



TOWN OF DURHAM
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AGENDA ITEM: #10D

DATE: February 1, 2016

COUNCIL COMMUNICATION

INITIATED BY: Durham Town Council

AGENDA ITEM: CONTINUED DISCUSSION REGARDING THE ADMINISTRATOR'S ANNUAL PERFORMANCE EVALUATION IN ACCORDANCE WITH THE EMPLOYMENT AGREEMENT BETWEEN ADMINISTRATOR SELIG AND THE TOWN EXTENDING FROM JANUARY 1, 2015 TO DECEMBER 31, 2019

CC PREPARED BY: Todd I. Selig, Administrator

PRESENTED BY: Todd I. Selig, Administrator

AGENDA DESCRIPTION:

Pursuant to Section 17 of Administrator Selig's Employment Agreement [which was specifically requested to be included in the Employment Agreement by Mr. Selig] with the Town:

"Commencing in April of 2011, and each succeeding April thereafter, the Town Council and Selig shall mutually establish goals and objectives [these are the approved 2011-2012 Town Council goals] which they deem necessary and appropriate for the proper management of the Town during the succeeding twelve (12) months. Such goals and objectives shall be committed to writing and formally adopted by the Town Council. . . Commencing in January 2012, and for each January thereafter, the Town Council shall review/evaluate Selig's performance in accord with the criteria provided to Selig by the Town the preceding April. The Town Council shall provide Selig with a written summary of this Annual Performance Evaluation and shall provide Selig with an opportunity to discuss this evaluation with the Town Council."

On January 11, 2016 the Council discussed the approach it would take to conduct Mr. Selig's 2015 performance evaluation. Councilors decided to continue with the same process used in recent years in which the Council utilized a one-page evaluation form/matrix outlining key elements of importance and ranking the administrator's performance (on a scale of 1 to 5) for each element, which included five categories:

1. Ability to maintain or improve strong relationships;
2. Financial oversight;
3. Leadership;
4. Initiative; and
5. Other.

Rankings included: 5=Excellent, 4=Very Good, 3=Good, 2=Acceptable, 1=Unacceptable.

On January 12, 2016, Council members were provided the matrix via email in Microsoft Word format and were asked to return their responses electronically to Council Chair Jay Gooze by January 19th. Chair Gooze compiled the responses and on Tuesday, January 26th, he and Vice Chair Jim Lawson met with Administrator Selig to discuss the evaluation results.

Attached for the Council's information is a matrix which incorporates the results submitted by Council members, as well as responses that were provided.

Only Mr. Selig's 2015 annual performance evaluation is required to be completed at this time as the Council approved a resolution in 2015 (Resolution #2015-03) approving his employment agreement for a period of five years extending from 1/1/15 to 12/31/19 and establishing his base annual salary.

LEGAL AUTHORITY:

Article 4 "Administration of Government", Section 4.1 of the Durham Town Charter:

"The chief administrative officer of the town shall be the Town Administrator (hereinafter called the "Administrator"), who shall be a full-time regular employee of the Town. The Council shall appoint a person especially qualified by experience and training, who receives the votes of at least five (5) members of the Council, to be Administrator. The Administrator shall serve at the pleasure of the Council, which will fix the Administrator's salary and terms of employment."

Article 4 "Administration of Government", Section 4.3 of the Durham Town Charter:

"The Administrator may be reprimanded or removed for cause by the affirmative vote of at least six (6) members of the Council as herein provided. At least thirty (30) days before the proposed reprimand or removal of the Administrator, the Council shall adopt a resolution stating its intention to reprimand or remove him, the reasons therefor and an effective date. A copy of the resolution shall be served forthwith on the Administrator, who may, within ten (10) days, demand a public hearing, in which event the Administrator shall not be reprimanded or removed until such public hearing has been held. Upon or after passage of a resolution of intent to remove, the Council may suspend the Administrator from duty, but his pay shall continue until removal. In case of such suspension, the Council shall, by the affirmative vote of the

Council, appoint an Acting Administrator to serve at the pleasure of the Council for not more than ninety (90) days. The action of the Council in removing the Administrator shall be final."

Article II, "Administrative Organization", Section 4-4 of the Administrative Code":

"The chief administrative officer of the town shall be the Town Administrator ("Administrator"), who shall be appointed by the Council based upon his training and experience. The Administrator shall serve at the pleasure of the Council, who will also establish his compensation and terms of employment."

Article 16 of Employment Agreement Between Todd Selig and the Town of Durham states: "Renewal Negotiations. If either the Town or Selig wishes to renew this Agreement at the conclusion of its original three (3) year term, that party shall notify the other of such intent no later than December 31, 2012. In the event that the parties have not successfully concluded their negotiations by March 1, 2013, subsection 14C shall not apply and Selig shall be free to seek and obtain employment elsewhere at any time, even during the remaining term of this Agreement."

LEGAL OPINION:

N/A

FINANCIAL DETAILS:

N/A

SUGGESTED ACTION OR RECOMMENDATIONS:

Hold discussion concerning Administrator Selig's annual evaluation for 2015 and provide feedback to Administrator Selig relative to his performance.

1=Unacceptable 2=Acceptable 3=Good 4=Very Good 5=Excellent

Todd Selig Administrator Evaluation 2015 - 1/26/16	#Scored	Range	Total	2015 Ave	2014 Ave
Ability to maintain or improve strong relationships with:					
Town Council (responsiveness to concerns)	9	5-5	45	5.0	4.6
External entities such as UNH, town businesses, etc.	9	3-5	42	4.7	4.1
Town department heads and staff	6	4-5	29	4.8	4.4
Town committees and boards	9	4-5	44	4.9	4.3
Serves citizens effectively and efficiently	9	3-5	43	4.8	4.9
Financial oversight:					
Financial performance of the Town	9	3-5	40	4.4	4.6
Fiscal responsibility	9	3-5	41	4.6	4.6
Budget (process, preparation, dissemination)	9	3-5	36	4.0	4.5
Budget (creation of budget within Council guidelines)	9	4-5	42	4.7	4.8
Accomplishment of meaningful modifications in the economic relationship with UNH	7	3-5	31	4.4	3.7
Leadership:					
Provides clear guidance to the Council on all issues	9	3-5	42	4.7	4.5
Provides effective management of town staff and departments	5	2-5	22	4.4	3.7
Improves the performance of town staff, when needed. When necessary, has removed individuals who have failed to perform	7	2-5	24	3.4	2.8
Competency in human resource area with new hires during his administration	8	3-5	36	4.5	4.3
Provides leadership and support to town committees and boards as necessary.	9	4-5	41	4.6	4.2
Initiative:					
Proposes appropriate initiatives/strategic direction to the Council	9	2-5	39	4.3	4.4
Is timely in follow up reports to Council initiatives	9	3-5	41	4.6	4.5
Accomplishment of Council's goals and objectives	9	4-5	42	4.7	4.5
Ability to be a visionary for future community planning	9	3-5	39	4.3	4.6
Other:					
Appropriately challenges the status quo	8	2-5	30	3.8	4.0
Willingness to challenge and support his convictions	9	3-5	38	4.2	4.6
Appropriate allocation of time and energies, including delegating non-essential tasks	7	2-5	26	3.7	4.0
TOTALS	183		813	4.4	4.3

1/25/16

Todd is ultimately responsible for the operation of the Town and the services it delivers. He retains a staff committed to delivering high quality services, and I see no evidence of Todd or his staff becoming complacent – even after many years of service. The Town Council very rarely deals with issues of poor or inconsistent delivery of town services. Consider the following examples:

Our Fire Department receives funding in-line with similar size departments, and is among the best in the region delivering a wide array of emergency services including fire suppression, Hazmat, medical, heavy rescue and extrication, water rescue, below grade rescue and ice rescue – to name a few. This capability is available 24/7 and requires a high level of diverse expertise on every five person shift. The department's inspection program could be a model for any college community.

Our police department adapts to highly changeable demands based on the University calendar. The variable demands are unlike any other community in the state except Hampton and Laconia – but the Durham Police accomplishes it with fewer personnel and without a large seasonal police force. The department retains their national CALEA Accreditation, has the investigative expertise to support the successful prosecutions of serious crimes, is an extraordinary example of community policing, successfully secures grants *and* operates with a history of no substantiated public complaints despite thousands of contacts and hundreds of arrests each year.

Our Business Office produces exceptional financial information for the administrator and Council, and closes each year with no substantive or material findings in the external audit.

Our IT is comprised of sophisticated networks and server infrastructures uncommon in towns Durham's size. This infrastructure

facilitates safer, better and more efficient delivery of services.

Our Public Works Department delivers high quality services with a modest staff— often quietly and unnoticed — and has the expertise to undertake projects that would be delayed or outsourced in similar communities.

Our Planning and Code Enforcement Departments have successfully brought the community through an unprecedented period of revitalization and development working with citizen boards and commissions.

Todd is clearly committed to his responsibility as Town Administrator as evidenced by his long work hours and responsiveness. His consistent positive attitude is admirable. His respectful manner dealing with staff and residents is exceedingly professional. His work and expertise as a Town Administrator are clearly respected as evidenced by the communities that inquire about his interest in filling vacancies or solicit his assistance with their process to fill openings. His respect, reputation and relationships throughout the state serve Durham extremely well. He is extremely effective when advocating for the town at the regional and state level.

The Kaizen process facilitates a bottoms-up improvement in services, which yields positive results because it involves staff at all levels. However, I suggest next year's council goals reflect a more strategic top-down approach to looking at how services are delivered in order to give Todd more opportunities to re-architect how services are delivered to either reduce cost or provide improvements at the current funding levels.

Todd continued with his strong performance as a town administrator; he is hard-working, patient, kind, effective, ethical, well-organized, and a good listener. Durham is very lucky to have him.

This year the large downtown student housing projects have been completed, and despite significant citizen concerns along the way, they seem to have enlivened the downtown, improved the overall look and feel of the downtown, increased the tax base significantly without a concomitant increase in related expenditures, and have helped to forestall and reverse the problem of students moving into the family neighborhoods. This effort benefitted from a strong effort by Todd, over many years, to balance the various needs and concerns of the citizens, to deal with a changing town council, and to personally become involved in the design of the projects. In this effort Todd displayed excellent leadership, patience, creativity and vision.

The pool is underway, and the addition of heating and lights has helped to stem some of the criticism and concern caused by this dramatic change, which of course was initiated by UNH not the town. Todd worked effectively with the university to help ensure that the replacement pool will, as far as possible, meet the town needs. This project is of course not finished and will require continued vigilance from Todd and his staff.

The solar project was also ratified and supported by the state this year, and is a huge victory for Durham and its move toward sustainability and clean energy; kudos to Todd on showing leadership and support for a difficult, time-consuming and technical project.

The town of Durham is fortunate to have a strong staff, but this is an area of continued concern as we have three recent hires in significant positions, and the jury is still out as to whether they will be as strong as, and hopefully even more effective than the people they have

replaced. In general, when I have raised concerns about any individuals on the staff, Todd has been proactive in working to address the issues, but this will require continued managerial effort.

It is unfortunate that, for whatever reason, we will now have student housing in the Mill Plaza. In retrospect, the town and the council could have been more effective in preventing what could possibly become an excessive level of student housing in Durham, with the likelihood that the plaza's surrounding family neighborhoods will be impacted by noise and other issues.

Todd is working on two major projects with the university: the renegotiation of town/gown agreements, and a potential development of the ATO property and nearby university buildings. These remain a work-in-process and therefore are not reflected in the performance appraisal for this year.

The budget process went very smoothly this year, as Todd and team worked to achieve and present a budget consistent with the council's fiscal goal.

All in all, a very strong year for Todd.

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Todd is very responsive to residents, members of commissions and boards, and the Town Council. His approach is always respectful and focused on finding solutions to the problems and issues presented. He is taking resident concerns seriously and, if he delegates to staff, makes sure the issue is being followed up with. Durham residents are very engaged with their community and, at times, it feels, this thorough and diligent response to each and every complain and issue is taking a lot of time out of the administrator's day. I think a discussion with the administrator about his use of time for resident responses and the potential of delegation to some of them is warranted. I believe the administrator has a good working relationship with his department heads but have not seen any tangible proof. What would the process for department heads be if they have any issue with the administrator, to make TC members know and resolve such issues should they exist?

The Town increased its nonresidential tax base which kept tax increases steady or within the rate of inflation for several years. Durham, through the choices of its resident community, is not a low tax community and offers significant amenities to its residents who, by large, are willing to pay for these through their taxes. Todd reached the goal to prepare the budget within the Town Council goals by 100%. An area of concern is the assets of the library that haven't been disclosed to the greater community when the budget was created. Further discussion with the Board of Trustees should have happened prior to presenting the next budget. I am very hopeful that this was an oversight and a fruitful and honest discussion will lead to a better process in this area for next year.(3) The modifications in the relationships with UNH are significant and Todd is a significant asset to our community. His hard, enduring, and diligent work over the last decade has improved relations with UNH significantly. He deserves the highest marks in this area, fiscally and interpersonally. While the financial performance of the Town was good for the last 5 years, I am concerned about the challenges lying ahead of us in form of significant capital improvements. The windfall in tax base increase from student housing is completely used for amenities to the residents and I am concerned about potentially significant tax increases the community will face once we need to address larger CIP items.(4)

Todd is very pro-active, knowledgeable on Town issues, and provides clear guidance to the Town Council. He is very strong in evaluating job applicants, provides effective interviews and hires the best staff he can find. He puts emphasis on hiring staff that is qualified and gets the work done and responds well to resident needs. He involves committee and Town council members in evaluating applications and is open to feedback he receives. At times, a strength can be a weakness as well. Todd seems to develop strong trust relationships with staff. Many of our staff is staying with the community for many years and are committed to their respective work. This personal relationship of trust and responsibility seems to make it difficult to execute hard decisions, whether it's reducing a position from full time to part time to free up funds for a different department where support is more needed, or reprimand a poorly performing staff member. The Planning Department which did not perform well through the Master Plan process and came up with a flawed product. Some of the downtown projects were "Learning by doing" experiences. I graded areas of improvement with an n/a because I would like to observe how the issues will be addressed in the coming year before judging because some corrective measures have been implemented. Let's see how they work.

Todd is very dedicated to the Town of Durham and works hard to make our community a desirable place to live in. He shows vision and provides strategic direction to the Town Council. He listens to community members, boards, and Town Council. He involves residents of many different schools of thought in projects meaningful to our community. Wherever possible, Todd strives to build consensus and an environment in which action can be taken to address issues at hand.

most of the time

This is a difficult topic to grade because I am unsure about the guidance the administrator has been given in the past. I feel that too much time is needed to respond to each and every resident email and/or personal complaint but that may be the case because former Town Councils gave this direction. Further discussion is warranted on the TC level.

not later than TUESDAY, JANUARY 19, 2011.

Todd is intelligent, professional, and courteous, works very hard and is a very competent town administrator, with potential to improve and become even better. I discuss a few observations.

Vision: Todd has his own well defined vision for our town (which one can glimpse only through probing). The position of TA as defined by our Charter is a challenging position because the TA is supposed to down play his own vision and try to act upon the collective vision of the Council (as defined through TC goals, etc.). This creates an inherent, unintended conflict, as no human being will be able to ignore their own vision and act solely on the vision of the Council. Todd has chosen to not publicly discuss his vision, and he focuses only on our collective goals. While it is an understandable way for him to deal with the situation, it does occasionally make him be somewhat passive-aggressive in behavior (e.g. when he chooses to pursue some tasks with great vigor and his time because they conform with his own private vision; or be passively less diligent in pursuing some other tasks that do not conform with his own vision). Given that he is not doing anything wrong per se, but that this behavior arises from the inherent nature of the situation, we need to help him figure out if there are better ways to manage this situation. For example, should we encourage Todd to publicly share his vision for the town even if that may not match the Council's views or some residents' views?

Developing his leadership team (i.e. department heads): We do have many good staff in our town. However, Todd has not developed the strongest set of leaders who report to him. Some of the department heads are strong and well balanced; some others have excellent professional/technical skills but lack a broader set of skills to be expected from them; and, a few lack technical skills required for their responsibility. We need Todd to improve and have a stronger set of leaders reporting to him. This is particularly an issue when he chooses to pay them generously (relative to other towns) and then he does not demand from them a higher level of accountability and growth of their skills over time. I hope this is not because Todd is insecure, and I hope he is open to correcting this situation in time. One additional drawback from this situation is that Todd's team "delegates upwards" and makes him do more things than he should.

Personality: Todd is a very good person, with what seems to be a strong moral character; he is friendly, very likeable and, he has a great sense of humor (which he should be less shy to display more often). I assume, but I do not have any way know, that our town staff like Todd and consider him fair.

Diplomacy: This is one of his strongest skills.

Negotiating: I have seen Todd in action in some negotiation settings. From what I have seen so far, he does not seem to develop a strong internal conviction in what he is about to begin to negotiate; and, therefore he seems to ask for too little and seems to fold too easily. The fact that he is a nice person who always wants to collaborate, also makes it harder for him. I do think, with guidance, he can develop to be a stronger negotiator.

Cost discipline: At one level, Todd seems quite diligent in controlling costs (e.g. Kaizen). However, there are signs that seem to indicate that his internal instincts are to manage costs so that they rise slowly, rather than instincts that should relentlessly grind down long term costs. It is easy for Todd to say he does what the residents of the town ask for; it would be much better if he, as a professional, were to try to meet the residents' needs at lower costs. If he can self-adjust his attitude for cost discipline, he will be more valuable to residents.

Working with Councilors: In general Todd is very cooperative, open and friendly in working with Councilors. One thing he should do but does not, is tell us in real time what is not working, or what his problems are – so that then we can help him better in real time. Another area that needs some rethinking is Friday Updates: If as he says it is primarily meant to inform the Councilors, it does that poorly – it has become more like a community newspaper (within his full editorial control), and less of a management communication. {Also see vision comments above}.

Please share this feedback with Todd. I will be glad to explain my views directly in a discussion with Todd. Also, please share my comments with all Councilors. Thank you.

I believe that the Town of Durham is fortunate to have as our Town Administrator an individual with Todd Selig's experience, knowledge and demeanor. Relatively new to the Town Council and the intricacies of the workings of our town, I have observed Todd approach and deal with a multiplicity of issues, running the gamut from the mundane to those requiring significant skills and perseverance.

Rather than following the format of the matrix, I would prefer to comment on my direct observations of Todd this past year and specifically the areas I have worked directly with him. To begin with, Todd provided me with the appropriate orientation that allowed me to understand how the Town Council operates and the important legal confines of New Hampshire's Right to Know Laws.

Perhaps the initial issues we worked on were the hiring of a new Parks and Recreation Director as well as trying to develop a system that would hopefully prevent unexpected budget overruns. With the hiring process, Todd displayed great wisdom in bringing together a team that included diverse views and this meant giving individuals who had been frustrated by recent events a seat at the table. The end result was a successful search and hire with everyone feeling part of the process and therefore having a stake in the outcome. With the analysis of last year's budget overrun, Todd (and Gail) were more than open to suggestions for improvement, and readily adapted the suggested changes.

Todd displayed great patience and political savvy in being able to bring to fruition our plans for a large solar energy project. The pitfalls were numerous, but with Todd's steady hand, a positive outcome was eventually accomplished. The hours spent by Todd on achieving this success depict his fortitude and strength.

I am also appreciative of Todd's approach to our current negotiations with UNH on new contracts. I believe that he has been open to the thoughts of our working group in taking a slightly more aggressive approach with UNH in our settlement goals. However, he has set the demeanor of the negotiations, such that even though differences between the sides exist, the discussions have been friendly and honest.

I am also impressed with the manner in which Todd is able to deal with the assorted personalities that exist in our community, with many of these individuals quite vocal and convinced of their perspectives. Todd is always able to listen to these different voices, make those individuals feel as if they have been truly heard and conveyed his respect if not agreement.

In summary, more than could be assessed on a rating scale of one to five in a matrix, Todd Selig's performance this past year more than meets my expectations and I feel that he has served our town admirably.

**ANNUAL EVALUATION OF TODD SELIG
2015**

Administrator Selig continues to perform extremely well on the incredibly diverse issues he is expected to engage. His work ethic is of first order and he prioritizes the challenges he's asked to resolve well. If anything, he's too accommodating of councilor demands. But I understand that each councilor expects immediate attention. On the other hand, it's not clear to me that councilors understand their roll is not to manage the town at the detail level. Those that engage in such behavior force the administrator to expend more energy than he might otherwise on one matter to the detriment of others. The process of developing the new solar site is a good example of a process that was unduly elongated, placing the entire project at some risk.

As we evaluate the administrator's performance, we must also take stock of our own as our work is inextricably intertwined.

Narrative for Todd Selig's yearly evaluation

Todd Selig continues to perform well above any standard that I can come up with. He usually exceeds my expectations in the day to day performance of his duties. The town functions well with a minimal staff and I believe that this is a reflection of Todd's effectiveness as a leader.

Our relationship with UNH remains cordial and although some believe that UNH does not pull enough of their financial weight, Todd has carefully explained the nuances of the various agreements we share with the university to my satisfaction.

Todd exudes a professional appearance, he is a skillful negotiator, and he manages to balance his work and family life which is very hard to do in this demanding job. This brings me to his ability to delegate. Todd is not bad at allocating his time but he may be too available for run of the mill complaints and situations. I understand that someone has to be the public face of the town and Todd is well compensated for his work, I just wish that we had the funds to allow a part time deputy Town Administrator.

After hearing the recent overview of the Oyster River School system and being a member of a thoughtful, respectful Town Council, I feel so fortunate to live in such a vibrant, well run community. Thanks to Todd, his staff and our many volunteers who make it nice to wake up in Durham every morning.

I think that Todd overall is an excellent Town Administrator and I think we are lucky to have him. He is very responsive to the Council, the various Boards and to the public.

Because I am not privy to many things that Todd does, I can only judge his effectiveness by the results that I see. It appears to be very difficult for Todd to manage his staff if they are underperforming. There have been a number of times when people from the Boards and the Council have been unhappy with a particular staff person yet over time, no changes have been apparent. I also think that he managed the redo of the downtown traffic flow badly.

My only other criticism of Todd is that he seems unable or unwilling to delegate as much as he should. No one should have to work as many hours to accomplish his or her job as Todd does. I look forward to a larger discussion of the overall personnel structure in town with an eye to relieving some of the stress on the Administrator.

Todd Selig Administrator Evaluation for 2015

Todd has continued to show why I think we in Durham are fortunate to have him as our Administrator.

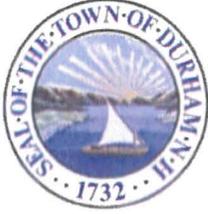
In my view, Todd's role is to act on behalf of the Town Council to accomplish the goals set by the Council at the start of every new Council year. Over his 15 years, the members of the Council represent the diverse population of Durham. Some years, the Council wants no changes and some years the Council has set a course for development to help pay for infrastructure and /or to stabilize the Municipal tax rate. Some years the Council stresses environmental concerns and conservation while other times pedestrian and bicycle traffic are priorities. Through all this, Todd has managed to do the bidding of the Council while dealing on a daily basis with the diverse personalities of Council members and the Durham population.

The Town staff enjoys working in Durham and to a large part that is because of Todd's leadership. We have dedicated department heads and those who work under them that do their best to provide the services for a very demanding Town population.

Dealing with UNH is difficult considering our Town's small size compared to the University and some Councilors would like to see a more confrontational relationship. Todd walks a fine line, but I do believe that his respectful relationship with the University Administration is a valuable asset.

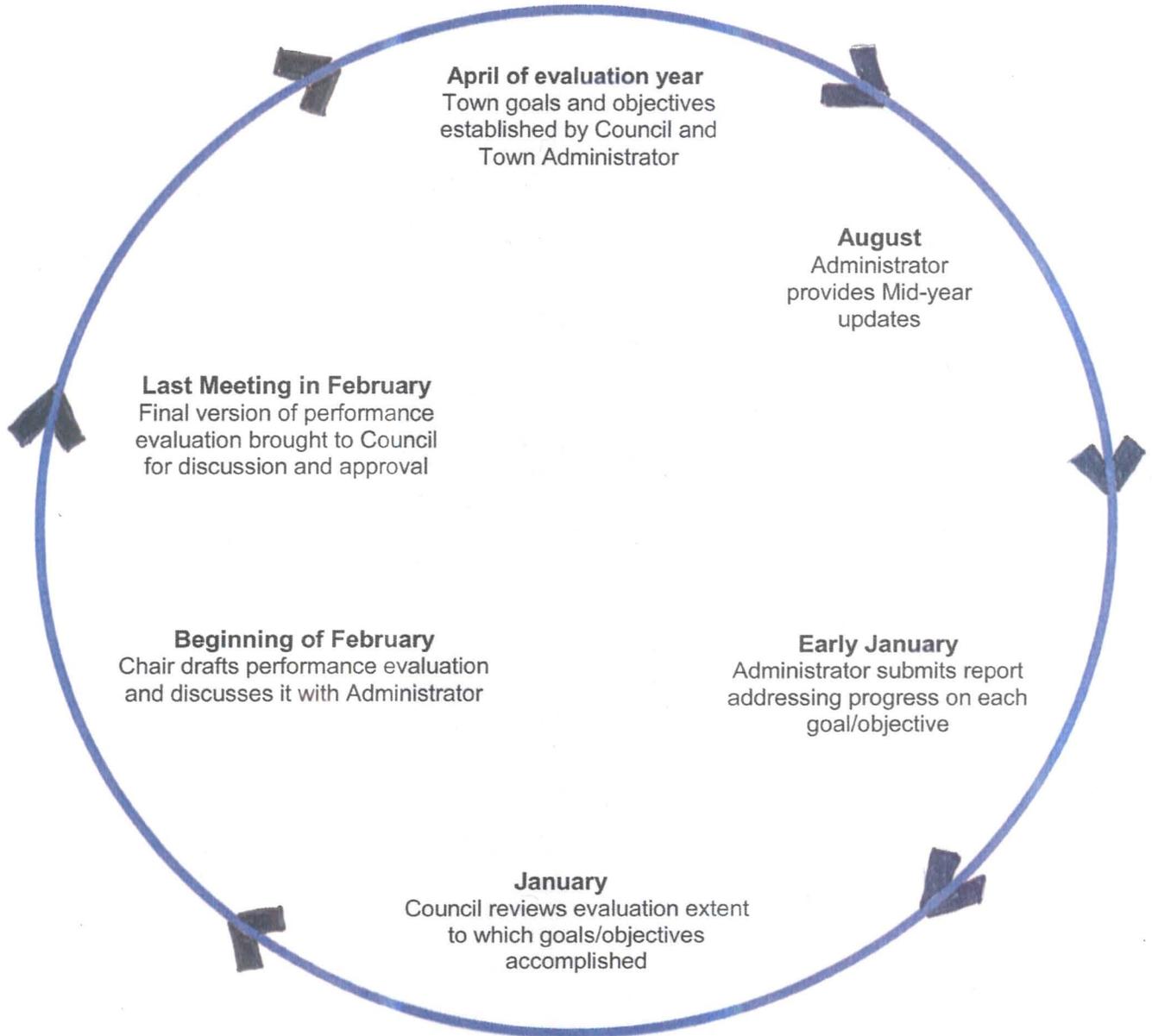
Providing the services that Durham residents desire cost money. Todd presents budgets to the Council that reflect both the needs of the community and with an eye to fiscal responsibility. During my Council tenure, I have seen numerous evaluations of staffing levels and what is required to provide desired services.

In summary, the Town of Durham is lucky to have Todd Selig as Administrator.



Town of Durham

Town Administrator Performance Evaluation Process



Employment Agreement – Town Administrator

AGREEMENT made this 16th day of February, 2015, between The Town of Durham, a municipal Town located in the County of Strafford and the State of New Hampshire, (hereinafter “Town”)

and Todd I. Selig of Durham, New Hampshire (hereinafter “Selig”).

WHEREAS, Selig and the Town desire to set forth in writing their Contract with respect to Selig’s employment by the Town as its Town Administrator;

NOW, THEREFORE, in consideration of their mutual promises set forth herein, the parties hereby agree as follows:

1. **Employment.** The Town hereby employs Selig as its Town Administrator, and Selig hereby accepts such employment, upon the terms and conditions set forth in this Agreement.
2. **Duties and Authority.**
 - A. Selig will hold the position of Town Administrator.
 - B. As Town Administrator, Selig will have the powers granted to that position by the Charter and Administrative Code of the Town and pertinent State statutes, subject to the control of the Town Council to the extent permitted by the Charter and statute. He shall have general supervision, direction and control over the business and affairs of the Town and its employees. Selig will be primarily responsible in addition to his Statutory and Charter duties, for carrying out all orders and resolutions of the Town Council and such duties as may from time to time be assigned to Selig by the Town Council.
 - C. Selig agrees to devote his full time, attention and best efforts to the performance of his responsibilities as Town Administrator.
 - D. Selig shall not, during the term of this Agreement, directly or indirectly engage in any business, either as an employee, corporation, principal, corporate officer, or in any other capacity, whether or not compensated, without the prior written consent of the Town.
 - E. Notwithstanding anything to the contrary contained in paragraph 2.D above, Selig may engage in teaching in an adjunct position, writing or consulting during his normal time off provided that he first inform the Town Council of his activities and provided, further, that those activities do not unreasonably interfere with his duties and responsibilities to the Town.

- F. It is recognized that Selig must devote a great deal of time outside the normal office hours on business for the Town, and to that end Selig shall be allowed to establish an appropriate work schedule.
3. **Term of Employment.** The term of employment shall be for a period of five (5) years (except as it may be modified as explained herein) commencing on January 01, 2015 and ending December 31, 2019.
 4. **Compensation.** Selig shall receive compensation during the term of this Agreement as follows: A base annual salary of \$125,000 for 2015 and 2016 which shall increase by 2% annually thereafter during the contract term, effective each January 1st.
 5. **Medical and Group Insurance.** The Town agrees to provide Selig with all of the benefits offered to non union employees in the Town's Personnel Plan including participation in the Town group medical, hospital and dental plan(s) of the Town, as well as all other insurance plans which the Town offers to its employees on the same terms and conditions as that of the Town's other non-unionized employees.
 6. **Vacation.** Selig shall be entitled to twenty-five (25) days of paid vacation during each year of employment; the time for the vacation shall be mutually agreed upon by Selig and the Town Council. If vacation is not taken Selig shall be reimbursed at his base salary rate for time not taken.

In recognition of Selig's completion of 15 years of service with the Town of Durham in 2016, Selig shall be afforded a six (6) week paid sabbatical for personal and professional rejuvenation. The sabbatical shall not be used to fulfill the notice requirement outlined in Section 14.C of this contract.

7. **Automobile.**
 - A. The Town shall provide to Selig, during the term of his employment, the use of a Town automobile of Selig's choice, for business use, to be selected from the Town's inventory. The Town shall pay all automobile operating expenses incurred by Selig in the performance of Selig's business duties. In the event that Selig utilizes his personal automobile for Town business, he shall be reimbursed for the mileage at the then prevailing Internal Revenue Service reimbursement rate.
 - B. The Town shall provide to Selig, during the term of his employment, an annual stipend in the amount of \$6,500.00 in lieu of unlimited personal use of a Town vehicle.

8. **Dues and Subscriptions.** The Town shall budget and pay the dues, expenses and subscriptions of Selig for his continuation and participation in local, city, county, state, national, and international associations that he deems prudent and fiscally responsible for his continued effective management of the Town.
9. **Professional Development.** The Town shall budget and pay for the registration, travel and subsistence expenses of Selig to attend the annual conferences of the New Hampshire Municipal Association and the International City/County Management Association, and such other conferences, short courses, and seminars that Selig deems prudent and fiscally responsible for his professional development and for the continued, effective management of the Town. The Town recognizes that Selig is a Board member of the New Hampshire Center for Public Policy Studies, and the Town encourages such activities and other similar activities as part of Selig's professional development.

In addition, during the term of this contract the Town shall support Selig's attendance with pay at two specialized advanced training courses such as those offered at the Harvard Kennedy School of Government or equivalent experiences that Selig deems prudent and fiscally responsible for his professional development and for the continued, effective management of the Town.

10. **Expense Reimbursement.** Selig shall be entitled to reimbursement for all reasonable expenses, including travel and entertainment, incurred by him in the performance of his duties. Selig shall maintain records and written receipts and shall submit vouchers for expenses for which reimbursement is made.
11. **General Expenses.** The Town recognizes that certain expenses of a personal nature are or may be incurred by Selig in the performance of his business duties, and the Town agrees that it shall reimburse Selig for all such reasonable expenses upon receipt of expense vouchers, receipts, statements or personal affidavits detailing the expenses related to the performance of Selig's business duties.
12. **Permanent Disability.** In the event Selig becomes permanently disabled (herein defined as a disability which substantially impairs or limits Selig from performing the essential duties of his position) as determined by a licensed physician mutually agreed upon by the Town and Selig, or if Selig is otherwise unable to perform his duties because of sickness, accident or injury for a period of six (6) months, the Town may terminate this Agreement subject to the provisions of paragraph 14D.

13. **Death.** In the event that Selig dies during the term of this Agreement, this Agreement shall immediately terminate.
14. **Termination.**
- A. **By the Town with Cause.** This Agreement may be terminated by the Town for cause, in accord with the provisions of Section 4.3 of the Town Charter, if Selig willfully breaches or habitually neglects the duties to be performed under Paragraph 2 of this Agreement; engages in dishonest conduct; or for the conviction of any crime for which the punishment involves incarceration.
 - B. In the event Selig's employment is terminated pursuant to subparagraph A, Selig shall be entitled to his base salary compensation earned prior to the date of termination (minus all appropriate federal, state and authorized withholdings), as provided for in Paragraph 4 of this Agreement, computed pro rata up to and including the date of termination, as well as any other benefits to which he may be entitled as a matter of law.
 - C. **By Selig.** This Agreement may be terminated by Selig, without cause, by giving eight (8) months' notice to the Town.
 - D. **By the Town without Cause.** In the event that this Agreement is terminated by the Town for reasons other than those outlined in subparagraph A above, the Town shall be responsible for the payment to Selig of one (1) full year's base salary (minus all appropriate federal, state and authorized withholdings) plus all benefits (or their monetary equivalent) accrued during that one (1) year period regardless of the length of the remaining term of this Agreement.
15. **Renewal.** The parties contemplate that they will want to renegotiate, extend or modify the length of this Agreement for so long as the relationship is mutually satisfactory. Notwithstanding anything contained herein, the parties may mutually agree to modify any or all provisions of this Agreement at any time for so long as those modifications are in writing and signed by the authorized parties.
16. **Renewal Negotiations.** If either the Town or Selig wishes to renew this Agreement at the conclusion of its original five (5) year term, that party shall notify the other of such intent no later than December 31, 2018. In the event that the parties have not successfully concluded their negotiations by March 1, 2019, subsection 14C shall not apply and Selig shall be free to seek and obtain employment elsewhere at any time, even during the remaining term of this Agreement.

17. **Performance Evaluation.**
- A. Commencing in April of 2015, and each succeeding April thereafter, the Town Council and Selig shall mutually establish goals and objectives which they deem necessary and appropriate for the proper management of the Town during the succeeding twelve (12) months. Such goals and objectives shall be committed to writing and formally adopted by the Town Council. The funds necessary for the attainment of those goals and objectives shall be included in the annual budget for the same time period.
 - B. Commencing in January 2016, and for each January thereafter, the Town Council shall review/evaluate Selig's performance in accord with the criteria provided to Selig by the Town the preceding April. The Town Council shall provide Selig with a written summary of this Annual Performance Evaluation and shall provide Selig with an opportunity to discuss this evaluation with the Town Council.
18. **Indemnification.** The Town agrees to include Selig under its general insurance coverage and further agrees that it shall indemnify and hold Selig harmless for any liability related to, or arising out of, his position as Town Administrator in accord with the provisions of New Hampshire R.S.A. 31:105.
19. **Residency.** In accord with the provisions of the Town Charter, Selig agrees to live within the corporate limits of the Town for so long as he serves as its Town Administrator.
20. **Supplemental Retirement Plan.** In addition to the base annual salary paid by the Town to Selig, for every one (\$1) dollar contributed by Selig into a Section 457 deferred compensation plan, the Town shall pay two (\$2) dollars on Selig's behalf. The sum of the total contribution by Selig and the Town shall not exceed the maximum dollar amount permissible under Federal law. Notwithstanding the above, the Town's contribution toward Selig's Section 457 plan shall not exceed \$15,000 in any one year of the term of the contract.
21. **Notices.** Any notice provided for in this Agreement shall be given in writing. Notices shall be effective from the date of service, if served personally on the party to whom notice is to be given, or on the second day after mailing, if mailed by first class mail, postage prepaid. Notices shall be properly addressed to the parties at their respective addresses or to such other address as either party may later specify by notice to the other.
22. **Entire Agreement.** This Agreement contains the entire agreement and supersedes all prior agreements and understandings, oral or written, with

respect to the subject matter hereof. This Agreement may be changed only by an agreement in writing signed by the party against whom any waiver, change, amendment or modification is sought.

- 23. **Waiver.** The waiver by the Town of a breach of any of the provisions of this Agreement by Selig shall not be construed as a waiver of any subsequent breach by Selig.
- 24. **Governing Law; Venue.** This Agreement shall be construed and enforced in accordance with the laws of the State of New Hampshire. The Strafford County Superior Court shall be proper venue for any litigation arising out of this Agreement.
- 25. **Paragraph Headings.** Paragraph headings are for convenience only and are not intended to expand or restrict the scope or substance of the provisions of this Agreement.
- 26. **Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement shall remain in full force and shall in no way be impaired.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the 16th day of February, 2015.

THE TOWN OF DURHAM:

By: Jay Gooze 2/17/15
Jay Gooze, Chairman
Duly Authorized

TOWN ADMINISTRATOR:

Todd I. Selig - 2/16/15
Todd I. Selig