STAFF REPORT

MEETING DATE:	**6/26/12**
SUBJECT:	**Executive Director Employment Agreement**
AGENDA ITEM:	**11**
STAFF CONTACT:	**Dan Little**

SUMMARY:
An employment agreement is needed for the agency's executive director.

STAFF RECOMMENDATION:
It is recommended that the board approve the attached employment agreement.

DISCUSSION:
The Independent SRTA subcommittee – consisting of Chair Moty, Vice Chair Watkins, and past Chair Dickerson – negotiated the attached executive director employment agreement, along with SRTA legal counsel. The employment agreement sets forth salary and benefits consistent with past board direction, and the Human Resources Policies and Procedures adopted by the board at the May meeting.

At the board's direction, the Human Resources Policies and Procedures provide tiered employee benefits identical to those provided by county policies under which the agency previously operated. Under these procedures, the executive director receives "executive management" benefits consistent with the new SRTA policies and prior county policy.

The one exception is a flexible medical spending provision (Agreement: Section 4). In lieu of participation in the SRTA-offered medical insurance program – at a current cost to the agency of $559 (employee-only) to $843 (family) monthly – the employee may elect to receive 75% of the lower amount, or $419 monthly. This negotiated benefit is intended to result in mutual cost savings to the agency and the employee. The employee would have the flexibility to redirect the SRTA-paid premium (at a 75% reduced rate) to other health coverage plans (such as premiums and deductibles for coverage under a spousal plan).

The employment agreement is for an initial term of six years and provides four month's severance pay in the event of termination (except for "moral turpitude" or gross incompetence). The agreement maintains the current base salary for the executive director, and includes a 20-year, 5% longevity salary increase that was otherwise due in the next fiscal year under county employment.

The Independent SRTA subcommittee met on June 19 to review the agreement. Several modifications were made, including reduction of the flexible medical plan benefit to 75%. The board subcommittee reached full consensus on all provisions of agreement. The subcommittee unanimously recommends approval of the attached employment agreement.

ALTERNATIVES:

The board may consider modifications in addition to those recommended by the board subcommittee.

FINANCING:

The employment agreement and associated benefits are based on SRTA's Human Resources Policies and Procedures adopted by the board in May. The agreement also follows prior board direction to maintain status quo salary. For these reasons, adequate funds were budgeted in the FY 2012/13 Overall Work Program, also approved by the board in May.

Daniel S. Little, AICP, Executive Director

Attachments: SRTA Employment Agreement for Executive Director

DRAFT

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Daniel S. Little, Executive Director

SHASTA REGIONAL TRANSPORTATION AGENCY

EMPLOYMENT AGREEMENT
EXECUTIVE DIRECTOR

This Agreement is between the SHASTA REGIONAL TRANSPORTATION AGENCY ("SRTA") and DAN LITTLE ("Executive Director") dated for convenience this 26th day of June, 2012.

RECITALS

1. The SRTA requires the services of an individual to serve as Executive Director and to perform the duties and obligations assigned to that position as set forth in the Human Resource Polices ("Policies") of SRTA.

2. The Executive Director has served as Executive Director of SRTA before it became an independent agency.

3. The Executive Director has the background and expertise necessary to perform the role of Executive Director of SRTA.

4. The SRTA desires to retain the services of the Executive Director.

AGREEMENT

1. Duties – The SRTA agrees to employ the Executive Director and the Executive Director agrees to perform the duties, obligations and the functions assigned to the position of Executive Director as set forth in the Policies adopted by the agency and such other related duties as the SRTA Board of Directors may direct.

2. Term – This Agreement shall commence on July 1, 2012 and shall continue for a period of six years unless amended or sooner terminated as provided in this Agreement.

3. Compensation – The Executive Director shall be paid compensation in the amount of $7,979 per month. The Executive Director shall receive his paycheck at the same time and in the same manner as regular SRTA employees. In addition, the Executive Director shall be eligible for the 5% longevity stipend as provided in the Policies adopted by the agency.

4. Benefits – The Executive Director shall receive all benefits and leave as set forth in the Policies as they apply to the Executive Director. Notwithstanding, the Executive Director may, at the Executive Director's option, elect to have the amount that SRTA would contribute to the

Executive Director's health benefits for the employee-only premium be diverted to a flexible spending account. Evidence of suitable alternative insurance coverage must be provided.

5. Annual Evaluation – The SRTA Board of Directors will annually evaluate the performance of the Executive Director and consider such salary or benefit increase, if any, the Board of Directors deem appropriate.

6. Travel Expenses/Professional Development – The Executive Director shall be entitled to reimbursement for travel and business and expenses and fees for professional development as set forth in the Policies as they relate to the Executive Director.

7. Termination and Severance – It is hereby agreed and understood by the parties to this Agreement that the Executive Director's position is an "at-will" position. The Executive Director may be terminated by a vote of the majority members of the SRTA Board of Directors with or without cause at any time. In the event of termination, for other than reasons of moral turpitude or gross incompetence, the Executive Director shall be entitled to severance equal to salary and benefits equal to four months.

8. Indemnification – The Executive Director shall be entitled to the protections of Government Code §§ 995, 995.2 and 825 and related sections relating to the defense and indemnification of public employees.

9. General Provisions – This Agreement shall constitute the entire Agreement between the parties and supersedes all previous agreements.

It is agreed and understood by the parties that this Agreement was arrived at through negotiations and that neither party is deemed the party which created any uncertainty within the meaning of Civil Code § 1654.

If any provision, or any portion of this Agreement is held to be unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable and shall remain in full force and effect.

IN WITNESS WHEREOF, the Chairman of the Board of Directors of SRTA has caused this Agreement to be signed and executed in its behalf by the Chairman, approved as to form the by Legal Counsel and executed by the employee.

Dan Little, Executive Director

SRTA, Chairman of the Board

John S. Kenny, Legal Counsel

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