

EMPLOYMENT AGREEMENT

Amended and Restated as of December 20, 2007

THIS AGREEMENT is between the Sacramento Area Council of Governments (“SACOG”), and Michael Raymond McKeever (“Employee” or “Executive Director”), and is effective December 17, 2004, as amended April 20, 2006, ~~and~~ January 1, 2007, and December 20, 2007.

Recitals

SACOG desires to employ Michael Raymond McKeever as Executive Director of SACOG. Michael Raymond McKeever desires to serve as Executive Director of SACOG.

The SACOG Board, as appointing power, and Michael Raymond McKeever, wish to agree in writing to the terms and conditions of Michael Raymond McKeever’s employment as Executive Director.

Terms

1. DUTIES
 - A. SACOG agrees to employ Michael Raymond McKeever as Executive Director of SACOG to perform the functions and duties specified in the Joint Powers Agreement and resolutions of SACOG, and to perform other legally permissible and proper duties and functions as the Board may from time to time assign.
 - B. Employee shall perform his duties to the best of his abilities in accordance with the highest professional and ethical standards of the profession and shall comply with all general rules and regulations established by SACOG.
 - C. Employee shall not engage in any activity, which is or may become a conflict of interest, prohibited contract, or which may create an incompatibility of office as defined under California law. Prior to performing any services under this Agreement and annually thereafter, the

Employee must complete disclosure forms required by the Fair Political Practices Commission.

2. TERM

- A. The term of the Agreement shall be December 17, 2004, and remain in effect until terminated by either party in accordance with the provisions set forth in Paragraph 3, or until terminated by the death or permanent disability of the Employee.
- B. Employee agrees to remain in the exclusive employment of SACOG during the term of this Agreement.

3. RESIGNATION AND TERMINATION

- A. Employee may resign at any time, and agrees to give SACOG thirty (30) days' advance written notice of the effective date of his resignation.
- B. SACOG may terminate Employee immediately upon written notice.
- C. The parties recognize and affirm that:
 - (1) Employee is an "at will" employee, whose employment may be terminated by SACOG without cause; and
 - (2) There is no express or implied promise made to Employee for any form of continued employment.
 - (3) This Agreement is the sole and exclusive basis for an employment relationship between Employee and SACOG.
 - (4) The decision to terminate may be made in closed session, consistent with the Ralph M. Brown Act, and announced in a public meeting. In recognition of Employee's professional status and integrity, Employee and the Board shall attempt to prepare a joint public statement to be made by the Board at the public meeting when termination is confirmed.
 - (5) The Employee may choose to resign his office rather than being terminated if an action by the Board to terminate has been made in closed session. In such an event, the public announcement provided for in paragraph 3(d) above will note Employee has resigned, and paragraph 4 shall remain applicable.

4. SEVERANCE PAY

If employee is terminated by the Board while still willing and able to perform the duties of Executive Director, SACOG agrees to pay Employee a cash payment determined as follows: one month of severance pay for each year of service, for a minimum of the equivalent of four (4) months salary, up to a maximum of six (6) months salary. Such payment will release SACOG from any further obligations under this Agreement; however, if Employee is terminated because of any criminal offense involving moral turpitude, conflict of interest, or incompatibility of office, SACOG shall have no obligation to continue the employment of Employee, or to pay the severance set forth in this paragraph.

5. SALARY

- A. Beginning December 17, 2004, SACOG agrees to pay Employee a base salary of \$166,014 per year, payable in monthly installments, at the same time as other employees of SACOG are paid, and subject to customary withholding requirements.
- B. In addition to base salary, SACOG agrees to contribute \$350.00 per month to Employee's salary, which SACOG then will contribute to a 401(a) plan designated by Employee. This contribution is in lieu of a car allowance.
- C. In addition to the compensation referred to in paragraphs 5.A. and 5.B. above, SACOG agrees to contribute an amount equivalent to 5% of Employee's then current base salary to Employee's salary, which SACOG then will contribute to a deferred compensation plan designated by Employee. In addition, SACOG agrees to annually contribute an amount equivalent to the value of one week of vacation to Employee's salary, which SACOG will then contribute to a deferred compensation plan designated by Employee.
- D. The Board of Directors shall develop a system of performance-based pay that will determine incremental salary adjustments. Each year at the time of the performance review, the Executive Director and Board of Directors shall develop and agree upon a list of performance standards for the

subsequent year. The goals for 2006 were established in the memorandum from Mr. McKeever to the Board of Directors dated December 6, 2005.

6. SUPPLEMENTAL BENEFITS

- A. SACOG shall provide to the Executive Director the same benefits as may be provided to management employees, and as they may be amended from time to time.
- B. All actions taken by SACOG relating to the benefits for all other SACOG employees shall be considered actions granting the same benefits to the Executive Director.
- C. As used herein, “benefits” include, but are not limited to: holidays, sick leave, cost of living increases, retirement benefits and payments, health insurance, vision insurance, and dental insurance.
- D. Employee shall be entitled to twenty-five (20~~5~~) days of vacation each year, which shall be combined with other annual paid leave to which Employee is entitled (15 days of sick leave) for a total combined paid leave of 35 days per year. These combined total days of paid leave shall be treated as Paid Time Off (PTO) for Employee.
- E. SACOG shall purchase a life insurance policy for Executive Director, payable to a beneficiary of Employee’s choosing, in the amount of \$300,000. The entire cost of such life insurance policy shall be borne by SACOG.
- F. Employee has been employed by SACOG in other capacities since February 1, 2003. To the extent that Employee has accrued sick leave, vacation leave or other accrued leave, Employee shall carry such accrued leave over to Employee’s employment as Executive Director.

7. PERFORMANCE EVALUATION

The SACOG Board shall evaluate Employee’s performance at least annually. The Board and Employee will set goals and objectives for the ensuing year.

8. OTHER TERMS AND CONDITIONS OF EMPLOYMENT

The Board, by resolution, shall fix any other terms and conditions of employment, as it may determine from time to time, relating to the

performance of Employee, provided such terms and conditions are not inconsistent with provisions of this Agreement, or with federal or state law.

9. NOTICES

Any notices required by this Agreement shall be in writing and either given in person, or by first class mail, with the postage prepaid and addressed as follows:

TO SACOG: Board of Directors
c/o Chairperson, Sacramento Area Council Of
Governments
1415 L Street, Suite 300
Sacramento, CA 95814

TO EMPLOYEE: Michael Raymond McKeever, Executive Director
Sacramento Area Council Of Governments
1415 L Street, Suite 300
Sacramento, CA 95814

10. ENTIRE AGREEMENT

This Agreement is the final expression of the complete agreement of the parties with respect to the matters specified herein and supersedes all prior oral or written agreements. Except as prescribed herein, this Agreement cannot be modified except by written mutual agreement signed by the parties.

11. ASSIGNMENT

This Agreement is not assignable by either SACOG or Employee. Any such attempt to assign this Agreement by either party shall be void.

12. SEVERABILITY

In the event that any provision of this Agreement is finally held or determined to be illegal or void by a court having jurisdiction over the parties, the remainder of the Agreement shall remain in full force and effect until the parts

found to be void are wholly inseparable from the remaining portion of the Agreement.

13. COUNTERPARTS

This Agreement may be executed simultaneously in three (3) counterparts, which shall be identified by number, and each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

14. SABBATICAL PROGRAM

A. Effective January 1, 2005, and on January 1 of each subsequent year, 40 hours of time will be deposited into a sabbatical leave account for the Executive Director. After 160 hours of time has been accumulated in that account the Executive Director may propose to the Board of Directors a sabbatical leave for no longer than two continuous months. The sabbatical leave will have a work-related purpose and a resulting work product. The proposed sabbatical and work product shall be subject to advance Board of Directors' approval. A plan for management of the organization in his absence, including the methodology for communication between the Executive Director and SACOG during his absence, shall be submitted and subject to advance Board of Directors' approval. The Executive Director shall supplement any time in excess of the 160 hours from his personal leave account.

B. This cycle for a sabbatical program shall repeat every four years. Should the Board of Directors terminate this agreement, any unused and accumulated sabbatical hours shall be paid to the Executive Director. Should the Executive Director voluntarily resign from employment under this agreement, he shall forfeit any unused and accumulated sabbatical hours.

C. Effective March 1, 2009, Employee shall have the annual option to convert 40 hours of accrued sabbatical leave time (paid time) to Employee salary, which SACOG will then contribute to a deferred compensation plan designated by Employee. If Employee elects to make this

conversion, Employee will still be eligible to use the 40 hours of sabbatical leave time (unpaid time), consistent with the provisions of Sections 14.A. and 14.B. Employee may elect to use PTO for all or a portion of this unpaid time.

15. **PARTICIPATION IN THE AMERICAN LEADERSHIP FORUM**

The Executive Director has been nominated to participate in the 2007 American Leadership Forum and the Board of Directors approves his participation. SACOG shall pay the \$5,000 tuition fee and the Executive Director is authorized to attend.

16. **PROFESSIONAL DEVELOPMENT FUND**

- A. SACOG shall make an annual contribution of \$6,000 to establish a professional development fund for Employee. Employee may use the fund for professional development activities as pre-approved by the Chair of the Board of Directors.
- B. Effective January 1, 2009, Employee shall have the annual option to convert any unused amount in the professional development fund established under Section 16.A. to Employee salary.

IN WITNESS WHEREOF, SACOG has caused this Agreement to be signed and executed on its behalf by its Chairperson, and duly attested to by its legal counsel. It has also been executed by the Employee.

MICHAEL RAYMOND MCKEEVER, Employee

SACOG by Rusty Dupray, Chairperson

APPROVED AS TO FORM:

KIRK TROST₂

Miller Owen & Trost