

MINUTES

JUNE 02, 2022

12:00 PM – 1:30 PM

1. Call to Order and Determination of Quorum

William McDonald moved to call the meeting to order and determined a quorum.

Committee Members

- William McDonald (Chair)
- James Bensley
- Susanne Carlock
- Terrence Rice
- Edward White
- Brian Young

Others Attending

- Heather Bird, Board Member
- Tom Brede, Public Information Officer
- Bill Carpenter, CEO
- Dan DeLaus, Chief Legal Counsel
- Don Jeffries, Board Chair
- Jerdine Johnson, Board Member
- Richard Kosmerl, Board Member
- Kelly Parisi, Executive Assistant to the CEO

2. Approval of Agenda

Brian Young moved to approve the agenda, and Terrence Rice seconded the motion, which carried unanimously.

3. Continue Review of Policies from May 5, 2022 Agenda

Terrence Rice moved to go into Executive Session for the succession discussion, Brian Young seconded the motion, which carried unanimously. The Governance Committee made no decisions during the Executive Session.

Brian Young made a motion to Adopt the changes made to the Succession Plan Policy, Susanne Carlock seconded the motion, which carried unanimously. A copy of the Policy is attached to these minutes.

4. Other Business

The Governance Committee had no other topics to discuss.

5. Motion to Adjourn

Brian Young moved to adjourn the meeting, and Susanne Carlock seconded the motion, which carried unanimously.

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Process Introduction

This process may be used whenever a temporary or permanent CEO position vacancy occurs or is planned. This document identifies how the Board Members* maintain continuity in the CEO position and organize to select a new CEO, and the steps required to execute the selection process. The Board will retain the flexibility to change and/or modify this process at any time by majority vote of the full board.

**For purposes of this process, only individuals who are permitted to vote as members of the RGRTA Board of Commissioners shall be deemed included in the term “Board Members.” Non-voting individuals will not be permitted to participate in or take any action described in this process except when specifically requested by the Board Chair.*

Purpose and Scope

This is the process to be used by voting Board Members of the RGRTA Board of Commissioners to maintain management continuity in the CEO position and to select a temporary or permanent replacement CEO to lead the Authority. The process has been designed to ensure the following:

1. Clarity in the steps and responsibilities involved.
2. The ability to move swiftly and decisively in addressing the leadership needs of the Authority.
3. A planned approach to selecting the best candidate.

A fundamental part of the process is the use of the CEO position’s established core competencies as the selection criteria for a new CEO. This enables the Board to act quickly to find and select a suitable CEO, having already established the selection criteria. It also ensures that a search can be launched quickly and effectively. The competencies define the combined skills, knowledge, and abilities needed to successfully perform the position.

This process covers the required steps to maintain leadership continuity in the event of a temporary or permanent CEO vacancy, and to find, select and employ a temporary or permanent replacement CEO. It defines the various roles and steps required.

Applicability

This process applies to the voting members of the RGRTA Board of Commissioners. The process requires the voting members of the Board to follow the process and to approach the task with appropriate time, energy and focus to select the best candidate to meet the needs of the Authority.

Frequency

The process will be followed whenever a temporary or permanent vacancy in the CEO position occurs or is planned to occur.

Confidential Deliberations

No other individuals will be allowed to attend the meetings involved in this process except: (1) voting members of the Board or the specific Committee; (2) when specifically invited; or (3) to the extent expressly mandated by applicable law. This includes, but is not limited to, meetings of the Board, the Compensation Committee, and the Search Committee.

Key Parts of the Process

The CEO replacement and selection process has eight parts.

Part 1: Ensuring Leadership Continuity in the CEO Position

Part 2: Roles in the Search and Selection Process

Part 3: CEO Core Competencies

Part 4: Internal and External Candidate Search

Part 5: Candidate Interviews and Search Committee Discussion

Part 6: Voting Board Member Discussion and Decision

Part 7: CEO Employment Offer

Part 8: Employment Offer, Communications, and Transition Issues

Part 1: Ensuring Leadership Continuity in the CEO Position

Part 1 is carried out as soon as the Board is informed of a temporary or permanent vacancy or planned vacancy in the CEO position, but not later than 10 days after being informed. The Chief People Officer shall be responsible for notifying the Board Chair of a temporary or permanent vacancy or planned vacancy in the CEO position as soon as possible after that vacancy becomes known.

The Board Chair shall carry out the following steps in Part 1. In the Board Chair's absence, the responsibility passes to the Vice Chair.

1.1. Notify Board Members

Upon learning of a temporary, permanent, or planned vacancy, the Board Chair will notify the voting Board Members of the situation and the need to follow the established process.

1.2. Decide on Interim Appointment

The Board Chair will determine whether an interim CEO needs to be appointed, as follows:

- a. **Vacancy of less than 30 days:** If the vacancy is expected to last less than 30 days, the Authority will continue to be managed by the current executive management team and no CEO replacement or interim CEO will be appointed. In such cases, the Board Chair will appoint one member of the current executive management team to provide a weekly status update to the Board Chair, and to alert the Board Chair if any non-routine and/or significant management issue should arise during the CEO's absence.
- b. **Vacancy of 30 days to one year:** If the vacancy is expected to or does last more than 30 days but less than one year, the Board Chair will appoint an interim CEO. Such an interim appointment will have been pre-determined by the Board Chair and current CEO utilizing the leadership succession plan. The CEO and Board Chair will together periodically review the leadership succession plan and identify the person who will be appointed as the interim CEO should the CEO position become temporarily or permanently vacant. If the CEO and Board Chair have not identified a predetermined interim leader, then the Board Chair will select an interim leader, either internal or external to the Authority, using the competencies of the CEO position as guidance. The Board Chair will review the interim CEO appointment with the executive management team and the Compensation Committee before an announcement is made, but will not need approval of any person, committee or board to make this interim appointment/hire. Compensation to be paid to the interim CEO will be determined by the Board Chair and approved by the Compensation Committee. The role of the interim CEO is to maintain the ordinary course of business operations. The Board Chair will notify the Board of any interim appointment and remind them of the CEO Selection Process.

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- c. **Vacancy of greater than one year:** If the vacancy is expected to or does last more than one year, the Board Chair will follow the interim selection process as stated in b. above and will be responsible for overseeing selection of a new CEO in accordance with this process.

Part 2: Roles in the Search and Selection Process

The permanent CEO replacement search process will be started not later than 10 days after the Board Chair determines that a CEO vacancy will exceed one year or when the current CEO indicates the vacancy will be permanent.

The Board Chair is responsible for overseeing the CEO replacement search and selection process.

Additional roles and responsibilities are fulfilled by the Compensation Committee, Officers of the Board, voting Board Members, and the Executive Management Team.

2.1. Compensation Committee

The Compensation Committee will act as the Search Committee and in that role will oversee the following:

- a. The launching of a selection process considering internal candidates along with an external search effort. The external search may be waived upon a resolution passed by the full Board of Commissioners.
- b. Recommending the best CEO candidate at the end of the selection process.
- c. Drafting the CEO employment offer.

2.2. Officers of the Board

The Officers include the Chair, Vice Chair, Secretary and Treasurer of the Board. The Officers of the Board will determine whether the current business situation is such that criteria in addition to the core competencies set forth in Part 3 should be considered in selecting the replacement CEO. If they determine that additional factors should be considered, they will make a proposal to the full Board to supplement the core competencies. As stated below, the primary factors for selecting the replacement CEO will be the core competencies. Any additional selection factors may be used only by unanimous vote of the voting Board Members.

2.3. Voting Board Members

Following established procurement policy, the voting Board Members may hire a consultant to facilitate the search and selection process. If one is hired, the Facilitator's responsibilities will be to work directly for the Search Committee to ensure continuity of and adherence to the process.

2.4. Executive Management Team

The executive management team will provide support as needed to the Search Committee.

Part 3: CEO Core Competencies and Selection Factors

This Part lists the requisite demonstration of ability for each core competency and additional selection factors.

3.1. Core Competencies

1. **Vision:** Proven ability to create a realistic yet evolved picture of the organization and its business in the future – where he/she wants to take the organization. Demonstrates a level of business savvy to understand the business, the industry, and the key challenges.
2. **Ability to Articulate the Vision:** Demonstrates the passion and ability necessary to communicate the vision and use it to inspire the full organization to get onboard, and influence key constituencies to support that vision.
3. **Practical Leadership Execution:** Successful experience in developing and implementing organization structure, performance measures, IT capabilities, reward strategies, and the culture needed to translate the vision into reality for a similar size business.
4. **Bold Decision Making:** Verified track record of boldness and courage in making difficult decisions under uncertainty to position the enterprise for ongoing success.

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5. **Financial Management and Funding Leadership:** Proven knowledge of financial management and demonstrated ability to successfully secure needed funding by building coalitions to motivate elected officials to secure funds; cultivating, promoting and encouraging constituencies towards common funding goals; and identifying alternative funding streams.
 6. **Productive Relationships:** Established ability to work cooperatively and to build productive relationships with a wide variety of political, socio-cultural, religious, and demographic populations.
 7. **Foresight:** Demonstrates an understanding of long-term themes affecting the enterprise. Has been able to determine the impact of those themes and make current decisions to positively position the enterprise in the future.
 8. **Project Management:** Proven ability to oversee major capital projects related to the strategic objectives of the enterprise, and effectively provide oversight of resources needed to achieve those projects.
 9. **Talent Mindset:** Demonstrated ability to assemble, motivate and develop quality talent, and build an atmosphere of trust.
 10. **Political Acumen:** A deep understanding of key constituencies (employees, board members, customers, general public, elected officials, state legislature, lobbyists, and the media), and proven ability to navigate the political environment with successful strategies and results. Includes demonstrated skills in cultivating and influencing the media.
 11. **Communication:** Ensuring that key and critical information is shared in a timely fashion. Developing and delivering information in multi modes that demonstrate the needs of different audiences.
 12. **Good Judgement:** Proven ability to consider consequences of one's decisions, think before acting and speaking, and use tools to make good decisions in a variety of situations.

3.2. Additional Selection Factors

At the time of a permanent search the full Board will review and adopt these core competencies and identify any other core competencies and/or key factors that will be used in the selection process. Such other key factors include but are not limited to:

1. Local, state and federal funding issues
2. Political issues and trends
3. National transportation issues and trends
4. Local and regional transportation issues and challenges
5. Financial issues and trends
6. Key operating challenges

Part 4: Internal and External Candidate Search

This Part begins at the time a CEO vacancy will exceed one year or when the current CEO indicates the vacancy will be permanent. The Search Committee carries out the steps in Part 4.

4.1. Evaluate Internal Candidates

The Search Committee will confer with the Board Chair to review the current CEO succession plan document for the names of internal candidates identified as possible CEO successors. The current CEO and members of the executive management team may be consulted (if appropriate) to determine if any other internal candidates should be considered.

Resumes and background material for each potential internal candidate will be assembled by the Chief People Officer to be reviewed by the Search Committee.

4.2. Select External Search Firm

Unless the Board has voted to dispense with an external search, the Search Committee will arrange for an external search in conjunction with the Chief People Officer and following established procurement policy may select a search firm to conduct an external search.

External search firms will be provided with the core competencies and any key factors (when available) approved by voting Board Members as selection criteria. Each search firm will provide the following at a minimum to be considered for the search:

- a. A profile of the position demonstrating how well the search firm understands the CEO position.
- b. A proposed search plan to find appropriate candidates including likely target markets and organizations where likely candidates will be found.
- c. A proposed high-level marketing plan to advertise the search.
- d. A list of references from prior searches.

The Search Committee will recommend and the Board may approve the search firm, based on the materials provided by the search firms.

The role of the selected search firm will be to:

1. Identify three to five qualified candidates who possess the CEO core competencies and any additional selection criteria established by the Board; and
2. Assemble a resume and background material including biography for each candidate; and
3. Coordinate contact with the candidates; and
4. Conduct reference and background checks; and
5. Facilitate negotiations.

The search will proceed according to the plan outlined by the search firm.

4.3. Develop Review Schedule

A schedule will be developed for the Search Committee to review all candidates.

4.4. Notify Preliminary Candidates

Candidates will be notified that they are candidates and will be informed of the process, its timing, and what each candidate will be expected to do as part of the process.

4.5. Identify Candidates to Interview

The Search Committee will review resumes and background materials for all candidates and, using the approved selection criteria, will identify candidates who will advance to the interview stage.

4.6. Develop Master List

A master list of candidates to be interviewed will be developed.

Part 5: Candidate Interviews and Search Committee Discussion

This Part is carried out when the Search Committee has identified its list of candidates to be interviewed. The Search Committee carries out this procedure with the assistance of the Facilitator, if any.

5.1. Schedule the Interviews

Interviews are scheduled working through the Chief People Officer and the search firm (if any). Interviews will be conducted at an offsite location and will be identical in format and length of time – 90 minutes.

5.2. Develop the Interview Questions and Assessment Method

The Search Committee will develop interview questions, with input from the voting Board Members. All interview questions will be prepared in advance but will not be shared in advance with any candidates. The Search Committee will then develop a transparent and objective method for assessing candidates.

5.3. Conduct the Interviews

Each interview will consist of the Search Committee asking the prepared questions of the candidates, along with follow up questions for the candidates. Other voting Board Members may attend but may not participate in the questioning. Following the interview(s) these attending Board members, if they have any comments, will provide them in writing to the Search Committee.

5.4. Engage in a Post-Interview Discussion

Following the interviews, the Search Committee will engage in discussion and decision making focused on which candidate best fits the core competencies and other approved selection criteria. This may require more than one meeting.

5.5. Prepare a Recommendation

The Search Committee will develop a recommendation for the best candidate. The recommendation will be presented to voting Board Members during the next step in the process.

5.6. Schedule Meeting of Voting Board Members

When the Search Committee has agreed to a recommendation, they will communicate to voting Board Members that a recommendation is ready and schedule a special meeting of voting Board Members. Additional tasks include:

- a. A meeting announcement/agenda to voting Board Members.
- b. Preparation of a presentation summarizing the process to date including summaries of each final candidate and the Search Committee's recommendation.

Part 6: Voting on the Search Committee's Recommendation

This Part occurs when the Search Committee is ready to recommend its selected candidate. This Part is led by the Search Committee at a meeting in which Board Members holding at least two-thirds of the total eligible votes are present.

6.1. Review Search Process

The meeting begins with a review of the entire search process and a summary of each final candidate's profile.

6.2. Present Recommendation

The Search Committee's recommendation is made to voting Board Members along with the logic used by the Search Committee to select the proposed final candidate.

6.3. Discuss Recommendation

Voting Board Members discuss the recommendation focusing on the recommended candidate's fit to the CEO core competencies and any other properly approved selection criteria.

6.4. Vote on Search Committee's Recommendation

Voting Board Members vote on the Search Committee's recommendation. The vote of at least two-thirds of the total eligible votes is needed to approve the recommendation. If the Search Committee's recommendation is not approved by such two-thirds vote, then the Search Committee will meet to determine the next steps with input from voting Board Members.

Part 7: Making the CEO Employment Offer

This Part occurs after at least two-thirds of the total eligible votes of the Board have been cast to approve the Search Committee's recommendation. This Part is carried out by the Compensation Committee.

7.1. Negotiate Employment Offer, Address Transition, and Check References/Background

A member of the Compensation Committee is selected to lead the negotiation with the final candidate as to the employment offer to be extended and any transition issues that need to be addressed. At the same time, the search firm will make candidate references and background checks if an external candidate has been selected.

7.2. Prepare Internal Announcement and Press Release

The Public Information Officer is instructed to prepare an internal announcement within the Authority as well as a press release. The name of the successful candidate will be released only upon notice from the Compensation Committee that the employment offer has been made and accepted.

7.3. Reconvene if Negotiations Fail

If the negotiations fail for any reason, the Search Committee will reconvene to make a new recommendation to voting Board members or determine that further search or interviews are needed in accordance with this process.

Part 8: Employment Offer, Communications, and Transition Issues

This Part occurs when the Compensation Committee has approved the CEO employment offer. After the approval, the Board Chair carries out these responsibilities, with assistance from others as appropriate.

The Board Chair makes a verbal official offer of employment, confirmed in writing, to the successful candidate.

After selected candidate accepts the employment offer:

1. The appropriate staff plans for any transition issues.
2. Unsuccessful candidates are notified that they were not selected and are treated with the utmost respect and gratitude for their interest and involvement in the process.
3. An internal communication is made to announce the new CEO and start date.
4. A press release is issued announcing the new CEO and start date.

The new CEO begins work on the agreed-upon date.

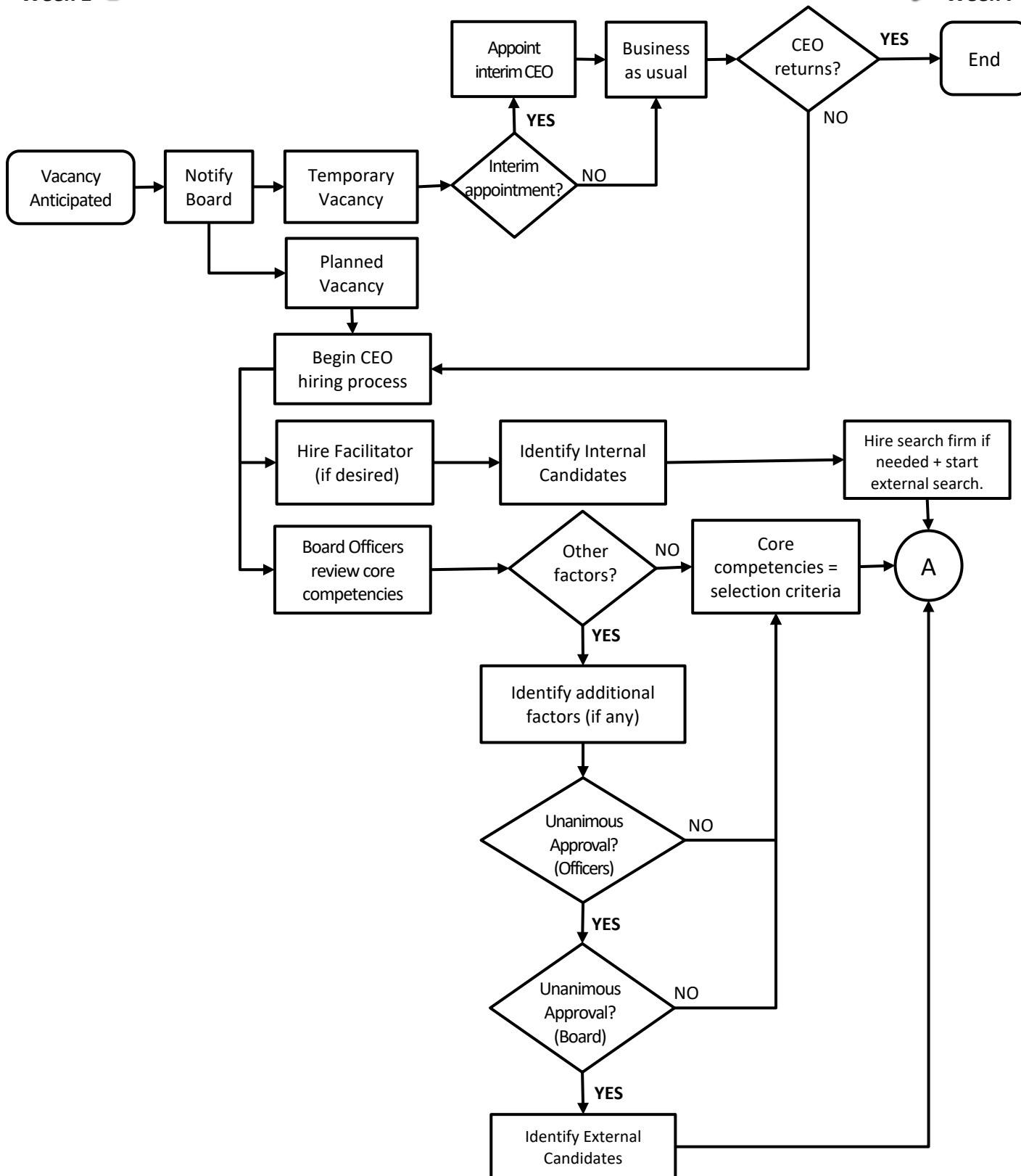
CEO Replacement Plan/Schedule

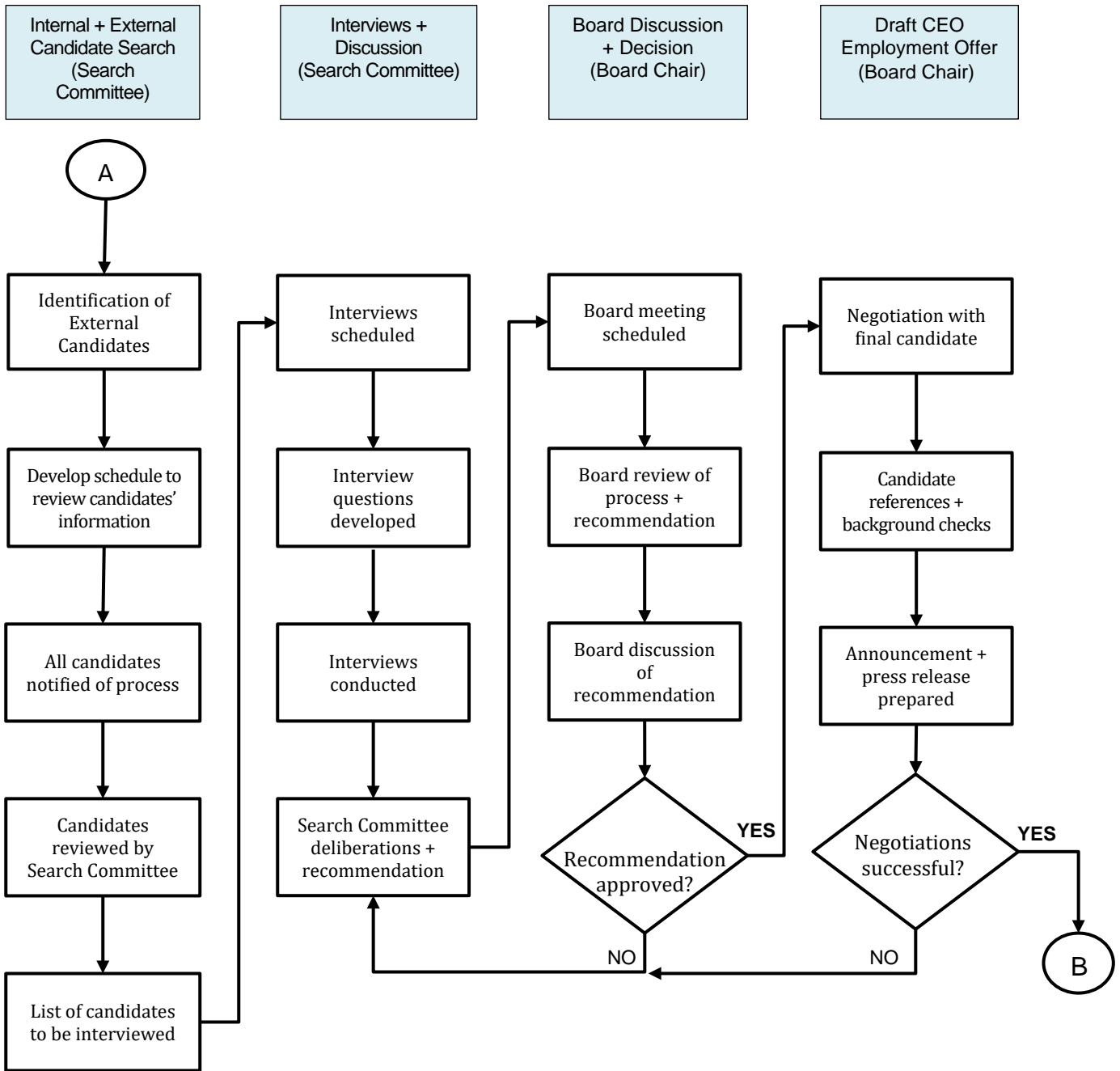
	Accountability	Completion Date
Part 1: Ensuring Leadership Continuity in the CEO Position		
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Process Flow Charts

Ensure Leadership Continuity (Board Chair)

Week 1 Week 7





Week 14

