

## FIRST AMENDMENT TO EMPLOYMENT AGREEMENT

This First Amendment to Employment Agreement (the "Amendment") is entered into as of May 18, 2026, by and between the City Commission for the City of Hartford, State of Michigan, a municipal corporation whose address is 19 West Main Street, Hartford, MI 49057 (the "City Commission"), and Nicol Pulluam, formerly known as Nicol Brown (the "City Manager"), to amend the Employment Agreement between those same parties dated February 16, 2024 (the "Original Agreement").

A. Annual Compensation. Article 2, Section 1 of the Original Agreement is amended by adding the following sentence at the end thereof: "Commencing with the budget year beginning after the effective date of this Amendment, and in each budget year thereafter, the City Manager's base annual salary shall be adjusted by a cost-of-living increase in an amount approved by the City Commission as part of its annual budget adoption."

B. One-Time Transition Performance Adjustment for 2026. In addition to the cost-of-living adjustment provided under paragraph A of this Amendment, for the fiscal year beginning July 1, 2026, the City Manager shall be eligible for a one-time performance-based salary increase of up to two percent (2%) based on the performance evaluation completed in March 2026.

C. Performance Evaluation. Article 3, Section 3 of the Original Agreement is amended to read in its entirety as follows:

Section 3. The City Commission shall conduct a formal written performance evaluation of the City Manager annually, in the month of March of each year. All members of the City Commission shall participate in the evaluation. The performance evaluation process shall proceed as follows:

a. By January 31st of each year, the City Manager and the City Commission shall jointly establish written City goals for the coming year.

b. In January of each year, the City Manager shall complete a self-evaluation and submit it to the City Clerk.

c. In February of each year, each member of the City Commission shall independently complete a written performance evaluation of the City Manager and submit it to the City Clerk. The Mayor shall calculate a composite score by averaging the individual evaluation scores and shall present the composite score, together with the individual evaluations, to the full City Commission at a meeting in March. To the extent permitted by law, if the City Manager requests that the evaluation be conducted in a closed session, the City Commission shall do so.

d. Based on the composite evaluation score, the City Manager shall be eligible for a one-time annual merit pay increase of 2.0%, 3.0%, or 3.5%, subject to the availability of funds in the annual budget as approved by the City Commission. The score ranges corresponding to each merit percentage shall be established by the Performance Evaluation Committee and approved by the City Commission no later than June 30, 2026, and in any event prior to the first performance evaluation conducted under this Amendment. Once established, the score ranges shall remain in effect unless amended by mutual written agreement of the parties.

e. Any merit pay increase earned under this Section shall be a one-time, non-recurring payment and shall not be added to or incorporated into the City Manager's base annual salary unless the City Commission expressly votes to do so. The merit pay shall be dispersed by the first pay period in August.

D. Paid Time Off. Article 5, Section 1(a) of the Original Agreement is amended to read in its entirety as follows:

(a) In lieu of separate sick leave and vacation time, the City Manager shall accrue paid time off ("PTO") at a rate of 300 hours per calendar year, subject to the following schedule and conditions: The City Manager may carry over up to one (1) year's accrual of unused PTO into the following calendar year.

PTO in excess of the carryover limit shall be forfeited. The City Manager may use up to eighty (80) consecutive hours of PTO without prior approval from the Mayor or City Commission. Any consecutive use of PTO in excess of eighty (80) hours shall require prior approval of the Mayor or City Commission. In the event of an emergency, the Mayor may approve the use of PTO in excess of eighty (80) consecutive hours until the matter can be presented to the full City Commission at its next regular business meeting. Upon separation from employment for any reason other than termination for cause under Article 6, Section 6 of the Agreement, the City shall pay the City Manager for accrued but unused PTO at the City Manager's then-current base hourly rate, up to a maximum of three hundred twenty (320) hours.

E. Administrative Support and Professional Dues. Article 5, Section 3 of the Original Agreement is amended to read in its entirety as follows:

Section 3. The City Manager shall be furnished with an office, appropriate credit cards, and other facilities, equipment, and services suitable to his/her position and adequate for the performance of his/her duties, subject to the City Commission's continuing authority to revise the support provided to the City Manager, as circumstances may dictate.

a. Administrative Assistant Support. The utility clerk and/or Administrative Assistant shall be available to assist the City Manager as needed. The level of Administrative Assistant support shall be provided in accordance with the approved fiscal year budget.

b. Professional Dues and Subscriptions. The City Commission agrees to budget and pay for the City Manager's professional dues and subscriptions necessary for participation in national, regional, state, and local associations and organizations. The amount shall be determined by the annual budget as approved by the City Commission. The City Manager shall not exceed the budgeted amount without prior City Commission approval.

F. Professional Development Expenses. Article 5, Section 4 of the Original Agreement is amended to read in its entirety as follows:

Section 4. The City Manager is hereby authorized to incur reasonable expenses for professional development activities, including conferences, conventions, and training seminars. The City Manager shall be authorized to attend conferences, conventions, and training seminars on behalf of the City, and shall be provided or reimbursed for reasonable and necessary expenses for lodging, travel, and similar items. The City Commission shall provide reimbursement of all reasonable out-of-pocket expenses incurred while representing the City upon presentation by the City Manager of an itemized account of such expenditures in accordance with current policy. The amount available for such expenses shall be determined by the annual budget as approved by the City Commission. The City Manager shall not exceed the budgeted amount without prior City Commission approval.

G. Severance Pay. Article 6, Section 5 of the Original Agreement is amended to read in its entirety as follows:

Section 5. If the City terminates City Manager's employment as City Manager, without cause, the City shall pay to City Manager severance pay equal to six (6) months of his or her salary and six (6) months of paid medical insurance upon execution of a full release of claims. Severance shall be paid by the City in the same manner and intervals or in a lump sum at the sole discretion of the City. The severance payments shall commence with the first payroll period that occurs after the date that City Manager's employment is terminated and City Manager executes a full release of claims, in a form acceptable to the City Attorney, unless otherwise agreed to in writing by the City Commission and the City Manager. However, if City Manager is employed during the six (6) months for which the severance payments are to be paid, the severance payments he or she is to be paid after becoming so employed will be reduced by the salary he or she receives from the new position. If the salary received from the new position is equal or greater than the sum of the payments for severance as provided herein, the severance payments

shall cease. The medical insurance will remain in effect for the remainder of the severance period as long as the City Manager continues to pay the same portion of the premium as a full-time employee, within 14 days of each invoice. To assist in the implementation of the foregoing, the City Manager shall report his or her new employment to the City immediately following his or her hiring date, and shall also report his or her salary and/or compensation package.

H. Biennial Contract Review. The parties shall conduct a formal review of the Original Agreement, as amended, during each even-numbered year, with the first such review to occur in 2028. The review shall be conducted by the City Commission and the City Manager jointly. Following a review, the parties may amend its terms by mutual written consent in accordance with Article 8, Section 1.

I. Full Force and Effect; Conflicts. Except as expressly modified by this Amendment, all terms and conditions of the Agreement shall remain in full force and effect. In the event of any conflict between the terms of this Amendment and the terms of the Agreement, the terms of this Amendment shall control.

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

**CITY OF HARTFORD**

**CITY MANAGER**

By: \_\_\_\_\_  
Jane Danger, Mayor

By: \_\_\_\_\_  
Nicol Pulluam

By: \_\_\_\_\_  
RoxAnn Rodney-Isbrecht, Clerk