

EMPLOYMENT AGREEMENT

THIS AGREEMENT is entered into effective the 1st day of November, 2024 (the “Effective Date”) between the Town of Richmond, Vermont (“Town”), acting through its Selectboard (hereinafter called the “Board,”), and Joshua Arneson (hereinafter called the “Manager”)

RECITALS

A. Pursuant to the Town’s Charter , as amended from time to time, the Town wishes to employ Joshua Arneson as its town manager and the Board wishes to appoint him to that position on the terms below.

C. Joshua Arneson desires to be appointed to the position and be employed as the Town Manager on the terms below.

NOW, THEREFORE, in consideration of such employment and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. **Appointment, Duties, Full Time Status, Evaluations**

a. The Town agrees to employ the Manager as the town manager for the Town, and the Board hereby appoints him to that position.

b. The Manager shall perform all duties of a town manager as specified by law, including those provided in the Charter, and perform such other duties as assigned by the Board in accordance with law. In accordance with the Charter, in all matters the Manager shall be subject to the direction and supervision of the Board.

c. Promptly following execution of this Agreement, the Manager shall, as required by the Charter, be sworn to the impartial and faithful performance of his duties, and shall give a bond to the Town in such amount and with such sureties as the Board may require. The Town shall pay the bond premiums.

d. While the Manager is employed as the Town’s town manager, the Manager shall not render services, directly or indirectly, to any person or entity other than the Town without the prior written consent of the Board.

e. Following the end of each town fiscal year of employment during the Term (defined below), the Board shall provide the Manager with a written evaluation of his performance. The evaluation shall measure the goals of the Board against the Manager’s performance, and shall provide direction to the Manager for the future.

2. **Term Of Employment.**

a. The term of this Agreement (“Term”) shall commence on the Effective Date and end on November 1, 2024, unless renewed or extended by mutual written agreement of the parties. The word “Term” shall include any such renewal or extension.

b. If the Manager continues on as town manager beyond the end of the Term without a written renewal or extension agreement, he shall, as provided in § 502(c) of the charter amendment, be an employee-at-will, serving at the pleasure of the Board.

3. **Compensation.**

a. For the remainder of fiscal year ending June 30, 2022, The Town shall pay the Manager at the rate of an annual salary of \$78,915.20 (prorated for the time period between the Effective Date and June 30, 2022).

b. The Manager’s annual salary shall be increased in each of fiscal years ending June 30, 2022, 2023 and 2024 based on the same cost of living increase approved by the Selectboard for town employees, generally.

c. The Manager’s salary shall be paid bi-weekly, consistent with the method by which the Town compensates other employees, and shall be less appropriate deductions for FICA, federal and state taxes, and any other required federal and state withholdings (collectively “Withholdings”).

4. **Termination For Cause, Hearing.**

(a)The Town may terminate this Agreement and the Manager’s employment, by notice to the Manager, at any time for cause. Upon such termination for cause, the Town shall be released from any and all further obligations under this Agreement, except for accrued salary and benefits owing to Manager through the date of termination. For the purposes of this Agreement, “cause” shall mean:

(i) gross neglect of job duties;

(ii) gross misconduct in the performance of job duties, including but not limited to insubordination, misappropriation or theft of funds or property, fraud, engaging in conduct that constitutes a prohibited employment practice under Federal or State law, or violation of any laws or regulations to which the Town is subject;

(iii) The Manager materially breaches any of the provisions of this Agreement.

(iv) The Manager is convicted of, or enters a plea of nolo contendere to, any criminal offense involving moral turpitude, dishonesty or breach of trust which is classified as a felony.

(b) Procedure for Termination

(i) If it appears to the Board that cause exists for termination of the Manager under Section 4(a) above, the Board shall set a date for a hearing before it, and shall give at least 7 and not more than 15 days written notice to the Manager, stating the time and the place of hearing, and stating the acts, events, or omissions constituting cause. The Board may suspend the Manager, with pay, from duty pending the hearing, and thereafter until it renders a decision.

(ii) The Manager is entitled to be represented by counsel, to answer the charges, and to be heard on the charges. The Manager may waive in writing the Manager's right to a hearing.

(iii) If the Board, after considering all the evidence offered in such hearing, finds that cause exists, the Board may terminate the Manager, or alternatively, may suspend the Manager without pay for a period of time not to exceed 60 days.

(iv) If the Manager is exonerated following the hearing, the Manager shall be restored to employment and shall be entitled to any pay lost during suspension.

5. **Termination For Death Or Disability.** This Agreement shall terminate automatically upon the death of the Manager, or upon his disability. For the purposes of this Agreement, "disability" shall mean the Manager's is unable, due to a physical or mental condition, to fully perform the essential functions of his job for a period of more than three months and that no reasonable accommodation is available to facilitate his performance of all of his essential job functions. Upon such termination for death or disability, the Town shall be released from any and all further obligations under this Agreement, except that: the Town shall be obligated to pay the Manager, or his heirs, accrued salary and benefits through and including the date of termination.

6. **Termination Of Employment Without Cause – Severance Pay.**

a. The Town may terminate the employment of the Manager during the Term without cause by notice to the Manager. Such notice shall specify the date of employment termination

b. In the event of termination under Section 6(a) above, the Town shall pay the Manager a lump sum equal to four months salary, promptly after the date of termination specified in the Town's termination notice, less applicable Withholdings.

7. **Termination After Expiration Of Term.** Should the Manager continue beyond the end of the Term as an at-will employee under Section 2(b) above, the Town may terminate the employment of the Manager at any time without cause by giving notice, to the Manager given at least 30 days before the termination date. If the Manager resigns during the at will period, the

Manager shall likewise give the Town at least 30 days advance notice. Such notice shall specify the date of employment termination.

8. **Benefits To Continue In Effect After Termination Notice.** In the event of a termination notice under Sections 6 or 7 above, the Manager’s salary and benefits shall continue in effect until the termination date specified in the notice, as long as the Manager continues to perform his duties as town manager.

9. **Notice Of Intent Not To Renew Or Extend Employment.** The Town shall endeavor to provide notice that it does not intend to renew or extend this Agreement at least ninety (90) days prior to the end of the Term, but failure to give such notice, or failure to give the notice at least ninety (90) days before the end of the Term, shall not result in a renewal or extension of this Agreement, nor affect any of the Town’s rights not to renew or extend this Agreement as provided elsewhere herein.

10. **Resignation By Manager.** During the term, the Manager may resign from his employment with the Town by notice of resignation to the Chair of the Board . The Manager shall provide at least ninety (90) days notice prior to the effective date of the resignation. In the event of resignation, the Manager shall not be entitled to receive the severance pay provided for in Section 6 of this Agreement.

11. **General Conditions Of Employment.** In addition to the benefits provided herein, the Town shall provide the Manager all other benefits that apply to full-time Town employees under the Town Personnel Guidelines, and any replacements thereof, as the Guidelines and any replacements may be amended from time to time (collectively “Personnel Guidelines”), *provided that:*

- (a) The Manager shall be entitled to three (3) weeks paid vacation time during each fiscal year of the Term, and
- (b) In the event of a conflict between any provision or provisions of this Agreement and the Personnel Guidelines, this Agreement shall control.

12. **Headings.** Headings in this Agreement are for convenience only and shall not be used to interpret or construe its provisions.

13. **Notices.** The word “notice,” when used in this Agreement, shall mean written notice, and a notice shall be deemed to have been given when (i) delivered in person and receipted for by the party to whom the notice is directed; (ii) deposited in the United States Mails, certified or registered mail, postage prepaid; or (iii) delivered to an expedited courier, shipping prepaid, in any event addressed as follows:

If to the Town:

Chair
Selectboard
Town of Richmond

PO Box 285
Richmond, VT 05477

If to the Manager:

Joshua Arneson
91 Cemetery Road
Richmond, VT 05477

Any party may change the address to which notice shall be sent, by notice to the other party by the aforesaid method.

14. **Non-Waiver.** The failure of a party to insist upon the strict performance of any one of the covenants, agreements, terms, provisions and conditions of this Agreement or to exercise any right, remedy or election herein contained or permitted by law shall not constitute or be construed as a waiver or relinquishment for the future of such covenant, agreement, term, provision, condition, right, remedy or election, but the same shall continue and remain in full force and effect.

15. **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Vermont., without regard to its conflict of law principles.

16. **Counterparts.** This Agreement may be executed in two or more counterparts which, when taken together, shall constitute one and the same Agreement.

17. **Binding Effect, Alteration By Town Vote.** This Agreement shall be binding upon and inure to the benefit of the Town and the Manager and the legal representatives and heirs of the Manager, as provided herein. Should the Town, at an Annual or Special Meeting, or the General Assembly, reject the town manager form of government, or to alter one or more provisions of this Agreement, then either party by notice to the other may terminate this Agreement; upon such termination, each party shall be released from any and all further obligations under this Agreement, except for accrued salary and benefits owing to the Manager through the date of termination.

Agreed By The Selectboard Of The Town Of Richmond As Of The Date Above Written:

Agreed By The Manager As Of The Date Above Written:

Joshua Arneson