



General Manager/CEO Contract Amendment

***Presented by
Lauralee Vallon
General Counsel***

Meeting Date: October 26, 2015



July Resolution

“WHEREAS, the General Manager/CEO has consistently performed in an exemplary manner;

WHEREAS, the Board of Directors of the Brazos River Authority desires to amend the General Manager/CEO’s contract to conform with the Brazos River Authority’s methods of annually adjusting compensation for all employees;

WHEREAS, Brazos River Authority employee base compensation is subject to an annual Employment Cost Index adjustment, at the discretion of the Board of Directors;

WHEREAS, the Board of Directors, in its discretion, establishes an annual performance-based merit pay budget for employees, which is calculated as a percentage of total payroll; and

WHEREAS, the Board of Directors desires that the General Manager/CEO be subject to the same annual, discretionary base salary adjustments as all other BRA employees.



NOW, THEREFORE, BE IT RESOLVED that the Board of Directors hereby instructs Staff to submit a letter to the Legislative Budget Board, in accordance with Texas Government Code §669.003, notifying the Legislative Budget Board of the Brazos River Authority Board of Directors' intent to vote, in its next regularly scheduled Board meeting, on an amendment to the General Manager/CEO's contract providing for an annual cost of living adjustment and the opportunity to receive an annual merit pay increase, in accordance with the Brazos River Authority's methods of annually adjusting compensation for all Brazos River Authority employees; and



BE IT FURTHER RESOLVED that the contract amendment shall provide for the following:

- 1) if the Board of Directors authorizes an Employment Cost Index compensation adjustment (or similar cost of living adjustment) for Brazos River Authority employees in a given year, the General Manager/CEO's Base Salary shall be likewise adjusted; and
- 2) if the Board of Directors authorizes an employee merit pay budget in a given year and the Board of Directors determines that the General Manager/CEO's performance warrants a merit pay increase, General Manager/CEO's Base Salary shall be increased by the same percentage used to calculate the employee merit pay budget.”



Government Code Section 669.003

- **Can only enter into contract (including amendments) with executive head of agency if the Board:**
 - **Votes in open session to approve the contract; and**
 - **Notifies the Legislative Budget Board of the terms of the contract at least five days before voting.**
- **Staff notified the Legislative Budget Board in August of the terms of the contract amendment**
- **The Legislative Budget Board has not objected to the proposed amendment**



“BE IT RESOLVED that the Board of Directors of the Brazos River Authority hereby approves and authorizes the execution of an amendment to the Employment Agreement for the General Manager/CEO, Phillip J. Ford, providing for the following:

- 1) if the Board of Directors authorizes an Employment Cost Index compensation adjustment (or similar cost of living adjustment) for Brazos River Authority employees in a given year, the General Manager/CEO’s Base Salary shall be likewise adjusted; and**



- 2) if the Board of Directors authorizes an employee merit pay budget in a given year and the Board of Directors determines that the General Manager/CEO's performance warrants a merit pay increase, General Manager/CEO's Base Salary shall be increased by the same percentage used to calculate the employee merit pay budget.”



Brazos River Authority