

**EMPLOYMENT AGREEMENT  
BETWEEN THE CITY OF DOVER, NH  
AND  
MICHAEL R. MCSHANE**

This Agreement made and entered into this 14<sup>th</sup> day of July, 2022 by and between the CITY OF DOVER, a municipal corporation within the County of Strafford and the State of New Hampshire (hereinafter called the "CITY"), as party of the first part and MICHAEL R. MCSHANE, of the Town of South Berwick, County of York, and State of Maine (hereinafter called "EMPLOYEE"), as party of the second part;

WITNESETH:

WHEREAS, the City desires to employ the services of the Employee as Fire Chief of the City of Dover.

WHEREAS, it is the desire of the City Manager, in accordance with the Dover City Charter and the Laws of the State of New Hampshire, to establish compensation, benefits, and other working conditions for the employment of the Employee; and

WHEREAS, it is the desire of the City Manager to ensure the commitment and full productivity of the Employee in providing service to the City as Fire Chief; and

WHEREAS, it is the desire of the City Manager to provide inducement for the Employee to remain in service to the City while also ensuring a just means for the termination of employment at such time as may be required; and

WHEREAS, Employee agrees to accept employment as Fire Chief of said City.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein, the parties agree as follows:

**SECTION 1 – DUTIES AND AUTHORITY**

City hereby agrees to employ MICHAEL R. MCSHANE as Fire Chief of said City. Employee accepts such employment and agrees to perform the functions and duties specified in the City Ordinances, and the Laws of the State of New Hampshire, and to perform such other legally permissible and proper duties, and reasonable functions as the City Manager shall from time-to-time assign.

**SECTION 2 – TERM**

This Agreement shall remain in full force and effect from March 4, 2022 until employment is terminated by the City or Employee as provided in Section 3 of this Agreement. Solely for the purposes of merit review and benefit eligibility, Employee's anniversary date of employment with the City shall remain July 5, 2005.

**SECTION 3 – TERMINATION OF EMPLOYMENT AND SEVERANCE**

- A. The City Manager, at any time, may terminate the employment of the Employee for cause after thirty (30) days written notice of the basis for the termination.
- B. In the event the Employee is terminated by the City Manager with cause, the City agrees that it shall pay to the Employee all unused, accrued vacation leave said amount to be paid to the Employee on or before the effective date of termination of his employment.

- C. In the event the City in any fiscal year intentionally reduces the base salary, compensation or any other financial benefit of the Employee in a percentage greater than is applied in an across the board reduction in the same fiscal year applicable to all other employees of the City, or in the event that the City refuses, following a thirty (30) day period after receipt of written notice delivered to the City Manager, to comply with any of the financial provisions benefiting the Employee set forth herein, or if the City abolishes the position of Fire Chief without establishment of the position under a different title with substantially similar duties and responsibilities or similar action, the Employee may, at his option, deem himself to have been terminated without cause as of the date of such reduction or refusal to comply with the provision herein claimed to have been violated.
- D. In the event the Employee is terminated without cause, the City agrees that it shall pay to the Employee all unused, accrued vacation leave, together with a lump sum severance payment equal to one (1) month aggregate salary for each year of completed service as Fire Chief, not to exceed six (6) months total, said amount to be paid to the Employee on or before the effective date of termination of his employment.
- E. In the event the Employee voluntarily resigns his position with the City, the Employee shall give the City thirty (30) days written notice in advance, unless the parties agree otherwise. Such notice of resignation shall be directed to the City Manager. If the Employee voluntarily resigns, he shall not be entitled to salary after the date of resignation or to the severance benefits specified in this Section except he shall be paid for all unused, accrued vacation leave not to exceed thirty (30) days.

#### SECTION 4 – SALARY

- A. Effective the first full pay period following July 1, 2022, the City agrees to pay the Employee for services rendered under this Agreement, an annual base salary of \$126,025 subject to applicable withholdings and deductions, payable in installments at the same time as other employees in the City are paid.
- B. Effective the first full pay period following Employee's anniversary date and each year thereafter, the City agrees the Employee shall be awarded a merit increase following completion of an evaluation of his performance as specified by Section 5 of this Agreement. Such increase is only to be applied to the Employee's base salary up to the maximum amount specified in the Class and Pay Plans attached to the City's Merit Plan after which such increase may be paid as a single lump sum merit bonus. The amount of the merit increase shall be determined by the City Manager at his sole discretion, but shall not be more than 5% per annum subject to a satisfactory performance review.

#### SECTION 5 – PERFORMANCE EVALUATION

- A. The City Manager shall review and evaluate the Employee's performance as Fire Chief at least once every year, provided, at a minimum, one performance evaluation occurs within forty-five (45) days of the Employee's anniversary date each year. Said review and evaluation shall be based on the goals and objectives developed by the City Manager and the Employee in accordance with paragraph B of this Section. Upon completing the evaluation, the City Manager shall provide the Employee with a written copy of the City Manager's remarks. There shall be an adequate opportunity for the Employee to discuss the evaluation with the City Manager.
- B. Annually during the month of July, or such other month as may be mutually agreed upon, the City Manager and the Employee shall define goals and objectives which they determine necessary for the proper operation of the City and the attainment of the City Manager's policy objectives, said goals and objectives to be reduced to writing. They shall generally be attainable within the time limits specified and within the annual operating and capital budgets and appropriations provided by the City and the events that have occurred during the year.

SECTION 6 – HOURS OF WORK

- A. The Employee will devote full time and attention to the business of the City and will not engage in any other business during office hours, except with the approval of the City Manager.
- B. It is recognized that the Employee must devote a great deal of time outside the normal office hours to the business of the City, and to that end the Employee will be allowed to have flexibility in scheduling his time.

SECTION 7 – PAID LEAVE AND HOLIDAYS

- A. The Employee shall accrue twenty (20) days paid vacation leave per year which shall be awarded annually on the Employee's anniversary date. To limit excessive accruals, up to thirty (30) days of accrued unused vacation leave may be carried over from year to year. Employee may opt to be paid for any portion of accrued and unused vacation leave not used during the year.
- B. The Employee will be eligible for ten (10) sick days per fiscal year prorated in the first year from the Employee's anniversary date to the end of the fiscal year. Sick days are only available to be utilized in the fiscal year awarded and shall not accrue or otherwise accumulate from year to year.
- C. The Employee shall be responsible for accurately recording leave usage which shall be verified and approved by the City Manager.
- D. The Employee is entitled to time off for the holidays currently recognized by the City on the day they are observed. Employee will continue to be eligible to receive holiday pay in accordance with the provisions in effect at the time of the signing of this agreement.
- E. All previously accrued and unused leave as of March 4, 2022 shall be grandfathered and remain available for use by the Employee. Employee may opt to be paid for any portion of unused grandfathered leave at the set rate of pay that was in effect prior to appointment as Fire Chief.

SECTION 8 – INSURANCE BENEFITS


Insurance benefits, including health, dental, life and disability insurances provided to City employees as part of its Flexible Benefits Program will be made available to the Employee and paid by the City excepting the Employee shall pay twenty percent (20%) and the City will pay eighty percent (80%) of the applicable premiums for the Employee's chosen health insurance plan and eligible coverage and, further, the City shall pay an amount up to and not exceeding the cost for two (2) person base dental coverage with Employee paying the difference for any higher cost plan and/or coverage levels. The Employee health contribution may be subject to change as applicable to other City Employees. The employee shall receive a buy back for health and/or dental insurance coverages as applicable to other City Employees provided Employee presents evidence of satisfactory coverage from another source.

SECTION 9 – RETIREMENT BENEFITS

- A. The Employee shall be allowed to participate in the NH Retirement System per the requirements established by State of New Hampshire Retirement System.
- B. The Employee may enroll in the City's 457 Deferred Compensation Plan.

SECTION 10 – CITY BUSINESS RELATED EXPENSES

- A. The Employee shall be reimbursed for all reasonable business-related expenses incurred in the performance of his duties.
- B. The Employee shall be provided with a vehicle for business use including responding to and from home for emergency call backs, evening meetings and other employment related activities.

*and shall remain eligible for monthly 457 benefit only*  


SECTION 11 – PROFESSIONAL DEVELOPMENT

- A. The City shall pay for the Employee's individual membership dues and assessments by the New Hampshire Fire Chiefs Association and the International Association of Fire Chiefs.
- B. The City agrees to purchase subscriptions, books, training materials, course tuition and other professional association memberships for the Employee dependent upon budget availability.
- C. The City agrees to pay the expenses associated with the Employee's attendance at the annual conference of the International Association of Fire Chiefs or, subject to prior approval, another related professional association.
- F. The City agrees to pay Employee the educational incentives previously earned and in accordance with the provisions in effect at the time of the signing of this agreement.

SECTION 12 – INDEMNIFICATION/THIRD PARTY CLAIMS

- A. The City agrees to indemnify and hold harmless the Employee from any and all losses, including Employee's reasonable attorney's fees and other expenses of defense, in connection with any claim, demand, action, or suit, or judgment arising out of any act or omission of the Employee if at the time of the act or omission, the Employee was acting within the scope of his employment and without malice or bad faith.
- B. The City agrees to provide liability coverage for the Employee against third party claims through the City's public employee insurance coverage.

SECTION 13 – BONDING

The City shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

SECTION 14 – OTHER TERMS AND CONDITIONS

The City Manager may fix such other reasonable terms and conditions of employment, as he may determine from time to time, relating to the performance of the Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, the City Merit Plan, the City Charter, or any other Federal or State law.

SECTION 15 – RESIDENCY

The Employee shall maintain a permanent residence and reside within the City limits throughout the duration of employment as Fire Chief. However, until such time as the Employee establishes a permanent residence within the City limits, the Employee shall be allowed to continue to reside at his current home address.

SECTION 16 – SEVERABILITY

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

SECTION 17 – MERGER

The text of this written Agreement and any amendments approved and executed by the City Manager and the Employee constitute the entire understanding between the parties with respect to the employment of MICHAEL R. MCSHANE as the Fire Chief of the City of Dover.

SECTION 18 – NOTICES

Notices pursuant to this Agreement shall be given by depositing in the custody of the United States Postal Service, postage prepaid, addressed as follows:

City: THE CITY MANAGER  
City of Dover, NH  
288 Central Avenue  
Dover, NH 03820

Employee: MICHAEL R. MCSHANE, FIRE CHIEF  
City of Dover, NH  
288 Central Avenue  
Dover, NH 03820

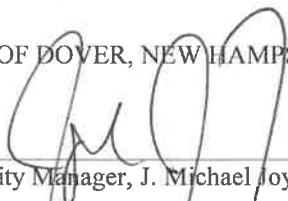
Alternatively, notices required pursuant to this Agreement may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

SECTION 19 – GENERAL PROVISIONS

- A. This Agreement shall be binding upon the City and Employee, as well as their heirs, assigns, executors, personal representatives and successors in interest.
- B. This Agreement shall become effective upon execution.

IN WITNESS WHEREOF, the City of Dover has caused this Agreement to be signed and executed in its behalf by the City Manager, and the Employee has signed and executed this Agreement, all in duplicate, as of the day and year first above written.

Dated: 7/14/02

CITY OF DOVER, NEW HAMPSHIRE  
By:   
City Manager, J. Michael Joyal, Jr.

EMPLOYEE  
By:   
MICHAEL R. MCSHANE