



RESOLUTION NO. 2022-08-17-047

APPROVAL OF EMPLOYMENT CONTRACT BETWEEN JAMESON AUTEN AND LANE TRANSIT DISTRICT

WHEREAS, the Lane Transit District (“LTD”) Board of Directors (the “Board”) authorized general counsel, the Board president, the human resources director, and TransPro, to negotiate the terms of the employment contract between Jameson Auten and LTD as the District’s next general manager;

WHEREAS, the draft signed employment contract has been provided to the Board for review in executive session at its August 17, 2022, regular Board meeting; and,

WHEREAS, at its August 17, 2022, regular Board meeting, the Board has reviewed the terms of the signed employment contract in executive session.

NOW, THEREFORE, BE IT RESOLVED that the Lane Transit District Board of Directors passes a Resolution as follows:

1) Approving of the employment contract between Jameson Auten and Lane Transit District as presented.

ADOPTED BY THE LANE TRANSIT DISTRICT BOARD OF DIRECTORS ON THIS 17th DAY OF August 2022.

Caitlin Vargas

Caitlin Vargas (Aug 18, 2022 14:32 PDT)

Board President, Caitlin Vargas

LANE TRANSIT DISTRICT
EMPLOYMENT AGREEMENT

This Employment Agreement (the “Agreement”) is entered into as of August 19, 2022, with a commencement date of November 1, 2022 (the “Effective Date”) by Lane Transit District (“Employer” or “LTD”) and Jameson Auten (“Employee” or “Mr. Auten”), an individual and a resident of the state of Missouri, collectively herein “the Parties”.

RECITALS

The Board of Directors of LTD (the “Board”) is authorized pursuant to ORS 267.200(5) to enter into contracts on behalf of LTD and to appoint and fix the salary of the General Manager / Chief Executive Officer (CEO).

On behalf of LTD, the Board wishes to employ Mr. Auten as General Manager / CEO, and Mr. Auten wishes to be employed as General Manager / CEO of LTD under the terms and conditions set forth below.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants contained herein, the parties agree as follows:

AGREEMENT

I. Employment Terms.

A. Employee Policies. Except as otherwise expressly set forth below, Employee shall be subject to the requirements of, and entitled to the benefits and protections of, employment with the Employer as set forth in the Employer’s personnel policies, employee handbook, and collective bargaining agreement, if applicable.

B. Term; Extensions. The term of employment shall commence on the Effective Date and continue for a term of five (5) years or until terminated in one or more of the ways set forth in Section III. The term of this Agreement may be extended one or more times by mutual agreement of the Parties, confirmed in writing at least thirty (30) days prior to the termination date. An extension of this Agreement may be for any period of time agreed on by the Parties; however, all extensions shall have a fixed Termination Date. All extensions shall be governed by the terms and conditions of this Agreement, including the right to terminate set forth in Section III.

C. Base Salary; Increases to Base Salary. Employee’s annual base salary shall be Two Hundred and Twenty-Seven Thousand Dollars (\$227,000) payable bi-weekly in accordance with LTD’s regular payroll procedures. Commencing on the first day of the second year of this Agreement, Employee shall be entitled to all COLA salary increases given to unrepresented LTD employees, if any. In addition to COLA increases, if any, Employee’s base salary will be subject to annual review and adjustment. Said review shall take place at a time determined by the LTD Board following the end of LTD’s fiscal year in each year of Employee’s employment under this Agreement. The review will include, among other things, an assessment of Employee’s performance in the just completed fiscal year, and Employee’s achievement of the goals and

objectives set by the LTD Board.

D. Performance-Based Bonus Compensation. Employee shall be eligible for performance-based bonus compensation, up to a maximum of Twenty-Five Thousand Dollars (\$25,000) annually (Bonus Year), payable in whole or in part upon completion of Employee’s annual performance review described below in Section II D. For the first year of this Agreement, entitlement to such compensation shall be measured based on the following goals (Bonus Goals). The Bonus Goals may be changed by the LTD Board annually, no later than the first day of the then-commencing Bonus Year.

General Manager / CEO Incentive Matrix				
Success Outcome	Goal	Annual Measure	Weighted Goal Points	Amount Received if Goal Achieved
Customer Satisfaction	A net promoter score of 55%	Based on ABBG customer satisfaction survey	30	\$7,500.00
Employee Engagement	An employee engagement score of 65%	Develop a tool to provide accurate data to determine employee engagement and achieve 65% score	25	\$6,250.00
Community Value	Establishment of a baseline for the percentage of the community that believes LTD provides value and improve 5%	Develop a survey to establish baseline and improve 5% over the year	20	\$5,000.00
Financial Health	Achievement of 3-year rolling financial plan targets	Develop policies, reporting and analytics to ensure financial goals are met	15	\$3,750.00
Sustainability	Reduce GHG emissions 70% by 2030	Reduce GHG emissions by 10%	10	\$2,500.00
Total:				\$25,000.00

Employee shall report to the LTD Board on a quarterly basis his progress toward each of the Bonus Goals applicable for the current Bonus Year. The quarterly reporting of Employee’s progress toward his Bonus Goals will also be reported on LTD’s website to further LTD’s commitment to transparency with its stakeholders and the community it serves.

E. Employment Benefits. Employee shall be entitled to all the employment benefits that are generally available to all other administrative employees of LTD as set forth in the Employer’s personnel policies and employee handbook, including any changes in those benefits as may occur from time to time during the term of this Agreement. For purposes only of leave time accrual, Employee shall be given credit for fifteen 15 years of tenure as an administrative employee with LTD. In addition, and in acknowledgment of Employee’s commitment to relocation to Lane County, on the Effective Date of this Agreement, Employee will be gifted a

total of fifteen (15) days of PTO/paid vacation leave. Furthermore, after one year of employment, Employee will be eligible to increase life insurance payout from the standard \$50,000 to no more than 1.5 times of his annual base salary per discretion of the LTD Board.

F. Deferred Compensation. Employee shall be eligible to participate in Employer's Section 457 deferred compensation plan in accordance with its terms. In addition, LTD will contribute, for each calendar year of this Agreement, Fifteen Percent (15%) of General Manager / CEO's base salary to a retirement plan qualifying under Section 401(a) of the Internal Revenue Code of 1986, as amended. Employee will be fully vested after year one of employment.

G. Expenses. Employer shall reimburse Employee for reasonable and necessary business expenses incurred by him in the performance of his duties and responsibilities set out in this Agreement. All expense reimbursements shall be made in accordance with Employer's normal practice and policies under which the General Manager / CEO shall present reasonably detailed statements of expenses for which reimbursement is sought.

H. Vehicle Stipend. Employee will receive a vehicle stipend of \$650 per month throughout the term of this Agreement for use solely toward the purchase or lease of a fully electric vehicle to be used primarily by Employee and for the purpose of conducting the business of LTD. Personal use of the vehicle is allowed. The amount of the stipend may be increased annually at the LTD Board's discretion.

I. Relocation Allowance. LTD will pay for temporary housing for Employee in an amount up to \$4,000 per month, commencing on the Effective Date and ending when Employee takes possession of permanent housing in Lane County, or in 120 days, whichever occurs first. Employee shall also be entitled to reimbursement for reasonable and ordinary expenses actually incurred in the course of relocation of himself and his immediate family from his current residence to Lane County, Oregon, up to a maximum of \$30,000. Reimbursement of expenses shall be paid promptly upon Employee's submission to Director of Human Resources of receipts for reasonable and ordinary expenses incurred.

J. Retention Incentive Payment. LTD will annually deposit 10% of the General Manager / CEO's base salary into a retention incentive fund for the purpose of awarding same to the General Manager/CEO if he fulfills the entire initial term of this Agreement. Upon completion of the initial term, the General Manager / CEO will receive the total amount of the retention fund, in one lump sum payment. Should the Agreement be terminated for cause by LTD, the General Manager / CEO shall not be entitled to the retention incentive payment. Should LTD terminate the Agreement without cause the General Manager / CEO shall receive a prorated portion of the retention incentive payment based on calendar years served under the Agreement. If the Agreement is terminated by the General Manager/CEO for any reason prior to the completion of the initial term, he will not be entitled to any portion of the retention incentive payment.

II. Employee's Duties and Covenants.

A. Performance. As the chief executive officer of Employer, the General Manager / CEO shall perform the duties set forth below and shall perform these duties in good faith and to

the best of his ability, working at all times for the sole benefit of Employer. As General Manager / CEO, Employee shall:

- Maintain his office at LTD's headquarters;
- Have full responsibility for the acquisition, construction and operation of the mass transit system of LTD;
- Have full responsibility for the administration and business affairs of LTD;
- Abide by and enforce all policies, regulations and ordinances adopted by the LTD Board;
- Administer the personnel system of LTD with full authority to employ, appoint, discipline, or remove all employees and officers, except for those employees and officers directly employed or appointed by the Board;
- Have full authority for ensuring that LTD complies with all laws for Mass Transit Districts, ORS 267.010 to 267.390, and all laws, regulations, circulars and notices of the Federal Transit Administration, when applicable;
- Cause to be installed and maintained a system of auditing and accounting that shows completely at all times the financial condition of LTD;
- Prepare and submit to the Board a complete report on the finances and activities of LTD for the prior fiscal year within thirty (30) days following the end of the fiscal year;
- Arrange to have prepared and timely filed the annual financial report to the Oregon Secretary of State, the Comprehensive Annual Financial Report (CAFR), the Annual Transit Database reporting, and the Grant Reports to the Federal Transit Administration;
- Aspire to have no "significant deficiencies" or "material weaknesses" in LTD's annual audit findings;
- Advise the Board of Directors as to the current and the projected needs of LTD, along with the current and projected future financial status of LTD;
- Prepare all plans for the acquisition of equipment or construction of improvements and facilities;
- Participate in civic and charitable activities and keep the Board informed as to such activities;
- Attend Board meetings, including executive sessions of the Board, and assist in preparing the Board's meeting agendas; and,

- Represent the LTD on the local, regional, and national level via participation in industry events / conferences, memberships on various Boards, and engaging with federal funders and peer agencies.

B. 100-Day Plan. In an effort to facilitate Employee's successful transition into the role of General Manager / CEO, he will work directly with TransPro to create a 100-day plan to be followed during Employee's first 100 days of employment with LTD. The plan will be developed by Employee and TransPro prior to or immediately after the Effective Date of this Agreement and will have as its focus the steps Employee will take to assess his leadership team, build a culture of ownership among staff members, and successfully introduce Employee to LTD's stakeholders and community.

C. Loyalty; Objectivity. Employee shall work only for Employer and no other employer while this Agreement is in effect and shall act at all times in the best interest of LTD. Any self-employment activities Employee engages in while this Agreement is in effect shall not be in the field of public transportation and shall not interfere with Employee's performance of his duties for Employer. Employee will not fraternize, date, or explore or develop new personal relationships with any employee or officer of LTD that goes beyond the scope of normal employee interactions if that relationship could result in the appearance of a conflict of interest or favoritism.

D. Performance Evaluations. The Board shall conduct performance evaluations of Employee's performance as measured by his pursuit and achievement of the duties listed in Section II A and the Bonus Goals listed in I D. During the first year of this Agreement, evaluations shall be done every four (4) months after the Effective Date, with the purpose being to provide Employee with candid feedback intended to alert Employee of any areas of performance that are not meeting the Employer's expectations and to provide instructive guidance on the progress it expects to see going forward. The Board shall thereafter decide on the frequency of subsequent periodic evaluations, to occur no less than annually. Upon the completion of each annual performance evaluation, the Board shall determine the amount of Employee's Performance Based Bonus earned during the preceding Bonus Year based on Employee's progress toward and completion of his Bonus Goals.

E. Representation Regarding Other Agreements. Employee represents and warrants that, except for this Agreement or as disclosed to LTD in writing, Employee is not a party or otherwise subject to any contract, agreement, or arrangement, whether written or oral, related to: (i) the nondisclosure of confidential information of any entity or person; (ii) the proprietary rights in, and ownership of, ideas, concepts, know-how, works of authorship, inventions, and improvements and modifications thereof, patentable or un-patentable, copyrightable or non-copyrightable; (iii) a covenant, agreement, or commitment by Employee not to compete, directly or indirectly, with any entity or person; or (iv) a covenant, agreement, or commitment by Employee not to solicit, directly or indirectly, any employee, or customer, supplier/vendor of any entity or person.

III. Termination; Rights on Termination.

A. Termination Without Cause. The Board may terminate this Agreement or any extension thereof without cause prior to its termination date at any time by a vote of five (5) members of the Board. In such event, Employee shall receive a lump sum severance payment in the amount of six (6) months' salary, plus payment of COBRA premiums for continued same-level health insurance coverage for six months. This severance payment shall be reported as wages on a W2 and all applicable withholdings shall be taken prior to payment. If Employee has reported on and been awarded a quarterly bonus prior to the effective date of his termination, he shall be paid that bonus even if his employment ends before the bonus becomes payable.

B. Termination for Cause. The Board may terminate this Agreement or any extension thereof at any time by a vote of five (5) members of the Board who agree that termination is for cause. The term "cause" shall be given the meaning as established under Oregon law, to include malfeasance; illegal or unethical activity; workplace threats, violence, harassment or discrimination; extreme insubordination; and excessive deficiencies in performance. Upon his termination for cause, Employee shall be paid his salary through date of termination and any accrued benefits payable upon termination under Employer's policies. In the event of a termination for cause, Employee shall be entitled to and afforded all of his due process rights, including notice of intent to terminate and the right to be heard.

C. Termination by Employee. Employee may terminate this Agreement or an extension thereof upon sixty (60) days' written notice. Notice of an intent to terminate shall be effective upon its delivery to the President of the Board. Upon receipt of such notice, the Board may, in its discretion, choose to terminate the Agreement sooner than sixty (60) days from the date of the notice. In either event, Employee shall be entitled to his base salary and benefits through the last date worked, and for payment at his base salary rate for all unused annual leave days then accrued. If Employee fails to give the notice required by this section, or does not remain in his position for the entirety of the notice period (or such period as may be shortened by the Board), he shall not be entitled to payment for the unused leave time and holidays described in the preceding sentence. If Employee has given proper notice and earns a performance-based bonus that is payable during the sixty (60) day notice period, that bonus shall be paid to Employee even if the Board chooses to end the Agreement earlier, resulting in Employee not being employed on the date the bonus becomes payable.

D. Termination Resulting from Death or Disability. If Employee 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. As used herein, disability shall mean any serious health condition that, even with all reasonable accommodation, prohibits Employee from performing his duties for a period in excess of sixty (60) days. In the latter event, the termination date of this Agreement shall be deemed to be the 60th day after Employee's absence from his position due to a serious health condition. Upon termination under this provision, Employee or the personal representative of his estate shall be entitled to payment for all salary and benefits due through the date of termination, all performance-based bonuses earned prior to termination, regardless of when payable, and for all unused annual leave days then accrued and for holidays that occur during that same period.

E. Return of LTD Property Upon Termination. On termination of Employee's employment for any reason by either Party, Employee shall return all LTD property including, without limitation, keys, key cards, access cards, identification cards, security devices, LTD credit cards, network access devices, cell phones, electronic tablets, laptop computers, equipment, documents, reports, memoranda, files, manuals, computer equipment, programs, software and discs, and all other items which are the property of the LTD. Employee shall also return all Proprietary and Confidential Information, as defined in Section IV below.

IV. Proprietary and Confidential Information.

A. Non-Disclosure of Proprietary and Confidential Information. Employee acknowledges that Employee may have received and will receive or conceive, in performing or in the course of Employee's duties, proprietary and/or confidential information pertaining to the activities, the technologies, the operations and the business, past, present and future, of LTD, which information is not in the public domain or otherwise subject to disclosure under the Oregon Public Records Law, and confidential information of third parties. Employee acknowledges that such proprietary and confidential information belongs to LTD and that its disclosure or unauthorized use could be prejudicial to LTD and/or third parties. Accordingly, Employee agrees to respect the confidentiality of such information and not to make use of or disclose or discuss it to or with any person, other than in the course of Employee's duties with LTD, without the explicit prior written authorization of LTD.

B. Survivorship. Employee's duty to not disclose proprietary and confidential information shall continue after termination of this Agreement.

V. Miscellaneous Terms.

A. Defense and Indemnification. Employer shall defend, hold harmless and indemnify Employee from any and all demands, claims, or lawsuit, arising out of tort, contract or equity, asserted against him in both his individual and his official capacity, provided the incident arose or occurred while Employee was acting within the scope of his employment.

B. Binding Effect. The covenants, conditions and terms of this Agreement shall extend to and be binding upon and inure to the benefit of the successors, assigns, heirs and personal representatives of the Parties hereto.

C. Construction. Each Party intends that this Agreement in all respects shall be deemed and construed to have been prepared mutually by all Parties and it is hereby expressly agreed that any uncertainty or ambiguity existing herein shall not be construed against any Party.

D. Severability. If any provision of this Agreement is held to be invalid or unenforceable, all other provisions shall nevertheless continue in full force and effect.

E. Governing Law, Venue and Attorney Fees. The Parties acknowledge that this Agreement was entered into in the state of Oregon and that this Agreement shall be governed by the laws of the state of Oregon. The Parties agree that the exclusive venue for any dispute between the Parties to this Agreement shall be in the Lane County Circuit Court or the federal District Court for the District of Oregon sited in Eugene, Oregon.

F. Entire Agreement. This Agreement sets forth the entire agreement and understanding of the Parties with respect to the subject matter hereof. This Agreement supersedes any and all prior negotiations, discussions, agreements, and understandings between the Parties as of the Effective Date. This Employment Agreement may not be modified or amended except by a written agreement executed by both Parties.

Jameson Auten
Employee

Caitlin Vargas
President, LTD Board of Directors