Resolution # HSRA 12-28
Executive Director Appointment and Compensation

Whereas, the executive director left employment at the Authority effective March 2, 2012, and

Whereas, California Public Utility Code section 185024 requires the Authority to appoint an executive director, exempt from civil service, who shall serve at the pleasure of the Authority, to administer the affairs of the Authority as directed by the Authority, and

Whereas, California Public Utility Code section 185024 requires the Authority to establish the compensation of the executive director, in the amount reasonably necessary, in the discretion of the Authority, to attract and hold a person of superior qualifications, and

Whereas, California Public Utility Code section 185024 requires the Authority to cause to be conducted, though the use of independent outside adviser, a salary survey to determine the compensation for the executive director, and

Whereas, upon the departure of the executive director the Authority initiated a process to conduct a salary survey, select and to hire a new, permanent executive director, and

Whereas, the Authority selected Mr. Jeff Morales as the prime candidate for the position, and

Whereas, the Authority deliberated at the May 29, 2012 Board meeting and voted for the executive director compensation to pay Jeff Morales.

Therefore,

It is resolved, that Jeff Morales is hereby appointed to the position of executive director, with all the powers and duties of that position, effective June 18, 2012, and

It is further resolved that Jeff Morales shall receive the yearly salary of **$365,000** during his tenure as executive director, and

It is further resolved that Jeff Morales will receive a salary reduction commensurate with any salary reductions imposed by the State Administration or Legislature, currently proposed to be 5%, and

It is further resolved, that Jeff Morales receive a one-time payment equal to **$25,000** at the end of his first year of service as the executive director if the following performance metrics are achieved to the satisfaction of the Authority by the deadlines proposed:

Metric	Date
Management Plan	
Establish organizational chart identifying key Authority positions needed to implement program and adequately oversee contractors	August 2012
Successful recruitment and placement of qualified persons to fill first tier key positions.	September 2012
Risk Management	
Appointment of qualified risk manager	August 2012
Agreement among Authority management, Board Audit Committee and State Auditor on process going forward	January 2013
Maintenance of risk register in accordance with above process	Ongoing/as of June 2013
Procurement/Contract Management	
Successful award of design-build contract(s) – at or below estimates	January 2013
Timely payment of contractors, including small/disadvantaged	
Community and Stakeholder Relations	
Establishment of community/stakeholder relations plan	October 2012
Compliance	
Meet legislative and federal regulatory timelines and requirements	Ongoing/as of June 2013
Comply with budget terms and conditions	Ongoing/as of June 2013

It is further resolved, that Jeff Morales receive a one-time payment equal to **$25,000** at the end of his second year of service as the executive director if performance metrics, later to be determined by the Authority, are achieved to the satisfaction of the Authority.

It is further resolved that Board approval is required for any amendments to any existing Engineering and Architectural contracts whose contract value exceeds $5,000,000.

It is further resolved, that Thomas Fellenz will continue as the acting Authority executive director with all the authority granted by the Board under Resolution # HSRA 11-09 until the assumption of the position of Authority executive director by Jeff Morales.

It is further resolved, the Board ratifies the actions of Thomas Fellenz as the acting Executive Director taken under the authority granted to the Executive Director pursuant to Resolution # HSRA 11-09 since March 3, 2012.

Vote: 5-0
Date: 6/8/12

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