

**HATC Action Item 6A
October 4, 2018**

Resolution No. HATC -2018-12: To Approve the Personnel Evaluation Template recommendations from Woollard Nichols and Associates

WHEREAS, Performs evaluation and assessment, particularly regarding executive staff members, is critically important component of governance; and

WHEREAS, The current Employment Agreements for the CEO/Executive Director are within the 3rd and final year and warrant substantial review for improvements, modifications, and the like; and

WHEREAS, Developing clear compensation and classification parameters is consistent with Goal 7 of HATC's Board-adopted Strategic Plan, as it relates to creating a *"positive, ethical work environment where everyone is accountable, capable and mission focused, and where there are clear and open lines of communication."*

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of HATC hereby:

1. Approves Resolution No. HATC-2018-12,
2. Authorizes the CEO/Executive Director to execute all necessary documents and extensions.

Passed and approved the 4th day of October 2018.

Ann Denton, Chair, Board of Commissioners

Attested and approved as to form:

Patrick B. Howard, CEO/Executive Director

HATC Action Item 6A
October 4, 2018

Resolution No. HATC-2018-12: To Approve the Executive Director Employment Contract from Woollard Nichols and Associates

Background Information:

During, and subsequent to the most recent performance evaluation appraisals conducted for the CEO/Executive Director in January and March 2018, respectively, the HATC Board expressed a strong interest in improving the process for assessing and awarding the annual performance of CEO/Executive Director, particularly in of the fact that the agency was entering in Year Three of adopted Three-Year Employment Agreements. Staff was given the directive to enlist the help of a trusted outside "3rd party" individual/entity who would conduct a thorough analysis of the aforementioned, and subsequently offer specific, thoughtful, viable recommendations for modifying/improving the performance evaluation/compensation process based on best practices and industry norms, in light of the feedback provided by Board members both individually and collectively. Woollard Nichols and Associates – an organization very familiar with the inner workings of HATC, was selected to complete this important task.

Requested Action:

Consideration and appropriate action regarding Resolution No. HATC-2018-12, To Approve the Executive Director Employment Contract and the Personnel Evaluation Template recommendations from Woollard Nichols and Associates

Alternate Option:

The Board of Commissioners could elect to Not Approve the proposed recommendations.

Fiscal Impact:

TBD

Attachments:

- A. Draft Employment Contract
- B. Employment Agreement Comparison Matrix

HATC

HOUSING AUTHORITY OF TRAVIS COUNTY

Prepared and Approved by:

Patrick Howard

Patrick B. Howard, *CEO/Executive Director*

**CONTRACT OF EMPLOYMENT
BETWEEN
THE HOUSING AUTHORITY OF TRAVIS COUNTY
AND PATRICK BOUVIER HOWARD**

WHEREAS this Contract of Employment is made and entered into this the 4th day of October, 2018, with an effective date January 1, 2019, by and between The Housing Authority of Travis County, a public corporation doing business at Travis County, Texas, hereinafter referred to as the "Employer", and "Housing Authority," hereinafter referred to as the "Employee", and

WITNESSETH: The Employer wishes to obtain the services of the Employee as Executive Director and as Secretary of the Board of Commissioners because of his experience and knowledge of public housing management, maintenance, development and construction programs of which the Employer is in need; and

WHEREAS, the Employee desires to provide said services as Chief Executive Officer, Executive Director, and Secretary of the Board of Commissioners of The Housing Authority; and

WHEREAS, the Employee and Employer believe it to be mutually beneficial to enter into and to execute a Contract of Employment between the Employer and Employee that establishes in writing the conditions of employment as hereinafter described.

NOW, THEREFORE, in consideration of the above premises and the promises and covenants contained herein the Employer and Employee hereby agree as follows:

I. **TERM OF EMPLOYMENT**

In consideration of the Employer recognizing that the subject Employee has thus far performed and provided professional services in his previous employment in the past and during his current tenure as Chief Executive Officer and Executive Director in a manner that has been both satisfactory and acceptable, the Employer and the Employee agree that this Contract of Employment shall have a term of five (5) years from the date of this Contract of Employment. Unless notice of termination is given by either party, as hereinafter set forth, there shall be an automatic extension of a one-year term following the fourth anniversary and each annual anniversary thereafter of the original five-year term and of any extension thereof. The anniversary date will be established as July 1, adjusted to align with agency fiscal year. To prevent said automatic extension, either the Employee or the Employer

shall give written notice of termination of employment and of this agreement to the office at least sixty (60) days prior to the annual anniversary of said agreement. If such notice of termination is given, it will not alter or shorten the then existing term of this Agreement, but shall only prohibit the automatic one year extension. It is the intention of the parties that this provision shall operate as an "automatic extension clause" so that the contract will automatically be extended for one additional year as of each Agreement date and so that the contract (if not earlier terminated by notice of either party as described herein) shall always have a remaining two-year term. In the event a notice of termination is given as outlined above, its effect will be that this Agreement will no longer automatically extend, but will expire at the end of the then existing term.

II. DUTIES OF EMPLOYEE

It is herewith understood and agreed between the subject parties that it shall be the continuing duties of the Employee to be the administrative and chief executive officer of the Housing Authority fully answerable to the Board of Commissioners of this Authority and that the Employee shall perform all duties assigned to such position to the best of his ability under the By-Laws and established operating policies of this Authority. He shall supervise and be responsible for all affordable housing management, maintenance, development and construction programs as well as all grant programs undertaken by this Authority and be responsible for and exercise general supervision for the proper and efficient performance of duties of all other employees within the established operating Personnel Policies of this organization. In addition to such direct and specific powers as may be granted to employee, he shall have such implied powers as are necessary and appropriate to carry out the duties imposed upon him as Chief Executive Officer and Executive Director.

Furthermore, both parties understand and agree that it is generally the role of the Board of Commissioners to set policy and to establish and monitor controls for efficient and effective operations and to see that the Employer is providing safe, decent and sanitary housing to the residents. Both parties agree that the Chief Executive Officer and Executive Director is responsible for daily operations, including personnel matters.

The Board of Commissioners agrees to limit routine communication to the Employee and will refer any other routine employee, resident or citizen inquiry to the Chief Executive Officer and Executive Director in accordance with the Employer's policies. The Employee is hereby instructed and agrees to carry out his duties in such a

manner that it is in the best interest of the Employer, its employees and its residents. If the Employee believes, in his own judgement, that any instructions or communication from any Board member is in conflict with this directive, the Employee shall immediately report the conflict to all Board members without fear of recriminations or reprimand and the Board shall provide direction to the Employee regarding such instruction or communication.

III. CONDITIONS OF EMPLOYMENT

The Employee shall devote all necessary productive time, ability, and attention to the business and affairs of the Housing Authority, Texas during the Employer's normal workday for the term of this contract of employment. The forgoing requirement does not include holidays, official travel, sick leave or vacation time, but permits such additional work time each week as voluntarily provided by the Employee in addition to such stipulated work time without additional compensation. Both subject parties do herewith recognize that in order to fully discharge the duties of this unique position of Chief Executive Officer and Executive Director-Secretary, the workweek cannot be limited to normal work periods. Therefore, it is understood that the Employee will have flexibility in setting his hours due to this situation. In addition, the Employee is encouraged to participate in local service organizations; state and national association offices, provided such shall not directly or indirectly conflict with the interest of the policies of the Housing Authority. Furthermore, the Executive Director-Secretary shall be the one and only spokesperson for the Authority, and such responsibility shall not be delegated at any time.

IV. COMPENSATION AND FRINGE BENEFITS

For and in consideration of the performance and terms of the Contract of Employment, the subject parties hereto agree that said Employee should be compensated for this professional service in accordance with the following terms and conditions:

- A. The salary for the position shall be subject to the availability of such funds in accordance with the usual and customary budget process each year. Such salary shall be that amount approved by the Employer's Board of Commissioners at any given time applicable according to the Authority's

salary schedule, including any benefits comparable to local public practice as approved by the Employer.

- B. The applicable salary of the Employee shall be adjusted as cost of living salary increases are approved for all other employees by the Board of Commissioners of the Housing Authority.
- C. The employee shall receive Merit Pay of 5% of annual salary. This fixed amount will be based on an overall "Achieved" Rating Average for Part I. of the Annual Performance Evaluation: *Operational and Financial Management Goals*.
- D. The Employee shall receive Incentive Pay of 5% based upon the salary schedule, budget availability and his performance assessment as per Part II of the Annual Performance Evaluation: *Strategic Performance Goals*. An evaluation by the Board shall be made each year in the month of May and he shall receive such raise as implemented by the Board.
- E. The employee shall receive a yearly contribution to his Mutual of America 457 Deferred Compensation Retirement Plan of 5% of his base salary in addition to current contributions to his regular retirement fund.
- F. For the period of January 1, 2019 to June 30, 2019, the employee shall receive Incentive Pay of 5% and a Deferred Compensation contribution of 5% of his pro-rated base salary on July 1, 2019 to account for the adjustment in the evaluation performance period/anniversary date.
- G. D. The salary basis agreed to herein shall be paid to the Employee in bi-weekly installments each year. Required deductions will be made for Federal, state, county and any other applicable withholding taxes.
- H. In addition to the compensation set forth, the Employee shall be entitled to all established employee benefits, including sick leave, vacation or annual leave time, and which may be revised, deleted, discontinued, changed, expanded and improved by the employer in the future. Current benefits are as follows:
 1. The Housing Authority contributes into the Texas County and District Retirement System (TCDRS).
 2. Employee is entitled to participate in the Authority's health insurance program. The Authority will pay 100% of the Employee's coverage.

3. Any other benefits included in the Personnel Policy that has been adopted and approved by the Board of Commissioners.

V. TRAVEL

It is further understood and agreed between the subject parties that the Employee shall be reimbursed for all out of city travel expenses in accordance with the travel policy of the Employer. In addition, the Employee will receive an automobile allowance of \$800 monthly to cover associated costs such as gasoline, taxes, tags, insurance, maintenance, etc. The Employer herewith agrees to budget and authorize travel expenses within budget limitations as may be necessary for the Employee to attend and participate in official and professional meetings and conferences along with the holding of official positions in national, regional, and state professional associations and organizations for the purpose of maintaining Employee's professional status, knowledge and advancement for the mutual benefit of the Employer and Employee.

VI. CONFIDENTIALITY

The Employee recognizes and acknowledges that he will have access to certain confidential information of the Employer and of entities affiliated with the Employer and that such information constitutes special and unique property of the Employer and such other entities. The Employee will not, during or after the term of this Agreement, disclose any such confidential information to any person or firm, corporation, association or other entity for any reason or purpose whatsoever, except to authorized representatives of the Department of Housing and Urban Development. In the event of such a breach or threatened breach by the Employee of the provisions of this paragraph, the Employer shall be entitled to an injunction restraining the Employee from disclosing, in whole or in part, such confidential information.

VII. PROCEDURE FOR RESIGNATION

The Employee may voluntarily resign the position as Chief Executive Officer/Executive Director/Secretary by giving at least sixty (60) days notice in writing

of the intention to resign, stating the reasons therefore, and a copy shall be provided to each member of the Board of Commissioners of the Housing Authority. Such notice shall be sent by registered or certified mail, return receipt requested. It is understood that the Employee will provide all necessary and reasonable assistance to the Employer during the said sixty-day transition period and will be available for compensated services thereafter under a mutually agreed upon consulting agreement.

VIII. REASONS FOR DISCHARGE

It is herein understood that, notwithstanding the term provided under Article I of this contract, the Employer reserves the right to terminate the subject Employee prior to the expiration of the term of this Contract of Employment, in the event the Employee is found guilty or confesses to a crime of moral turpitude, malfeasance, or misfeasance, including personal dishonesty, willful misconduct, breach of fiduciary duty, failure to perform required duties, willful violation of any law, rule of regulation (other than misdemeanor traffic violations or similar offenses), specific proven incompetence or material breach of this Contract of Employment. This Agreement shall not be terminated by the Employer during this term except upon a showing of serious or repeated failures on the part of the Employee to comply with Authority policy, or upon a showing that Employee has failed without just cause to comply with any lawful decision or directive of the Employer or for similar just cause. Just Cause shall hereinafter be defined as that which is based upon reasonable grounds and that which must be for fair and honest causes, and as such are regulated by good faith. The Chief Executive Officer and Executive Director shall be afforded due process as proscribed in the personnel manual and shall be given an opportunity to present his side of any issue, which is purported to be grounds for dismissal for any reason. Employee will receive all accrued benefits if discharged.

IX. CONTRACT TERMS

This Contract of Employment supersedes any and all other Agreements and understandings of employment either written or oral between subject parties hereinto. This document contains the entire Agreement and understandings of the subject parties regarding employment with the Employer and may be changed only by mutual agreement in writing signed by the parties hereto or the successors and assigns of the Employer.

X. ARBITRATION

The substantive laws of Texas shall govern this Contract of Employment. Any controversy or claim arising out of or related to the Agreement shall be settled by arbitration in accordance with the rules of the American Arbitration Association by one arbitrator selected in accordance with such rules and agreed upon by both parties and shall be enforceable in any court having competent jurisdiction.

XI. LITIGATION

If any action at law or equity is necessary to enforce or interpret the terms of this Contract of Employment, the prevailing party shall be entitled to reasonable reimbursement for attorney's fees, court cost, and other necessary disbursements in addition to any other entitled relief.

XII. SEVERABILITY

If any provision in this Contract of Employment, is held by a court of competent jurisdiction to be invalid, void or unreasonable, the remaining provisions, shall nevertheless, continue in full force without being impaired or invalidated in any way.

XIII. SURVIVABILITY

This Contract of Employment shall inure to and be binding upon the successors and assigns of the Employer including specifically any subsequent appointment to the Board of Commissioners and any entity organized to perform functions now performed by the Employer or any organizations in which the Employer may be merged.

IN WITNESS THEREOF, and in consideration of the mutual agreements, understandings and covenants set out above, the subject parties have set their hand and seal to the Contract of Employment, this 4th day of October 2018, and have executed duplicate originals, each of which shall constitute an original copy.

This Contract of Employment shall be effected as of the first day of January, 2019.

**EMPLOYER:
THE HOUSING AUTHORITY
OF TRAVIS COUNTY, TX**

ATTEST:

By: _____
Chairman, Board of Commissioners

EMPLOYEE:

WITNESS:

City	Abilene	Alabama	Kansas City	San Diego Performance Eval
Contract Length	5 years	2 years, extensions allow 2-year buffer	2 years, 10 months	
Compensation Increases	\$7000 bonus	cost of living when allowed for all employees	Annual cost of living	3% salary increase
Retirement Benefits		merit increases based upon the salary schedule, budget availability and performance	Retention and accomplishment incentive payment	\$25,000 bonus
Travel Allowance	bonus is allocated to several different programs with a prescribed percentage	Contribution but no amount or percentage listed		full 457 plan funded by the Housing Commission
Other		Out of town travel, car, travel allowance \$100 per month	Monthly transportation allowance to lease vehicle and other related expenses	\$9,600 annual car allowance

Saratoga Springs news article	Dracut	Lexington	Edinburg
rolling 5 year contract	5 years	5 years with 2 year extensions	3 year term with automatic one year extension after each year
annual 5% pay increase		Salary increase based on performance evaluation	Cost of living salary increases as approved for all employees.
Incentives and bonuses			Merit increases based on salary schedule, budget and performance
	Same benefits as employees	Contribution to pension plan at no less than 8.8%	
New truck every 5 years		Provide with vehicle	
		Life insurance	