

Motion No. M2024-02

A motion of the Board of the Central Puget Sound Regional Transit Authority appointing Goran Sparrman as the interim chief executive officer for a contract term from January 13, 2024 through January 12, 2025.

Background

On December 12, 2023, Julie Timm announced that she would resign the position of Sound Transit chief executive officer effective January 12, 2024.

Goran Sparrman is widely known and respected for his work throughout the region and would bring more than 30 years' experience in the public and private sector to the interim CEO role. Most recently, Mr. Sparrman served as Business Development officer and Vice President at HNTB Corporation. From 2011 to 2014, Mr. Sparrman served as the Deputy Director and Interim Director of the Seattle Department of Transportation, where he led planning, design, building, maintenance, and operations to support Seattle's transportation infrastructure. He was also Director of the City of Bellevue Transportation Department for 12 years, where he worked closely with Sound Transit to implement the East Link Extension.

Mr. Sparrman is a licensed professional engineer in Washington and holds the equivalent of both a bachelor's and a master's degree in civil engineering from Chalmers University of Technology in Gothenburg, Sweden.

The proposed interim CEO contract contains the following key terms:

- \$385,000 annual base salary and \$30,000 signing bonus, with partial repayment of the bonus if the contract is terminated early, and a retention bonus of \$29,000 if continuously employed through the last day of the contract term.
- Standard benefits (e.g., medical, dental, vision and ORCA pass) available to all employees. Sound Transit will also provide a fully funded Health Care flexible spending account (FSA) up to the IRS limit in 2024 (the 2024 IRS limit is \$3,200). Mr. Sparrman will accrue 35 paid time off (PTO) days a year.
- Standard retirement and deferred compensation plans available to all employees. Sound Transit is required by law to contribute an amount equal to 12% of each employee's annual base salary to a 401(a) retirement account. Sound Transit will also contribute \$23,000 to his 457(b) deferred compensation retirement account during the 2024 calendar year.
- A taxable expense allowance of \$15,000 a year to defray miscellaneous routine business expenses incurred consistent with Sound Transit policies.
- Reimbursement for approved travel, food and lodging associated with professional conferences consistent with Sound Transit policy, including American Public Transportation Association conferences and the Washington State Transportation Conference.
- The Board will manage and monitor Mr. Sparrman's performance and will establish goals and objectives for the contract term by March 31, 2024.
- The Board may terminate the employment with or without cause. If the contract is involuntarily terminated without cause during the contract term, Mr. Sparrman will receive a severance package of salary and benefits equivalent to three months (or the amount remaining of the

contract term, if less than three months) base salary, health insurance and retirement benefits, and the cash value of any unused accrued PTO.

Motion

It is hereby moved by the Board of the Central Puget Sound Regional Transit Authority that (1) Goran Sparrman is appointed as the interim chief executive officer for a contract term from January 13, 2024 through January 12, 2025 and (2) the agreement to employ Mr. Sparrman as Sound Transit's interim chief executive officer is approved as set forth above, and including the following terms: (a) a one year contract term (January 13, 2024-January 12, 2025), (b) an annual base salary of \$385,000 with a \$30,000 signing bonus and a retention bonus of \$29,000 if continuously employed through the last day of the contract term, (c) standard employee medical, dental, vision and ORCA pass benefits plus a fully funded Health Care FSA up to the IRS limit and 35 days paid time off, (d) 12 percent of his annual base salary contributed to his 401(a) retirement account and \$23,000 contributed to his 457(b) deferred compensation retirement account, (e) a taxable expense allowance equivalent to \$15,000 to defray miscellaneous routine business expenses, (f) reimbursement for allowed expenses for professional conferences, (g) an amount equivalent to three months base salary and retirement benefits, the cash value of any unused accrued PTO, plus health insurance benefits if involuntarily terminated without cause, and (h) other standard terms substantially consistent with provisions approved by the Board in other employment agreements.

APPROVED by a two-thirds affirmative vote of the entire membership of the Board of the Central Puget Sound Regional Transit Authority at a special meeting thereof held on January 11, 2024.

Dow Constantine
Board Chair

Attest:

Kathryn Flores
Board Administrator