



Legislation Details (With Text)

File #: 2018-956 **Version:** 1 **Name:**
Type: Resolution **Status:** Passed
File created: 10/8/2018 **In control:** Board of Directors
On agenda: 11/28/2018 **Final action:** 11/28/2018
Title: Change Order No. 2 to CEO Employment Agreement
Sponsors: Randal Brown, William Wolfson
Indexes: General Counsel, Office of the Executive
Code sections:
Attachments: 1. GLWA_CEO Contract Amendment 2 2018-Board Alternative-Ad Hoc Recommended

Date	Ver.	Action By	Action	Result
11/28/2018	1	Board of Directors	Approved	Pass

Change Order No. 2 to CEO Employment Agreement

Agenda of: November 28, 2018
Item No.: **2018-956**
Amount: N/A

TO: The Honorable
Board of Directors
Great Lakes Water Authority

FROM: Sue F. McCormick
Chief Executive Officer
Great Lakes Water Authority

DATE: November 14, 2018

RE: **Change Order No. 2 to CEO Employment Agreement**

MOTION

Upon recommendation of William M. Wolfson, Chief Administrative and Compliance Officer and Randal M. Brown, General Counsel, The Board of Directors (Board) of the Great Lakes Water Authority (GLWA): **Approves the attached Change Order No. 2 to the CEO Employment Agreement;** and authorizes the Board's Chairman and GLWA General Counsel to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

On December 17, 2015 the Board entered into an Employment Agreement (Agreement) with Sue McCormick to serve as the GLWA's Chief Executive Officer (CEO). That Agreement provided for an

annual salary (Section 4.1) as well as a performance-based bonus. (Section 5.1 and Attachment C). In addition, Section 5.3 of the Agreement provided the initial term for CEO McCormick's performance would end on June 30, 2017. Based upon its review of CEO McCormick's performance, on September 13, 2017, the Board authorized Change Order No. 1 to the Agreement. On November 14, 2018, the Board reviewed McCormick's performance for the period, ending June 30, 2018 and its expectations for the CEO. The Board determined that the CEO's performance exceeds expectations. The attached Change Order No. 2 to CEO is presented to memorialize those expectations and to establish the CEO's compensation for the period ending June 30, 2019.

JUSTIFICATION

The Board employs the GLWA CEO who is responsible for the day-to-day operations of the utility. The Board has reviewed McCormick's performance during the evaluation period pursuant to the Agreement, determined that her performance exceeds expectations, and wishes to continue her service as the GLWA's CEO and compensate her at a level commensurate with her qualifications and performance.

BUDGET IMPACT

The projected costs associated with Change Order No. 2 to the CEO's Employment Agreement can be accommodated within the budget for FY19 adopted by the Board.

COMMITTEE REVIEW

This item is being presented directly to the full Board of Directors.

SHARED SERVICES IMPACT

This item does not impact the shared services agreement between GLWA and DWSD.