



## Substitute Motion No. M2021-47

A motion of the Board of the Central Puget Sound Regional Transit Authority authorizing a Transition Employment Agreement to retain Peter M. Rogoff as Sound Transit's chief executive officer until transitional and/or operational benchmarks are complete or May 31, 2022, whichever is earlier.

### Background

In November 2015, the Board adopted Motion No. M2015-109 to appoint Peter M. Rogoff as Sound Transit's chief executive officer and directed the Board Chair to negotiate an employment agreement consistent with the terms and conditions adopted by the Board.

In December 2015, the Board adopted Motion No. M2015-125 to approve an agreement to employ Mr. Rogoff as Sound Transit chief executive officer for a period of three years and one month, beginning January 1, 2016 and ending January 31, 2019.

In November 2018, through Motion No. M2018-155, the Board approved an employment agreement to retain Peter M. Rogoff to serve as Sound Transit's chief executive officer for a three-year and one month term (December 1, 2019 through December 31, 2021), with three one-year options covering the period January 1, 2022 through December 31, 2024 if agreed to and approved by the Board. This agreement will remain in effect through December 31, 2021.

The Transition Employment Agreement begins January 1, 2022 and will end upon substantial completion of certain transitional and/or operational benchmarks, or on May 31, 2022, whichever is earlier.

The Transition Employment Agreement contains the following terms and conditions:

- The term of the employment agreement begins January 1, 2022 and ends upon substantial completion of certain transitional and/or operational benchmarks, as determined by Sound Transit at its discretion following consultation with CEO, or May 31, 2022, whichever is earlier.
- The monthly base salary is \$32,740.51, effective on January 1, 2022. Mr. Rogoff will be paid an additional \$416.33 per month for miscellaneous routine business expenses he may incur.
- Mr. Rogoff will participate in the retirement and deferred compensation plans available to all employees. Sound Transit is required by law to contribute an amount equal to 12% of his annual base salary to his 401(a) retirement account. Sound Transit also will contribute the lesser of the maximum amount allowable under Internal Revenue Code Sections 457(b) and (e), with cost-of-living adjustments, or \$26,000, to his 457(b) deferred compensation retirement account.
- Sound Transit will provide the standard benefits (e.g., medical, dental, vision and ORCA pass) and flexible spending arrangement available to all employees, prorated based on actual length of service.
- Mr. Rogoff will receive \$2,500 as an annual allowance to facilitate the CEO's continued eligibility for federal retiree benefits.
- Sound Transit will provide third-party outplacement/employment transition services of up to \$18,000 in lieu of further executive coaching services in 2021 or 2022.
- Sound Transit will provide equipment and supplies necessary for a home office and reimbursement for a personal mobile phone consistent with agency's policies.

- The Board may terminate the employment with cause upon thirty days' written notice from the Board Chair. The CEO may resign at any time for any reason upon thirty days' written notice to the Board Chair.
- A severance payment required under the current employment agreement equivalent to one year's compensation and scheduled contributions to the CEO's 401(a) and 457(b) plans, the value of COBRA health benefits for the CEO and/or the CEO's dependents for one year, the cash value of the CEO's accrued unused vacation, and the cash value of 25% of the CEO's accrued unused sick leave, will be combined into a single lump sum payment to the CEO. This lump sum payment will be made consistent with compensation levels stipulated in the transitional agreement and paid within 30 days of the end of the Transition Employment Agreement and upon the CEO's release of any employment claims.
- The agreement does not provide for mandatory arbitration, but instead requires that all legal proceedings be commenced in state and federal court.
- The agreement includes a one-year prohibition against CEO soliciting or recruiting Sound Transit employees to work elsewhere.

## Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that a Transition Employment Agreement is authorized to retain Peter M. Rogoff as Sound Transit's chief executive officer until transitional and/or operational benchmarks are complete as determined by the Board in its discretion in consultation with the CEO, or May 31, 2022, whichever is earlier.

APPROVED by no less than a 2/3 affirmative vote of the entire membership of the Board of the Central Puget Sound Regional Transit Authority at a regular meeting thereof held on \_\_\_\_\_.

\_\_\_\_\_  
 Kent Keel  
 Board Chair

**Attest:**

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 Kathryn Flores  
 Board Administrator