TOWN OF MARBLEHEAD

AND

KEVIN G. HARUTUNIAN

AS TOWN ADMINISTRATOR

AGREEMENT made this _____ day of November, 2026, by and between the Town of Marblehead, acting by and through its Select Board (hereinafter referred to as the "Town" or "Board," as the context requires), in accordance with Massachusetts General Laws Chapter 41, Section 108N, and Kevin G. Harutunian (hereinafter referred to as the "Town Administrator").

WHEREAS, the Town desires to obtain the services of the Town Administrator;

WHEREAS, the Town, under M.G.L. c. 41, §108N, may contract for such services; and

WHEREAS, the parties desire to establish the terms and conditions of employment;

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

1. Duties

The Town hereby employs the Town Administrator, who accepts employment and shall be responsible to and work under the direction of the Select Board. The Town Administrator shall perform the duties and responsibilities set forth in the position description attached as **Exhibit A** and such other lawful duties as the Board may assign, in a timely, competent and professional manner. The Town Administrator may teach, conduct seminars, or participate in similar professional activities, provided such activities do not interfere with the duties of the office, and shall inform the Board of such activities.

2. Term

The term of this Agreement shall be three (3) years, with a Commencement Date of January 18, 2027, and ending December 31, 2029, unless terminated earlier in accordance with this Agreement. Except as otherwise provided herein, the Town Administrator shall devote professional services to the Town during this term. Nothing herein shall impair the Board's contractual right to terminate employment pursuant to Section 12 or the Town Administrator's right to resign in accordance with that section.

3. Compensation; Fixed Annual Cost-of-Living Adjustments; Merit Increases

(a) The Town shall pay the Town Administrator the annual base salary shown below, in installments consistent with the Town's normal payroll practices, subject to required deductions and withholdings.

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Effective Commencement Date (see Section 2)	Annual base salary: $212,500.00
Effective July 1, 2027	Fixed COLA increase: 3%; annual base salary
Effective July 1, 2028	Fixed COLA increase: 3%; annual base salary
Effective July 1, 2029	Fixed COLA increase: 3%; annual base salary

(b) The fixed COLA increases stated above shall take effect on their specified dates without further discretionary Board action, subject to applicable law. Each later annual base salary shall reflect all prior fixed COLA increases and any permanent merit increase awarded under subsection (c).

(c) Following each annual performance evaluation under Section 4 and subject to appropriation, the Board may, in its sole discretion and by affirmative vote, grant an additional merit salary increase in a stated dollar amount or percentage, not to exceed 3% per year, effective on a date specified in its vote. A merit increase is not automatic or guaranteed. If awarded as a permanent increase, it becomes part of base salary prospectively and is in addition to, and does not replace, the fixed COLA increases set forth above in Section 3(a). No merit increase is payable absent a recorded vote and written amendment executed by the parties identifying its amount and effective date.

(d) Except as permitted by applicable law or mutually agreed in writing, the Town Administrator's base salary shall not be reduced during this Agreement.

4. Annual Performance Review; Goals and Objectives

(a) The Board shall conduct a formal performance review at least annually, with the first review to be completed by June 30, 2027 and subsequent reviews completed by June 30 in 2028 and 2029. The review shall address the Town Administrator's performance during the preceding review period and shall be conducted consistently with applicable Open Meeting Law and personnel-record requirements.

(b) At the beginning of employment and thereafter annually, the Board and Town Administrator shall jointly develop and document a reasonable set of measurable goals, objectives, and priorities consistent with the Board's policy direction, the Town's resources, and applicable appropriations. The Board may also assess core administrative responsibilities, including financial management, leadership and personnel management, communication, organizational effectiveness, public service, and collaboration with elected and appointed officials.

(c) The Board Chair shall coordinate the review process and the preparation of a consolidated written evaluation reflecting the Board's assessment. The Town Administrator shall have a reasonable opportunity to submit a self-evaluation, review the written evaluation, meet with the Board to discuss the findings, and provide a written response for inclusion in the personnel record.

(d) The Board shall conduct its deliberations, distribution of member evaluations, and release or retention of evaluation materials in accordance with M.G.L. c. 30A, §§18–25, and the

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Massachusetts Public Records Law. Nothing in this Agreement requires the disclosure or withholding of a record contrary to law.

(e) The Board may consider the completed performance evaluation in determining whether to grant a merit increase under Section 3(c). The evaluation itself creates no entitlement to any merit increase, bonus, renewal, or other compensation. Failure to complete a review by a stated target date shall not automatically generate a pay increase or alter the fixed COLA schedule.

5. Benefits

Except as provided or modified by this Agreement, the Town Administrator shall be eligible for benefits applicable to Town employees under the Town's Personnel Administration Plan, Town bylaws, and applicable Town Meeting actions, as they exist or may lawfully be amended, including but not limited to health and life insurance, and retirement benefits, as provided for in G.L. c.32, subject to eligibility and plan requirements.

The Town agrees to furnish, at its expense, professional liability insurance for the Town Administrator with liability of at least One Million Dollars ($1,000,000.00).

6. Vacation Leave

The Town Administrator shall be entitled to twenty-five (25) working days of paid vacation leave during each contract year, subject to reasonable advance coordination with and approval by the Board. Unused vacation may be carried over and accumulated from year to year during the term. Upon retirement, resignation, termination, or death, accumulated but unused vacation earned under this Agreement shall be paid to the Town Administrator or the estate in a lump sum, subject to applicable withholdings and law.

7. Sick Leave

The Town Administrator shall be granted fifteen (15) days of sick leave per calendar year and may carry over and accumulate unused sick leave during the term. Accumulated but unused sick leave shall not be paid upon retirement, resignation, termination, or death, except as otherwise required by law.

8. Automobile

The Town shall pay an annual automobile allowance of Five Thousand Dollars ($5,000), in two equal installments of $2,500 in January and July. If the Agreement ends within thirty (30) days prior to the beginning of January or July, the next installment payment will still be due to the Town Administrator.

9. Dues, Subscriptions, and Professional Development

The Town agrees to budget and pay for reasonable professional dues and subscriptions, including memberships in the Massachusetts Municipal Association and its affiliates and the International City/County Management Association. The Town further agrees to pay reasonable registration, tuition, travel, and subsistence expenses for relevant courses, institutes, seminars, and professional

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conferences, subject to prior approval by the Chair of the Select Board for any single event which aggregate cost is greater than $500 and applicable Town expense policies.

10. General Expenses

The Town shall reimburse the Town Administrator for reasonable, adequately documented expenses incurred in performing official duties or representing the Town, including appropriate civic and charitable events, subject to applicable Town policies.

11. Hours of Work

The Town Administrator shall devote full time and attention to the Town's business. The parties acknowledge that the responsibilities of the office routinely require work outside normal municipal office hours. The Town Administrator may establish a reasonable work schedule, provided duties are properly performed; shall not be eligible for overtime or compensatory wages under this Agreement; and shall attend Select Board meetings, Town Meetings, and other meetings reasonably required in the performance of the office.

12. Discipline, Termination, Severance Pay, Resignation, and Incapacity

(a) A supermajority of the Board may discipline or terminate the Town Administrator for just cause upon proper notice and after an opportunity for a hearing at which the Town Administrator may be represented by counsel. For purposes of this Agreement, "just cause" includes conviction of a crime; violation of M.G.L. c. 268A, §1 et seq.; embezzlement; fraud; conduct involving moral turpitude; willful or reckless failure to perform the essential duties of the office; inability to perform the essential functions of the position with or without reasonable accommodation; or insubordination concerning lawful Board directives. The Board shall give seven (7) business days' written notice by first-class mail or personal service. The Town Administrator may elect whether the hearing is conducted in open session or, to the extent permitted by law, executive session. On termination for just cause, no severance shall be owed beyond wages and other amounts earned or legally payable.

(b) In the event the Town Administrator is terminated by the Town, except for just cause, or is requested to resign by the Board, or resigns following a suggestion, whether formal or informal, by a majority of the Board, prior to the expiration of the term of this Agreement, the Town agrees that it shall pay to the Town Administrator a lump sum cash payment equal to six (6) months aggregate salary and a lump sum cash payment in lieu of all accrued and unused vacation, which amount shall be paid to the Town Administrator on or before the effective date of termination of his employment ("Severance Benefits"). The Town Administrator's acceptance of these Severance Benefits shall constitute a full and complete release of any other rights, claims, or causes of action whether in law, equity or otherwise, that the Town Administrator may have against the Town, including all of its employees, elected or appointed officials, officers, agents, representatives and attorneys of such entities. This paragraph shall survive the termination of this agreement.

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(c) Termination shall not impair vested retirement rights or rights to health insurance continuation under applicable state or federal law, at the Town Administrator's expense where applicable.

(d) The Town Administrator shall not be entitled to severance in the event of non-reappointment or non-renewal of this Agreement at its scheduled expiration.

(e) The Town Administrator may voluntarily resign upon sixty (60) days' written notice to the Board, unless the parties otherwise agree in writing. A copy of the resignation shall be filed with the Town Clerk. The Town Administrator shall continue to perform duties during the notice period unless the Board accepts an earlier date. Vacation during this period requires Board approval. Voluntary resignation does not entitle the Town Administrator to severance.

(f) If the Town Administrator is permanently incapacitated or otherwise unable to perform essential duties because of illness, accident, injury, or other incapacity for four (4) successive weeks beyond accrued leave or the applicable family and medical leave entitlement, whichever is longer, the Board may terminate this Agreement subject to subsection (b) and applicable disability and leave laws. This language shall not diminish reasonable accommodation obligations or vested disability benefits.

(g) If either party determines not to renew this Agreement, the employment relationship shall end on December 31, 2029, unless the parties execute a successor agreement or otherwise agree in writing.

(h) Between seven (7) and nine (9) months prior to the expiration of this agreement, the Town Administrator shall notify of the Board, in writing, to remind the Board of upcoming termination date.

(i) The Board will give notice of whether or not it is inclined to reappoint the Town Administrator for another term not later than six (6) months before the end of this agreement. If at the end of the term, neither a successor Agreement has been signed, nor a final notice that he will not be reappointed has been received by the Town Administrator, he may remain in office on a temporary basis with the mutual consent of both the Board and the Town Administrator, and under the terms and conditions of this Agreement.

13. Indemnification

(a) The Town shall indemnify and hold harmless the Town Administrator from personal financial loss, damages, and expenses, including legal fees and costs, to the fullest extent allowed by M.G.L. c. 258 and other applicable law, for claims arising from acts performed in the scope of official duties during employment. This obligation survives expiration or termination of this Agreement for covered acts occurring during employment.

(b) The Town or its insurer shall select defense counsel and determine whether separate counsel is warranted. The Town shall be responsible for authorized attorneys' fees and costs incurred in connection with covered claims. If the Town Administrator refuses counsel selected by the Town or insurer, indemnification may be denied to the extent permitted by law.

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(c) The Town shall not indemnify or defend the Town Administrator for conduct outside official duties, willful or malicious conduct, or claims excluded by applicable law. The Town Administrator shall cooperate in responding to proceedings concerning acts during employment. The Town may settle covered matters in accordance with law and applicable insurance arrangements.

(d) The Town shall have no obligation to fund fees or costs of litigation between the parties concerning this Agreement, unless otherwise required by law.

14. Notices

Notices required under this Agreement shall be delivered personally or by certified mail, return receipt requested, postage prepaid, addressed to the Town at:

TOWN: Office of the Select Board
Town of Marblehead,
Abbot Hall,
188 Washington Street,
Marblehead, MA 01945;

and to the Town Administrator at:
Kevin G. Harutunian
12 Boden Street
Beverly, MA 01915

Either party shall notify the other of a change of address. Notices are effective upon personal delivery or receipt of certified mail, as applicable.

15. Assignability

This Agreement shall not be assignable by the Town Administrator.

16. Binding Effect

This Agreement shall bind and benefit the Town's lawful successors and the Town Administrator's estate, heirs, representatives, and assigns to the extent legally appropriate.

17. Entire Agreement

This document, together with Exhibit A and any executed written amendments, constitutes the entire agreement between the parties and supersedes prior discussions and agreements concerning the subject matter.

18. Amendments

This Agreement may be amended only by a written instrument approved by the Select Board and executed by both parties. A Board vote regarding compensation must be memorialized in writing to become an amendment under this section.

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19. Waiver of Rights

A failure by either party to insist on performance of any provision shall not be deemed a waiver of future enforcement of that provision or any other provision.

20. Severability; Controlling Law

If a provision is determined invalid or unenforceable by a court of competent jurisdiction, the remaining provisions shall remain effective to the extent possible. In the event of a conflict, applicable Massachusetts General Laws and governing Town bylaws shall control.

21. Governing Law

This Agreement shall be interpreted and enforced in accordance with the laws of the Commonwealth of Massachusetts.

22. Jurisdiction

Any action arising out of or relating to this Agreement shall be brought in a court of competent jurisdiction in Essex County, Massachusetts, to the extent permitted by law.

23. Titles and Headings

Section titles and headings are for convenience of reference only and do not alter interpretation of the substantive terms.

24. Fair Labor Standards Act

For purposes of the federal Fair Labor Standards Act and Massachusetts wage-and-hour law, the Town Administrator shall be treated as an exempt employee to the extent that designation is consistent with applicable law.

25. Counterparts; Execution

This Agreement may be executed in counterparts, which together constitute one instrument. The parties execute this Agreement as of the date first written above.

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IN WITNESS WHEREOF, the parties execute this Agreement.

TOWN ADMINISTRATOR:

_____
Kevin G. Harutunian

THE TOWN OF MARBLEHEAD
Acting by and Through
SELECT BOARD:

_____
Dan Fox, Chair

_____
M.C. Moses Grader, Vice Chair

_____
Rossana Ferrante, Member

_____
Erin M. Noonan, Member

_____
James R. Zisson, Member

Approved as to Legal Form:

_____
Lisa Mead, Town Counsel

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EXHIBIT A — POSITION DESCRIPTION

[ATTACH THE SELECT BOARD–APPROVED TOWN ADMINISTRATOR POSITION DESCRIPTION BEFORE EXECUTION.]

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