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Public notice was given to *The Register-Guard* for publication on April 17, 2006.

**LANE TRANSIT DISTRICT
BOARD OF DIRECTORS
HUMAN RESOURCES COMMITTEE
MEETING BY CONFERENCE CALL**

**April 19, 2006
10:30 a.m.**

**LTD CONFERENCE ROOM
3500 E. 17th Avenue, Eugene
(off Glenwood Blvd.)**

Public testimony will not be heard at this meeting

This meeting will be held via telephonic connection. A speaker telephone will be available to the public in the conference room of the District.

AGENDA

Page

- I. CALL TO ORDER
- II. ROLL CALL
- III. Gaydos (Chair) _____ Ban _____ Eyster _____
- IV. DRAFT GENERAL MANAGER EMPLOYMENT AGREEMENT
- V. NEXT MEETING
- VI. ADJOURNMENT

**LANE TRANSIT DISTRICT
GENERAL MANAGER COMPENSATION ADMINISTRATION
APRIL 15, 2006**

Salary History:

<u>Date</u>	<u>Increase</u>	<u>Salary</u>
02/27/00	Hire Salary	\$ 110,000
03/27/01	4% Increase	\$ 114,400
03/01/02	3% Increase *	\$ 117,832
07/01/02	0.75% Increase	\$ 118,716
06/22/03	2% Increase	\$ 121,090
01/01/05	1% Increase **	\$ 122,301
06/01/06	2.5% Increase	\$ 125,358

* Additional 40 hours of CAL granted annually

** Additional monthly car allowance increase of \$100

Compensation Comparisons:

Attached is a summary of compensation comparisons of general manager-type roles in five similar-sized transit districts. Also included are comparisons for other local employers and Lane County employers. Lane Transit District participated in all three surveys.

2005 C-TRAN Pay and Benefits Survey

General Manager

<u>District</u>	<u>Kitsap</u>	<u>Lane</u>	<u>Salem</u>	<u>Ben Franklin</u>	<u>C-Tran</u>
Employees	419	312	222	270	343
2004 Budget Operating	\$30 Mil	\$24 Mil	\$23 Mil	\$22 Mil	\$31 Mil
2004 Budget Capital	\$21 Mil	\$30 Mil	\$7 Mil	\$11 Mil	\$18 Mil
Salary	\$117,041	\$125,358	\$107,500	\$105,274	\$109,956
Vehicle Allowance	N/A	\$4,800	N/A	\$3,600	\$6,000

**Local CEO Salary and Benefits Survey
Prepared by Willamalane Recreation District**

<u>Agency</u>	<u>Base Salary</u>	<u>Retirement by Agency</u>	<u>Retirement by Manager</u>	<u>Annual Car Allowance</u>
Eugene SD	\$109,867	6%	0%	\$4,500
SUB	\$136,162	0%	3%	\$4,200
Lane County	\$115,939	0%	6%	\$4,380
Springfield	\$135,344	0%	0%	\$ 0
Average	\$124,328			\$4,360
LTD	\$125,358	6%	0%	\$4,800

**2005 Local Compensation Surveys
General Manager Function**

2005 Cascade Regional Salary Survey:

<u>Simple Average</u>	<u>Weighted Average</u>	<u>Average Start</u>	<u>25% of Range</u>	<u>Median of Range</u>	<u>75% of Range</u>
\$122,941	\$143,812	N/A	\$ 85,923	\$106,700	\$153,609

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LTD	\$125,358	6%	0%	\$4,800

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DRAFT
GENERAL MANAGER EMPLOYMENT AGREEMENT

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BETWEEN: Mark Pangborn (“Mr. Pangborn”)

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AND: Lane Transit District (the “District”)

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**EFFECTIVE
DATE:** _____

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RECITALS:

A. The Board of Directors of the District (the “Board”) is authorized pursuant to ORS 267.200(5) to enter into contracts on behalf of Lane Transit District and to appoint and fix the salary of the General Manager.

B. Mr. Pangborn assumed the duties of General Manager on January 27, 2006, and has been employed as General Manager of the District pursuant to Board resolution made on February 15, 2006.

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C. The parties wish to amend and restate the terms of Mr. Pangborn’s employment pursuant to the terms of this agreement.

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AGREEMENT:

Therefore, in consideration of the foregoing recitals and terms and conditions of this agreement, the parties agree as follows:

Section 1: Duties and Responsibilities.

(a) The District agrees to continue Mr. Pangborn’s employment as General Manager, and Mr. Pangborn hereby accepts such employment upon the terms and conditions set forth in this agreement.

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(b) Mr. Pangborn shall have, and agrees to perform in good faith, the duties and responsibilities of General Manager as directed by the Board. The Board reserves the right to change the responsibilities at its discretion. As such, Mr. Pangborn shall maintain his office at the headquarters of the District, and shall:

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General Manager Employment Agreement - 1

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- 1) Have full charge of the acquisition, construction, main tenancy, and operation of the transit system of the District.
- 2) Have full charge of the administration of the business affairs of the District.
- 3) Enforce all ordinances adopted by the Board.
- 4) Administer the personnel system adopted by the Board, and, except for officers appointed by the Board, appoint, discipline, or remove all officers and employees, subject to ORS 267.010 to 267.390 and the rules of the Board.
- 5) Prepare and submit to the Board within 90 days after the end of each fiscal year a complete report of the finances and administrative activities of the District for that preceding fiscal year.
- 6) Keep the Board advised as to the needs of the District.
- 7) Prepare all plans and specifications for acquisition of equipment or construction of improvements or facilities for the District.
- 8) Cause to be installed and maintained a system of auditing and accounting which shows completely and at all times the financial condition of the District.
- 9) Devote his entire working time to the business of the District. Mr. Pangborn's participation in civic and charitable affairs is deemed to be business of the District within the meaning of this provision and he shall keep the Board informed as to such activities.
- 10) Perform such other duties as the Board requires by resolution.
- 11) Attend the meetings of the Board and may participate in its deliberations, but has no vote.

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Section 2: Term of Employment.

Mr. Pangborn is an "at will" employee. His employment shall continue only so long as is mutually agreed by both parties. Mr. Pangborn may be removed by the Board only by an affirmative vote of a majority of its members.

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Section 3: Compensation and Evaluation.

(a) As compensation for the services rendered to the District during the fiscal year 2006-07, and commencing as of February 1, 2006, Mr. Pangborn shall be paid a salary of \$125,358.47, and a monthly automobile allowance of \$400, in accordance with the District's regular payroll procedures. Such compensation shall be subject to modification from year to year by Board action following its annual evaluation of Mr. Pangborn's performance as General Manager. Any modification shall be inclusive of cost of living adjustments, if any, as the Board determines is appropriate for Mr. Pangborn and such other factors as the Board may deem pertinent including, but not limited to, industry peer analyses, employee performance evaluations, and changes in the Consumer Price Index. In addition, Mr. Pangborn shall be entitled to the fringe benefits that are generally available to other administrative employees of the District, which presently include: hospital; surgical, medical, dental, or other group health insurance; life insurance and disability benefits; holidays; sick leave; vacation; and participation in the Lane Transit District pension or retirement program.

(b) Mr. Pangborn shall be entitled to full compensation and benefits during periods of suspension.

(c) Compensation and benefits received by Mr. Pangborn from other parties after notice of termination or suspension, for services performed for other parties during the period of 90 days after notice of termination or during periods of suspension, shall reduce the compensation and benefits to which Mr. Pangborn shall be entitled under this agreement.

(d) The Board shall, in consultation with Mr. Pangborn, set annual performance goals and objectives. The Board shall review and evaluate Mr. Pangborn's performance at least annually, including his attainment of such performance goals and objectives, and share such evaluation with him.

Section 4: Severance Benefit.

In the event the Board terminates Mr. Pangborn's employment without cause, he shall receive a six-month severance payment of salary and benefits, which severance payment shall not include retirement and leave accrual benefits. Such severance payment shall be due and payable at the District's standard pay periods during the six-month period following the date of termination and shall be in lieu of all other payments, or in a lump sum at the Board's discretion.

If Mr. Pangborn is terminated for cause, he shall not be entitled to receive any severance benefit and shall be paid only the salary and benefits accrued through the date of such termination.

Deleted: Section 3: Termination/Suspension.¶

¶
(a) Before Mr. Hamm's employment is terminated, he shall upon demand be given a written statement of the reasons for his termination. If requested, he shall be given an open hearing at a meeting of the Board before the final vote for his termination; however, the Board may by resolution suspend him from office pending a hearing. The action of the Board in suspending or terminating Mr. Hamm, if approved by a majority of the members of the Board, may be reconsidered by the Board, but is otherwise final and not subject to appeal.¶

Section Break (Continuous)

¶
(b) The parties agree to give each other written notice of termination. Notice of termination given by Mr. Hamm to the District shall be effective at the date specified therein, which date shall be not less than 60 days after the date of service of the notice. Notice of termination given by the District to Mr. Hamm shall be made effective at the date specified therein, which date shall be not less than 60 days after the date of service of the notice; provided, however, that notice of termination may be effective immediately if the Board terminates Mr. Hamm for cause. As used in this agreement, "cause" includes, but is not limited to, fraud, dishonesty, ...

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Section 5: Termination/Suspension.

(a) Before Mr. Pangborn's employment is terminated, if specifically requested by Mr. Pangborn after receiving notice of termination, he shall be given a written statement of the reasons for his termination. If requested, he shall be given an open hearing at a meeting of the Board before the final vote for his termination where he may be represented by counsel and present witnesses and other evidence on his behalf; such hearing shall be not less than thirty (30) days after the Board serves written notice of termination; however, the Board may by resolution suspend him from office pending a hearing. The action of the Board in suspending or terminating Mr. Pangborn, if approved by a majority of the members of the Board, may be reconsidered by the Board, but is otherwise final and not subject to appeal.

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(b) The parties agree to give each other written notice of termination. Notice of termination given by Mr. Pangborn to the District shall be effective at the date specified therein, which date shall be not less than 60 days after the date of service of the notice. Notice of termination given by the District to Mr. Pangborn shall be made effective at the date specified therein, which date shall be not less than 60 days after the date of service of the notice; provided, however, that notice of termination may be effective immediately if the Board terminates Mr. Pangborn for cause, subject to his right to request a hearing as provided in subsection (a) above.

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(c) As used in this agreement, "cause" includes, but is not limited to, fraud, dishonesty, misappropriation of funds, embezzlement, similar serious acts of misconduct in the rendering of services to or on behalf of the District, or Mr. Pangborn's willful failure or refusal to comply with the policies, standards, directions, or regulations of the District as they are established periodically.

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Section 6: Expenses.

The District shall reimburse Mr. Pangborn for reasonable and necessary business expenses incurred by him in the performance of the duties and responsibilities set out in this agreement, upon presentation, in accordance with the District's normal practice, of reasonably detailed statements of expense for which reimbursement is claimed. In addition, Mr. Pangborn shall receive a total monthly automobile expense allowance of \$400.

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Deleted: Section 7: Consolidated Annual Leave (CAL) and Extended Illness Bank (EIB).¶

¶ Mr. Hamm is currently entitled to 27 days of consolidated annual leave. Mr. Hamm will accrue CAL and EIB according to the policies of the District for administrative employees. In the event of termination, CAL and EIB shall be paid according to then current District policy.¶

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Section 7: Deferred Compensation.

Mr. Pangborn shall be eligible to participate in the District's Section 457 deferred compensation plan in accordance with its terms.

Section 8: Illness or Death.

In the event Mr. Pangborn dies or becomes disabled during the term of this agreement or any extension thereof, this agreement shall terminate upon the date of such death or disability. Disability shall mean any health condition that prevents Mr. Pangborn from performing his duties for a period that exceeds 12 consecutive weeks.

Section 9: Indemnification.

To the maximum extent permitted by law, the District shall defend, indemnify, and hold Mr. Pangborn harmless from and against any and all claims, demands, suits, actions, or proceedings of any kind or nature arising out of his good faith performance of his duties and responsibilities as General Manager, provided that his performance is not contrary to established statutes or ordinances, or the resolutions, policies, and reasonable standards of conduct adopted by the Board.

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Section 10: Arbitration.

The parties agree that any controversy or claim arising out of or relating to this agreement, or any dispute arising out of the interpretation or application of this agreement, which the parties are unable to resolve, shall be finally resolved and settled exclusively by arbitration in Eugene, Oregon, by a single arbitrator under the Oregon Arbitration Rules. If the parties cannot agree upon an arbitrator, then each party shall choose its own independent representative and those independent representatives shall in turn choose the single arbitrator within 30 days of the date of the selection of the first independent representative.

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Section 11: Assignment.

This agreement is personal to Mr. Pangborn and cannot be assigned by him to any other person.

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Section 12: Entire Agreement.

This agreement represents the entire agreement between the parties and supersedes any prior agreements or understandings, whether oral or written between the parties, without limitation,

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Section 13: Amendments.

This agreement cannot be changed or terminated orally and may be modified only by a written agreement executed by both parties that specifically refers to this agreement.

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Section 14: Notices.

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Any notice to the District under this agreement shall be given to the President of the Board of Directors at the President's latest address as shown by the records of the Clerk of the Board of the District. Any notice to Mr. Pangborn under this agreement shall be given to him at his latest address as shown on the records of the Clerk of the Board of the District. Notices shall be deemed given when delivered in person or within two business days after being mailed by certified mail at the United States Post Office in Eugene or Springfield, Oregon, with postage fully prepaid and addressed as hereinabove specified.

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IN WITNESS WHEREOF, the undersigned have executed this agreement in duplicate on this 16 day of April, 2006.

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LANE TRANSIT DISTRICT

By: Mark Pangborn, President, Board of Directors

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Deleted: /s/ Hillary Wylie

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