



southburlington
VERMONT

October 11, 2013

Kevin Dorn
88 Beech Street
Essex Junction, VT 05452

Re: Offer of Employment
City Manager, South Burlington, Vermont

Dear Kevin,

I am writing on behalf of the South Burlington City Council to offer to you employment in the position of City Manager, as provided for in the City of South Burlington Charter. The specific terms of this offer are as follows:

1. Your term as City Manager will commence upon your acceptance of this offer and the Council's ratification of this agreement at a regular or special Council meeting. Your term as City Manager will be indefinite, except as otherwise provided in this agreement.

2. Your salary for the period October 1, 2013-June 30, 2015 will be \$115,000, per annum. Your salary for the period commencing July 1, 2015 will be determined by good faith discussions between you and the Council, including, without limitation, review of your performance, and our mutual agreement on a salary and or other terms and conditions of your employment. In the event we do not agree on terms for your continued employment, we will attempt, in good faith to agree on terms of separation.

3. The Council may terminate your employment at any time, without cause, upon such written notice as it deems appropriate, setting forth in such notice the date on which you shall be suspended from further performance of duties as Manager and the effective date of your termination. Upon termination under this provision on or before June 30, 2014, you will be provided a severance payment equal to three (3) months' salary within thirty (30) days of the effective date of your termination. Upon termination under this provision on or after July 1,

2014, you will be provided a severance payment equal to six (6) months' salary within thirty (30) days of the effective date of your termination.

4. Section 906 of the South Burlington City Charter and 24 V.S.A. §1233 set forth the rights and obligations of the Council and Manager in connection with termination of the Manager's employment. The termination procedures and benefits set forth in paragraph 3 of this agreement are offered as the sole and exclusive procedures and benefits available to you should the Council decide to terminate your employment without cause. Your acceptance of this agreement will signify that you have reviewed Section 906 of the South Burlington City Charter and 24 V.S.A. §1233 and waive any procedural rights and benefits you have under such provisions concerning termination without cause.

5. The Council may terminate your employment at any time for just cause, which term shall be defined in accordance with Vermont law taking into consideration the interests of the City. Prior to and in connection with termination under this provision, you will be provided all due process rights granted under the US and Vermont constitutions, as well as the rights granted by Section 906(b) of the South Burlington City Charter and 24 V.S.A. §1233.

6. The City will make an annual contribution to an ICMA 457b or 401a Deferred Compensation/Pension plan equal to 10% of your salary, provided you make a minimum contribution of 3% of your salary. The City's contribution will be in addition to your salary.

7. You will be awarded four (4) weeks of vacation on commencement of your term as Manager, prorated on a fiscal year basis. On July 1, 2014, and on each July 1st thereafter, you will be awarded five (5) weeks of vacation. A week of vacation is the equivalent of five (5) days. You may accrue vacation to a maximum of one hundred and four (104) days. Upon separation for any reason other than termination for just cause, you will be paid for your accrued vacation at a per diem rate determined as follows: annual salary divided by 260 days.

8. Dutiful performance of the responsibilities of City Manager routinely requires work beyond what can be accomplished within a conventional eight (8) hour workday or forty (40) hour workweek. Also, attendance at night meetings is an expected and required component of the City Manager's responsibilities, though attendance may, on limited occasions, be excused for significant cause, such as observance of religious holidays. The salary and other benefits provided in this offer constitute the full monetary compensation to be paid by the City for your performance of your required duties. It is expressly understood that additional compensation in the form of compensatory time will not be provided.

9. You will be eligible to participate in the health insurance plan(s) offered other City employees, on the same terms and conditions as other City employees. However, you may choose to continue your enrollment in the State of Vermont plan available to you. Should you choose to do so, the City will provide you a separate annual cash payment of \$7,150 which will be subject to customary payroll taxes. For the current fiscal year, you will be provided this

payment within thirty (30) days of the effective date of this agreement, which amount will be prorated for FY 2014. Continuation of this payment is subject to compliance with on-going reforms in health care legislation.

10. You will accrue sick leave at the rate of 1.5 days per month, with the leave that you will accrue during the first twenty (20) months of your term (30 days) being awarded to you on commencement of your term as Manager. You may accumulate no more than seventy-five (75) days of sick leave. Upon separation from employment during your first twenty (20) months, the City will pay you based on the per diem rate set forth in Paragraph 7 above for unused sick days determined as follows: completed months of employment, including October 2013, multiplied by 1.5. Thereafter, the City will pay you based on the per diem rate set forth in Paragraph 7 above for unused sick days.

11. The City will purchase for you and maintain in effect during your term as Manager a five hundred thousand dollar (\$500,000) term life insurance policy if it can be purchased under a group plan.

12. The City will pay your annual ICMA and VTCMA membership dues. It will also pay for the reasonable costs of your attendance at one (1) ICMA and two (2) VTCMA conferences annually. The City will pay for other conferences, seminars and meetings upon review and approval by the Council. Generally anticipated costs are those for conference registration, travel, lodging and meals.

13. The City will reimburse you for City-related travel you perform using your own vehicle. Reimbursement will be provided at a rate established by the Council for such travel performed by City employees.

14. You will, at your own expense, purchase a cell phone and maintain cell phone service through a provider doing business in Vermont. You will make your cell phone number available to City Council members and all City department heads. The City will provide you a monthly cell phone "allowance" of \$40.

15. The Council has adopted, and from time-to-time amends, Personnel Rules and Regulations for City employees, the most recent revision being dated February, 2009 ("Regulations"). As a City employee, you will be subject to and have the benefits of the Regulations. To the extent this offer is in conflict or inconsistent with the Regulations, the terms of this offer shall control.

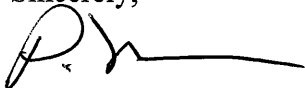
16. The Council has entered into and periodically renegotiates a Collective Bargaining Agreement with its City Hall bargaining unit, the most recent version being for the period July 1, 2012 - June 30, 2015 ("Bargaining Agreement"). Employees subject to the Bargaining Agreement are provided identified insurance, retirement and health club benefits. To the extent any such specific benefit contained in the Bargaining Agreement is not provided for or addressed

by this offer, it will be available to you on the same terms it is available to members of the bargaining unit.

This letter sets forth the full and complete terms of the Council's offer to employ you as City Manager. Any matter, whether previously discussed or not between the Council and you, that is not specifically contained in this letter is not part of this offer. If the terms of this offer are acceptable to you, please sign on the line provided below and return the signed letter to me.

In closing, I can say that the Council is pleased to make this offer and looks forward to continuing its work with you.

Sincerely,

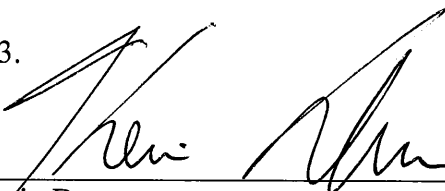


Pam Mackenzie, Chair
South Burlington City Council

ACCEPTANCE OF OFFER

I, Kevin Dorn, have reviewed and hereby accept the offer of employment set forth above according to its stated terms and conditions.

Accepted this 16 day of October, 2013.



Kevin Dorn