

MEMORANDUM OF AGREEMENT

This agreement, made and entered into this 26th day of June, 2006, by and between the City of Mason, State of Ohio, a municipal corporation, hereinafter called "Mason" and Eric Hansen, both of whom agree as follows:

WITNESSETH:

WHEREAS, Scot F. Lahrmer has submitted his resignation as City Manager effective June 30, 2006; and

WHEREAS, pursuant to Article V, Section 5.03 of the Mason Charter, in the event of a vacancy in the Office of Manager, Council is authorized to designate an individual as Acting Manager to exercise all powers, duties, and functions of the Manager until a Manager is appointed; and

WHEREAS, Eric Hansen has faithfully served as Assistant City Manager since 1998, performing the duties and responsibilities assigned to him with skill and dedication; and

WHEREAS, the City Council of Mason desires to appoint Eric Hansen as Acting Manager, acknowledge the additional responsibilities placed upon him, and provide for his interim appointment to fulfill the duties of Manager and his continued service as an employee of Mason;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, Mason and Eric Hansen agree as follows:

1 Eric Hansen agrees to assume additional administrative responsibilities beyond those currently performed as Assistant City Manager and agrees to serve as Acting City Manager beginning July 1, 2006 and ending on the first day of employment of the successor Manager appointed by Mason City Council.

2. At such time as the appointed successor Manager officially assumes his or her office, or at such time as Council terminates Mr. Hansen's service as Acting Manager prior to the occurrence of such event, Mr. Hansen shall return to his position of Assistant City Manager. At that time he shall be compensated at the salary rate in effect on the date of this agreement plus any increases provided for herein. He shall further receive the same level of benefits in effect at the time of execution of this agreement plus any increased benefits provided for herein.

3. Mr. Hansen shall be entitled to hold the position of Assistant City Manager for one year following the date on which he ceases to serve as Acting Manager (hereafter called the One Year Period.) with salary and benefits as set forth herein.

4. In the event Mr. Hansen is terminated, other than for cause, during the One Year Period while he remains willing and able to serve as Assistant City Manager, Mason shall pay Mr. Hansen a lump sum in an amount equal to the unpaid balance of all salary to which he would

have been entitled had he fully completed the One Year Period. In addition Mason shall pay him a lump sum amount equivalent to the monetary value of all other benefits to which he would have been entitled consistent with City policy during the remainder of the One Year Period including but not limited to accrued sick and vacation leave, health benefits, and deferred compensation match.

5. The Director of Finance is hereby authorized and directed, upon execution of this agreement, to contribute the sum of \$ 3,750 to Mr. Hansen's deferred compensation plan for 2006. Mason shall increase its current contribution by an additional \$3,750 in subsequent years of employment.

6. In lieu of a wage increase in 2006 for assuming the duties of Acting Manager, Mr. Hansen shall receive a supplemental payment within 30 days of the conclusion of his services as Acting Manager. In the 30 days prior to Mr. Hansen's last day of service, Council shall provide him with a written performance evaluation and shall determine the amount of such supplemental payment by vote of Council. The amount shall be based on performance, duration of his service as Acting Manager and quantity of work required. In no event shall the payment be less than \$5,000 if the service period was fewer than 180 days

7. Effective January 1, 2007, Mr. Hansen's base salary, as Acting Manager or as Assistant City Manager shall increase in an amount equivalent to the greater of 6% or the cost of living, merit, or other increases available to other Mason employees.

8. During his period of service as Acting Manager and in succeeding years of employment, Mr. Hansen shall earn and accumulate retirement, medical, sick, and annual leave benefits pursuant to the policy in effect for Mason employees; however, notwithstanding current ceilings on balances, no restriction shall be imposed on the number of vacation hours during his tenure as acting City Manager which Mr. Hansen may accrue or maintain or for which he may be reimbursed. This new level will remain a ceiling for the tenure of his employment with the City.

IN WITNESS WHEREOF, on the day and year first above written the City of Mason has caused this agreement to be signed and executed in its behalf by the Mayor and duly attested by its City Clerk, and Eric Hansen has signed and executed this agreement.


Clerk


Mayor


Eric Hansen