

Employment Agreement Between LAURA KELLEY and The CENTRAL FLORIDA EXPRESSWAY AUTHORITY

This Employment Agreement (this "Agreement") dated June ____, 2015 by and between the CENTRAL FLORIDA EXPRESSWAY AUTHORITY, a body politic and corporate and agency of the State of Florida (the "Authority") operating pursuant to Florida Statutes Sections 348.751 et. seq., and Laura Kelley ("Ms. Kelley").

WHEREAS, the Authority is desirous of employing Ms. Kelley and ratifying her selection as its permanent Executive Director, retroactively effective to May 14, 2015; and

WHEREAS, Ms. Kelley is willing to accept the Authority's offer of employment as its permanent Executive Director; and

WHEREAS, both parties believe it would be mutually beneficial to enter into a contract of employment between the Authority and Ms. Kelley, setting forth agreements and understandings of the parties.

NOW THEREFORE, in consideration of the mutual covenants and promises set forth below, the Authority and Ms. Kelley agree as follows:

1. **DUTIES.** Ms. Kelley agrees to devote her full business time and all her work efforts to her responsibilities and duties as Executive Director. Ms. Kelley will report to the Governing Board of the Authority (the "Board"). Ms. Kelley shall perform such duties and assignments as are set forth in the Board approved position description attached hereto as Exhibit "A" as well as such responsibilities as may be assigned to her by the Board, any of which may be altered, augmented or rescinded at the Board's sole discretion. The duties of the Executive Director also include, but are not limited to: selection and termination of CFX staff members; establishment of staff member salaries within the budget established by the Board; recommendations to the Board on the selection of consultants and vendors based upon established CFX Procurement Policies adopted by the Board.
2. **TERM.** This Agreement shall commence at the time of execution by all parties, but shall be retroactively effective May 14, 2015. Ms. Kelley's employment shall be classified as a full time regular employee of the Authority with an employment term that shall extend to July 1, 2020. Thereafter it shall automatically extend for one year periods unless the Board shall determine in its sole discretion to forego such extension or until either Party executes actions in Section 7 of this Agreement. Any election by the Board not to extend the annual renewal must be exercised no later than the regular April Board meeting and shall only be considered when noticed as a regular agenda item.

3. ETHICAL CONSIDERATIONS. Ms. Kelley shall at all times comply with the Code of Ethics for Public Officers and Employees, Part III, Chapter 112, Florida Statutes, the applicable provisions of Florida Statute 348.753 and the Authority's Code of Ethics.
4. COMPENSATION AND PERFORMANCE EVALUATION.
 - a. COMPENSATION: The Authority shall compensate Ms. Kelley at an annual base salary of \$225,000.00, which will be paid in equal installments in accordance with the Authority's pay periods. The use of an annual base salary number is an administrative convenience being used to compute the installments and shall not confer any right to employment for a set period of time. Federal Income Tax, Medicare Tax and Social Security Tax will be withheld in accordance with Authority policy and applicable law. Ms. Kelley shall be eligible for such cost of living salary adjustments as approved by the Board for all other Authority employees.
 - b. ANNUAL PERFORMANCE EVALUATIONS shall be conducted in accordance with the Executive Director Policy adopted by Resolution 2014-270. Any merit increases in salary shall be at the sole discretion of the Board.
5. BENEFITS.
 - a. RETIREMENT: Ms. Kelley shall participate in the Florida Retirement System ("FRS") in accordance with and in compliance with Chapter 121, Florida Statutes (and any successor chapter). Ms. Kelley shall be exclusively responsible for any elections to be made under Chapter 121 during her participation in the FRS. Ms. Kelley shall receive retirement benefits equivalent to those of Senior Management status in the FRS.
 - b. ANNUAL LEAVE, SICK LEAVE, AND INSURANCE: The Authority shall furnish to Ms. Kelley all fringe benefits furnished by it from time to time to its other employees. Ms. Kelley shall accrue vacation leave at the Level 5 rate as specified in the Employee Handbook. Vacation and sick leave that are not taken may be accumulated by the Executive Director and Authority agrees to pay the Executive Director for 100% of her accrued and unused annual leave and 50% of her accrued and unpaid sick leave. Federal Income Tax, Medicare Tax and Social Security Tax will be withheld in accordance with Authority policy. Ms. Kelley shall be eligible for similar health care benefits as other Authority employees.
6. REIMBURSEMENT.
 - a. TRAVEL REIMBURSEMENT: The Authority, subject to Florida Statute Section 112.061 and its budgetary constraints, shall reimburse Ms. Kelley for any and all necessary, customary and usual expenses incurred by her while traveling for, or on behalf of, the Authority in the performance of her duties, while attending business related activities including, but not limited to, meetings, seminars and conferences authorized by the Board. Such reimbursement for travel shall cover actual expenses for travel, but shall be in accordance with the Authority's Travel Policy, except to the extent preempted by Florida Statute.

- b. PROFESSIONAL ASSOCIATIONS: Ms. Kelley, with the prior written consent of the Chairman of the Board, shall be reimbursed for the cost of dues and other membership costs of professional associations associated with her work as Executive Director.
7. TERMINATION OF AGREEMENT AT WILL OF EITHER PARTY. Ms. Kelley shall serve as Executive Director at the will and pleasure of the Board. The intent of this agreement is that the Board, in its sole discretion, may terminate this Agreement and Ms. Kelley's employment at any time. Termination at will may only be exercised only after an unsatisfactory performance review wherein any performance deficiencies have been formally identified and have not been cured within a period of sixty days from the effective date of the performance review. In the event the Board invokes its option to terminate at will; Ms. Kelley shall receive an amount equal to the salary that she would have received during the eight (8) weeks immediately following the date such termination takes effect, as if this Agreement had not been terminated. Ms. Kelley may terminate this Agreement and her employment by written resignation delivered to the Board no less than two weeks prior to the effective date of the resignation. Upon effective date of the resignation, the Authority shall have no further obligations to Ms. Kelley.
8. TERMINATION OF AGREEMENT BY BOARD FOR CAUSE. This Agreement may also be terminated by the Authority for cause at any time. Cause as used in this Section 8 means any of the following: (1) if the Executive Director is convicted of any felony or misdemeanor under state or federal law, including traffic offenses involving homicide or DUI; (2) a finding of a violation of either the State of Florida or Authority Code of Ethics; (3) any material and continuing dereliction of her duties as Executive Director; or (4) if the Executive Director is fired for misconduct, as defined in F.S. 443.036(29), by the Board. In the event of a termination for cause, no severance pay shall be required. In the event the Executive Director is charged by indictment or information with a felony or any crime involving moral turpitude, including a traffic offense involving homicide or DUI, or any ethics code violation where the Florida Commission on Ethics finds probable cause, as an alternative to the option to terminate at will, the Board may elect to suspend her from her duties without pay. If suspended, then upon the dismissal of such charges or upon the Executive Director being acquitted of same, she shall be reinstated and entitled to full back pay and other accrued benefits.
9. INDEMNIFICATION. To the extent permitted by Florida Statute Section 111.07, the Authority shall provide an attorney to defend and pay any and all expenses incurred by Ms. Kelley in connection with the defense or settlement of any civil or administrative action, and shall pay and satisfy any judgments, awards, fines or such penalties rendered, assessed or levied against Ms. Kelley in any civil or administrative action (whether or not the Authority is joined as a party) where such action relates to acts of Ms. Kelley in the discharge of her responsibilities as Executive Director, provided however, that the Authority shall not be obligated to defend, indemnify or hold Ms. Kelley harmless for acts or omissions of Ms. Kelley undertaken in bad faith, with malicious purpose or in a manner exhibiting wanton and willful disregard of human rights, safety or property.

10. **WAIVER OF TENURE.** In consideration of the foregoing, Ms. Kelley waives, foregoes and releases any and all property right or interest in her employment with the Authority, including, but not limited to:
- a. All rights under federal, state or local law giving rise to any property interest or right in public employment; and
 - b. All claims to or rights to continued employment or tenure which may exist under any of the governing documents of, or any other documents or materials pertaining or relating to, the Authority or its operations; and
 - c. This Agreement constitutes waiver and relinquishment of any rights regarding her employment under the Fifth and Fourteenth Amendments to the United States Constitution and Section 42 U.S.C. 1983.

The intent of the parties is that Ms. Kelley, in consideration of the rights granted her in this agreement, shall be an employee terminable at the will and pleasure of the Authority, acting through its Board, and that she shall have no right to continued Authority employment and no right to contest or appeal to any person, board, body or court the termination of her employment under this Agreement.

11. **ENTIRE UNDERSTANDING.** Upon commencement of this Agreement it shall be deemed to incorporate the entire understanding of the parties. No other agreements, understandings or arrangements, prior or contemporaneous, verbal or written, apply and this Agreement supersedes all such agreements, understandings or arrangements. Further, nothing in this Agreement shall be interpreted to eliminate or modify the requirement to comply with all policies, procedures, and codes of conduct as adopted by the Authority for its employees.
12. **CONTROLLING LAW.** This Agreement and the provisions contained herein shall be construed, controlled, and interpreted according to the laws of the State of Florida. Venue for any action arising out of or in connection with this agreement shall lie in the Ninth Judicial Circuit in and for Orange County, Florida.

[The Remainder of This Page Intentionally Left Blank; Signature Page Follows]

IN WITNESS WHEREOF, the parties have executed this Agreement on respective dates under each signature. The Authority, acting through its Board, authorized the Board Chairman to execute this Agreement on the 11th day of June, 2015.

Laura Kelley

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me this ____ day of _____, 2015 Laura Kelley, who ____ is personally known to me OR ____ has produced _____ as identification.

Signature of Notary Public

[Notary Seal]

Print name of Notary Public

My commission expires: _____

CENTRAL FLORIDA EXPRESSWAY
AUTHORITY, a body politic and corporate
and an agency of the State of Florida

By: _____
Welton G. Cadwell, CFX Chairman

ATTEST:

Darleen Mazzillo,
Assistant Secretary

Dated: _____

Approved as to form and legal sufficiency
for the reliance of CFX only:

Joseph L. Passiatore

Policy Relating to the Position of Executive Director

Policy EXEC - 4

Department: Executive

Supersedes: 2/24/10

Date of Board Approval: 9/11/14

**A RESOLUTION OF THE CENTRAL FLORIDA EXPRESSWAY AUTHORITY
(CFX), AMENDING THE POLICY RELATING TO THE POSITION OF EXECUTIVE
DIRECTOR**

WHEREAS, the Central Florida Expressway Authority (CFX) is Central Florida's regional expressway authority duly authorized by state law to maintain and operate an expressway system in Lake, Orange, Osceola and Seminole counties; and

WHEREAS, the Central Florida Expressway Authority has assumed the governance and control of the Orlando-Orange County Expressway Authority; and

WHEREAS, Florida Statutes 348.753 provides that the CFX may employ an Executive Director and determine the qualifications of such person; and

WHEREAS, the governing Board wishes to update the Executive Director Policy to reflect the transition from the Orlando-Orange County Expressway Authority to the Central Florida Expressway Authority; and

WHEREAS, the governing Board wishes to update the education and experience requirements of the Executive Director.

NOW, THEREFORE, BE IT RESOLVED BY THE CENTRAL FLORIDA EXPRESSWAY AUTHORITY, as follows:

Section 1. Job Description The job description attached hereto as Exhibit "A" setting forth the duties and responsibilities for the position of Executive Director is hereby formally adopted.

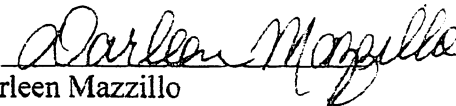
Section 2. Evaluation Process The evaluation process attached hereto as Exhibit "B" updating the Authority's name on the formal performance evaluation for the position of Executive Director, is hereby formally adopted.


Section 3. Codification This policy shall be codified in that section of the CFX Index of Policy and Procedures entitled "Executive" and designated as "EXEC-4".

Section 4. EFFECTIVE DATE This Resolution shall be effective immediately upon passage.

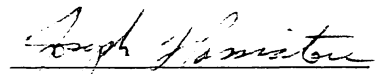
ADOPTED this 11th day of September, 2014.

ATTEST:


Darleen Mazzillo
Executive Assistant


Welton G. Cadwell
Chairman

Approved as to form and legality:


Joseph A. Passiatore
CFX General Counsel

**Central Florida Expressway Authority
Position of Executive Director Policy**

Policy EXEC - 4

Department: Executive

EXHIBIT "A"
CENTRAL FLORIDA EXPRESSWAY AUTHORITY
JOB DESCRIPTION

DATE: September 11, 2014

POSITION: Executive Director

DEPARTMENT: Executive

JOB SUMMARY

The Executive Director is the chief administrative and technical officer of the Agency and reports directly to the Authority Board. The Executive Director oversees all of the activities of the Agency and shall:

1. Provide the most convenient, safest and economical expressway possible with the limited resources allocated;
2. Establish and maintain effective communications with customers, Board members, employees, consultants and coordinating agencies;
3. Complete approved plans, programs and contracts as scheduled and budgeted;
4. Maximize benefits from funds expended; and
5. Fully implement the policies, systems, standards and specifications adopted by the Authority.

PRINCIPAL DUTIES AND RESPONSIBILITIES

1. Identify policy and planning issues and make recommendations for Board consideration.
2. Prepare and recommend programs and finance plans for expressway expansions and improvements.
3. Prepare and recommend programs and budgets for the operation and maintenance of existing facilities.
4. Direct and control Authority operations in accordance with approved policies, plans, programs and budgets.
5. Prepare and distribute periodic status reports comparing planned and actual accomplishments to the Board.
6. Report problems and corrective actions taken to the Board.
7. Provide public information programs to communicate expressway activities to customers.
8. Establish and maintain communication and coordination with appropriate local, state and federal agencies.
9. Provide employees with work plans, programs, budgets and contracts.
10. Provide staff with timely decisions on policy, program and budget matters.
11. Provide adequate descriptions of staff responsibilities, authorities and scope of operations.
12. Approve contracts within the limits established by the Procurement Policy.
13. Provide the facilities and equipment needed for the effective day-to-day operation of the Authority's business.

MINIMUM EDUCATION, CERTIFICATION AND EXPERIENCE REQUIREMENTS

Education: Graduation from an accredited college or university with a Bachelor's Degree is required. A Master's degree is preferable.

Experience: 8 years of comprehensive executive management and finance experience. Experience in toll operations, fixed guideway facilities, budgets, business, contract management, finance, economic development and transportation operations desired.

REQUIRED SPECIAL STRENGTHS

- Proven executive level manager with a strength in finance (both capital and operations)
- Effective operations and project management with both direct employees and consultants
- An effective agent on behalf of the Authority with a variety of critical stakeholders including other governmental agencies, businesses, community leaders, customers and the media
- Politically astute and sensitive,
- A visionary who is creative, innovative and proactive
- A strong customer focus
- Impeccable professional and personal ethics with a commitment to full transparency
- Excellent verbal and written communications skills, including public speaking,
- A skillful negotiator

Required to provide and maintain proof of a valid Florida's driver's license and car Insurance.

EXHIBIT "B"
EXECUTIVE DIRECTOR PERFORMANCE REVIEW

The evaluation will be conducted as follows:

Utilize the evaluation form attached. It contains nine columns, one for each Board member with seven categories for evaluation criteria, an area for comments regarding either specific positive attributes or negative concerns that may warrant action, and a section for comments and recommendations.

Forms will be prepared by the Human Resources Director and provided to each of the Board members for their input.

Once completed, the Human Resources Director will provide a summary of the evaluations by category, with averages provided as well as a summary of comments and suggestions as to potential merit increases. (Each category will be weighted with a total of 100 points for all categories and each evaluation will be between 1 and 10 with 1 being the lowest rating and 10 being the highest. A rating of 7 would indicate minimally acceptable performance.)

Upon completion of the evaluations, the Board will discuss the results and any action that is appropriate at the next regularly scheduled Board meeting.

This performance review shall take place at a minimum of once per year on the anniversary hire date of the individual serving as Executive Director or as soon thereafter as is practical.

The following are the definitions of the Key Task and Core Competency Categories.

Vision and Mission of the Board

Does the Executive Director (ED) work with the Board to develop a clear vision? Does the ED translate CFX missions into realistic goals and objectives? Does the ED work with both the Board and staff to develop a long-range plan? Does the ED understand what changes must take place for CFX to accomplish its mission and realize its goals?

Accomplishments of Management Objectives

Has the ED successfully cultivated a qualified senior staff and provided a model for effective behavior? Has the ED built morale among the staff? Has the ED ensured there are appropriate systems in place to facilitate day-to-day operations, including education and outreach, policy development, administration and operations, and resource development?

Fiscal Management

Is the ED knowledgeable regarding financial planning, budgeting, and management of the system's finances? Does the ED understand the overall financial picture? Have strategic and operational planning been linked to the budgeting process? Is there clear and accurate communication of all accounting and financial issues to the Board?

Operations Management

Does the ED have adequate knowledge to effectively operate CFX? Is there a sound risk management system in place? Are there appropriate policies for personnel and staffing? Is CFX in compliance with all legal and regulatory requirements?

Board/Staff Relationship

Is there an appropriate level of dialogue between the ED and both the Board and staff to ensure the Board maintains a good knowledge of the CFX? Has the ED ensured there is an effective and collegial working relationship between staff and Board members?

External Liaison and Public Image

Does the ED maintain a positive professional image in the community and act as an ambassador? Does the ED cultivate effective relationships with community and business leaders, customers, public officials, and relevant professional organizations? Is the ED an articulate and knowledgeable spokesperson for CFX? Is the ED knowledgeable about the public policy dimension of CFX?

Performance Measures

Has the ED worked effectively to enable CFX to satisfy the performance objectives of the Florida Transportation Commission as set forth on the attached matrix?

CFX Executive Director . Performance Evaluation

Scoring Matrix

Date: _____

KEY TASK AND COMPETENCY	MAX POINTS	BOARD MEMBERS									AVERAGE
Vision and Mission of the Board	10										
Accomplishment of Management Objectives	10										
Fiscal Management	10										
Operations Management	10										
Board Staff Relationship	10										
External Liaison and Public Image	10										
Performance Measures	40										
TOTAL AVERAGE											

COMMENTS ON SPECIFIC ASPECTS OF PERFORMANCE:

COMMENTS AND RECOMMENDATIONS FOR MERIT INCREASE OR OTHER ACTION:

Evaluation Rating Scale

1.0 - 6.0 Performance is consistantly below expectations

6.1 - 7.0 Performance sometimes meets expectations and needs improvement

7.1 - 8.0 Performance consistently achieves minimal expectations

8.1 - 9.0 Performance often exceeds expectations

9.1 - 10.0 Performance far exceeds expectations

**Florida Transportation Comm. Non Performance Objectives
Fiscal Year 20XX Results**

MEASURE	DETAIL	OBJECTIVE	CFX PERFORMANCE	MAXIMUM POINTS	POINTS ALLOCATED
1 Maintenance Condition Rating	Condition Rating of at Least 90	≥ 90		2.353	
2 Pavement Condition rating	% of Lane Miles Rated Excellent or Good	> 85%		2.353	
3 Bridge Condition Rating	% of Bridge Structures Rated Excellent or Good	> 95%		2.353	
4 Bridges with Weight Restrictions	% of Bridge Structures with Posted Weight Restrictions	0%		2.353	
5 Toll Collection Transactions	Number of Electronic Transactions as a % of Total Transactions	> 75% by 6/30/2012		2.353	
6 Revenue Variance	Actual Revenue Variance without Recovery of Fines	< 4%		2.353	
7 Safety	Fatalities per 100 million Vehicle Miles Traveled for previous CY	> 10% below 5 yr ave (.49)		2.353	
8 Customer Service	% of Customers Satisfied with Level of Service (bi-annual survey)	> 90%		2.353	
9 Consultant Contract Cost	% of Increase from Original Award to Final Cost	< 5%		2.353	
10 Construction Contract Time	% of Contracts Completed Within 20% of Original Contract Time	≥ 80%		2.353	
11 Construction Contract Cost	% of Contracts Completed Within 10% Above Original Amount	≥ 90%		2.353	
12 Cost to Collect a Toll Transaction	Cost to Collect excluding Indirect Costs, Patrol, Interest and Dep'n	≤ 16¢		2.353	
13 Annual OM&A Variance	Variance Between Forecast OM&A to Actual OM&A	< 110%		2.353	
14 M/WBE Participation	M/WBE Participation as a % of Total Commitments (Agency Target 15%)	(> 90% of Target) 13.5%		2.353	
15 Debt Service Coverage - Bonded/Commercial Debt	[(Revenues-Interest)-(Toll O&M Exp)]/All Scheduled Debt Service	> 1.5		2.353	
16 Debt Service Coverage - Comprehensive Debt	[(Revenues-Interest)-(Toll O&M Exp)]/All Debt	> 1.2		2.353	
17 Authority Debt Service Coverage Compliance	Compliance with Bond Covenants for Debt Service Coverage	Yes		2.353	
Total Points Allocated (Maximum 40 Total Points)				40	0.00

Percentage of Points Earned 0%

Note: CFX Performance column reflects actual results for the Fiscal Year reported by the Florida Transportation Commission.

HARRIS ■ RAND ■ LUSK

122 West 42nd Street, Suite 3605 New York, NY 10168

Phone: 212 867 5577

May 29, 2015

S. Michael Scheeringa
Chair, Executive Director Search Committee
Board of Directors
Central Florida Expressway Authority
4974 ORL Tower Rd
Orlando, FL 32807

Dear Board Member Scheeringa:

As per your request, I have reviewed, for both content and form, the draft contract you negotiated with Laura Kelley for the Central Florida Expressway Authority's (CFX) Executive Director position.

With regard to compensation & related issues, such as salary, leave accrual and expenses, you can be assured that all fall well within industry norms for equivalent level positions at similar transportation entities nationally.

The contract also structurally conforms to the best practices employed by most of our large public transportation clients and is faithful to what we at Harris Rand Lusk (HRL) consider the "gold industry standard" as embodied in the American Public Transportation Association's Employment Agreement Guidelines for Public Transportation Management.

Accordingly, I would suggest to you that such contract was constructed with care and due diligence, and, if agreed to by Ms. Kelley, could be approved with utmost confidence by the CFX Board.

On behalf of HRL Executive Search, I want to thank you, Chairman Cadwell, the CFX Board and the Authority's staff liaison team, for a productive and pleasant search experience. We stand ready to help CFX at any time in the future should you need our assistance.

Sincerely,



Christopher P. Boylan
Director, Transportation & Infrastructure Practice

Cc: J. Passiatore, CFX
M. Mederos-Lamaute, CFX
J. Lusk, HRL
M. Coffey, HRL