

MOTION NO. M2015-125

A motion of the Board of the Central Puget Sound Regional Transit Authority approving an agreement to employ Peter M. Rogoff as Sound Transit's chief executive officer and naming Joan M. Earl as Sound Transit's chief executive officer emeritus.

BACKGROUND:

Pursuant to Motion No. M2015-109, the Board appointed Peter M. Rogoff as the Sound Transit chief executive officer and authorized the Board Chair to negotiate an employment agreement with Mr. Rogoff. The negotiated employment agreement contains the standard employment terms and is consistent with the following terms and conditions set forth in Motion No. M2015-109:

- The term of the employment agreement is three years and one month, beginning January 1, 2016 and ending January 31, 2019.
- The annual base salary is \$298,000, effective on the first day of employment. The base salary will increase by 5% on January 1 of each succeeding year (2017, 2018 and 2019). Mr. Rogoff will be paid an additional \$250 per month for miscellaneous routine business expenses he may incur. The Board may authorize additional compensation, not to exceed 10% of the preceding year's annual base salary, as a performance award.
- 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 maximum allowable amount, not to exceed \$24,000, to his 457(b) deferred compensation retirement account.
- Sound Transit will provide the standard benefits (e.g., medical, dental, vision and ORCA pass) available to all employees.
- Mr. Rogoff will accrue 30 days paid vacation and 12 days paid sick leave annually in accordance with Sound Transit's policies and procedures.
- Subject to the Board Chair's review and approval, and subject to recapture under certain conditions, Sound Transit will reimburse Mr. Rogoff up to \$20,000 in each of 2016 and 2017 for relocation expenses.
- The Board may terminate the employment with or without cause. If terminated without cause, Mr. Rogoff will receive a severance package of salary and benefits equivalent to one year's compensation. If Mr. Rogoff voluntarily resigns, he will receive one month's salary as severance to compensate him for work performed during the transition period.

MOTION:

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority as follows:

An employment agreement with Peter M. Rogoff to serve as Sound Transit's chief executive officer is approved with the following terms: (1) a three-year and one month term of employment (January 1, 2016 - January 31, 2019); (2) an annual base salary of \$298,000, with a 5% annual increase on January 1 of each succeeding year (2017, 2018 and 2019) of the term; (4) a discretionary annual performance award, not to exceed 10% of the preceding year's annual base salary; (5) a \$250 monthly payment to defray miscellaneous routine business expenses; (6) a contribution of 12% of his annual base salary to his 401(a) retirement account; (7) the maximum contribution amount, not to exceed \$24,000 annually, to his 457(b) deferred compensation retirement account; (8) standard employee medical, dental, vision and ORCA pass benefits; (9) 30 days paid vacation and 12 days paid sick leave accrued annually; (10) subject to the Board Chair's review and approval, relocation payments not to exceed \$20,000 in each of 2016 and 2017; (11) an amount equivalent to one year's salary and benefits if terminated without cause, or one month's salary and benefits upon voluntary resignation; and (12) other standard terms commonly found in employment contracts and substantially consistent with provisions approved by the Board in other employment agreements.

To facilitate the transition to a new chief executive officer, Joan M. Earl's employment agreement will be extended through April 30, 2016; her title will be chief executive officer emeritus until her retirement in first quarter 2016.

Mr. Michael Harbour will return to his position as deputy chief executive officer on Mr. Rogoff's first day of work at Sound Transit.

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 December 17, 2015.



Dow Constantine
Board Chair

ATTEST:


Kathryn Flores
Board Administrator