



DATA SHEET
Agenda Item No. 19.

Meeting Date: February 1, 2018

Agenda Item:

Regarding succession planning, consider action on personnel matters to authorize employment contract for new Executive Director as may be discussed in Executive Session.

Placement:	<input type="checkbox"/> Consent	<input checked="" type="checkbox"/> Individual Consideration	<input type="checkbox"/> Executive Session
Vote:	<input checked="" type="checkbox"/> Non-Weighted	<input type="checkbox"/> Weighted Capital	
Recommending Department: Officers			

Background:

On May 4, 2017 the Board of Directors voted to designate Larry N. Patterson (current District Deputy Executive Director and longtime employee) as the next Executive Director. Assuming that a mutually agreeable contract could be negotiated, Mr. Patterson was to succeed Mr. Thomas E. Taylor (current Executive Director) prior to, or upon close of business February 28, 2018. Since the vote the Officers and Mr. Taylor have worked with Mr. Patterson to facilitate a smooth transfer of responsibilities. Further, the Officers have prepared an employment contract for Board consideration. This employment contract is consistent with past Board practices and considered reasonable. Mr. Patterson concurs with the employment contract as drafted and is prepared to assume the duties and responsibilities of the Executive Director position effective March 1, 2018.

Financial:

Funding provided for in budget.

Recommendation:

Recommend that the Board approve the employment contract for a new Executive Director.

Enclosures:

Proposed Executive Director Employment Contract.

Submitted By: Officers of the Board Date: January 26, 2018

EMPLOYMENT CONTRACT

STATE OF TEXAS

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COUNTY OF DENTON

AGREEMENT made this 1st day of February, 2018, between the Upper Trinity Regional Water District, having its principal place of business at 900 N. Kealy, Lewisville, Denton County, Texas, hereinafter referred to as the "District" and Larry N. Patterson, hereinafter referred to as the "Executive Director". This is an original employment contract to become effective March 1, 2018.

ARTICLE 1. The District, by and through the Board of Directors, hereby retains Larry N. Patterson as Executive Director of the District, on the basis of his character, executive and administrative training, experience and ability, and the Executive Director hereby agrees to continued employment with the District for an indefinite term: provided however, that this Agreement may be terminated as hereinafter provided.

ARTICLE 2. The Executive Director shall be Chief Administrative Officer of the District. He shall be responsible to the Board of Directors for proper administration of all affairs of the District under his jurisdiction and to that end, he shall have the power and shall be required to perform all the powers and duties set out in the statute creating the District, in Board Policies and Directives, as well as the laws of the State of Texas.

ARTICLE 3. The Executive Director shall devote his entire productive time, ability, and attention to the business of the District during the term of this Agreement. He shall not directly or indirectly render any services of a business, commercial, or professional nature to any other person or organization, whether for compensation or otherwise, without the prior written consent of the Board of Directors.

ARTICLE 4. The Board of Directors and Executive Director shall annually negotiate a fair rate of compensation for services rendered under this Agreement by the Executive Director. The basic compensation shall be at the rate of \$_____ per year; said compensation shall be payable in equal installments in the same manner as other employees of the District are paid. The basic compensation paid the Executive Director may be adjusted after an annual review of performance. Such annual review shall take place each January during the term of employment.

As additional consideration for the execution of this Agreement, and compensation for services provided hereunder, the Board of Directors agrees, if the Executive Director is involuntarily terminated during the indefinite term of this Agreement for any reason other than for just cause by the Board of Directors, to pay the Executive Director an amount equal to twelve (12) months of his then basic salary for all services rendered to that time. Just cause for the purpose of this Agreement shall include breach of fiduciary responsibility, breach of moral turpitude, or indictment of felonies.

If the Executive Director shall give the Board of Directors notice of his intent to voluntarily terminate this Agreement, the Board of Directors may, at its sole election, require the Executive Director to continue his employment beyond the date when notice is given for a period not to exceed 60 calendar days. The Executive Director shall be paid at his established rate of compensation for such period, if any, that his employment is continued.

ARTICLE 5. The Executive Director shall be entitled to any and all benefits offered to the regular employees of the District. The Executive Director shall be entitled to 20 days vacation per year, sick pay benefits and participation in the retirement plan of the District. In lieu of providing health insurance, the District shall reimburse the Executive Director for cost of private health insurance plan for he and his family, but not exceed the amount that would otherwise be paid by the District under the District's plan for any other employee.

It is in the best interest of the District to encourage the Executive Director to have annual health and physical check-ups. Accordingly, the District will reimburse the Executive Director for that portion of the cost of such annual check-ups not covered by health insurance, not to exceed \$500.00 per year.

ARTICLE 6. The District agrees to pay all reasonable business expenses incurred by the Executive Director on District business. For expenses of utilizing his personal automobile, the Executive Director will be allowed an automobile and cellular phone expense allowance in an amount determined appropriate by the Board of Directors, in addition to all other compensation and expenses allowed. The auto expense allowance shall be \$644.88/month and the telephone allowance shall be \$125.00/month. The auto allowance will be adjusted annually in the same percentage as the Consumer Price Index (CPI) for the Dallas/Fort Worth area.

ARTICLE 7. The Executive Director shall hold office at the pleasure of the Board of Directors of the District. This Agreement may be terminated by either party giving written notice of termination to the other party. Such termination shall not prejudice any other remedy to which the terminating party may be entitled either at law, in equity, or under this Agreement. In the event of the termination of this Agreement, the Executive Director shall be entitled to the compensation earned by him prior to the date of termination as provided for in this Agreement computed pro rata up to and including that date. Except for additional compensation set out herein and any earned benefits for which all employees are eligible, the Executive Director shall be entitled to no further compensation as of the date of termination.

ARTICLE 8. This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of the Executive Director by the District and contains all of the covenants and agreements between the parties with respect to such employment in any manner whatsoever.

ARTICLE 9. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas.

ARTICLE 10. If the Executive Director dies prior to the expiration of the term of this Agreement, any monies that may be due him from the District under this Agreement as of the date of his death shall be paid to his executors, administrators, heirs, personal representatives, successors, and assigns. Such payment shall be limited to only that amount earned to the date of his death.

ARTICLE 11. Within the indefinite term of this Agreement, it shall have an initial period of three (3) years; however; it may be extended for additional two-year periods at the pleasure of the Board of Directors of the District.

EXECUTED at Lewisville, Texas, on the day and year first written above.

Larry N. Patterson
Executive Director

ATTEST:

UPPER TRINITY REGIONAL WATER DISTRICT

Mike Fairfield
Secretary

Kevin Mercer
President