

FIRST ADDENDUM TO EMPLOYMENT AGREEMENT

THIS FIRST ADDENDUM TO EMPLOYMENT AGREEMENT (the “First Addendum”) is made and entered into as of January 22, 2019, by and between the **CITY OF LOWELL**, a Michigan municipal corporation (the “City”), 301 E. Main Street, Lowell, Michigan 49331 and **MICHAEL T. BURNS** (“Mr. Burns”) 301 E. Main Street, Lowell, Michigan 49331

RECITALS

A. The City and Mr. Burns have previously entered into an Employment Agreement dated as of August 1, 2016 (the “Agreement”), employing the services of Mr. Burns as the City Manager of the City.

B. The City and Mr. Burns desire to modify the terms and conditions of the Agreement in certain respects.

NOW, THEREFORE, in exchange for consideration in, or referred to by, the Agreement and this First Addendum the City and Mr. Burns agree as follows:

Section 1. Amendment to Section 3 of Agreement. The third sentence of Section 3, “Compensation,” of the Agreement is amended to read as follows:

Thereafter, so long as Mr. Burns shall remain in the employ of the City as City Manager, the City Council shall annually review Mr. Burns’ compensation as a part of his annual performance evaluation and determine Mr. Burns’ compensation for the succeeding annual period, *provided, however*, during such employment for each of the annual periods commencing July 1, 2019, July 1, 2020 and July 1, 2021, Mr. Burns annual salary shall be increased by a minimum of 3% over the prior year’s annual salary.

Section 2. Amendment to Section 5 of Agreement. Section 5, “Severance Pay,” of the Agreement is amended in its entirety to read as follows:

Section 5. Severance Pay. In the event Mr. Burns is terminated by the City while his is willing and able to perform the duties of City Manager, the City agrees, subject to the succeeding sentences in this Section 5, to (a) compensate Mr. Burns for twelve months salary at its then current compensation value which amount shall be paid on an every two week basis during such twelve months, (b) to pay Mr. Burns for unused vacation leave that he has accumulated up though the date of termination at the then current compensation rate and (c) to continue to provide health care coverage or the then established payment in lieu of coverage, at the election of Mr. Burns, then being provided or offered to other City employees. If during such twelve-month period Mr. Burns shall be employed elsewhere (excluding any part-time employment related to sports officiating or related activities), the amount of salary or

wage compensation from such employment shall offset dollar-for-dollar the amount the City is required to pay and the City shall no longer be required to provide health care coverage or make any payment to him in lieu of coverage. In the event Mr. Burns resigns pursuant to Section 4.a. hereof (with or without the required notice) or is terminated by the City pursuant to Section 4.d. hereof or upon the occurrence of a termination pursuant to Section 4.b. hereof, the City shall have no obligation to pay Mr. Burns the severance payments identified in (a) and (b) of this Section 5 or to continue the health care benefits or any payment in lieu of coverage.

Section 3. Amendment to Section 7 of Agreement. The last sentence of Section 7, "Vacation Leave," of the Agreement is amended to read as follows:

Except as otherwise provided in Section 5 hereof, the use, retention and payment of vacation leave shall be the same as that applicable to all other full-time management level employees of the City.

Section 4. Amendment to Section 8 of Agreement. The following sentence is added at the end of Section 8, "Sick and Leave Time," of the Agreement:

Commencing on July 1, 2019, and on each subsequent July 1 during the time Mr. Burns is employed by the City as its City Manager pursuant to this Agreement, Mr. Burns may elect to be paid for unused sick leave that accumulated during the prior twelve-month period at the compensation rate in effect during such period.

Section 5. Amendment to Section 10 of Agreement. The second paragraph of Section 10, "Professional Development," of the Agreement is amended in its entirety to read as follows:

The City agrees to reimburse Mr. Burns up to \$1,500 of documented expenses related to registration fees, travel, lodging and meals for attendance at each annual International City Managers Association conference during the time Mr. Burns is employed by the City as its City Manager. The days he is absent from the City shall not count against his vacation leave.

Section 6. Amendment to Section 15 of Agreement. Section 15, "Residency," is amended in its entirety to read as follows:

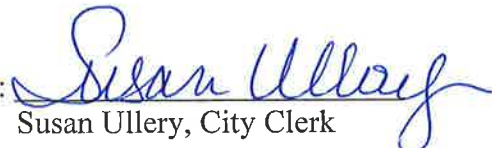
Section 15. Residency. Effective as of the date of the First Addendum, Mr. Burns resides within the City Limits. During the time he is employed by the City as its City Manager, Mr. Burns shall reside within the City limits unless suitable housing is not available at a reasonable cost, in which case, Mr. Burns agrees that his residence shall not be more than 20 miles from the City limits.

Section 7. Ratification. Except as otherwise provided in this First Addendum, the Agreement is hereby ratified and confirmed.


IN WITNESS WHEREOF, the City and Mr. Burns have executed this Agreement as of the day first written above.

CITY OF LOWELL

By: 
Michael DeVore, Mayor

Attest: 
Susan Ullery, City Clerk

MICHAEL T. BURNS


Michael T. Burns