



Date: August 2, 2007  
 Committee Meeting Date: NA  
 Board Meeting Date: August 30, 2007  
 ACTION X DISCUSSION      INFO     

**BOARD MEMORANDUM**

**TO:** Board of Directors  
 Santa Clara Valley Transportation Authority

**FROM:** Don Gage, Chairperson *D.G.*  
 Evaluation Committee

**SUBJECT:** Negotiated Compensation Recommendation for General Manager

**Policy-Related Action: No**

**Government Code Section 84308 Applies: No**

**RECOMMENDED ACTIONS:**

Approve the recommendation of the Board Negotiating Committee to revise the General Manager's compensation over a two year period as described below.

Amend the Money Purchase Pension Plan for the General Manager to reflect the change in contributions on behalf of the General Manager.

**BACKGROUND:**

The Board of Directors appointed Michael T. Burns General Manager of VTA in June 2005, with an effective date of August 22, 2005. He has a five year contract that ends on August 21, 2010. His base salary was initially established at \$290,000 annually. He has received no salary or benefit adjustments since the beginning of his employment.

**DISCUSSION:**

The Evaluation Committee of the VTA Board of Directors, consisting of Don Gage, Chairperson, Dean Chu, and Liz Kniss, conducted a thorough evaluation of the General Manager's performance. Ms. Marleen Sloper, an independent human resources consultant, was hired to interview Board members concerning this evaluation and provide a report to the Evaluation Committee.

After receiving input from the Board, the Evaluation Committee established goals for the General Manager, which have been discussed with and agreed to by the General Manager.

The Evaluation Committee, acting as the Board Negotiating Committee, met with the General Manager for the purpose of negotiating compensation.

The recommendation of the Negotiating Committee is that for fiscal year 2007-2008 there be no increase in base salary, but that the employer contribution to the General Manager's Money Purchase Plan be increased by 3.5% of base salary. The recommendation for fiscal year 2008-2009 is that there be no change to base salary, but that there be an increase to the employer contribution to the General Manager's Money Purchase Plan equal to 3% of base salary.

The additional contribution for fiscal year 2007-2008 shall commence as soon as administratively feasible and shall be prorated so that the entire amount shall be contributed over all pay periods remaining until the end of the fiscal year. The fiscal year 2008-2009 contributions shall commence on the first full pay period of the fiscal year and be paid over the course of the fiscal year.

Further, the Committee recommends that the General Manager be reimbursed for overnight lodging in Santa Clara County from time to time when in the best interests of VTA.

**ALTERNATIVES:**

The Board may reject the recommendation of the Committee.

**FISCAL IMPACT:**

Necessary funds (\$10,150 for FY 08 and \$8,700 for FY 09) can be accommodated within the adopted two year budget.

Prepared by: Shellie Albright, Human Resources Manager