

## **RESOLUTION 07-08**

The Board of Directors of the CTRMA approved entering into an employment contract with Mike Heiligenstein to serve as the CTRMA's Executive Director 3/28/2007 at a Special Called Meeting.

Amendments to Mr. Heiligenstein's contract would be adopted via a Resolution which was prepared by Mr. Brian Cassidy. Mr. Cassidy reviewed the First Amendment to Employment Agreement between CTRMA and Mike Heiligenstein.

Minutes were approved at the April 2007 Board meeting.

### **PENDING –**

- Revisions to contract
- Signed Resolution 07-08

## AGENDA

### Special Meeting of the Board of Directors of the CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY

301 Congress Ave., Suite 650  
Austin, Texas 78701

Monday, March 19, 2007  
1:30 P.M.

#### **I. Welcome, Opening Remarks and Board Member Comments**

The Special meeting of the Central Texas Regional Mobility Authority was held on Monday, March 19, 2007, 1:42 P.M at 301 Congress, Suite 605 Austin, Texas. Notice of the meeting was posted with the Secretary of State on March 23, 2007 as well as at the County Courthouses of Williamson and Travis Counties.

Board members present were: Chairman Tesch, Jim Mills, and Nikelle Meade. Vice-Chair Lowell Lebermann David Singleton, Bob Bennett, and Henry Gilmore, attended via teleconference.

Chairman Bob Tesch introduced Nikelle Meade Attorney at Law, new CTRMA Board member appointed by the Travis County Commissioners Court. The Oath of office was administered by notary Carolyn Chalender.

#### **II. Update on Legislative Issues**

Mario Espinoza and Brian Cassidy provided an update on state legislation and legislative activity. It was noted that both House and Senate Transportation Committees have been meeting regularly to discuss legislation. Various transportation bills were presented to the Board with special note to their impact on the Mobility Authority. Mr. Espinoza and Mr. Cassidy will continue to monitor and actively participate in the legislative session.

#### **III. Discussion and Action on Approval of Amendments to Executive Director Employment Agreement**

Mr. Bennett reported Board members asked him to work with consultants and Executive Director Mike Heiligenstein to develop a reasonable compensative packet relative to the market.

The Board of Directors reviewed the Executive Director's performance and base salary and concluded that he has served the agency well and his performance merits and increase in his salary and benefits. The term of the contract shall be extended for an additional year.

Mr. Bennett stated amendments to Mr. Heiligenstein contract would be adopted via a Resolution which was prepared by Mr. Brian Cassidy. Mr. Cassidy reviewed the First Amendment to Employment Agreement between CTRMA and Mike Heiligenstein.

Chairman Tesch presented Resolution 07-08 for approval.

The Board of Directors of the CTRMA approved entry into an employment contract with Mike Heiligenstein to serve as the CTRMA's Executive Director.

Director Gilmore moved to approve Resolution 07-08 as drafted;  
Director Singleton seconded, motion approved unanimously.

#### **IV. Executive Session Pursuant to Government Code, Chapter 551**

Chairman Tesch announced the Authority Board was adjourning into Executive Session pursuant to Section 551.074 of the Texas government Code for the purpose of deliberating personnel matters concerning evaluation and compensation. The Board adjourned into Executive Session at 2:03 P.M. The Board reconvened in open meeting at 2:39 p.m.

#### **V. Open Comment Period**

No speakers appeared to address the Board during the open comment period.

#### **VI. Adjourn**

Chairman Tesch moved to adjourn. Mr. Lebermann so moved and the meeting was adjourned at 3:40 PM.

**SPECIAL MEETING OF THE BOARD OF DIRECTORS  
OF THE  
CENTRAL TEXAS REGIONAL MOBILITY AUTHORITY**

**RESOLUTION NO. 07-08**

WHEREAS, the Central Texas Regional Mobility Authority ("CTRMA") was created pursuant to the request of Travis and Williamson Counties and in accordance with provisions of the Transportation Code and the petition and approval process established in 43 Tex. Admin. Code § 26.01, *et. seq.* (the "RMA Rules"); and

WHEREAS, the Board of Directors of the CTRMA has been constituted in accordance with the Transportation Code and the RMA Rules; and

WHEREAS, after a thorough process the CTRMA Board of Directors selected Mike Heiligenstein to serve as the CTRMA's Executive Director; and

WHEREAS, the CTRMA Board of Directors approved the entry into an employment agreement with Mike Heiligenstein to serve as the CTRMA's Executive Director, effective January 10<sup>th</sup>, 2006; and

WHEREAS, the Executive Director's contract provides for annual review of his performance and base salary by the Board of Directors, as well as at such other times that the parties agree upon; and

WHEREAS, the Board of Directors has reviewed the Executive Director's performance and base salary and has concluded that he has served the agency well, that his performance merits an increase in his salary and benefits, and that the term of his contract should be extended for an additional year, as provided for in the First Amendment to Employment Agreement Between CTRMA and Mike Heiligenstein, attached hereto as Attachment "A".

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors of the CTRMA hereby approves the First Amendment to Employment Agreement Between CTRMA and Mike Heiligenstein, attached hereto as Attachment "A"; and

BE IT FURTHER RESOLVES, that the Board of Directors authorizes the Chairman to execute the Amendment on behalf of the Authority.

Adopted by the Board of Directors of the Central Texas Regional Mobility Authority on the 19th day of March, 2007.

Submitted and reviewed by:

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Tom Nielson  
General Counsel for the Central  
Texas Regional Mobility Authority

Approved:

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Robert E. Tesch  
Chairman, Board of Directors  
Resolution Number 07-08  
Date Passed 03/19/07

**First Amendment To  
Employment Agreement  
Between  
Central Texas Regional Mobility Authority  
And  
Mike Heiligenstein**

This First Amendment to the Employment Agreement Between Central Texas Regional Mobility Authority ("CTRMA") and Mike Heiligenstein ("Employee") is made effective as of the 10<sup>th</sup> day of January, 2007, and is for the purpose of amending Paragraphs 3.1, 3.2, 4.1, 4.2, and 4.3 of the Employment Agreement Between CTRMA and Employee effective January 10, 2006.

Pursuant to action of the CTRMA Board of Directors, Paragraphs 3.1, 3.2, 4.1, 4.2, and 4.3 of the Agreement are amended as described below.

Paragraph 3.1 is amended to read as follows:

Term. Employee's employment under this Agreement is effective as of the Effective Date and will continue in effect until the sixth anniversary of the Effective Date, unless Employee's services are terminated in accordance with Section 3.2 ("Initial Term"). At the end of the Initial Term, the parties may agree to renew, extend, or modify the Agreement, execute a new agreement, or terminate their relationship. Notwithstanding the foregoing, the parties may agree to conduct an Optional Review (as defined in Section 4.1(b)) at any time prior to the expiration of the Initial Term.

Paragraph 3.2(c) is amended to read as follows:

Termination by CTRMA without Cause. Employee's employment hereunder may be terminated by CTRMA at any time without Cause by the delivery to Employee by CTRMA of a written notice of termination. Upon such termination, Employee will be paid such Base Salary, benefits and any other payments, if any, as have accrued under this Agreement through the effective date of termination. In addition, if Employee's employment is terminated without Cause as provided in this Section 3.2(c) during years one or two of the contract term, Employee shall be entitled to receive as severance compensation the Base Salary for a period of 180 days after the effective date of termination. If Employee's employment is terminated without Cause as provided in this Section 3.2(c) during year three of the contract term, Employee shall be entitled to receive as severance compensation the Base Salary for a period of 270 days after the effective date of termination. If Employee's employment is terminated without Cause as provided in this Section 3.2(c) during years four or five of the contract term, Employee shall be entitled to receive as severance compensation the Base Salary for a period of 360 days after the effective date of termination. If Employee's employment is terminated without Cause as provided in this Section 3.2(c) during year six of the contract term, Employee shall be entitled to receive as severance compensation the Base Salary for a period of 540 days after the effective date of termination.

Paragraph 4.1(a) is amended to read as follows:

Effective as of January 10, 2007, the base salary payable to Employee shall be \$15,833.33 per month (or \$190,000.00 per year) (the "Base Salary"), which shall be payable, less applicable withholding for federal and other required taxes, in bi-weekly installments or otherwise in such manner as the salaries of other employees of CTRMA are paid in accordance with CTRMA's standard payroll procedures, but not less frequently than monthly.

Paragraph 4.2 is amended to read as follows:

Bonus. On or after January 10, 2007, Employee shall be paid a bonus of \$30,000.00. Future bonuses, if any, may be awarded at the discretion of the Board of Director, provided any such bonuses are paid out of operating revenue of the Authority and not out of funds from public sources.

Paragraph 4.3(b) is amended to read as follows:

Insurance Coverage. Employee and, to the extent applicable, Employee's family, dependents and beneficiaries, shall be allowed to participate in all benefits, plans and programs, including improvements or modifications of the same, which are now, or may hereafter be, available to employees of CTRMA generally. Such benefits, plan and programs may include, without limitation:, (i) health and dental insurance, or healthcare and dental care plans (including a flexible benefits plan that allows pre-tax medical and dental deductions); and (ii) group life insurance and accidental death and disability ("AD&D") coverage, voluntary supplemental life and AD&D insurance, and long term disability coverage. Employee shall be provided with life insurance coverage available for up to \$3000 per year in annual premiums.

Paragraph 4.3(j) is added to read as follows:

Financial Planning Services; IRS-Qualified Expenditures. Employee shall be entitled to a one-time payment of up to \$5000.00 for financial planning services. The amount of the payment shall be a reimbursement of the actual cost (up to \$5000.00) as supported by invoices provided by Employee. Additionally, Employee shall be entitled to an annual payment of \$5000.00 for certain IRS-qualified expenditures, including without limitation financial plan maintenance, legal advice/counsel, document preparation (will, power of attorney, advanced health care directive, etc.), and non-covered medical and dependent care expenses.

By their signatures below, the parties to the Agreement evidence their agreement to these amendments set forth above.

CENTRAL TEXAS REGIONAL  
MOBILITY AUTHORITY

EMPLOYEE

\_\_\_\_\_  
Robert E. Tesch,  
Chairman  
Date: \_\_\_\_\_

\_\_\_\_\_  
Mike Heiligenstein  
Date: \_\_\_\_\_