

**EMPLOYMENT AGREEMENT FOR THOMAS LAMBERT**

**THIS EMPLOYMENT AGREEMENT** (the “Agreement”) is between the Metropolitan Transit Authority of Harris County, Texas (“METRO”) and Thomas C. Lambert, (“Mr. Lambert” or “Employee”), hereinafter collectively, (the “Parties”). This Agreement replaces any previous employment agreement agreed to by the Parties and is effective as of November 1, 2017.

**W I T N E S S E T H:**

**WHEREAS**, Mr. Lambert presently serves as the President and Chief Executive Officer of METRO;

**WHEREAS**, METRO recognizes the excellent service and job performance of Mr. Lambert and desires to continue to retain his services;

**WHEREAS**, both METRO and Mr. Lambert wish to continue the employment of Mr. Lambert under the terms and conditions set forth herein;

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, and for other consideration mutually acknowledged, the Parties agree as follows:

**I.  
TERM**

**1.1 Length of Agreement.** Subject to Section IV, the term of this Agreement shall be for a two year period, from November 1, 2017 to October 31, 2019.

**1.2 Option Year.** This Agreement may be extended an additional year (to October 31, 2020) by mutual consent of both METRO and Mr. Lambert. METRO’s consent to an additional year must be made by written notice from the Chair of the Board of Directors to the

Employee. Mr. Lambert's consent to an additional year must be made by written notice to the Chair of the Board of Directors.

## **II. EMPLOYMENT**

**2.1 Full-Time Status.** While employed by METRO, Mr. Lambert shall devote his full time, attention and energy to the business of METRO, except for activities as may be specifically permitted by the Board of Directors of METRO.

**2.2 Duties and Responsibilities.** Mr. Lambert shall serve as President and Chief Executive Officer of METRO. As President and Chief Executive Officer, Mr. Lambert will perform all duties necessary to accomplish the mission and goals of METRO. He is responsible for implementing the policies and directives of the Board of Directors of METRO. Further, Mr. Lambert shall have the duties and responsibilities set out in Section 451.106 of the Texas Transportation Code, including the administration of the daily operations of METRO.

## **III. COMPENSATION**

**3.1 Annual Salary.** Mr. Lambert shall receive an annual salary of Three Hundred Twenty Five Thousand Five Hundred Dollars (\$325,500), beginning on November 1, 2017. This represents a five percent (5%) increase over 2015 - 2017 annual salary. Beginning November 1, 2018, Mr. Lambert will receive an annual salary of \$335,265 for the second year of this Agreement. This represents a three percent (3%) increase in annual salary. If the Parties mutually agree to a third year, Mr. Lambert's compensation will increase by three percent (3%) to total \$345,322 for third year, unless otherwise agreed by the parties.

**V.**  
**MISCELLANEOUS**

**5.1 Severability.** Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective to the extent of such provision or invalidity only, without invalidating the remainder of such provision or the remaining provisions of this Agreement.

**5.2 Binding Effect.** This Agreement shall be binding to the Parties hereto when executed by Mr. Lambert and the Chairman of the Board of Directors of METRO.

**5.3 Texas Law to Apply; Arbitration.** This Agreement shall be governed by and construed pursuant to the laws of the State of Texas, notwithstanding conflicts of laws principles thereof. METRO and Mr. Lambert hereby submit to the jurisdiction of the courts, mediation and arbitral panels located in, and agree that venue shall lie for all purposes in, Harris County, Texas.

**5.4 Notices.** Any notices required by this Agreement shall be effective if given in writing by personal delivery or by depositing same in the United States mail, registered or certified, postage prepaid, return receipt requested. For purposes of this provision, METRO's address shall be 1900 Main Street, P. O. Box 61429, Houston, Texas 77208-1429 or at such other place as may be designated by METRO from time to time. Mr. Lambert's address shall be such address as reflected in METRO's records or such other place as may be designated by Mr. Lambert from time to time. In addition to METRO's address shown above, Mr. Lambert must send a copy of all notices to METRO to its Chairman of the Board of Directors at his/her current business address.

**5.5 Entire Agreement.** This Agreement constitutes the entire agreement of the parties hereto, and supersedes all prior understandings with respect to the subject matter hereof.

**3.2 Retirement Benefits.** Mr. Lambert shall continue to participate in METRO's defined benefit retirement plan. METRO will make contributions to its retirement plan for Mr. Lambert consistent with the terms and benefits of the existing plan.

**3.3 Withholding.** METRO may withhold from any salary or benefits payable under this Agreement all federal, state, city or other taxes that may be required to be paid by Mr. Lambert, pursuant to any law or governmental regulation or ruling.

#### **IV. TERMINATION**

**4.1 Termination.** This Agreement may be terminated for cause or for convenience by either party upon 30 days' prior written notice to the other party during the term of this Agreement.

**4.2 Termination for Cause.** METRO may terminate this Agreement at any time for cause, which is defined herein for all purposes of this Agreement to be willful malfeasance, gross negligence, gross misconduct, conviction of a felony crime or any crime involving moral turpitude or physical or mental incapacity to do the job.

**4.3 Termination Without Cause.** In the event METRO decides to terminate Mr. Lambert for convenience or for any reason other than cause as defined in Section 4.2, it is hereby agreed that Mr. Lambert will receive a payment in the amount that equals 12 months of his salary (at time of notice of termination) if said termination is within the first eighteen (18) months of this Agreement. If the termination without cause occurs within the last six (6) months of this Agreement, Mr. Lambert will receive a payment in the amount that equals six (6) months of his salary.

**4.4 Resignation.** If Mr. Lambert resigns his position at any time during the term of this Agreement, METRO is not obligated to make any continuing or future payments.

**5.6 Amendments and Waivers.** This Agreement may not be modified or overruled except by a writing signed by both Parties.


**5.7 Counterparts.** This Agreement may be executed in one or more counterparts.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year first above written.

**METROPOLITAN TRANSIT AUTHORITY  
OF HARRIS COUNTY, TEXAS**

By: Carrin Patman  
Name: Carrin Patman  
Title: Chair of the Board of Directors  
Date: 11/6/17

**THOMAS C. LAMBERT**

  
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President & Chief Executive Officer  
Date: 11-6-17