



## Legislation Details (With Text)

**File #:** 2019-196      **Version:** 1      **Name:**  
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**File created:** 5/15/2019      **In control:** Board of Directors  
**On agenda:** 6/26/2019      **Final action:** 6/26/2019  
**Title:** Change Order No. 3 to CEO Employment Agreement  
**Sponsors:** William Wolfson  
**Indexes:** Administration & Compliance, Office of the Executive  
**Code sections:**  
**Attachments:** 1. GLWA\_CEO Contract Amendment 3 2019

Date	Ver.	Action By	Action	Result
6/26/2019	1	Board of Directors	Approved	Pass

### Change Order No. 3 to CEO Employment Agreement

Agenda of: June 26, 2019

Item No.: **2019-196**

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:** June 15, 2019

**RE:** Change Order No. 3 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. 3 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 and on November 28, 2018 the Board authorized Change Order No. 2 to the Agreement. The attached Change Order No. 3 to the Agreement is presented to memorialize the Board's expectations and to establish the CEO's compensation for the period ending June 30, 2020.

### **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, wishes to continue her service as the GLWA's CEO, and wishes to compensate her at a level commensurate with her qualifications and performance.

### **BUDGET IMPACT**

The projected costs associated with Change Order No. 3 to the CEO's Employment Agreement can be accommodated within the budget for FY20 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.