

## EXECUTIVE DIRECTOR EMPLOYMENT AGREEMENT

This Agreement is entered into this 1st day of July 2018, by and between the NORTH COAST RAILROAD AUTHORITY (hereinafter referred to as “NCRA”) and MITCH STOGNER (hereinafter referred to as “Employee”).

### WITNESSETH

WHEREAS, NCRA requires the services of an Executive Director and desires to employ the services of Employee as Executive Director of NCRA;

WHEREAS, it is the desire of the governing board of NCRA to provide certain benefits, to establish certain conditions of employment, and to set working conditions of Employee;

WHEREAS, Employee desires to accept employment as Executive Director of NCRA;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

1. Appointment.

NCRA hereby appoints Employee as Executive Director of NCRA to perform the functions and duties specified in the Executive Director job description, attached hereto as Exhibit “A” and incorporated herein by this reference, and to perform other legally permissible and proper duties and functions as the Board of Directors shall from time-to-time assign. In addition, Employee shall serve as Secretary to the Board, Environmental Officer for implementing CEQA and as Purchasing Officer.

2. Term.

NCRA appoints Employee Executive Director of NCRA for a term of three (2) years.

(a) Employee agrees to remain in the exclusive employment of NCRA until June 30, 2020 and to neither accept other employment nor to become employed by any other employer until such termination date.

(b) Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Board of Directors of NCRA to terminate the services of Employee at any time, subject only to the provisions set forth in Section 3(a) and (b) of this Agreement.

(c) Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Employee to resign at any time from his position with NCRA, subject only to the provisions set forth in Section 4 of this Agreement.

3. Termination and Severance Pay.

(a) In the event Employee is terminated by the Board of Directors for performance-based cause before expiration of the Term of this Agreement and during such time that Employee is willing and able to perform his duties under this Agreement, NCRA agrees to pay Employee a lump sum cash payment equal to two (2) months' salary, including benefits. Employee shall also be compensated for all earned sick leave, vacation, holidays, and other accrued benefits to date. In the event Employee is terminated for willful breach of this Agreement or habitual neglect of duties he is required to perform hereunder, or for a conviction for a crime of moral turpitude, then in that event, NCRA shall have no obligation to pay the aggregate severance sum herein designated.

(b) In the event Employee resigns following a formal suggestion by the Board of Directors that he resign, in that event, Employee may, at his option, be deemed to be "terminated" as of such date within the meaning and context of the herein provided severance pay provision.

4. Resignation.

In the event Employee voluntarily resigns his position with NCRA before expiration of the Term of this Agreement, Employee shall give NCRA sixty (60) days' notice.

5. Compensation and Benefits.

(a) Employee shall be appointed with an initial salary of One-Hundred-Thirty-Two Thousand Five-Hundred Dollars (\$132,500) per year. After completion of one-year service and each

year thereafter, the Board of Directors shall review Employee's performance for possible merit and/or cost of living increases as may be deemed appropriate by the Board of Directors acting in good faith pursuant to Paragraph 2.

(b) NCRA agrees to contract with CALPERS to make retirement and medical, dental and vision benefits available to Employee and his dependents. NCRA shall pay the entire premium for coverage to Employee and the Employer and Employee portion of the retirement expenses. Unless modified by mutual agreement, NCRA will assume the responsibility for any fees paid to CALPERS. If dental and/or vision benefits are not available from CALPERS, the parties shall negotiate replacement coverage.

6. Vacation Accrual.

Employee shall receive vacation accrual at the rate of fifteen (15) working days per year for the first year and shall then accrue at the rate of twenty (20) working days per year thereafter.

7. Sick Leave Accrual.

Employee shall be credited with twelve (12) days sick leave upon appointment, which shall constitute the first year's accrual in advance. In subsequent years, sick leave shall accrue at a rate of twelve (12) days per year. Upon termination, Employee shall be entitled to payment at the current salary for one-half (½) of any accumulated sick leave up to a maximum of thirty (30) days.

8. General Employee Benefits.

Employee shall be reimbursed for out-of-pocket expenses associated with employment, including travel at such rates as are consistent with NCRA's Fund Transfer Agreements with the California Transportation Commission (the "CTC"). In the event the CTC Fund Transfer Agreements are not in force or effect, the reimbursement for travel expenses, including lodging and meals, shall not exceed reimbursement applicable generally to State employees, and NCRA's travel policy as may be established from time-to-time by the Board of Directors.

9. Disability.

In the event Employee is permanently disabled or is otherwise unable to perform his duties

because of sickness, accident, injury, mental incapacity or health for a period of four (4) successive weeks beyond any accrued sick leave, NCRA shall have the option to terminate this Agreement, subject to any applicable provisions of the Americans with Disabilities Act.

10. Performance Evaluation.

(a) On or before August 1, 2019, the Board of Directors and Employee shall define goals and performance objectives as determined to be necessary for the proper operation of NCRA and the attainment of the Board's policy objectives and shall further establish a relative priority among those various goals and objectives, said goals and objectives to be reduced to writing. They shall generally be attainable within the time limitations as specified and the annual operating and capital budgets and appropriations provided.

(b) The Board of Directors shall review and evaluate the performance of Employee yearly. Said review and evaluation shall be in accordance with specific criteria as developed in the Goals and Performance Objectives. The Chairman of the Board of Directors shall provide the Employee with a summary written statement of the findings of the Board of Directors and provide an adequate opportunity for the Employee to discuss his evaluation with the Board of Directors on a yearly basis during the initial term of this Agreement.

(c) Annually, the Board of Directors and Employee shall define such goals and performance objectives they determine necessary for the proper operation of NCRA and in the attainment of the Board's policy objectives and shall further establish a relative priority among those various goals and objectives, said goals and objectives to be reduced to writing. They shall generally be attainable within the time limitations as specified and the annual operating and capital budgets and appropriations provided.

11. Defense and Indemnification.

NCRA shall defend and indemnify Employee for acts or omissions within the scope of his employment in accordance with the California Tort Claims Act. NCRA reserves the right to compromise any such claim or suit and pay the amount of any settlement or judgment rendered thereon and reserves the right to appoint counsel of its choice.

12. Bonding.

NCRA shall bear the full cost of any fidelity or other bonds required of the Employee under any law.

13. Other Conditions of Employment.

(a) The Board of Directors, in consultation with Employee, shall fix any such other terms and conditions of employment, as it may deem necessary from time- to-time, relating to the performance of Employee, provided such terms and conditions are not inconsistent with or in conflict of any of the provisions of this Agreement or any provision of law.

(b) All provisions of the NCRA personnel rules and classification plan as it now exists or hereafter may be amended, shall also apply to Employee, except to the extent that benefits stated herein are inconsistent with the benefits stated in said personnel rules.

(c) Employee's place of employment shall be Ukiah, California.

(d) For the purpose of the accruals reference in Paragraphs 6, 7 and 8 above, Employee's date of hire shall be fixed at August 15, 2003.

14. No Reduction of Benefits.

NCRA shall not at any time during the Term of this Agreement reduce the salary, compensation or other financial benefits of Employee.

15. Entire Agreement and Modification.

This Agreement constitutes the entire understanding of the parties hereto. Employee shall be entitled to no other benefits than those specified herein. No changes, amendments or alterations shall be effective unless in writing, signed by both parties. An entry into the Minutes of the Board of Directors shall not constitute a writing signed by both parties. Employee specifically acknowledges that in entering into and executing this Agreement, Employee relies solely upon the provisions contained in this Agreement and no others.

16. Non-Assignment of Agreement.

This Agreement is intended to secure the individual services of the Employee and thus Employee shall not assign, transfer, delegate, or sublet this Agreement or any interest therein without the prior written consent of NCRA. Any such assignment, transfer, delegation or sublet without NCRA's prior written consent shall be considered null and void.

17. Severance of Provisions.

If any provision or portion thereof contained in this Agreement is held unconstitutional, or violative of State or Federal law, such provision or portion thereof shall be invalid and unenforceable. Such provision or portion thereof shall be deemed severable and the remainder of this Agreement shall not be affected and shall remain in full force and effect.

IN WITNESS WHEREOF, North Coast Railroad Authority has caused this Agreement to be executed on its behalf by its Chairman of the Board of Directors and duly attested and Employee has signed and executed this Agreement, on the day and year first herein above set forth.

NORTH COAST RAILROAD AUTHORITY

Employee:

\_\_\_\_\_  
Hal Wagenet  
Chair, Board of Directors

\_\_\_\_\_  
MITCH STOGNER

Attest:

\_\_\_\_\_  
Secretary to the Board

APPROVED AS TO FORM:

\_\_\_\_\_  
CHRISTOPHER J. NEARY  
General Counsel