

## SOUND TRANSIT

### MOTION NO. M2009-114

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing the board chair to execute a fifth amendment to the employment agreement with Joan M. Earl, Sound Transit chief executive officer.

#### **Background:**

Ms. Joan M. Earl is employed by the Sound Transit Board as Sound Transit's chief executive officer under an employment agreement originally approved in June 2001. The four earlier amendments to the agreement are described in Motion No. M2007-129. The fifth amendment to the employment agreement should contain the following terms:

- the term of employment agreement is extended for two additional years through 2011, with an option for one additional year by mutual agreement;
- no increase to current \$195,467 base salary in 2010;
- based on the board's job performance evaluation, requires annual base pay increases of not less than 3%, but not more than 6% in 2011 and 2012;
- authorizes an annual contribution and performance award of up to \$6,000 based on performance and achievement of the agency's goals and objectives;
- Sound Transit will annually contribute the maximum annual amount, not to exceed \$25,000, authorized for public employees under the Internal Revenue Code with cost-of-living adjustments, to her deferred compensation retirement account;
- authorizes payment for up to 600 hours of earned and unused vacation upon retirement or termination of employment, and deletes the vacation buyout/deferred compensation provisions approved in Motion No. M2007-129;
- in addition to accrued vacation, the chief executive officer's annual compensation includes a two-month paid sabbatical in 2012; and
- except as amended by the fifth amendment, the employment agreement remains in full force and effect.


#### **Motion:**


It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that the board chair is authorized to execute a fifth amendment to the employment agreement with Joan M. Earl containing the following terms: (1) the term of the employment agreement is extended for two additional years through December 31, 2011, with an option for one additional year by mutual agreement; (2) no increase in base compensation in 2010; (3) based on the board's evaluation of the chief executive officer's job performance, the board will approve annual base pay increases of not less than 3%, but not more than 6% for 2011 and 2012; (4) based on job performance and achievement of the agency's goals and objectives, the board may approve an annual contribution and performance award of up to \$6,000; (5) Sound Transit will annually contribute the lesser of (a) the maximum annual amount, authorized by Internal Revenue Code Section 457(b) and (e), with cost of living adjustments, or (b) \$25,000, to the chief executive officer's Code Section 457(b) deferred compensation retirement account in equal monthly installments; (6) Sound Transit will pay up to 600 hours of earned and unused vacation upon retirement or termination of employment; (7) the vacation buyout/deferred compensation

provisions approved in Motion No. M2007-129 are deleted; (8) in addition to accrued vacation, the chief executive officer's annual compensation includes a two-month paid sabbatical in 2012; and (9) except as amended by the fifth amendment, the employment agreement remains in full force and effect.

**APPROVED** by an affirmative vote of two-thirds of the entire membership of the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on December 10, 2009.

ATTEST:

  
Marcia Walker  
Board Administrator

  
Greg Nickels  
Board Chair