

**SAN LORENZO VALLEY WATER  
DISTRICT EMPLOYMENT AGREEMENT  
RICHARD M. ROGERS**

**SAN LORENZO VALLEY WATER DISTRICT** (“District”) employs **RICHARD M. ROGERS** (“Manager”) as District Manager, and Manager accepts and undertakes said employment upon the following terms and conditions to which the parties mutually agree.

1. **Term:** District employs Manager for a period of three (3) years beginning October 19, 2018 and ending October 19, 2021. Manager shall be employed thereafter on an annual basis, the Agreement renewing annually on October 19th, unless sooner terminated as provided herein, or unless the Agreement is extended or otherwise modified by a writing signed by both parties. Six months (6) before the end of the term (in approximately April 2021), the parties shall meet and confer about the transition to a new District Manager and/or whether to extend or otherwise modify the Agreement.

2. **Duties of District Manager:** The Manager shall perform all services and acts necessary or advisable to manage and conduct the District’s principal mission as a water producer and retailer and shall carry out the policies and directions of a majority of the District’s Board of Directors (“Board”) as may be given from time to time. The Manager shall comply with all applicable laws, rules and regulations of the State of California and all applicable local and federal government rules and regulations affecting District, and shall manage, supervise and carry out the terms and conditions of any and all agreements with Classified and Management Employees of the District which may exist from time to time. The Manager shall perform such other duties and functions and obligations as may be requested and directed by the Board. The Manager shall devote all of his working time to the District and shall not accept nor engage in outside employment for compensation without prior approval from the Board.

3. **Compensation:** The Manager shall be compensated for the first year at the rate of One Hundred Eighty Thousand, Nine Hundred Ninety-Eight Dollars (\$180,998.00) annually, payable in equal installments biweekly on the same dates that other District employees are paid. Effective October 19, 2019, and each October 19th thereafter, the Manager shall be entitled to an annual cost of living adjustment, or its equivalent, given to District employees at the discretion of the Board based upon a satisfactory performance rating from the Board. The Manager shall receive a written evaluation which relates to achievement of mutually defined goals and objectives at least once a year from the Board. At the discretion of the Board, Manager will also be eligible for up to a yearly five percent (5%) merit increase based on performance.

4. **Benefits:** The Manager shall receive other benefits provided to other District employees and the following:

(a) **Annual Leave.** In lieu of sick leave, personal business leaves, bereavement leave, and vacation, the Manager shall be granted forty-five (45) days (360 hours) of annual leave per year accumulated biweekly at 13.85 hours per biweekly period. Any annual leave accrued and unused in excess of one hundred eighty (180) hours shall be paid directly to the Manager at the Manager’s

regular hourly rate of pay in effect at that time on the first regularly scheduled payroll date which occurs on or after July 1 of each year. Accrued and unused annual leave shall be paid to Manager in full upon termination or separation.

(b) **Administrative Leave.** The Manager shall be entitled to a maximum of 56 hours yearly of administrative leave subject to the same terms and conditions set forth in Section 6.3 of the Memorandum of Understanding for the Management, Supervisory and Confidential Employees Unit of the District in effect as of the date of this Agreement (“Management MOU”).

(c) **Automobile Use.** Manager shall be assigned a District vehicle to be used in the course of employment. The vehicle may be used after normal working hours within the area of residency required for other District employees pursuant to Section 3.1 of the Management MOU.

(d) **Business Expenses.** The District shall reimburse the Manager travel expenses for out of county travel and reasonable business expenses, supported by customary documentation, when incurred in connection with District business.

(e) **Payroll Protection Plan.** The District shall supply, at the District’s expense, a payroll protection plan equal to sixty percent (60%) of the Manager’s gross salary to commence sixty (60) days after the commencement of any qualifying disability.

(f) **Jury Duty.** The District will compensate the Manager the difference between his then existing compensation and whatever amounts are paid by the state, or the U.S. District Court, as the case may be, for jury duty.

(g) **CalPERS Retirement Contribution.** Manager shall be responsible for the full 7% PERS member contribution. District shall pay 0%. District recognizes that Manager is considered a ‘classic employee’, fully vested in CalPERS. Manager’s CalPERS retirement formula is 2% at 55. The formula shall be based upon a three (3) years average salary.

If mandated CalPERS pension reform requirements necessitate a change to this Agreement, the parties agree to meet and discuss the effects of the change, and to negotiate in good faith to implement the change.

(h) **Life/Medical/Dental/Vision/Disability Insurance.** The District agrees to pay the cost of a life insurance policy for Manager with coverage in the amount of Fifty Thousand Dollars (\$50,000.00). The District agrees to pay all the costs of Manager’s enrollment in the California State Disability Insurance Program. The District agrees to pay costs of Manager’s medical/dental/vision insurance as provided in Section 7 of the Management MOU. If the Management MOU changes, the parties agree to meet and discuss the effects of the change on this section of the Agreement.

(i) **Holiday Leave.** Manager shall be entitled to all District holiday leave.

(j) **Membership Dues and Professional License Fee.** The Manager may request the District to compensate the Manager or reimburse him for professional memberships and professional licenses, which he obtains or renews during the course of his tenure as Manager. Payment of such dues and fees is subject to Board approval which will not be withheld if the dues or fees are related to and necessary for the business of the District.

(k) **Conferences, Seminars and Educational Courses.** The Manager shall be eligible for reimbursement for payment of fees or tuition for budgeted conferences, seminars and educational courses related to the business of the District subject to approval by the Board. With prior approval of the Board, the Manager will be reimbursed fifty percent (50%) of the cost of the books and tuition for educational courses leading to certificate, degree or professional licensing, upon successful completion of said courses. The Manager will be reimbursed the remaining fifty percent (50%) of the above costs after one (1) year of employment if the Manager is still employed at the District at that time.

5. **Termination.** This Agreement may be terminated by the Board at any time with or without cause, Manager being an employee at will. Cause includes, but is not limited to, the occurrence of any one of the following events:

(a) **Loss of Legal Capacity.** The loss by the Manager of legal capacity.

(b) **Breach of Duty.** The willful breach of duty by the Manager in the course of his employment, unless waived by the District.

(c) **Conviction of a Crime.** Conviction of a crime involving moral turpitude, or conviction of a crime which substantially affects the Manager's ability to satisfactorily perform his duties, including particularly, conviction of a crime involving an abuse of the Manager's office or position. In the event the Manager has been placed on paid administrative leave pending an investigation of a crime involving an abuse of his office or position, if the Manager is convicted of that crime, he shall reimburse the District for such payments.

(d) **Inexcusable Neglect.** Inexcusable neglect by the Manager of his employment duties.

(e) **Continued Incapacity.** Continued incapacity on the part of the Manager to perform his duties, unless waived by the District.

6. **Effect of Termination on Compensation.** The Manager shall be entitled to a lump sum payment equivalent to six (6) months compensation (salary plus cash equivalent of benefits) if without cause. In the event of termination of this Agreement by the Board for cause prior to the completion of the term of employment specified herein, the Manager shall be entitled retire and to receive all compensation earned prior to the date of termination, including accrued annual leave.

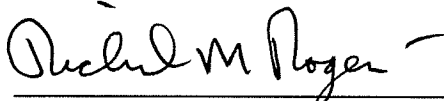
7. **Separation of Service.** The Manager may leave the services of the District in good standing prior to the termination of this Agreement. The Manager must submit a written notice of resignation or retirement to the Board at least Sixty (60) calendar days in advance of the effective date of Manager's planned resignation or retirement.

8. **Entire Agreement.** This Agreement supersedes and cancels any prior agreements, whether written or oral unless expressly stated to the contrary herein, and constitutes the complete and entire agreement between the parties.

Executed at Boulder Creek, California on the following date:

Dated: 10/23/2018

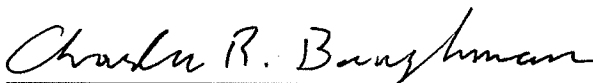
**DISTRICT MANAGER:**



**RICHARD M. ROGERS**

**SAN LORENZO VALLEY WATER DISTRICT:**

Dated: 10/24/2018

By:   
**President, Board of Directors**