

**EMPLOYMENT CONTRACT BETWEEN  
GEORGE LAHANAS AND  
THE CITY COUNCIL OF THE CITY OF EAST LANSING**

WHEREAS, pursuant to the Charter of the City of East Lansing, the City Council of the City of East Lansing ("the Council") has the responsibility to retain a City Manager to perform certain duties as set forth in the City Charter, and,

WHEREAS, the Council has agreed to hire George Lahanas as City Manager ("the Manager") for the period from February 21, 2012 through January 31, 2015, and any renewal periods, in accordance with the terms of this contract.

NOW, THEREFORE, THE COUNCIL AND THE MANAGER COVENANT AND AGREE AS FOLLOWS:

1. **Duties.** The Manager agrees to perform all the functions and duties of the office of City Manager as specified in the City Charter and to perform whatever legally permissible and proper additional functions shall be performed in a diligent, responsible, and equitable manner in accordance with the City Charter and policies established by the Council.

2. **Salary.** Beginning February 21, 2012, and until July 1, 2013, the base annual salary of the Manager shall be One Hundred Thirty-Five Thousand Dollars (\$135,000). The salary of the City Manager shall be reviewed annually at the time of the Manager's annual performance review.

3. **Performance Evaluation.** The Manager shall, within 14 days of the end of any quarter, submit a report to Council on the progress made during the previous quarter.

4. **Automobile.** The Council agrees to provide the Manager with an automobile allowance of One Thousand Eight Hundred Dollars (\$1,800) per year (\$150/month).

5. **Professional Development.** Professional development is understood to be a benefit for the City as well as to George Lahanas. The Council agrees that George Lahanas shall continue his professional development through professional memberships and participation in national, state and local organizations and meetings. The Council agrees to bear reasonable expenses which are incurred during the course of this professional development to an amount not to exceed the annual budgeted appropriation for such activity.

6. **General Expenses.** In addition to the expenses outlined in item number 5, the Council will provide the Manager with a line of credit which he may access in an amount not to exceed Four Hundred Dollars (\$400) per month, to be utilized for the purpose of paying for job-related expenses reasonably incurred fulfillment of the Manager's duties and in the conduct of City business, and attendance at meetings and conferences with state, local, and regional agencies and officials.

7. **Technology Support.** The Council agrees to provide for the Manager's professional and personal use a mobile telephone and computer at no cost to Manager. In consideration of the long hours spent in his/her primary City Hall office, the Council also hereby recognizes and approves incidental personal use of city telephone and computer equipment and agrees to pay the cost of the Manager's home internet connection at the normal City group rates.

8. **Employee Benefits.** The Council agrees to provide the Manager all employee benefits provided to other City employees during the manager's tenure as City Manager, except as follows:

- A. The Manager's benefits shall not include overtime or compensatory time for hours worked in excess of eight (8) hours per day or forty (40) hours per week. It is understood that the requirements of the position frequently require in excess of forty (40) hours per week.
- B. The Council shall contribute an amount equal to ten and one-half percent (10-1/2%) of the Manager's base salary to the Michigan Municipal Employees Retirement System Hybrid Plan participant account for the Manager.
- C. The Council will contribute Three Thousand Dollars (\$3,000) annually on the anniversary date of this contract, on behalf of the Manager, into a deferred compensation plan authorized under Section 457 of the Internal Revenue Code.
- D. The Council will secure term life insurance for the Manager with a benefit amount equal to three (3) times the Manager's annual salary.
- E. Upon contract termination, the Manager will be provided with five (5) years of health insurance benefits for himself and his spouse at City expense. The Manager may elect the time period during which the benefit is provided and it need not begin with the date of separation and will not run concurrently with any health benefit that may be provided as part of a severance. In addition, the Manager, at his option, may elect to pay the difference between family and double coverage while receiving this benefit. This benefit shall be subordinate to any other health insurance that the Manager may have available through subsequent employment and shall be made available at such times and for such periods as the Manager shall elect. In the event that Lahanas should decease prior to the benefit in this section being fully utilized, it shall be provided to Lahanas' spouse. Lahanas' spouse may likewise pay the difference between double and family coverage in order to insure dependent children.

9. **Outside Employment.** The Manager shall not undertake any additional compensated employment responsibilities without the written permission of the Council.

10. **Tenure.** Notwithstanding any other provisions of the contract, the Manager agrees to serve at the pleasure of the Council, and agrees that this contract may be terminated, with or without cause, by the Council upon ninety (90) days written notice to the Manager. The Council agrees that the Manager may also terminate this contract upon thirty (30) days written notice to the Council.

11. **Severance Pay.**

- A. In the event that this contract or any renewal thereof is terminated by the Council for any reason other than gross malfeasance or Manager's death, total and permanent disability, or voluntary resignation (without attribution to the City, e.g. not a forced resignation), the Council agrees to provide the Manager with severance pay in an amount equal to the Manager's salary including all deferred compensation contributions under subsections 8B and 8C of this Contract at the time of termination of this contract, less deductions required by law for a period of 12 months following the effective date of the termination. The severance pay shall be paid in bi-weekly installments or a lump sum in the Manager's discretion. During the 12-month time period following the effective date of termination, the Manager shall also receive health, dental and life insurance benefits provided pursuant to this contract, but all other benefits shall be terminated. At the conclusion of this twelve month time period, the Manager may elect to continue health coverage as provided by COBRA at his own expense.

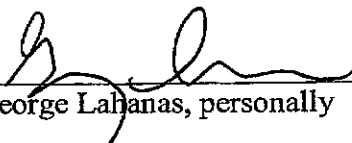
12. **Term of Contract.** This contract shall have a term which runs from February 21, 2012 to January 31, 2015, except as stated otherwise in this contract or unless renewed or replaced by a written contract executed between the parties prior to the end of the term.

13. **Severability.** All agreements and covenants contained in this contract are severable, and in the event any of them are held invalid by any court, the remaining portions of this contract shall remain in full force and effect.

The Council and the Manager, by their authorized signatures, hereby agree to be bound by the covenants, agreements, and prohibitions set forth above and in the attachments to this contract.

IN WITNESS WHEREOF, the City of East Lansing has caused this contract to be executed by Mayor Diane Goddeeris and City Manager George Lahanas, and duly attested by the City Clerk.

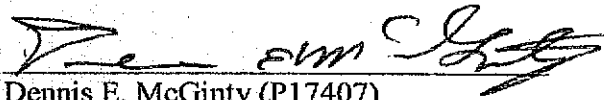
Dated: February 21, 2012

  
\_\_\_\_\_  
George Lahanas, personally  
CITY OF EAST LANSING

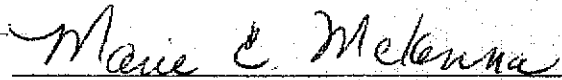
Dated: February 21, 2012

  
\_\_\_\_\_  
Diane Goddeeris, Mayor

Drafted by and approved as to form:



Dennis E. McGinty (P17407)  
East Lansing City Attorney  
601 Abbot Road, PO Box 2502  
East Lansing, MI 48826-2502  
(517) 351-0280



Marie E. McKenna, City Clerk

**ADDENDUM TO  
EMPLOYMENT CONTRACT BETWEEN  
GEORGE LAHANAS  
AND  
THE CITY COUNCIL OF THE CITY OF EAST LANSING**

WHEREAS, the East Lansing City Council has entered into an employment contract with its City Manager, George Lahanas, effective February 21, 2012 through January 31, 2015 (the "Contract"); and

WHEREAS, Section 2 of the Contract currently provides that the Manager shall receive a base annual salary of \$135,000 through July 1, 2013; and

WHEREAS, Section 4 of the Contract currently provides that the Manager has an automobile allowance of \$1,800 per year (\$150/month); and

WHEREAS, Section 8 paragraph C of the Contract currently provides that the City Council will contribute \$3,000 into a deferred compensation plan on the anniversary of the contract; and

WHEREAS, Section 12 of the Contract currently provides that the term of the contract shall run from February 2, 2012 to January 31, 2015; and

NOW, THEREFORE, the Council and the Manager hereby agree that the Contract heretofore entered into between the parties effective February 21, 2012, be amended to extend the contract to January 31, 2016 and that Sections 2, 4, 8C and 12 be amended as follows:

**2. Salary.** Beginning February 21, 2012, the base annual salary of the Manager shall be One Hundred Thirty-Five Thousand Dollars (\$135,000). This is based on Council's initial research of comparable positions in 2012 with the salary range for the City Manager to be \$135,000 to \$155,000. The salary shall be increased by a cost of living increase of 1% starting July 1, 2013 and for each year thereafter until January 31, 2016.

**4. Automobile.** The Council agrees to provide the Manager with an automobile allowance of Three Thousand Six Hundred Dollars (\$3,600) per year (\$300/month).

**8. Employee Benefits.**

C:

The Council will contribute Six Thousand Dollars (\$6,000) annually on the anniversary date of this contract beginning on February 21, 2014, on behalf of the Manager, into a deferred compensation plan authorized under Section 457 of the Internal Revenue Code.


**12. Term of Contract.** This contract shall have a term which runs from February 21, 2012 to January 31, 2016, except as stated otherwise in this contract or unless renewed or replaced by a written contract executed between the parties prior to the end of the term.

That all other provisions of said contract not hereby amended by this addendum shall be and remain in full force and effect as written, including the other subparagraphs of Section 8.

The Council and the Manager, by their authorized signatures, hereby agree to be bound by the covenants, agreements, and prohibitions set forth above and in the attachments to this contract.

IN WITNESS WHEREOF, the City of East Lansing has caused this addendum to be executed by Mayor Diane Goddeeris and City Manager George Lahanas, and duly attested by the City Clerk.

Dated: June 18, 2013

  
\_\_\_\_\_  
George Lahanas, personally

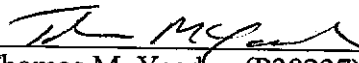
CITY OF EAST LANSING

Dated: June 18, 2013

*Diane Goddeeris*

Diane Goddeeris, Mayor

Drafted by and approved as to form:

  
Thomas M. Yeadon (P38237)  
East Lansing City Attorney  
601 Abbot Road, PO Box 2502  
East Lansing, MI 48826-2502  
(517) 351-0280

  
Marie E. McKenna  
Marie E. McKenna, City Clerk

**SECOND ADDENDUM TO  
EMPLOYMENT CONTRACT BETWEEN  
GEORGE LAHANAS  
AND  
THE CITY COUNCIL OF THE CITY OF EAST LANSING**

WHEREAS, the East Lansing City Council approved an Addendum to the City Manager's employment contract at its June 18, 2013, meeting; and

WHEREAS, as part of the contract renewal, the City Council increased the amount of deferred compensation from Three Thousand Dollars (\$3,000) pursuant to Section 8, paragraph C, of the contract to Six Thousand Dollars (\$6,000); and

WHEREAS, Council and the Manager wish to have the Contract amended to clarify that the \$6,000 annual deferred compensation be paid in proportional increments every two weeks beginning on the anniversary date of February 1, 2014 so that \$6,000 is fully paid by the next anniversary date of the Contract;

NOW, THEREFORE, the Council and the Manager hereby agree that the Contract heretofore entered into between the parties effective February 1, 2012, as amended pursuant to the Addendum adopted June 18, 2013, shall be further amended to amend Section 8, paragraph C, as follows:

**8. Employee Benefits.**

C. Beginning February 1, 2014, Council will contribute Six Thousand Dollars (\$6,000) annually, prorated biweekly, into a deferred compensation plan authorized under Section 457 of the Internal Revenue Code so Six Thousand Dollars (\$6,000) is fully paid by the following anniversary date. Between the effective date of this addendum and February 1, 2014 Council will contribute prorated biweekly payments into a deferred compensation plan authorized under Section 457 of the Internal Revenue Code to equal an annual amount of Three Thousand Dollars (\$3,000) so Three Thousand Dollars (\$3,000) shall be paid into the plan from February 1, 2013 to January 31, 2014.

That all other provisions of said contract not hereby amended by this Addendum shall be and remain in full force and effect as written, including the other subparagraphs of Section 8.

The Council and the Manager, by their authorized signatures, hereby agree to be bound by the covenants, agreements, and prohibitions set forth above and in the attachments to this contract.

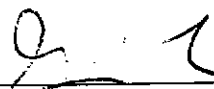
IN WITNESS WHEREOF, the City of East Lansing has caused this addendum to be executed by Mayor Diane Goddeeris and City Manager George Lahanas, and duly attested by the City Clerk.

2013-116

9-12-13



Dated: September 17, 2013

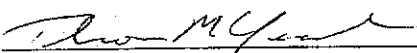
  
George Lahanas, personally


CITY OF EAST LANSING

Dated: September 17, 2013

  
Diane Goddeeris, Mayor

Drafted by and approved as to form:

  
Thomas M. Yeadon (P38237)  
East Lansing City Attorney  
601 Abbot Road, PO Box 2502  
East Lansing, MI 48826-2502  
(517) 351-0280

  
Marie E. Wicks, City Clerk

**THIRD ADDENDUM TO  
EMPLOYMENT CONTRACT BETWEEN  
GEORGE LAHANAS  
AND  
THE CITY COUNCIL OF THE CITY OF EAST LANSING**

WHEREAS, the East Lansing City Council has entered into an employment contract with its City Manager, George Lahanas, effective February 1, 2012 through January 31, 2015 (the "Contract"); and

WHEREAS, the Contract has been amended by two Addendums, the first being an Addendum approved by Council at its June 18, 2013 meeting and the second being a Second Addendum to clarify that the deferred compensation is to be paid in proportional increments every two weeks; and

WHEREAS, Section 12 of the Contract originally provided that the term of the Contract shall run from February 2, 2012 to January 31, 2015; and

WHEREAS, Section 12 of the Contract was amended by the First Addendum to the Contract to extend the term until January 31, 2016; and

WHEREAS, the parties wish to extend the contract for an additional three years including the 1% pay increases in each year;

NOW, THEREFORE, the Council and the Manager hereby agree that the Contract heretofore entered into between the parties effective February 1, 2012, be amended to extend the Contract to January 31, 2019 and that the 1 percent per year pay increases shall be continued throughout this extended term. In accordance Sections 2 and 12 shall be amended as follows:

2. **Salary.** Beginning February 1, 2012, the base annual salary of the Manager shall be One Hundred Thirty-Five Thousand Dollars (\$135,000). This is based on Council's initial research of comparable positions in 2012 with the salary range for the City Manager to be \$135,000 to \$155,000. The salary shall be increased by a cost of living increase of 1% starting July 1, 2013 and for each year thereafter through July 1, 2018.


12. **Term of Contract.** This Contract shall have a term which runs from February 2, 2012 to January 31, 2019, except as stated otherwise in this Contract or unless renewed or replaced by a written contract executed between the parties prior to the end of the term.

That all other provisions of said Contract, including the Addendums, not hereby amended by this addendum shall be and remain in full force and effect as written.

The Council and the Manager, by their authorized signatures, hereby agree to be bound by the covenants, agreements, and prohibitions set forth above and in the attachments to this contract.


IN WITNESS WHEREOF, the City of East Lansing has caused this Third Addendum to be executed by Mayor Nathan Triplett and City Manager George Lahanas, and duly attested by the City Clerk.

Dated: May 7, 2015

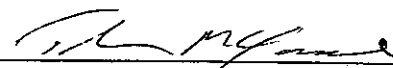
  
George Lahanas, personally

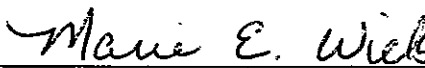
CITY OF EAST LANSING

Dated: May 7, 2015

  
Nathan Triplett, Mayor

Drafted by and approved as to form:

  
Thomas M. Yeadon (P38237)  
East Lansing City Attorney  
601 Abbot Road, PO Box 2502  
East Lansing, MI 48826-2502  
(517) 351-0280

  
Marie E. Wicks, City Clerk