

**EMPLOYMENT AGREEMENT
for the Position of
CHARTER TOWNSHIP OF EAST CHINA DIRECTOR OF PUBLIC SERVICES**

THIS EMPLOYMENT AGREEMENT ("Agreement") is made and entered into by and between the Charter Township of East China, a Michigan municipal corporation ("Township") and Dwayne Loper, an individual ("Employee"). Township and Employee may individually be referred to herein as "Party" or collectively as "Parties." There are no other parties to this Agreement.

Effective Date. Once executed by both Township and Employee and ratified by the Township Board, this Agreement shall become effective on July 1, 2024 ("Effective Date").

**SECTION 1.
APPOINTMENT AND TERM**

Employee agrees to employment with Township as Director of Public Services and shall perform all functions, duties, and services set forth in Section 2 (Duties] of this Agreement as of the Effective Date. This Agreement shall be effective July 1, 2024 after mutual ratification, and shall continue until midnight on June 30, 2026, and may be terminated subject to the provisions of Section 12 of this Agreement. The Agreement shall be automatically extended for each additional one-year period unless the Township Manager gives written notice of non-renewal of the Agreement at least six months before the Agreement's termination date.

This Agreement shall be effective July 1, 2024 after mutual ratification, and shall continue until midnight on June 30, 2026, and may be terminated subject to the provisions of Section 12 of this Agreement. The Agreement shall be automatically extend for each additional one-year period unless the Township Manager gives written notice of non-renewal of the Agreement at least six months before the Agreement's termination date.

**SECTION 2.
DUTIES**

Employee shall serve as Director of Public Services under the direction of the Township Manager, as the Township Manager is authorized to oversee Township employees as assigned by the Township Supervisor. Employee shall perform the functions and duties specified under the laws of the State of Michigan, the Charter Township Act, Ordinances, and Resolutions, the job description for Director of Public Services, as may be amended from time to time, and such other related duties and functions as the Township Manager may assign.

**SECTION 3.
OTHER EMPLOYMENT**

Employee agrees that he will devote his productive time, abilities, and attention as necessary to the full accomplishment of his duties and the Township's business needs. Accordingly, Employee shall not hold secondary employment or engage in activities which conflict with or present the appearance of or possibility of conflicting with, Township's legitimate business interests. As such, Employee agrees that Employee will notify the Township Manager in writing if Employee wishes to accept secondary employment, with sufficient advance notice to allow the Township Manager enough time to determine whether there is the appearance of, or an actual conflict or potential conflict with the satisfactory performance of Employee's duties and/or the best interest of Township. Should the Township Manager make such a determination, Employee agrees that Employee will forgo the proposed secondary employment. Notwithstanding the foregoing, Employee shall have the right to volunteer for such nonprofit organizations as he may see fit, provided that such volunteer services shall not interfere with his duties on behalf of Township.

**SECTION 4.
EXEMPT STATUS**

The Township's general business hours Monday through Friday, 8:00 A.M. to 4:30 P.M. However, it is recognized by the Parties that Employee is an exempt employee for purposes of the Fair Labor Standards Act (29 U.S.C., § 201 et seq.). Employee acknowledges that he does not have set hours of work and is expected to be reasonably available at all times and work such hours as may be necessary to fully accomplish his duties. As such, Employee shall not receive overtime or extra compensation for hours worked outside of Township's general business hours which are necessary to fulfill the duties of the Director of Public Services, unless otherwise provided in this Agreement.

**SECTION 5.
HOURS OF WORK**

The Director of Public Services' daily and weekly work schedule shall vary in accordance with the work required to be performed. The Director of Public Services position may include frequent attendance at evening meetings and frequent irregular hours, as necessary, to meet deadlines and achieve objectives. The Township Board and the Township Manager recognize that the Director of Public Services must devote a great deal of his time outside normal office hours to business of the Township and shall work whatever hours that may be necessary in order for him to fulfill the requirements of the position as described herein and otherwise, but in any event, no less than forty (40) hours per week. Employee agrees to be reachable by telephone for consultation and advice when he is not physically present during work hours. Employee also agrees to respond to Township for emergency situations.

**SECTION 6.
COMPENSATION AND BENEFITS**

For all services performed by Employee as the Director of Public Services, Township agrees to pay Employee an annual salary of Ninety Thousand Dollars (\$90,000) ("Base Salary"), payable at the same time and in the same manner as other Township employees are paid. Effective the first full pay period following July 1, 2025, Employee's Base Salary shall be increased to Ninety-Four-Thousand Five-Hundred Dollars (\$94,500).

During the Term of this Agreement, Employee shall receive those medical benefits set forth in **Exhibit A** and incorporated herein by reference. The Township reserves the right to amend those benefits in Exhibit A from time to time.

**SECTION 7.
DEFINED CONTRIBUTION RETIREMENT PLAN**

The Township shall contribute 8% of Director of Public Services' annual base salary (as set forth in SECTION 6 above) on behalf of the Employee to a defined contribution plan provided through the Municipal Employees Retirement System. The Employee shall contribute 4% of his annual base salary via payroll deduction to this plan. The Employee shall be deemed immediately vested upon participation in this defined contribution plan. In addition, nothing in this Agreement should be construed to prohibit the Employee from contributing, from his salary to a 457 deferred compensation plan that is offered by the Township to other employees. At the time of this agreement, that plan allows employees to contribute as much as they wish up to the IRS limit to the 457 Plan. For each payroll period in which the employee contributes into the 457 Plan, the Township will match dollar-for-dollar to the defined contribution plan up to the first 1% of the employee's base wages of that pay period. In no event will the Township's matching contribution made on behalf of an employee exceed 1% of the employee's base wages per pay period. The Township shall not contribute more than 9% of employee's base wages for its total contributions.

**SECTION 8.
PERSONAL BUSINESS EXPENSE**

The Township shall reimburse the Employee for all reasonable employment-related expenses, subject to the limitations of this paragraph. Such expenses may include, but are not limited to, mileage, travel expenses, professional memberships and subscriptions to municipal organizations, professional development training, and lodging. It is specifically understood that such activities are to be undertaken by the Employee as may be required by the Township and shall be considered part of the Employee duties. The Employee shall be reimbursed for such reasonable expenses as the

Township shall approve by resolution passed by the Township Board of Trustees. Expenses that exceed \$200.00 shall not be reimbursed, unless the Employee receives prior approval of the Township Board of Trustees through Board Resolution. Further, the Township shall provide the Employee with a cell phone.

SECTION 9. PAID TIME OFF

Upon ratification of the Agreement, the Employee shall receive 160 hours of Paid Time Off (*equals to 20 days*) Effective July 1, 2025 and each succeeding July 1, the Employee shall receive 160 hours of Paid Time Off (*equals to 20 days*). The Employee must notify the Township Manager in writing if he is planning to take more than 5 Paid Time Off days in a row, and must have prior written approval from the Township Manager to take more than 10 Paid Time Off days in a row. *The Employee is allowed to accumulate a maximum of 320 hours of Paid Time Off (equals to 40 days). Upon retirement or voluntary termination with the Township, the Employee will be paid 50% of his accumulated Paid Time Off at the Employee's pay rate.* The Employee shall receive no sick days and will use Paid Time Off instead of sick days. Paid Time Off is in addition to the Township holidays as enumerated in the collective bargaining agreement of the clerical employees' unit. In the event of death of his spouse, mother, father, brother, sister, child, grandparent, father-in-law, mother-in-law, sister-in-law, brother-in-law, or stepchild, the Employee shall receive three days of paid funeral leave, which is separate from PTO.

SECTION 10. NON-PARTICIPATION IN RETIREMENT SYSTEM AND RETIREE HEALTH CARE

The Employee shall not be a member of the Charter Township of East China Retirement System as provided in the East China Township Ordinances. He shall not accrue pension benefits for services rendered to the Township pursuant to this Agreement under the Township's Defined Benefit Plan. Further, the Employee shall not be eligible for Township-provided retiree healthcare.

SECTION 11. TERMINATION

The Township or the Employee may terminate this Agreement at any time with or without cause.

1. In the event the Employee terminates this Agreement, he shall give no less than sixty (60) days prior written notice to the Township Manager and in said notice advise the Township of the date of termination. If Employee retires from public service with Township, Employee shall provide three (3) months advance written notice. Employee's actual retirement date will be mutually established between the Parties. During any notice period, all rights and obligations of the Parties under this Agreement shall remain in full force and effect. If the Employee terminates

this Agreement, all rights of the Employee to compensation and the further accrual of benefits pursuant to this Agreement shall cease as of the effective date of such termination. In the event that the Employee does not provide the sixty (60) days prior written notice as set forth above, then the Employee shall forfeit his accumulated Paid Time Off under SECTION 9.

2. In the event the Township terminates the Employee's employment under provisions of this Agreement for just cause, all rights of the Employee to compensation and the further accrual of benefits pursuant to this Agreement shall cease as of the effective date of such termination. Just cause shall include, but is not limited to, any of the following:

(a) Fraud, dishonesty, or other intentional misconduct either:

1. in the performance of Employee's duties and responsibilities pursuant to this Agreement, or

2. which has a material adverse impact on the Township, its officials, administrators or the Employee.

(b) The use by Employee of alcohol, drugs, or any other intoxicant or controlled substance, in such a manner as to impair his ability to perform his duties and responsibilities pursuant to this Agreement in a competent and diligent manner or in a manner which harms the reputation of the Township.

(c) The Employee's arrest and binding over for trial or a plea of guilty or nolo contendere to a crime providing for a term of imprisonment (other than traffic violations and crimes not requiring the knowing involvement of the Employee in the commission thereof).

(d) (i) A pattern of neglect or persistent failure to perform the duties herein contained with respect to duties previously communicated to the Employee in writing by the Township Board but only after the Employee has been provided notice by the Township Board of its dissatisfaction with the performance of said duties and Employee has been provided a reasonable opportunity to correct his performance;

(ii) Otherwise willful misconduct in connection with the performance of his duties hereunder.

3. If the Township terminates the Employee's employment under the provisions of this section, paragraph 2, all rights of the Employee to compensation and further accrual of benefits shall cease as of the effective date of such termination.

4. The Township shall also have the right to terminate the Employee's employment without cause and without notice. In the event that the Township terminates the Employee's employment without just cause, as defined above, and the Employee is willing, able, and ready to perform the

duties as Public Services Director, the Township shall provide severance pay to the Employee equivalent to three (3) Months of his annual base salary, not including fringe benefits, as full satisfaction of the Township's obligation under this Agreement.

SECTION 12. ARBITRATION.

Any dispute arising under this contract shall be resolved through binding arbitration conducted under the labor arbitration rules, then in effect, of the American Arbitration Association. The arbitrator shall have no power to render a decision that will add to, subtract from, or alter, change or modify the terms of this contract, and his power shall be limited to interpretation or application of the express terms of this contract. Each party shall be entitled to legal representation before the arbitrator and shall bear his own personal costs and expenses.

SECTION 13. COMPLETE AGREEMENT

This written Agreement embodies the whole agreement between the parties and there are no inducements, promises, terms, conditions or other obligations in this Agreement. Any amendments to this Agreement shall be in writing and executed by both the Township and the Employee.

SECTION 14. GOVERNING LAW

This Agreement shall be construed and enforced in accordance with the laws of the State of Michigan.

SECTION 15. SURVIVING PROVISIONS

All provisions, which by their terms or by reasonable implication may be performed after termination of this Agreement, shall survive termination of this Agreement.

SECTION 16. REPRESENTATIONS AND WARRANTIES

Employee represents and warrants to the Township that he is free to enter into this Agreement and that he has no prior or other obligations or commitments of any kind to anyone that would in any way hinder or interfere with his acceptance of, or the full, uninhibited and faithful performance of, his employment under or the exercise of his best efforts as an employee of the Township.

SECTION 17. WAIVERS

The failure of either party hereto at any time or from time to time to require performance of any of the other party's obligations under this Agreement shall in no manner affect the right to enforce any provision of this Agreement at a subsequent time, and the waiver of any rights arising out of any breach shall not be construed as a waiver of any rights arising out of any subsequent breach.

SECTION 18. SURVIVAL

If any of the provisions, terms or clauses of this Agreement are declared illegal, unenforceable or ineffective in a legal forum or by the operation of law, those provisions, terms and clauses shall be deemed severable and all other provisions, terms and clauses shall remain valid and binding.

SECTION 19. WARRANTIES

The individuals signing this Agreement represent and warrant that they, and each of them, are duly authorized and empowered to act on behalf of and to sign for the parties for whom they have signed respectively. The Township is not legally bound until this Agreement is ratified by the Township Board of Trustees.

IN WITNESS WHEREOF, the parties have caused this Employment Agreement to be executed.

EMPLOYEE

CHARTER TOWNSHIP
OF EAST CHINA,
a Michigan municipal corporation

By: _____
Dwayne Loper

By: _____
Cynthia Paparelli
Township Manager