

EMPLOYMENT AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of _____, 2022, by and between the TOWNSHIP OF UPPER GWYNEDD, Montgomery County, Pennsylvania, hereinafter called “Township” and SANDRA ZADELL, hereinafter called “Manager,” as follows:

WHEREAS, Township desires to employ the services of Manager as Township Manager pursuant to the Code of Upper Gwynedd Township, Chapter 23, which provides for the appointment of a Township Manager by Resolution to establish her compensation and term of office as well as her powers and duties; and

WHEREAS, it is the desire of the Township to establish certain conditions of employment, to provide certain benefits, and to establish standards of conduct for Manager; and

WHEREAS, Manager desires to accept the position as Township Manager of Upper Gwynedd Township;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and intending to be legally bound, the parties agree as follows:

SECTION 1: DUTIES

The Township hereby agrees to employ Manager as Township Manager of Upper Gwynedd Township to perform the functions and duties specified in the Pennsylvania First Class Township Code and the Code of Upper Gwynedd Township, Chapter 23, as both may be amended from time to time, and to perform other legally permissible and proper duties and functions as the Board of Commissioners of Upper Gwynedd Township shall from time to time assign.

SECTION 2: TERM

This Agreement shall become effective the date of signing and shall remain in effect the next Reorganization meeting of the Board of Commissioners. Changes to this Agreement shall be made only by mutual consent of both parties and shall be made in the form of a written addendum which may be from time to time attached hereto.

SECTION 3. TERMINATION

Termination without Cause; Resignation for Compelling and Necessitous Reasons. If a) the Manager's employment is terminated by the Township for any reason, or for no reason at all, except for termination for "Cause" (as defined in Section 11); or b) the Manager resigns for "Compelling and Necessitous Reasons" (as defined in Section 10), then (in either or both of those events), either prior to or at any time following the stated term of this Agreement, Township shall pay the Manager a Severance of six (6) month's salary, payable in a lump sum payment from the Township's general fund within one week of such termination and/or resignation, together with any other amounts earned, accrued and owing but not yet paid under Section 5 below and any benefits accrued and due under any applicable benefit plans and programs of the Township. The parties agree that upon termination or resignation as set forth in this Section 3, other than for termination for "Cause" or Manager's voluntary resignation due to physical or mental disability rendering her unable to perform the duties of Township Manager, each party hereto will provide no less than 60 days' prior written notice to the other party, as described herein. This Section 3, in its entirety, shall be severable from the remainder of the Agreement and shall, for separate good and valuable consideration, receipt of which is hereby acknowledged, stand on its own and remain independently enforceable and binding upon the parties.

Voluntary Resignation. The Manager may voluntarily terminate employment for any reason upon 60 days' prior written notice to the Township. In the case of any physical or mental disability that renders the Manager unable to perform the duties of Township Manager, the Manager may terminate her employment by giving as much notice as is reasonably practicable. In such event, after the effective date of such termination, no payments shall be due under this Agreement, except that the Manager shall be entitled to any amounts earned, accrued and owing but not yet paid under Section 5 below and any benefits accrued and due under any applicable benefit plans and programs of the Township.

SECTION 4: SALARY

Effective on the start date of work, and for all of 2022 Manager shall be paid an annualized base salary in the amount of One hundred and fifty thousand, three hundred and ninety three dollars (\$150,393) per year. Manager shall be paid at the same payroll interval (currently every two weeks) as other employees. Hours of work are to include normal Township hours of operation Monday through Friday, and any additional hours (including night meetings) necessary to properly perform the job. As this is a salaried, managerial position, there is no overtime compensation, and Manager will be an at-will employee, subject to the provisions of this contract. Future salary levels will be determined by the Board of Commissioners.

SECTION 5: BENEFITS

Manager's benefits will be the same as currently provided for all non-uniformed, Township employees, and will be subject to change from time to time, as determined by the Board of Commissioners.

- a. Medical Insurance, Prescription, Dental, Vision – The Manager shall receive coverage in a health care plan (currently DVIT administered Aetna PPO) that provides individual

and/or family coverage for health, vision, dental, prescription, and other medical insurance plans as the Township may designate from time-to-time. Currently, the medical plan has doctor deductibles of \$20/40 and the prescription plan has deductibles of \$10/30/60/150. Currently there is no employee contribution toward the cost of this benefit. Manager may also either “opt-out” or “opt-down” medical coverage in favor of financial compensation. If Manager is married, and opts-out of medical coverage for Manager and her family, Manager will receive a monthly stipend of \$1,000. If Manager opts-down and elects insurance just for herself, and excludes the rest of her family, Manager will receive a monthly stipend of \$675. If the Township introduces premium contributions for Medical Insurance for non-uniform employees, the Manager will be subject to those contributions at the same rate as all other non-uniform employees.

- b. Sick Leave – Manager will receive paid sick leave in the amount of 12 days per year which is accrued, paid, and used in accordance with Township policies and procedures applicable to non-union employees. Manager can rollover up to 8 days per year of sick time from one year to the next with a total cap of 20 days.
- c. Vacation – Manager shall receive four (4) weeks of vacation each year. Vacation time is accrued, paid, and is used in accordance with Township policies and procedures applicable to non-union employees.
- d. Life Insurance – Manager shall receive \$125,000 term life insurance coverage. For 2022 and 2023, there is no employee contribution toward the cost of this benefit.
- e. Pension Plan – Manager shall qualify for membership in a defined contribution pension plan. For 2022 and 2023, employees’ contribution for this pension plan is voluntary and the Township contributes 7.5% of employees’ salary. Manager will be 50% vested after 5

years and 100% vested after 7 years of employment. Additionally, there is a 457(b) deferred compensation pension plan available for Manager at Manager's cost with Township contribution as outlined in section j below.

- f. Holidays/Personal Time – Manager shall receive paid holidays in accordance with those recognized in any calendar year by the Township. For the term of this agreement, there are twelve (12) paid holidays per year, and there is one day of personal time per year.
- g. Disability Insurance – The Manager shall receive both short- and long-term disability coverage. For the term of this agreement, there is no employee contribution toward the cost of this benefit.
- h. Sickness/Accident Policy – The Township provides an optional sickness and accident coverage through AFLAC.
- i. Cell Phone – The Township will provide, at its cost, Manager with a smart cellphone. The cell phone will remain Township owned property at all times and will be subject to all Township policies related thereto. If the Manager chooses, in lieu of this benefit, the Township will pay Manager \$50/month for the use of her personal cell phone on Township business.
- j. Retirement Plan Contribution-The Township will contribute 3% of the Manager's salary to their 457b plan in years 2022 and 2023 of this contract. This payment will be made as a biannual contribution by January 15th and June 15th each contract year.

SECTION 6: PROFESSIONAL DUES AND TRAINING

The Township will pay the annual membership dues for the Association for Pennsylvania Municipal Managers (APMM) and the International City and County Managers Association (ICMA). Subject to Township policies and procedures regarding expenses and reimbursement,

Manager shall be permitted to attend at Township expense the conferences, meetings, and continuing education seminars of APMM, ICMA, and other professional training seminars.

SECTION 7: VEHICLE ALLOWANCE

As long as Manager is employed by the Township under the terms of this Agreement, the Township shall pay a monthly vehicle allowance to Manager. The vehicle allowance for calendar years 2022 and 2023 shall be in the amount of Four Hundred Dollars (\$400.00) per month.

SECTION 8: GENERAL EXPENSES

The Township recognizes that certain expenses are job-affiliated in nature and may be incurred by Manager. The Township agrees to reimburse Manager for general expenses upon receipt of executed vouchers or receipts.

SECTION 9: INDEMNIFICATION

The Township shall pay the cost of all fidelity bonds and liability insurance, including public official's liability insurance for services performed by Manager in her official duty as Township Manager.

SECTION 10: CONFIDENTIALITY

The Manager shall keep all Township information and/or documents which are presently of a confidential nature, confidential in the future even though the Manager is no longer employed by the Township. Such confidential information and any other Township information she acquired as Township Manager shall not be disclosed to any person or entity unless the Manager has written consent from the Township to discuss or reveal said confidential or other information or such disclosure is necessary as a result of a court order or court proceedings which require such disclosure.

SECTION 11: CHOICE OF COUNSEL

The Township and Manager state that they are represented by, and have had an opportunity to be represented by, counsel of their choice to review and advise them with respect to this Agreement. They have each reviewed the Agreement carefully and fully understand it and its ramifications.

SECTION 12: DEFINITIONS

"Cause" shall mean: conviction of a crime, including those involving moral turpitude, misappropriation of funds that rise to the level of a criminal act; willful misconduct in the performance of duties and/or violation of any ethics laws of the Commonwealth of Pennsylvania. For purposes of this paragraph 13, "willful misconduct" shall be defined as conduct that represents a wanton and willful disregard of an employer's interest, an evil design which results in substantial damage to the Township's interests, or malicious commission of a tort.

"Compelling and Necessitous Reasons" shall mean the occurrence of one or more of the following:

- (1) A material diminution by the Township of the Manager's authority, duties or responsibilities;
- (2) A material diminution in the Manager's Base Salary; or
- (3) Any action or inaction that constitutes a material breach by the Township of this Agreement.

The Manager must provide written notice of termination for Compelling and Necessitous Reasons to the Township within 30 days after the event constituting Compelling and Necessitous Reasons. The Township shall have a period of 30 days in which it may correct the act or failure to act that constitutes the grounds for Compelling and Necessitous Reasons as set forth in the Manager's notice of termination. If the Township does not correct the act or fails to act, the

Manager must terminate his or her employment for Compelling and Necessitous Reasons within 30 days after the end of the cure period, in order for the termination to be considered a Compelling and Necessitous Reason termination.

SECTION 13: CAUSE

The Township may terminate the Manager's employment at any time for Cause, as defined herein, upon written notice to the Manager, in which event all payments under this Agreement shall cease, except for any amounts earned, accrued and owing but not yet paid under Section 3 above and any benefits accrued and due under any applicable benefit plans and programs of the Township.

SECTION 14: GENERAL PROVISIONS

A. The Agreement herein shall constitute the entire Agreement between the parties.

B. The Agreement shall be interpreted in accordance with the law of the Commonwealth of Pennsylvania.

IN WITNESS WHEREOF, the Township of Upper Gwynedd has caused this Agreement to be signed and executed on its behalf by its President and duly attested by its Secretary, and the Manager has signed and executed this Agreement, the day and year first written above.

ATTEST:

TOWNSHIP OF UPPER GWYNEDD

Secretary

Elizabeth McNaney, President

WITNESS:

Sandra Zadell