

EMPLOYMENT AGREEMENT

THIS AGREEMENT, made and entered into effective on the 15th day of February, 2016, by and between the TOWN OF COVENTRY, a Rhode Island Municipal Corporation, hereinafter referred to as "EMPLOYER", and Graham L. Waters, hereinafter referred to as "EMPLOYEE" witnesseth:

WHEREAS, EMPLOYER desires to employ the services of EMPLOYEE as Town Manager for the Town of Coventry, and EMPLOYEE is willing to serve in that capacity under the terms and conditions set forth herein,

NOW, THEREFORE, in consideration of the mutual promises hereinafter set forth, it is agreed as follows:

SECTION I - EMPLOYMENT

EMPLOYEE hereby represents to the EMPLOYER that he meets all of the qualifications to serve as Town Manager within the Town of Coventry per the Town Charter. EMPLOYER does hereby hire and employ EMPLOYEE as Coventry Town Manager beginning February 15, 2016, and EMPLOYEE does hereby accept and agree to such hiring and employment. Subject to the general supervision and pursuant to the order, advice and direction of the Coventry Town Council, and the Charter and ordinances of the Town of Coventry, and laws of the State of Rhode Island, EMPLOYEE shall perform those duties as are customarily performed by the Town Manager of Coventry and shall also render such other and services and duties as may be assigned to him from time to time by the EMPLOYER and its Town Council.

SECTION II - TERM

The EMPLOYER agrees to employ the EMPLOYEE for such a ~~lime~~ time as the EMPLOYER is in need of or desirous of, the services of the EMPLOYEE. It is distinctly understood between

the parties hereto that the EMPLOYEE is an at will employee and that the duration of employment is unspecified and solely rests in the discretion of the EMPLOYER.

SECTION III - BASE SALARY

EMPLOYER agrees to pay EMPLOYEE for his services rendered pursuant hereto a beginning annual base salary of \$120,000 per annum payable in equal installments in accordance with the Town's customary payroll practices. EMPLOYER may agree to increase the base salary and/or other benefits of EMPLOYEE on an annual basis and at any other time and in such amounts and to such extent as the Town Council may determine desirable or appropriate on the basis of an annual salary review of EMPLOYEE. Members of the Town Council shall conduct an annual performance review of EMPLOYEE. The Town Council shall not any time during the term of this agreement reduce the salary, compensation or other financial benefits of EMPLOYEE, except to the degree of such a reduction across-the-board for Executive Department Heads of the Town.

SECTION IV - MOVING AND RELOCATION EXPENSES

EMPLOYEE agrees to establish residence within the corporate boundaries of Coventry as soon as possible, it being the intention of EMPLOYEE and EMPLOYER that such residence be established within 60 days of the date hereof, subject to reasonable extension for closing on a residence. EMPLOYER shall pay EMPLOYEE's expenses of up to \$5,000 to relocate from EMPLOYEE's current residence in Annapolis, Maryland to Coventry, Rhode Island. Receipts for expenses shall be presented to the Council President for verification.

EMPLOYER shall reimburse EMPLOYEE for a total of ONE round trip air fares for EMPLOYEE at any time during the first year of service to assist with house hunting and other facets of the transition and relocation process. The Employee shall be reimbursed for actual lodging and meal expenses incurred by EMPLOYEE on any trips conducted prior to relocation, as detailed herein.

SECTION V - BENEFITS

- a) EMPLOYEE shall be entitled to receive those fringe benefits that are generally

- offered to Town department heads (including family leave, holidays, sick leave, bereavement leave, etc.). Such benefits are shown in Exhibit B to this agreement.
- b) These fringe benefits shall include the same family medical, dental and vision insurance plan and same premium cost as Town department heads (as the same may be adjusted from time to time in the future), and customary leave benefits as generally offered to Town department heads. The family medical, dental and vision insurance plan shall be in force on EMPLOYEE's first day of employment as defined in Section I above. EMPLOYEE will receive a stipend identical of that offered to other Town employees if EMPLOYEE waives medical insurance.
- c) EMPLOYEE shall have three weeks of vacation time annually, pro-rated for partial years. EMPLOYEE shall notify the Town Council in advance of any vacation leave to be taken and shall, if appropriate, designate in a letter to the Council a qualified city officer or administrative employee to exercise the power and perform the duties of EMPLOYEE's office. EMPLOYEE may carry over up to 2 weeks (in the aggregate) of unused vacation to subsequent fiscal years). EMPLOYEE may not carryover more than 2 weeks' vacation in the aggregate into future fiscal years.
- d) EMPLOYER agrees to pay the reasonable and customary membership dues, subscriptions and fees to permit EMPLOYEE to be a member of the International City/County Management Association, the Rhode Island League of Cities and Towns, and such other similar type management organizations) subject to budget limitations. EMPLOYER agrees to pay the reasonable costs of EMPLOYEE attendance at the annual International City/County Management Association Conference and the Rhode Island League of Cities and Towns Conference.
- e) EMPLOYER agrees to save harmless and indemnify EMPLOYEE against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of art alleged act or omission occurring within the scope of EMPLOYEE'S duties to the Town as Town Manager. The Town shall have authority to

compromise and settle any such claim or suit and shall pay the amount of any settlement or judgment rendered thereon. The Town Solicitor, or other attorney designated by the Town Council, shall represent the EMPLOYEE in any indemnifiable action; the EMPLOYER shall not pay for EMPLOYEE'S separate legal counsel.

- f) EMPLOYEE will participate in the 401/457 Defined Contribution Pension Plan as offered to Town Employees in which the Town matches the Employees' contribution up to 10%.

SECTION VI – GENERAL BUSINESS EXPENSES

- a) EMPLOYER recognizes that certain limited and reasonable expenses of a non-personal, community or job-affiliated nature may be incurred by the EMPLOYEE from time to time and hereby agrees to reimburse said reasonable expenses upon receipt of duly executed expense reports, with the appropriate receipts, statements or personal affidavits attached, subject to annual budget limitations.
- b) As the Chief Executive Officer of the Town of Coventry, EMPLOYEE has duties and obligations that require him to be able to travel throughout the Town of Coventry and elsewhere on Town business. Pursuant to these obligations, EMPLOYER will issue to EMPLOYEE on his first day of employment with the Town an automobile that he may use for business and limited personal use. EMPLOYER will pay the cost of fuel, maintenance and insurance for said vehicle. If EMPLOYEE is required to utilize his personal automobile for Town business, EMPLOYEE will be reimbursed for mileage at the existing IRS rate.
- c) EMPLOYER acknowledges the value of having EMPLOYEE participate and be directly involved in local service clubs or organizations of benefit to the Town. Accordingly, EMPLOYER shall pay for the reasonable membership fees and/or dues to enable the EMPLOYEE to become an active member in a single local civic club

organization with the prior approval of the Town Council President and Vice President. EMPLOYER shall also provide EMPLOYEE at EMPLOYER expense with a cell phone (consistent with the Town's Cell Phone Policy) and laptop computer for travel and home use for EMPLOYEE's efficient performance as Town Manager. Both devices shall remain the property of the EMPLOYER and shall be returned to the EMPLOYER upon EMPLOYEE's cessation of employment.

SECTION VII - OUTSIDE ACTIVITIES

As set forth in the Town Charter; EMPLOYEE shall not be employed by any other person or organization during his employment by the Town, except for charitable involvement approved by the Town Council.

SECTION VIII - REMOVAL

The EMPLOYER may at any time during the term of this contract exercise its authority and remove EMPLOYEE as Town Manager of the Town of Coventry by providing written notice of termination to the EMPLOYEE as further set forth in the Town Charter.

SECTION IX - TERMINATION

In the event employment is terminated by the EMPLOYER on or prior to February 14, 2017 for any reason other than "cause" (as defined below), the EMPLOYEE shall be entitled to severance pay which shall be for nine calendar months at the EMPLOYEE's existing base rate of pay at termination. In the event employment is terminated by the EMPLOYER after February 14, 2017 for any reason other than "cause" (as defined below), the EMPLOYEE shall be entitled to severance pay which shall be for six calendar months at the EMPLOYEE's existing base rate of pay at termination. In such event, the EMPLOYEE and spouse shall also remain in the group health plan during the severance period, unless EMPLOYEE is eligible for another health plan. EMPLOYEE shall not be entitled to any other benefits during such severance period. Should EMPLOYEE terminate his employment, he shall be required to give a written notice of thirty (30) days prior to such termination and shall not be entitled to severance pay or any of the foregoing

health benefits from and after the date of termination.

EMPLOYER shall pay any such severance pay in the same term of installments as when EMPLOYEE was employed by EMPLOYER until EMPLOYEE has received the severance pay described herein or EMPLOYEE secures and commences other employment, whichever first occurs. From and after the date that EMPLOYEE secures and commences other employment, all such severance pay shall terminate and cease. EMPLOYER shall not be obligated to pay any severance pay if EMPLOYEE is terminated for "cause." The term cause shall be as defined in Exhibit A attached hereto. Prior to any termination for "cause" the EMPLOYEE shall be entitled to a public hearing as further described in the Town's Charter.

SECTION XI - GENERAL PROVISIONS

- a) Integration, This Agreement sets forth and establishes the entire understanding between the EMPLOYER and the EMPLOYEE relating the employment of the EMPLOYEE by the EMPLOYER. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this agreement. The parties by mutual written agreement may amend any provision of this agreement during the life of the agreement. Such amendments shall be incorporated and made a part of this agreement.
- b) Binding Effect. This Agreement shall be binding on the EMPLOYER and the EMPLOYEE as well as their heirs, assigns, executors, personal representatives and successors in interest.
- c) Severability. The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. [n the event that any provision of this Agreement is held to be invalid, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by both parties subsequent to the expungement or judicial modification of the invalid provision.

IN WITNESS WHEREOF, the parties hereto have caused this agreement of eight (8) pages to be executed this ___ day of January 2015.

TOWN OF COVENTRY:

Glenford Shibley
Glenford Shibley, Town Council President

Witness:

Cheryl Wilcox

EMPLOYEE:

Graham L. Waters
Graham L. Waters

Witness:

Mal [unclear]

I hereby certify that the foregoing Employment Agreement, including the attached Exhibit A, was approved by the Honorable Town Council of the Town of Coventry, by unanimous vote, at a regular meeting of the Town Council, in public session, held on the 11th day of January 2016, duly noticed and conducted according to law.

Attest:

Cheryl [unclear]
Town Clerk

Exhibit A

(Cause)

As used herein, the term “cause” shall mean anyone or more of the following with respect to the subject Employee: (i) commission of any crime of moral turpitude, whether related or unrelated to such. Member’s service as Town Manager, (ii) commission of a felony, whether related or unrelated to such member’s service as Town Manager, (iii) embezzlement or theft of town funds or resources, (iv) a pattern of negligent performance of such person’s duties as Town Manager, following prior written notice and a reasonable opportunity to cure; (v) a pattern of non-compliance with the town’s ordinances, resolutions or written policies, regardless of whether such non-compliance directly relates to Employee’s duties as Town Manager, following prior written notice and a reasonable opportunity to cure, (vi) a violation of the Rhode Island Code of Ethics in Government, whether related or unrelated to Employee’s duties as Town Manager, or (vii) such other material action or material event which in the reasonable judgment of the majority of the Town Council renders the Employee’s continuance in the position of Town Manager detrimental to the discipline, efficiency or effectiveness of Town management and which sound public policy recognizes as good cause for him to no longer hold the position, whether related or unrelated to Employee’s duties as Town Manager.