monetary value of five days of vacation per Article IIIA

Second Year: The amount paid in the First Year times 1.03 and merit pay, if any, to be determined by the Board of Selectmen, consistent with Article VII of this agreement.

Third Year: The amount paid in the Second Year time 1.03 and merit pay, if any, to be determined by the Board of Selectmen, consistent with Article VII of this agreement.

B. **Deferred Compensation:** The Town will pay, in addition to Base Salary, an amount equal to 3.8% of Base Salary into a Section 457 Deferred Compensation Plan

Article XII: General Provisions:

A. **Expenses:** The Manager shall be reimbursed for any expenses incurred in the performance of his duties or as an official representative of the Town, including attendance at civic or social events.

B. **Entire Agreement:** This agreement embodies the whole agreement between the parties and there are no inducements, promises, terms, conditions, or obligations made or entered into by either party other than those contained herein. The Agreement may not be changed except by a writing signed by the parties.

C. **Invalidity:** If any paragraph or part of this agreement is judged to be invalid, it shall not affect the remainder of said agreement, but said remainder shall be binding and effective against all parties.

D. This Agreement shall be governed by the laws of the Commonwealth of Massachusetts and the terms of the Town Charter of the Town of North Andover.

Agreed to by:

North Andover Board of Selectmen

Mark H. Rees

Thomas Piccandello
Thomas Connelly
James H. Leuchs

Mark H. Rees

I, Mark H. Rees, hereby certify under pain and penalties of perjury pursuant to M.G.L. Chapter 62C, Section 49A that I have complied with all laws of the Commonwealth relating to taxes, reporting of employees and contractors, and withholding and remitting child support.

Mark H. Rees
Mark H. Rees