

**TOWN OF DAMARISCOTTA**  
**Employment Agreement**

THIS AGREEMENT is made and entered into this 19<sup>th</sup> day of July 2017 between the TOWN OF DAMARISCOTTA, a Maine Municipal Corporation, (hereinafter "Town") and MATTHEW J. LUTKUS (hereinafter "Manager") pursuant to these terms and conditions:

- A. WHEREAS, the Town wishes to continue to employ the services of said Matthew J. Lutkus as the Town Manager of the Town of Damariscotta, Maine on a part time basis;
- B. WHEREAS, the parties hereto desire to (1) retain the services of the Manager and to provide inducement for him to remain in such employment, and (2) define the benefits and working conditions of the Manager's employment, and (3) to provide a just means for terminating the Manager's contract of employment at such time as he may be unable to discharge his duties due to disability, resignation or termination by the Town;
- C. WHEREAS, the Manager wishes to continue employment as Town Manager of said Town under the terms and conditions stated herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and intending to be legally bound hereby, the TOWN and MANAGER agree to the following:

**Section 1 – Residency**

The Town Manager shall continue to reside within the town limits of the Town of Damariscotta.

**Section 2 – Term of Agreement**

The term of this agreement shall be for a period of two years from July 1, 2017 to June 30, 2019. This agreement shall be considered for renewal annually, no later than March 31 of each year to address extending the agreement, salary, and other changes negotiated between the parties, unless written notice is given to the Manager that such agreement will not be renewed, and such written notice is forwarded to Manager at least ninety (90) days prior to the scheduled expiration of this Agreement. Each renewal of the Agreement shall be for a specified time.

### **Section 3– Duties**

The Manager shall work on a schedule that reflects the hours of a 4/5 full time equivalent employee, however, he is expected to perform all duties and functions assigned to the position of Town Manager as described in the Town of Damariscotta Charter, Article III, Section 3.02 and pursuant to State Statutes.

Manager's work schedule shall be flexible, including such evening and weekend coverage of the Town's administration as shall be reasonably required of the Town Manager to ensure the proper administration of the Town. Town recognizes that, as an exempt and salaried employee, Manager must devote time outside of normal working hours to complete the expected workload.

Manager acknowledges that he shall at all times report to and be subject to the direction of the Board of Selectmen of the Town of Damariscotta and carry out those policies and directions as the Board, by majority vote, shall establish from time to time.

### **Section 4– Compensation**

The Town agrees to pay a gross salary at the minimum rate of \$70,000 per year payable in such installments in accordance with the Town's usual payroll practices and procedures for employees.

### **Section 5 – Performance Review**

The Board of Selectmen may conduct performance reviews, as they deem necessary, of all or part of the Manager's performance. A summary of the performance review shall be provided to the Manager, in writing, at the conclusion of each evaluation.

### **Section 6 – Health and Dental Benefits**

Manager shall be entitled to 100% health and dental insurance coverage, said premium to be paid for by the Town, for the employee and the employee's family. Health and Dental insurance coverage shall be through the Maine Municipal Employee Health Trust, as provided to other Town employees, or other similar type of coverage that the Town may elect for its employees in the future.

### **Section 7 – Vacation and Sick Leave**

Manager is entitled to 20 days of vacation and 6 days of sick leave for each year of this agreement. Leave shall be allocated upon each employment anniversary date. The maximum amount of accrued vacation days shall not exceed 30 and the maximum amount of sick days shall not exceed 60.

Upon termination, whether voluntary or involuntary, the Town shall compensate the Manager for all accrued vacation leave as of the date of termination. Said compensation

shall be based upon the Manager's salary as of the date of employment termination. No compensation shall be given for any unused sick leave.

#### **Section 8 – Retirement**

The Town agrees to match an amount up to 7.5% of salary to the ICMA Retirement Corporation or other retirement contribution plan of the Manager's choice.

#### **Section 9 – Other Benefits**

The Manager will be entitled to benefits provided to other full time employees except when the benefits are in conflict with this agreement, this agreement will prevail.

#### **Section 10 – Expenses**

The Town agrees to reimburse Manager for mileage at the prevailing rate paid all other Town employees for the use of his personal vehicle in connection with Town business or as may be related to his managerial duties. Mileage commuting to and from work will not be covered.

The Town agrees to budget and pay for professional dues and membership in the International City Management Association (ICMA) and the Maine Town and City Management Association (MTCMA). Manager shall be reimbursed for reasonable expenses for attendance at MTCMA meetings and conferences necessary and desirable for the Manager's continued professional participation, growth and advancement for the good of the Town. Manager agrees to submit to the Town documentation as may be necessary to substantiate the foregoing expenses.

The Town agrees to reimburse the Manager \$30 per month for the use of his personal cell phone for work-related telephone calls and email communications.

#### **Section 11 – Indemnification**

The Town shall defend and indemnify Manager from any and all claims, liabilities, losses, damages and expenses, including reasonable attorneys' fees, as a result of acts the Manager performed in the course of and within the scope of his employment as Town Manager. This obligation to defend and indemnify is made with the understanding that the Town will defend Manager with its own legal counsel and shall pay attorneys' fees for separate counsel only in the event that Manager is required to retain separate counsel. Manager shall, as a condition precedent to receipt of this indemnification, cooperate with the Town and its legal counsel in the defense of any related action, claim or proceeding.

## **Section 12 – Employee Conduct**

Manager at all times during this agreement shall:

- A) Observe and conform to all laws of the State of Maine.
- B) Comply with all Board of Selectmen's reasonable direction and orders in Town's Management
- C) Not disclose, except to Board of Selectmen, any Town confidences or information with respect to Town's administration, finances, or any official or agency of the Town, which is deemed confidential in nature pursuant to Maine State Statutes.

## **Section 13– Termination of Agreement**

Unless otherwise agreed to in writing by Town and Manager, this contract shall terminate on occurrence of any of the following events:

- A) At any time by mutual agreement in writing by Town and the Manager;
- B) At time of death of the Manager;
- C) In the event that Manager voluntarily resigns his position before the expiration of this contract, he must give the Town a minimum sixty (60) day notice. The Town may waive such notice at their discretion. In the event of voluntary separation, Manager shall not be entitled to severance pay;
- D) At the option of the Town, if, in the sole discretion of the majority of the Board of Selectmen, Manager is unable to perform adequately his obligation under the Agreement, or his job assignments, but only in accordance with the removal provisions described in the Town of Damariscotta Charter, Section 3.04;
- E) If Manager becomes permanently totally disabled, "totally disabled" to be the ability to satisfactorily perform Manager's regular full time duties, or disability from whatever source, which continues for eight (8) consecutive weeks.

## **Section 14– Amendments**

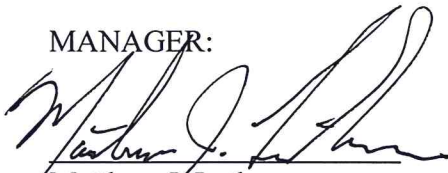
If any provision, or portion thereof, contained in this Agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this Agreement shall not be affected and shall remain in full force and effect.

No term or provision of this Agreement shall be deemed to have been waived by either party unless such waiver is in writing and signed by the party making the waiver.

This Agreement may be amended at any time only by a writing duly executed by both parties.

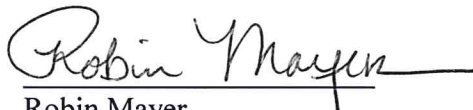
IN WITNESS WHEREOF, and intending to be legally bound, the parties have in good faith executed this Employment Agreement the day and year first above written.

MANAGER:

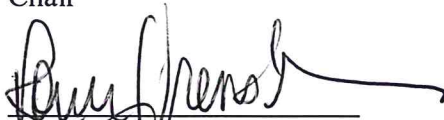
  
Matthew J. Lutkus

7/19/2017  
Date

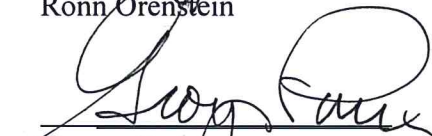
TOWN OF DAMARISCOTTA  
BOARD OF SELECTMEN:

  
Robin Mayer  
Chair

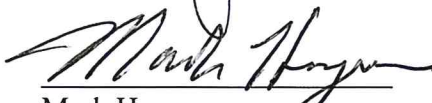
7-19-2017  
Date

  
Ronn Orenstein

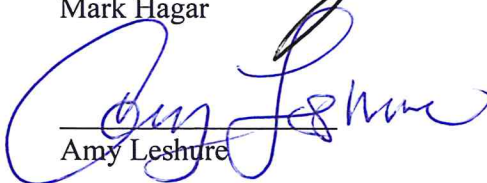
7-19-2017  
Date

  
George Parker

7-19-2017  
Date

  
Mark Hagar

7-19-2017  
Date

  
Amy Leshure

7-19-2017  
Date

