

EMPLOYMENT AGREEMENT

This Employment Agreement ("Agreement") is made between Watertown Charter Township, a Michigan Township Government in Clinton County, (" the Township") and Jennifer Tubbs (Ms. Tubbs).

WHEREAS, the Township desires that Ms. Tubbs serve as the Township Manager of the Township and Ms. Tubbs desires to hold such position under terms and conditions of this agreement;

WHEREAS, the Board of Trustees of the Township (the "Board") has approved and authorized the Township to enter into this agreement with Ms. Tubbs.

THEREFORE, the parties agree as follows:

1. **Employment.** The Township employs Ms. Tubbs, and Ms. Tubbs accepts employment with the Township, upon the terms and conditions set forth in this agreement.

2. **Term.** The Terms of the employment of Ms. Tubbs by the Township (the "term") is for a period of three years commencing on January 1, 2007 and terminating on December 31, 2009. Unless terminated earlier as hereinafter provided in section 9 of this agreement, this agreement will automatically renew for one (1) additional year on January 1, 2010, unless either party notify the other to the contrary, in writing, thirty (30) days prior to December 31, 2009. In addition to the thirty (30) days notice, if the Township does not wish to renew the contract, Ms. Tubbs will receive three (3) months salary at the rate at the time of expiration, in a lump sum on the last working day of this agreement, which is December 31, 2009.

3. **Position.** Ms. Tubbs shall serve as Township Manager of the Township, which shall be a position reporting to the Township Supervisor and the Board. In such capacity, Ms. Tubbs authority, duties and responsibilities shall be to perform such services for the Township as would be inherent in such a position and that may periodically be designated by the Township Board. In consideration for such employment, Ms. Tubbs agrees to devote her full time employment activities and best personal abilities primarily to the services of the Township. In the event Ms. Tubbs desires to be employed by another person or entity, she shall inform the Board. Ms. Tubbs understands that she will not accept compensated employment with another entity without the prior approval of the Township Board.

In addition, Ms. Tubbs will provide monthly reports to the Board regarding her actions taken on principal duties required under her job description, as amended from time to time, and which is incorporated by reference to this agreement. Prior to December 1, of each year the Township Supervisor shall perform a detailed evaluation of Ms. Tubbs performance and a favorable review may result in an additional salary increase if approved by the Board.

Ms. Tubbs shall attend all Board meetings as a non - voting member and shall be allowed to address the Board on all relevant matters. It is understood that the Township Manager shall be responsible to the Board. Ms. Tubbs shall attend designated committee meetings as directed by the Supervisor or the Board.

4. Compensation.

The Township agrees to compensate Ms. Tubbs for her full time services with a salary payable bi - monthly, based on the annual amount of sixty seven thousand, one hundred two dollars (\$67,102) commencing on January 1, 2007. No additional compensation is payable for overtime or compensatory time. Her satisfactory performance shall entitle Ms. Tubbs to a salary increase in each of the succeeding two years of her full time employment with the Township as follows: January 1, 2008, \$69,115 and January 1, 2009, \$71,189. The annual salary will be less applicable withholdings and deductions. The Annual Salary shall be payable to Ms. Tubbs in substantially equal installments in accordance with the Townships normal payroll practices.

5. **Place of Performance.** Ms. Tubbs shall primarily perform her duties and conduct her business at the principal offices of the Township, which shall be at Watertown Charter Township 12803 South Wacousta Road, Grand Ledge, MI 48837, without prior permission from the Supervisor or Board to perform duties elsewhere.

6. **Fringe Benefits.** During her employment, Ms. Tubbs shall be provided with full family health (medical) insurance and be eligible to participate fully in such pension, life, disability, vision and dental benefits the Township may make available to all non- union employees generally. In addition the Township agrees to reimburse Ms. Tubbs yearly for no more than fifteen hundred dollars (\$1500) in medical reimbursements for her and her dependent family members. In no event, during the term of this agreement shall these benefits be reduced from the levels in effect on the date of this agreement.

7. **Vacation, Holidays, Leave and Expenses.** Ms. Tubbs shall receive four (4) weeks annually of vacation. At no time may Ms. Tubbs take more then two consecutive weeks of vacation without prior consent of the Township Supervisor or the Board. During her employment, Ms. Tubbs shall be entitled to paid holidays, and paid personal, sick, funeral leave and expenses, in accordance with the policies in the Townships Board Policies Book for non - union employees as of the date of this Agreement, or as such benefits may be changed from time to time, except where superseded by this agreement.

8. **Professional Development.** The Board recognizes its obligation to the professional development of Ms. Tubbs and agrees that she will be given adequate opportunities to develop her skills and abilities as an administrator. Ms. Tubbs agrees to participate in professional development activities provided such participation does not

consume a disproportionate amount of time and contribute to a failure in and/or deterioration of her ability to effectively discharge her duties and responsibilities.

Further, the Board agrees to budget and pay for professional dues and subscriptions for Ms. Tubbs and for her attendance and participation in local and regional meetings and seminars of professional organizations such as the Michigan Local Government Association and other organizations related to the administration of township operations all of which are reasonably related to her professional growth, development, education and training for this position. The Township agrees to budget and pay for Employee's annual attendance at the Michigan Local Government Manager's Association Conferences.

9. Termination of Agreement. This is an "at will" employment agreement, and either the Township or Ms. Tubbs may terminate the employment relationship at any time, for any reason, with or without cause. In the event the Township exercises its right to terminate the employment of Ms. Tubbs at the pleasure of the Township Board for a reason other than her commission of a felonious criminal act or an offense involving the violation of her official duties, the Township shall first give Ms. Tubbs (30) days notice of intent to terminate. Upon termination by the Township pursuant to subsection 9 (V) Ms. Tubbs shall receive a lump sum severance payment equal to (150) days aggregate salary at her then current rate of salary. If Ms. Tubbs' employment is terminated by the Township for a reason other than those mentioned, the Township shall also continue to pay for her health insurance coverage for the (150) day period commencing from the date of termination.

Ms. Tubbs Date of Termination shall be:

- (I) The date upon which the parties mutually agree.
- (II) The date of Ms. Tubbs death.
- (III) The last day Ms. Tubbs worked as Township Manager, if Ms. Tubbs' employment by the Township is terminated pursuant to disability, or
- (IV) The effective date of the Notice of Termination if Ms. Tubbs' employment by the Township is terminated for cause.
- (V) The effective date of the Notice of Termination if the Township terminates Ms. Tubbs in the exercise of its sole discretion, which Ms. Tubbs acknowledges, is the Township's right notwithstanding any other provision of this Agreement.
- (VI) The effective date of Ms. Tubbs' resignation. If Ms. Tubbs voluntarily resigns her employment, she shall give the Township 30 days written notice of such resignation. If such 30 days notice

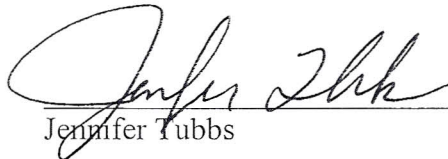
is not given, Ms. Tubbs agrees that she will forfeit, as penalty, any payment authorized by the Township employment policies or otherwise for accumulated unused vacation or sick leave.

10. **Severability.** If one or more of the provisions of this Employment Agreement is held to be invalid by a court of competent jurisdiction, it shall not affect other provisions, and this agreement shall be construed as if such provision had not been part of the agreement.

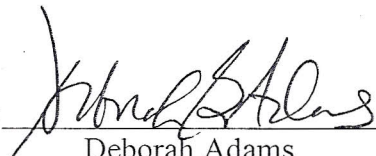
11. **Law of Michigan.** This Employment Agreement shall be governed by the laws of the State of Michigan. Any action brought to enforce the terms of this Employment Agreement or to remedy violations of this Agreement shall be brought in Clinton County, Michigan and each party submits itself to that jurisdiction.

12. **Entire Agreement and Amendment.** This Agreement contains all the understanding between the parties pertaining to the matters referred to in this Agreement and supersedes any other undertaking and agreements, whether oral or in writing, previously entered into by them with respect to Ms. Tubbs employment. Ms. Tubbs represents that, in executing this Agreement, she does not rely on and has not relied upon any representation or statement not set forth in this Agreement made by the Township with regards to the subject matter or effect of this Agreement or otherwise. The terms of this Agreement may be altered only in writing signed by Ms. Tubbs and the Township Supervisor as authorized by the Board of Trustees.

Dated: 2-9-07


Jennifer Tubbs

Dated: 2-20-07

By: 
Deborah Adams
Its: Supervisor