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VIA EMAIL ONLY
Elizabeth Bailey, Esq.
Sheehan Phinney
1000 Elm Street, 17th Floor
Manchester, NH 03101

June 22, 2026

Re: Anonymous – Ethics Complaint Number 2000528691
Subject: Summary Letter of Investigation

Dear Attorney Bailey:

The purpose of this letter is to provide a report on an anonymous complaint, assigned Incident Number 2000528691 and dated January 6, 2026 (“the Complaint”) against Town Manager Shaun Mulholland (“Mulholland”) and implicating Town Councilor Daniel Bouchard (“Bouchard”). I was retained by you, in your capacity as Town Counsel, to perform an investigation into the allegations in the Complaint.

I. Executive Summary

This letter addresses the Complaint. The Complaint alleges that Bouchard improperly participated in Town staff matters, that Mulholland used Bouchard’s presence to intimidate employees, that Mulholland created a hostile work environment, and that Mulholland rewarded favored employees with significant wage increases while treating others adversely.

The investigation included review of the Complaint, Town calendar information, compensation records for non-bargaining unit employees, relevant Town Charter and policy provisions, and other documentary materials. The investigation also included interviews of Town officials, department heads, employees, and the subjects of the Complaint. Based on that review, the evidence did not substantiate the allegations set forth in the Complaint.

First, the evidence did not establish that Bouchard attended regular staff meetings or otherwise improperly interfered in Town administration. Instead, the evidence showed that Bouchard attended two issue-specific working groups – the Traffic Management Working Group

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ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL

Town of Londonderry

June 22, 2026

Page 2 of 17

and the ECC Working Group – and that his participation in those settings was limited and within the permissible confines with the Town Charter. Witness accounts did not show that Bouchard directed employees, interfered with administrative duties, or otherwise engaged in conduct constituting a violation of the Town Charter.

Second, the evidence did not substantiate the allegation that Mulholland used Bouchard to intimidate employees. While certain witnesses described tension surrounding the ECC Working Group specifically and criticized Mulholland's management style as direct, rigid, and/or demanding, the investigation did not reveal evidence that Bouchard's attendance was intended to silence employees or that employees were prevented from voicing concerns because of his presence. To the contrary, the record reflects that employees did voice disagreement regarding the subjects of the ECC Working Group and that the proposal was later put on hold when cost and feasibility concerns were developed.

Third, the evidence did not substantiate that Mulholland created a hostile work environment as that term is legally defined nor under the Town's policies. Although some witnesses expressed concern with Mulholland's management style, communication, and pace, the investigation did not reveal conduct directed at employees on the basis of any protected status, nor did it reveal corroborated evidence of threats, retaliation, or other conduct sufficient to support the allegations in the Complaint.

Fourth, the evidence did not substantiate the allegation that Mulholland rewarded employees who agreed with him by granting improper wage increases. The compensation information reviewed reflects that wage adjustments to certain non-bargaining unit employees were tied to market-based concerns, changed responsibilities, or related compensation issues, rather than favoritism. The timing of those adjustments—shortly after the beginning of Mulholland's tenure—also did not support a conclusion that they resulted from developed personal loyalty or favoritism.

In sum, while the investigation identified differing views among employees regarding Mulholland's management style and the pace of organizational change, the available evidence did not substantiate the misconduct alleged in the Complaint. The more persuasive evidence showed that the principal disputes reflected disagreement over management approach, policy direction, and workplace change rather than Charter violations, unlawful hostility, or favoritism in compensation. This Report does not comment on Mulholland's management style, the wisdom of any proposed initiative, or the reasonableness of Mulholland's expectations. I make no comment on such matters and such commentary is beyond the scope of this investigation.

II. **The Complaint**

The Complaint was filed anonymously through the Town's online complaint portal. The Complaint states as follows:

ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL

Town of Londonderry

June 22, 2026

Page 3 of 17

During multiple staff and employee only meetings the Town Manager has invited Dan Bouchard a member of the Town Council. Never in my tenure [sic] has a Councilor participated in the daily operational meeting of the town hall. This has created a hostile work environment. It's [sic] obvious this is being done to intimidate the employees. This Town manager has rewarded those who fall in line and agreed with him with huge wage increases of Thousands of dollars. Bouchard attends the meetings with the Town Manager and backs up every word he says in an effort to silence the employees. If you speak your mind you are shunned by others, the Town Manager talks behind your back and certainly no big increases for you. Then you watch the the [sic] Town Council meeting and you all do nothing. If you [sic] not among the blessed by the Town Manager it's [sic] made clear it's [sic] time for you to move on. The Town Charter calls for no interference then you see Bouchard working with the Town Manager to silence, intimidate and bully those of us who dare oppose there [sic] plan. This was a good place to work it's [sic] being destroyed please do something.

Broken down into discrete allegations, I have identified the Complaint as alleging the following misconduct:

- A. Mulholland violated the Town Charter by inviting Bouchard to attend staff meetings.
- B. Mulholland sought to use Bouchard as a means by which to intimidate employees.
- C. Bouchard improperly interfered in Town operations in violation of the Town Charter.
- D. In doing so, Mulholland created a hostile work environment.
- E. Mulholland has inappropriately rewarded employees who agrees with him with raises and has not provided those raises to other employees.
- F. Mulholland shuns or talks behind the back of employees.

III. **Factual Background and Investigation Process**

Bouchard is a former employee of the Town of Londonderry having previously worked as a law enforcement officer for 28 years. On March 11, 2025, Bouchard was elected to the Londonderry Town Council ("Council").

Mulholland was hired by the Londonderry Town Council in February of 2025 as the Town Manager, with a start date of June 2, 2025. Prior to Mr. Mulholland, the Town was managed on an interim basis by Recreation Director Art Psaledas and Police Chief Kim Bernard. Prior to Bernard and Psaledas, the last three Town Managers were Michael Maligutti, Kevin Smith, and David Caron, in order of most-recent to least-recent.

ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL

Town of Londonderry

June 22, 2026

Page 4 of 17

While anonymous and stated in general terms, the Complaint makes two verifiable allegations. First, that Bouchard attended staff meetings, and second that Mulholland provided raises to employees. To ascertain what meetings Bouchard attended, I asked for calendar documentation reflecting meetings that Bouchard attended that involved staff. There is no record reflecting that Bouchard attended regular staff meetings, i.e. monthly department-head meetings conducted by Mulholland. All department heads interviewed reported that Bouchard had not attended any regular department head meetings. Rather, records reflect that Bouchard attended meetings of two distinct entities: the Traffic Management Working Group and the ECC Working Group. As the Complaint alleged interference with Town operations by and through Bouchard's attendance at these working groups, the investigation focused on meetings of those two groups.

With regard to the second verifiable fact, I sought to analyze those circumstances in which Mulholland granted raises to employees. As the Complaint alleges that Mulholland issued raises due to favoritism, I sought to understand which employees could have received discretionary wage increases. Those employees that could have received discretionary wage increases were those that were not subject to a collective bargaining agreement. I asked for and received a statement of non-bargaining unit Town employees and the wage adjustments that had been made for each of those employees since the start of Mr. Mulholland's tenure.

Those employees include, among others:

- Deputy Town Manager/Economic Development Director Kellie Caron;
- Executive Assistant Tanya Pinter;
- Human Resources Director Tara Koza;
- Human Resources Administrator Cherie Fuller;
- Controller Sarah Jardim-Lee;
- Director of Finance and Administration Justin Campo;
- Director of Engineering & Environmental Services John Trottier;
- Prosecutor Alyssa Kuehne; and
- Prosecutor Katherine Muzzy.

Prior to interviewing Town staff, I received and reviewed the most recent performance evaluations of those employees. Copies of these performance evaluations are not attached to this Report but are retained in my work file. With limited exception, the performance evaluations provided predate Mulholland's tenure and were conducted during the tenure of Interim Town Manager Bernard and former Town Manager Mike Maligutti. The performance evaluations reviewed can be characterized as favorable and complimentary. Prior evaluators consistently recommended the full merit increases for the above-referenced employees. The purpose of this exercise was to ascertain whether the assessment of these employees changed based on who acted as Town Manager, which may corroborate or indicate that Mulholland was treating employees differently or rewarding those who agreed with him. However, a review of these records did not corroborate the allegations in the Complaint.

ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL

Town of Londonderry

June 22, 2026

Page 5 of 17

Thereafter, I scheduled interviews with various Town employees and officials. Below is a summary of those interviews. Unless indicated below, interviews were audio recorded with the permission of the interviewee. Audio recordings have been retained in my work file.

All employees interviewed were given the following instructions:

- (a) answer questions truthfully, honestly, accurately, and to the best of the interviewee's ability;
- (b) speak from personal knowledge without speculation unless I expressly ask for speculation;
- (c) if the interviewee does not understand my question, please say so;
- (d) if the interviewee does not know the answer, please say "I don't know";
- (e) if the interviewee cannot hear me, please say so;
- (f) if the interviewee needs to take a break, please say so, provided that if a question has been asked the answer should be finished before taking a break;
- (g) due to the sensitivity of the matter, the contents of the Complaint and the topics discussed during the interview should be kept confidential during the pendency of the investigation; and
- (h) retaliation is strictly prohibited, if an employee believes that they have experienced an adverse impact due to their participation in the investigation or any answers given during the investigation, they should report that issue to either Town Counsel Bailey or to me (so that I may report it to Attorney Bailey).

Those employees that had Union Representatives attend were informed that Union Representatives could not answer questions on behalf of witnesses and could only interject if the questions exceeded beyond the scope of the investigation.

IV. **Applicable and Considered Charter and Policy Provisions**

In reviewing the allegations in the Complaint and the information obtained through the conduct of interviews and review of records, I considered four primary sources: the Town Charter, the Code of Conduct (Policy Number ADM-100),¹ the Town's Code of Ethics (Title VI, Chapter XXVI of the Town Code), and the Town's Policy Against Harassment and Report Procedures (Title VI, Chapter V of the Town Code). Of these four sources, I eliminated the Code of Ethics and Policy Against Harassment and Reporting Procedures from consideration. The Code of Ethics does not contain any provisions implicated by the allegations set forth in the Complaint. Similarly,

¹ This Policy was adopted on February 9, 2026. However, it was adopted by Mulholland and generally reflects expected standards of conduct in a municipal work environment. Therefore, while the specific provisions were not in effect as of the date of the Complaint and the allegations, the Code of Conduct provides a beneficial analytical framework through which to analyze the allegations in the Complaint.

ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL

Town of Londonderry

June 22, 2026

Page 6 of 17

the Policy Against Harassment and Reporting Procedures prohibits “offensive, intimidating, threatening, or otherwise unwelcome comments or conduct based on sex, race, color, national origin, religion, age, military or veteran status, physical or mental disability, marital status, pregnancy, gender identity or sexual orientation.” There was no allegation either in the Complaint or during any interview that either Mulholland or Bouchard have engaged in any activities on the basis of the aforementioned protected class statuses.²

Therefore, the remainder of this report is limited to discussion of the Town Charter and the Town’s Code of Conduct.

A. Applicable Provisions of Town Charter

ARTICLE 1 - Incorporation: Town Form of Government: Power

Section 1.2. Town Form of Government

The administration of the fiscal, prudential, municipal and other affairs of the Town, with the governance thereof, shall be vested in a Town Council, shall be directed by a Town Manager, and shall consist of the various departments of the Town as established by this Charter and from time to time by the Town Council. Except as expressly authorized by this Charter, no Councilor shall participate in the conduct of the administrative affairs of the Town.

ARTICLE 4 – Administration of Government

Section 4.1. Town Manager

The chief administrative officer of the Town shall be the Town Manager (hereinafter called the "Manager"). The Council shall appoint a person especially qualified by experience and training, who receives the votes of at least four (4) of the Council, to be Manager. The Manager shall serve at the pleasure of the Council.

Section 4.6. Powers and Duties of the Manager

- A. The Manager shall be the chief administrative officer of the Town, shall supervise and be responsible for the administrative and financial affairs of the Town and shall carry out the policies enacted by the Council. The Manager shall be charged with the preservation of the health, safety and welfare of persons and property and shall see to

² For similar reasons, this Report does not discuss whether the alleged conduct in the Complaint constitutes a violation of Section 8.12 of the Town Charter, which prohibits discrimination or favoritism on the basis of “age, race, sex, political or religious opinions or affiliations.”

ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL

Town of Londonderry

June 22, 2026

Page 7 of 17

the enforcement of the ordinances of the Town, this Charter and general State Laws governing administration of the Town. The Manager shall supervise and direct the administration of the Town departments and personnel therein.

- B. Except as otherwise provided by this Charter, the Manager shall appoint upon merit and fitness alone, and may remove all officers and employees of the Town subject to the provisions of pertinent statutes and the Administrative Code. Appointment of officers and employees who report directly to the Manager shall be subject to confirmation by majority vote of the Council.
- C. The Manager shall fix the compensation of all town officers and employees appointed by the Manager with the limits established by existing appropriations.

Section 4.8. Non-interference with Town Administration

The Council shall act in all matters as a body. Except as expressly provided elsewhere in this Charter, neither the Council nor any of its members shall direct or request the appointment of any person to office or employment; or direct the removal, suspension, discipline, adjustment in pay, benefits, or working conditions of any employee by the Manager or of any of the Town department heads.

No Councilor shall give orders to or interfere with the performance of the duties of any of the administrative officers or employees, either publicly or privately. Nothing contained in this section shall prohibit the Council from meeting with the Manager to discuss the operation or conduct of any department head or employee and to recommend an investigation and report by the Manager of any complaint. Any violation of the provisions of this section by a Councilor shall constitute grounds for forfeiture of office under the provisions of Section 3.3.

Section 4.9. Departments

- A. The Town shall have departments, divisions, boards or committees as may be established by this Charter or as the Council may establish by Ordinance. It shall be the duty of the manager to draft and to submit to the Council within nine (9) months after assuming office, an ordinance consistent with this Charter to be titled as the "Administrative Code", which provides for the division of the administrative service of the Town into departments or agencies and define the functions and duties of each.
- B. The Council may, by amendment to the Administrative Code Ordinance, create, consolidate or abolish departments or agencies and define or alter their functions and duties. The head of each department or agency established by the Administrative Code shall have and exercise supervision and control of that department or agency and the

ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL

Town of Londonderry

June 22, 2026

Page 8 of 17

employees therein, subject to the authority of the Manager, and shall have the power to prescribe rules and regulations not inconsistent with general law, this Charter, the Administrative Code and the rules and regulations of the Personnel Plan; provided that the Manager shall establish a progressive disciplinary code for all departments and agencies which shall be included under the Personnel Plan. A copy of all departmental rules and regulations shall be on file in the office of the Clerk and appropriate departments.

Section 8.10. Proposed Reorganization Plans by the Manager

The Manager may prepare and submit to the Council for its approval proposed reorganization plans which may, subject to applicable law and this Charter, reorganize, consolidate or abolish any Town agency in whole or in part, or establish new Town agencies as are deemed necessary or expedient. Such reorganization plans shall be accompanied by explanatory messages when submitted.

B. Applicable Provisions of the Code of Conduct

The Code of Conduct applies to all Town of Londonderry employees; elected officials, appointed board members, volunteers, and employees of the Library "may be governed by separate standards but are expected to act in a manner consistent with the principles outlined" in the Code of Conduct.

Section 3.0: Definitions

Bullying Repeated, unreasonable behavior directed toward an employee or group of employees that creates a risk to health and safety, undermines dignity, or interferes with work performance. Bullying may include intimidation, humiliation, sabotage, or persistent hostile conduct.

...

Discrimination Unlawful adverse treatment of an employee or applicant based on a protected characteristic under federal or state law (e.g., race, color, religion, sex, national origin, age, disability, sexual orientation, gender identity, or other protected status).

Harassment Unwelcome conduct based on a protected characteristic that is sufficiently severe or pervasive to create an intimidating, hostile, or offensive work environment, or that unreasonably interferes with an individual's work performance. Harassment may be verbal, physical, visual, or electronic.

ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL

Town of Londonderry

June 22, 2026

Page 9 of 17

Insubordination The refusal to follow a lawful directive from a supervisor, department head, or authorized management official, or conduct that intentionally undermines supervisory authority.

...

Professional Behavior (Conduct) Behavior that reflects competence, integrity, accountability, and respectful communication. Professional conduct includes appropriate workplace demeanor and adherence to Town policies and supervisory direction.

Retaliation Any adverse action, threat, intimidation, or negative employment-related consequence taken against an employee because they made a good-faith report, participated in an investigation, or exercised a protected right. Retaliation is prohibited.

...

Uncivil Conduct / Workplace Incivility Behavior that is rude, disrespectful, disruptive, or demeaning, including yelling, insults, sarcasm used to belittle others, ridicule, intimidation, or conduct that undermines workplace respect and teamwork.

...

Workplace Violence / Threatening Behavior Any act or threatened act of physical harm, intimidation, aggressive behavior, or conduct that creates fear for safety. This includes threats communicated verbally, physically, electronically, or through gestures.

Section 4.0: Policy Detail

...

Guiding Principles

Town of Londonderry employees are guided by the following principles in all aspects of public service:

- **Service to the Public:** Place the interests of the community first and deliver services in a fair, responsive, and customer-focused manner.
- **Integrity and Accountability:** Act honestly, responsibly, and transparently, accepting responsibility for actions and decisions.
- **Respect and Civility:** Foster a workplace and community environment grounded in mutual respect, professionalism, and collaboration.
- **Stewardship of Public Resources:** Use public funds, property, and time efficiently and responsibly to maximize value for residents.
- **Compliance and Excellence:** Adhere to laws, policies, and professional standards while continuously striving to improve performance and service delivery.

These principles are intended to guide judgment and behavior where specific rules may not address every situation.

ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL

Town of Londonderry

June 22, 2026

Page 10 of 17

Section 5.0: Procedures-Standards of Conduct:

5.1 Professional Behavior

Employees shall:

- Perform their duties competently, responsibly, and in a timely manner
- Treat residents, coworkers, supervisors, elected officials, vendors, and visitors with courtesy, dignity, and respect
- Communicate clearly, honestly, and professionally in all verbal, written, and electronic interactions
- Maintain appropriate professional boundaries in the workplace

5.2 Respectful Workplace

The Town of Londonderry is committed to a workplace free from discrimination, harassment, bullying, and intimidation.

Employees shall:

- Comply with all Town policies related to equal employment opportunity and harassment prevention
- Refrain from conduct that is abusive, threatening, disruptive, or disrespectful
- Support a culture of inclusion, teamwork, and mutual accountability

Workplace Civility

The Town of Londonderry is committed to maintaining a professional, respectful, and civil workplace that supports effective public service and employee well-being.

Workplace civility means treating others with dignity and respect, even in situations involving disagreement, stress, or differing viewpoints. Employees are expected to engage in constructive communication, demonstrate self-control, and contribute positively to the work environment.

Expectations

Employees shall:

- Communicate in a professional, courteous, and respectful manner at all times
- Listen actively and consider differing perspectives without hostility or dismissiveness
- Address disagreements constructively and through appropriate channels
- Refrain from conduct that undermines teamwork, morale, or mutual respect
- Shall not display Uncivil Conduct

ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL

Town of Londonderry

June 22, 2026

Page 11 of 17

- Shall not display Persistent negativity or disruptive behavior that interferes with work operations

V. **Findings and Explanation**

For ease of review, I will discuss my findings by reciting the specific allegation from the Complaint, as summarized and isolated from Section 1 of this Report, providing my finding, and then summarizing the analysis used to reach that conclusion.

A. **Allegation: Mulholland violated the Town Charter by inviting Bouchard to attend staff meetings.**

Finding: Unsubstantiated.

Explanation: The evidence demonstrates that the only meetings that Bouchard attended which could be reasonably characterized as “staff meetings” are the Traffic Management Working Group and the ECC Working Group.

The Traffic Management Working Group is an offshoot of the Town’s Traffic Safety Committee. The March 17, 2025 meeting minutes of the Town Council reflects that Bouchard was assigned to the Traffic Safety Committee. Section 1.2 of the Town Charter provides, “[e]xcept as expressly authorized by this Charter, no Councilor shall participate in the conduct of the administrative affairs of the Town.” From the interviews of the participants of the Traffic Management Working Group, the activities of the Traffic Management Working Group do not constitute engaging in the “administrative affairs of the Town.” The Traffic Management Working Group’s function is not to implement any decisions, but to analyze traffic related issues and produce recommendations related to traffic priorities and policies. This does not constitute conducting “administrative affairs” of the Town. Notwithstanding, assuming for the sole sake of argument that participation in the Traffic Management Working Group constitutes engaging in the “administrative affairs of the Town,” Bouchard, by and through his assignment to the Traffic Safety Committee” is expressly authorized to participate in those offshoots of the Traffic Safety Committee represented by the Traffic Management Working Group.

The same can be said of the ECC Working Group. The ECC Working Group’s function was to identify the tasks necessary to merge the Police and Fire Dispatches. The ECC Working Group was intended to identify action items that needed to be performed to allow for that merger and to identify costs for the merger. As such, the ECC Working Group cannot be construed as engaging in the “administrative affairs” of the Town. Rather, the ECC Working Group’s

ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL

Town of Londonderry

June 22, 2026

Page 12 of 17

function was for planning, the goal of which was to present a proposal to the Town Council for ultimate approval.

Moreover, Bouchard's role at ECC Working Group meetings does not show "participation" in any "administrative affairs." Mulholland reported that Bouchard was invited to this discussion for the purpose of listening due to anticipated fiscal impacts and because any resulting proposal would require Town Council approval. Mulholland also reported that Bouchard was allowed to attend under the caveat that he was not to be an active participant. Those interviewed corroborated Bouchard's limited role. Several interviewees could not recall with specificity Bouchard speaking at the meetings and those that recall Bouchard speaking reflect that his participation was minimal.

Moreover, there is no assertion that Bouchard, through his participation in the Traffic Management Working Group or the ECC Working Group, directed or requested "the appointment of any person to office or employment; or direct the removal, suspension, discipline, adjustment in pay, benefits, or working conditions of any employee by the Manager or of any of the Town department heads," "gave orders," "or interfered with the performance of the duties of any of the administrative officers of employees, either publicly or privately." As such, there is no evidence to support that Bouchard's participation violation section 4.8 of the Town Charter.

I have received no information of Bouchard's involvement in any other "staff meetings." Those that were interviewed reported that Bouchard was frequently at the Town Hall did not report any interference in the performance of any duties in Town Hall. Indeed, only one employee interviewed reported specific interactions with Bouchard outside of the ECC Working Group or the Traffic Management Working Group, and that employee noted that Bouchard only sought information to understand budgetary matters, which was not uncommon in that employee's experience as it related to Town Councilors.

B. Allegation: Mulholland sought to use Bouchard as a means by which to intimidate employees.

Finding: Unsubstantiated.

Explanation: There was no support that Bouchard's attendance was intended to intimidate employees or that any employee was actually intimidated by Bouchard's attendance.

ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL

Town of Londonderry

June 22, 2026

Page 13 of 17

Those individuals on the Traffic Management Working Group reported that the general nature of the Working Group does not lend themselves to disagreement and that the atmosphere is professional with individuals generally on the same page. The limited point of disagreement on the Traffic Management Working Group relates to sidewalks, a point with which Mulholland and Bouchard actually disagree (although that disagreement has not been pressed during Traffic Management Working Group meeting because, per Mulholland, the suggestion would not have support). Moreover, no participant reported being intimidated by Bouchard, with many reporting that they had “no problems” telling Bouchard how they felt. As such, there is no evidence to reflect an intent to intimidate, nor an intimidating effect by Bouchard’s participation.

With regard to the ECC Working Group, while reportedly more charged and contentious, there is no indication that Bouchard’s attendance was intended to intimidate or that there was an intimidating effect. The only evidence presented reflects that Bouchard was invited because Bouchard and Mulholland had discussed the proposed merger of Police and Fire Dispatch shortly after the start of Mulholland’s tenure. At that point, the opposition to the merger – primarily raised by Fire Department personnel – would not have been known. Moreover, the stated reason for Bouchard’s invitation to the ECC Working Group was credible. Mulholland reportedly invited Bouchard because (a) Bouchard had experience on the Londonderry Police Department and (b) the proposal would ultimately need to be presented to the Town Council and, therefore, having someone knowledgeable as to the ultimate decision would make logical sense.

Further, there is no indication that Bouchard’s attendance had the effect of intimidating anyone. While two personnel reported that Bouchard’s attendance could have had the effect of intimidating others, there is no indication that any employee were actually “chilled” in terms of raising concerns or opposition related to the proposed merger. In fact, one employee is reported to have voiced his concerns both privately with Mulholland and during Working Group meetings. Personnel also did not feel sufficiently intimidated that they were prevented from reporting contrary perspectives to Mulholland related to the merger, ultimately causing Mulholland to place the proposal on the “back-burner.”

C. Allegation: Bouchard improperly interfered in Town operations in violation of the Town Charter.

Finding: Unsubstantiated

Explanation: Please see the explanation set forth in Item A.

ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL

Town of Londonderry

June 22, 2026

Page 14 of 17

D. Allegation: Mulholland created a hostile work environment.

Finding: Unsubstantiated.

Explanation: A hostile work environment is generally defined as harassment based on a protected class status that is sufficiently severe or pervasive so as to alter the conditions of employment and create an abusive work environment. O'Rourke v. City of Providence, 235 F.3d 713, 728 (1st Cir. 2001). While certain employees reported feeling that Mulholland's management style was not a good fit for Londonderry, and one reportedly left the employ of the Town, there was no information provided during the investigation reflecting that Mulholland engaged in adverse conduct related to any employee on the basis of protected class status. Nor was there any allegation that an employee has the status of a Whistleblower under RSA chapter 275-E or that an employee publicly engaged in an exercise of Free Speech sufficient to implicate RSA 98-E.

Further, the allegations of hostility reported by personnel do not give rise to the creation of a "hostile work environment" even if there was some form of protected class implicated. The criticism that Mulholland is "dismissive" of others perspective, is rigid, or "authoritarian" was not supported by totality of the information provided during the investigation and does not, standing alone, lead to the creation of a hostile work environment. For one, many staff reported that Mulholland, while direct in his communications and directives, does in fact change his mind. This was reported by several employees. Mulholland's ultimate decision on the ECC Working Group – which was to put the project on the "back burner" – reflects Mulholland's receptiveness to contrary information.

The primary criticism as to Mulholland's rigidity is that Mulholland will appear to set a directive without consultation or deference to Department Heads or personnel. However, Section 4.1 and Section 4.6 of the Town Charter identifies the Town Manager as the "chief administrative officer," who is "responsible for the administrative and financial affairs of the Town." There is no requirement in the Town Charter for the Town Manager to defer to any department head or employee. Indeed, several employees expressly recognized this point in their interviews. No interviewee reported that Mulholland acted in a manner that was hostile or disrespectful when presented with evidence contrary to a directive or proposal. None of the employees interviewed reported ever seeing Mulholland yell, act aggressively, ignore an employee, or speak inappropriately about an employee behind that employee's back. Those that reportedly

ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL

Town of Londonderry

June 22, 2026

Page 15 of 17

disagreed with Mulholland reported that Mulholland listened to their positions but appeared critical of the fact that Mulholland did not agree with them or credit their concerns and change positions. That, however, does not give rise to a hostile work environment and does not constitute a violation of any Town Policy.

The same can be said of the Code of Conduct. The Code of Conduct encourages “respect, professionalism, and collaboration,” see Section 4.0, prohibits conduct that “undermines workplace respect and teamwork,” see Section 5.2, and expects that employees will “[l]isten actively and consider differing perspectives without hostility or dismissiveness.” However, those standards do not require any employee to agree with a particular perspective. Certain employees communicated that Mulholland is “dismissive” of alternative perspectives; however, others identified that Mulholland is receptive to alternative perspectives when supported with information and data. Mulholland himself acknowledged such expectations. As the Town Manager, the amount of information that Mulholland requires to be swayed on a particular issue does not constitute misconduct but instead represents an issue of policy that cannot be resolved through this report.

E. Allegation: Mulholland has inappropriately rewarded employees who agrees with him with raises and has not provided those raises to other employees.

Finding: Unsubstantiated.

Explanation: After interviewing all employees involved, this allegation does not have support. As identified above, I have reviewed the compensation adjustments for those employees that were not part of a collective bargaining unit and, therefore, could be subject to a mid-year market adjustment without engaging in collective bargaining. Koza confirmed that those salary adjustments were initiated due to Mulholland’s concerns as to whether the salaries reflected market. The timing of this directive, which was in the fall of 2025, was shortly after the start of Mulholland’s tenure. Given that short amount of time between Mulholland’s start as Town Manager and the decision to make market-based adjustments, it is difficult to find any evidence that any single employee would have sufficiently developed a relationship (good or bad) with Mulholland such that Mulholland could have exercised favoritism. Stated differently, it is questionable that enough time could have passed for Mulholland to develop “favorites” that he could have rewarded through wage adjustments.

ATTORNEY-CLIENT PRIVILEGED AND CONFIDENTIAL

Town of Londonderry

June 22, 2026

Page 16 of 17

Moreover, many employees that were the subject of market-based adjustments provided proof that their compensation was under-market. One employee reported that he had been approached by other communities and offered significantly more compensation. Another employee was initially refused a market-based adjustment by Mulholland until that employee provided market-based research to show that she was not compensated at market. That Mulholland refused the employee initially until proof was provided evidences that favoritism did not factor into the decision to increase compensation. Both employees reportedly disagreed with Mulholland when they had reason to do so with one employee stating that he was “insulted” that someone would suggest otherwise.

The personnel evaluations of these employees do not reflect that attitudes toward them would have changed since the start of Mulholland’s tenure. Each of the employees who received compensation adjustments had favorable personnel evaluations and received the highest merit-based adjustments from prior Town Managers. Therefore, there is no evidence to suggest that these employees were deficient and were rewarded due to favoritism.

Similarly, another employee corroborated Mulholland’s assertion that her adjustment was based, in part, on her assumption of greater responsibility. Mulholland confirmed that such changed job responsibilities were reflected in a revised job description, which consequently merited adjusting the compensation for the Executive Assistant position.

F. Allegation: Mulholland shuns or talks behind the back of employees.

Finding: No employee corroborated this position. No employee interviewed reported feeling shunned by Mulholland. No employee interviewed reported hearing Mulholland speak about another employee behind their back in a manner that was inappropriate. Limited interviewees reported that they discussed other employees with Mulholland, but they reported that such discussions were in the context of that employee reporting performance issues with others, which is a matter wholly within the Town Manager’s purview under the Town Charter. In those limited reported instances, reported that Mulholland’s communications remained appropriate.

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Town of Londonderry

June 22, 2026

Page 17 of 17

VI. Conclusion

For the reasons set forth above, the allegations in the Complaint could not be substantiated after interviewing the subjects and after review of the evidence.

Yours truly,

DONAHUE TUCKER & CIANDELLA, PLLC

A handwritten signature in black ink, appearing to read "E. Maher", is written over the printed name.

Eric A. Maher

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Enclosures

4906-5898-6934, v. 2