

REGIONAL TRANSIT ISSUE PAPER

Agenda Item No.	Board Meeting Date	Open/Closed Session	Information/Action Item	Issue Date
12	06/13/16	Open	Action	06/07/16

Subject: Employment Agreement with Henry Li, RT's General Manager/CEO

ISSUE

Whether to approve the Employment Agreement with Henry Li as Regional Transit's (RT) General Manager/Chief Executive Officer.

RECOMMENDED ACTION

Adopt Resolution No. 16-06-____, Approving the Employment Agreement with Henry Li as RT's General Manager/Chief Executive Officer.

FISCAL IMPACT

Budgeted:	Yes	FY 2017 Budgeted	\$372,283
Budget Source:	Operating	FY 2017 Contract (including salary and benefits)	\$351,087
Funding Source:	State and Local		
Cost Cntr/GL Acct(s) or Capital Project #:	11/510010/various benefit accounts		

This is a five-year contract, therefore the amount shown in the FY 2017 budget is a minimum expected amount for the remaining 5 years. The future year fiscal impacts will change each year based on the following: cost of living, incentive pay as determined by Board approved goals and metrics, changes in Pension, Health and Welfare rates, and increases in the maximum IRS allowable amounts for 457 plan contributions.

DISCUSSION

After a nationwide search for the most qualified applicants, the RT Board of Directors selected Henry Li as RT's new GM/CEO effective on July 1, 2016. A summary of the key terms of Mr. Li's proposed Employment Agreement follows:

Approved:

Presented:

Final 06/08/16

General Manager/CEO

Chief Counsel

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Length of Contract	5 years (with automatic renewal for consecutive 1 year terms unless notice given)
Salary	\$216,000 per year.
Annual Salary Increase	Cost of living increase and/or incentive/performance pay (upon achievement of specified and objective goals and metrics) at Board's discretion.
Contribution to 457 plan	RT contributes \$24,000 per year.
Pension	RT Salaried Employees Pension Plan.
Health and Welfare Benefits	Same as provided to the MCEG group.
Severance Pay	6 months if terminated without cause.

It is recommended that the accompanying resolution approving the Employment Agreement with Henry Li be approved.

RESOLUTION NO. 16-06-_____

Adopted by the Board of Directors of the Sacramento Regional Transit District on this date:

June 13, 2016

**APPROVING THE EMPLOYMENT AGREEMENT WITH HENRY LI AS RT'S
GENERAL MANAGER/CHIEF EXECUTIVE OFFICER.**

BE IT HEREBY RESOLVED BY THE BOARD OF DIRECTORS OF THE
SACRAMENTO REGIONAL TRANSIT DISTRICT AS FOLLOWS:

THAT, the Employment Agreement between the Sacramento Regional Transit District (RT) and Henry Li, whereby Mr. Li agrees to serve as RT's General Manger/Chief Executive Officer for a term of 5 years in accordance with the terms and conditions set forth in said Agreement, is hereby approved.

THAT, the Chair is hereby authorized and directed to sign said Agreement.

JAY SCHENIRER, Chair

A T T E S T:

MICHAEL R. WILEY, Secretary

By: _____
Cindy Brooks, Assistant Secretary