

## **TOWN OF CAPE ELIZABETH**

### **EMPLOYMENT AGREEMENT**

**WHEREAS**, the Town of Cape Elizabeth, a municipal corporation duly organized and existing under the laws of the State of Maine, (hereinafter Town), by and through its Town Council (hereinafter Council), desires to retain the services of Matthew E. Sturgis, (hereinafter Manager) to serve as Town Manager, and

**WHEREAS**, Matthew E. Sturgis desires to accept employment as Town Manager, and the undersigned desire to reduce the terms of employment to writing;

**NOW, THEREFORE**, in consideration of the mutual covenants herein, the undersigned agree as follows:

1. **Obligation** - The Manager shall perform the functions and duties as set forth in applicable state statutes, including but not limited to 30-A MRS §2636 and the Cape Elizabeth Council-Manager Charter, Article III and the Town Code of Ordinances as the same currently exist or may be amended and such other legally permissible and proper duties and functions as the laws may impose or the Council may assign. The Manager agrees to well and faithfully serve the Town in said capacity and to devote his time, attention and energies to the performance of his duties hereunder to the best of his ability.

2. **Term** - The Town agrees to employ the Manager for a three (3) year term beginning January 30, 2023 and continuing until January 29, 2026 unless terminated pursuant to the terms of this Agreement or unless a specific term is provided for by a subsequent amendment to this Agreement. The Manager agrees to provide the Town with a minimum 45 days advance notice of his intention to terminate this agreement. The Council agrees to provide the Manager notice of their intention to commence negotiations for a successor agreement not less than ninety (90) days prior to expiration of this agreement.

3. **Performance Evaluation** - The Council shall provide the Manager with periodic opportunities to discuss Council-Manager relations and the performance of the Manager. As a minimum, the Council shall conduct an annual performance evaluation.

4. **Salary** - The Town agrees to pay the Manager for services provided pursuant to this Agreement a gross salary of One Hundred Forty Seven Thousand Dollars (\$147,000) per year commencing on January 30, 2023. The Manager's salary shall be adjusted upward 3% annually with the completion of a successful performance evaluation. The salary hereunder is payable at the same time and in the same manner as other employees of the Town. The Council and the Manager agree that a formal written evaluation of the Manager's performance as well as progress made on the list of goals and objectives, will serve as the primary determining factor in compensation increases.

5. **Termination** - If the Manager is terminated without cause, the Town shall provide a minimum severance payment equal to one (1) month per year of service up to a maximum of six (6) months' severance. This severance must be paid in a lump sum. Other options may be agreed upon by the Manager and the Council. If the Manager is terminated because of a conviction of any illegal act, then the Council is not obligated to pay severance under this section. Termination with cause will be in accordance to Cape Elizabeth Town Charter and Maine State Statutes.

6. **Retirement**- The Town agrees to match the Manager's contribution up to 11.5% of the Manager's base salary into the International City Management Association Retirement Corporation, said amount on behalf of the Manager.

7. **Health Insurance** - The Town will provide medical insurance coverage offered by the Town, currently through the Maine Municipal Employees Health Trust, for the Manager and family. The Town will pay 80% of the premium for the medical insurance policy offered by the Town.

8. **Vacation** - The Town will provide twenty-four (24) days of vacation per year commencing on the date of this agreement. A maximum of ten (10) days may be carried over from one year to the next on the Manager's anniversary date.

9. **Sick Leave** - The Manager shall accumulate one (1) day per month for each month of employment up to a maximum of one hundred forty (140) days. The Manager will also be allowed to carry over sick leave earned as Assessor for the Town.

10. **Cell Phone** - The Town will provide a cell phone stipend of \$90.00 per month for the term of this contract.

11. **Automobile Allowance** - The Manager will be provided with an automobile allowance of \$400.00 per month in consideration of which he shall be responsible to provide his own transportation for all work related automobile travel. Throughout the term of employment, the Manager shall secure, and provide the Town with proof of automobile liability insurance with limits not less than:

- \$500,000 combined single limit OR
- \$250,000 for each person and
- \$500,000 each occurrence and
- \$250,000 property damage

Limits may be achieved by a primary policy or by a primary policy plus umbrella policy.

12. **Other Benefits** - The Manager shall also be eligible to receive any other benefits as the Town provides to its other employees.

13. **Public Official Liability Insurance** - The Town shall provide the Manager with Public Official Liability Insurance and any Bond required of the Town Manager, or any other position filled by the Town Manager subject to the provisions of State Statute, Town Charter and Town Ordinances.

**14. Professional Dues and Professional Development-** The Town hereby agrees to pay for the following expenses of the Manager for professional meetings and training programs: Membership dues and Annual Meeting of the International City Manager's Association (ICMA) and membership dues and meeting attendance at the Maine Town and City Manager's Association (MTCMA). Attendance at any other professional associations that the Manager and the Council deem to be in the best interests of the Town, are subject to Council approval.

**15. General Provisions -**

A. Except as expressly stated or otherwise provided for in this Agreement, the Manager is governed by the same customs, practices and policies governing other employees of the Town.

B. The parties acknowledge and agree that this Agreement was freely negotiated and entered into, and that in the event of a conflict between the provisions hereof and the provisions of any law or ordinance, the provisions of this Agreement prevail.

C. This Agreement may be amended or modified only in writing.

D. If any provision, or any portion thereof, contained in this Agreement is held to be unconstitutional, invalid, or unenforceable by a court of competent jurisdiction, the remainder of this Agreement, or portion thereof, is not affected thereby, and remains in full force and effect.

E. The provisions of this Agreement are governed by Maine law.

IN WITNESS WHEREOF, THE Town of Cape Elizabeth has caused this Agreement to be duly signed and executed on its behalf by the Council and Matthew E. Sturgis has signed and executed this Agreement on the 13<sup>th</sup> day of February, 2023.

TOWN OF CAPE ELIZABETH

\_\_\_\_\_  
Matthew E. Sturgis

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Jeremy A. Gabrielson, Council Chair

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Nicole Boucher, Councilor

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Susan A. Gillis, Councilor

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Caitlin R. Jordan, Councilor

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Penelope A. Jordan, Councilor

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Gretchen Noonan, Councilor

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Timothy S. Reiniger, Councilor

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Attest: Debra M. Lane, Town Clerk