

TO: Santa Cruz County Regional Transportation Commission

FROM: Steve Mattas, General Counsel

RE: First Amendment to Employment Agreement Between the Santa Cruz County Regional Transportation Commission and Guy Preston

RECOMMENDATION

Staff recommends that the Santa Cruz County Regional Transportation Commission (RTC) approve the resolution (Attachment 1) to authorize the First Amendment to Employment Agreement between RTC and Guy Preston, extending the Employment Agreement by four years and adding four additional salary steps to the salary schedule with five percent increase between each step to be implemented as set forth in the Employment Agreement with the change to Step D effective as of December 3, 2021.

BACKGROUND

The Santa Cruz County Regional Transportation Commission (“RTC”) and Guy Preston (“Executive Director”), agreed to enter into an employment agreement (“Employment Agreement”) on November 1, 2018, pursuant to which Guy Preston began service as the Executive Director of RTC on December 3, 2018. The term of the Employment Agreement was three years, unless otherwise extended by mutual agreement of the parties.

DISCUSSION

The Employment Agreement between RTC and the Executive Director will terminate December 3, 2021, unless otherwise extended by mutual agreement of the parties. The Employment Agreement requires that any extension of the term of the Employment Agreement must be in writing and signed by both parties. The Commission provided direction to the General Counsel to prepare an amendment to the agreement to extend the term of the Employment Agreement for four years and to modify the salary provision of the Employment Agreement to add four additional salary steps that can be implemented during the term of the Employment Agreement with the first such salary increase identified as of Step D to be effective as of December 3, 2021.

Staff recommends RTC adopt the attached resolution authorizing the First Amendment to the Employment Agreement reflecting a four year extension to the Agreement and four additional salary steps to the salary schedule with a five percent salary differential between each step. If the resolution is approved, Mr. Preston’s annual salary will increase five percent and be set at Step D (\$253,148) effective December 3, 2021.

SUMMARY

Staff recommends that the Santa Cruz County Regional Transportation Commission (RTC) approve the resolution (Attachment 1) to authorize the First Amendment to Employment Agreement between RTC and Guy Preston, extending the Employment Agreement by four years and adding four additional salary steps to the Employment Agreement with five percent increase between each step.

ATTACHMENTS

1. Resolution - First Amendment to Employment Agreement between RTC and Guy Preston
2. First Amendment to Employment Agreement between RTC and Guy Preston

RESOLUTION NO.

Adopted by the Santa Cruz County Regional Transportation
Commission
on the date of August 5, 2021
on the motion of Commissioner
duly seconded by Commissioner

A RESOLUTION AUTHORIZING THE FIRST AMENDMENT TO
EMPLOYMENT AGREEMENT BETWEEN THE SANTA CRUZ
COUNTY REGIONAL TRANSPORTATION COMMISSION AND GUY
PRESTON EXTENDING THE EMPLOYMENT AGREEMENT

WHEREAS, the Santa Cruz County Regional Transportation Commission (“RTC”) and Guy Preston (“Executive Director”), agreed to enter into an employment agreement (“Employment Agreement”) on November 1, 2018, under which Guy Preston began service as Executive Director of RTC on December 3, 2018; and

WHEREAS, the Employment Agreement will terminate on December 3, 2021, unless otherwise extended by mutual agreement of the parties;

WHEREAS, the Employment Agreement requires that any extension of the term of the Employment Agreement must be in writing and signed by both parties;

WHEREAS, RTC and the Executive Director have agreed to an amendment to the Executive Director’s Employment Agreement reflecting a four year extension to the Agreement and the addition of four new salary steps to the salary schedule with a five percent salary differential between each step which can be implemented each year during the four additional years of the term of employment as set forth in Employment Agreement;

NOW THEREFORE, BE IT RESOLVED BY THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION THAT:

1. The recitals contained herein are true and correct.
2. All sections of the Employment Agreement of the Executive Director, entered into on November 1, 2018, remain in effect except as amended by the First Amendment attached hereto as Exhibit A.
3. RTC hereby approves the First Amendment to the Employment Agreement of the Executive Director attached hereto as Exhibit A.
4. RTC hereby authorizes the Executive Director salary to be set at Step D effective as of December 3, 2021.

5. The Vice-Chairperson of RTC is hereby authorized and directed to execute the First Amendment to the Employment Agreement.

PASSED AND ADOPTED by the Santa Cruz County Regional Transportation Commission for Santa Cruz County, State of California this 5th day of August, 2021, by the following vote:

AVES: COMMISSIONERS

NOES: COMMISSIONERS

ABSTAIN: COMMISSIONERS

Sandy Brown, Vice Chairperson

ATTEST:

Guy Preston, Secretary

**FIRST AMENDMENT TO EMPLOYMENT AGREEMENT
BETWEEN THE SANTA CRUZ COUNTY REGIONAL TRANSPORTATION
COMMISSION AND GUY PRESTON**

This FIRST AMENDMENT TO EMPLOYMENT AGREEMENT is made and entered into this 5th day of August, 2021, by and between the SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION (hereinafter "RTC") and GUY PRESTON, an individual (hereinafter "Employee"). All sections of the Employment Agreement, entered into on November 1, 2018, remain in effect except as amended below, with additions in underline and deletions in strikethrough.

Section 1.1 of the Employment Agreement is hereby amended to read as follows:

1.1 Term. Employee agrees to serve as the Executive Director of the RTC beginning on December 3, 2018. Employee agrees to serve in this capacity for ~~3 (three)~~ 7 (seven) years, unless otherwise extended by mutual agreement of the parties. Any such extension of the term of this agreement shall be in writing and signed by both parties. This Agreement, and thereby the term of employment, may be terminated before its termination as set forth below in Section 5.

Section 3.3 of the Employment Agreement is hereby amended, in part to add Steps (D) through (G), to read as follows:

3.3 Step Increases. Employee's salary shall be subject to such discretionary increases based on Employee's performance of his duties and obligations in a manner better than satisfactory as the RTC governing body may reasonably determine. Subject to the discretion of the RTC governing body and predicated on Employee's performance that achieves the goals and criteria established by the that body, step increases may be awarded as follows:

- c. Step D shall be a 5% increase in annual base salary, to \$253,148
- d. Step E shall be a 5% increase in annual base salary, to \$265,805
- e. Step F shall be a 5% increase in annual base salary, to \$279,095
- f. Step G shall be a 5% increase in annual base salary, to \$293,050

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives.

SANTA CRUZ COUNTY REGIONAL TRANSPORTATION COMMISSION:

SANDY BROWN:

Sandy Brown, RTC Vice Chairperson

Date

GUY PRESTON:

Guy Preston, Executive Director

Date

APPROVED AS TO FORM:

Steve Mattas, General Counsel

Date

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