

**AMENDED AND RESTATED
EMPLOYMENT CONTRACT FOR SERVICES AS GENERAL MANAGER OF
MOULTON NIGUEL WATER DISTRICT
(JOONE K. LOPEZ)**

This Amended and Restated Employment Contract (herein "Contract") is made and entered into as of the 10th day of June 2021, by and between MOULTON NIGUEL WATER DISTRICT (hereinafter the "District"), a California special district, and JOONE K. LOPEZ (hereinafter "Employee").

RECITALS

WHEREAS, Employee has served as the District's General Manager since June 25, 2012 pursuant to that certain Employment Contract dated as of May 17, 2012. District's Board of Directors (herein "Board") and Employee subsequently entered into the following Amendments to the 2012 Contract:

No.1 (2012) – salary increase;

No. 2 (2013) – salary increase and bonus;

No. 3 (2014) - salary increase, severance increase and evaluation schedule;

No. 4 (2015) – salary increase, bonus and toll road transponder;

No. 5 (2016) – salary increase and bonus;

No. 6 (2017) – salary increase, bonus, CPI salary adjustment of at least 2% for 2018, 2019 and 2020, contract term to June 30, 2021, and yearly evaluation no later than December 31;

No. 7 (2017), No. 8 (2018), No. 9 (2019) and No. 10 (2020), each of which provided for bonuses, and No. 10 also provided a credit for executive leave hours; and

WHEREAS, the Board wishes to continue the services of Employee as the District's General Manager; and

WHEREAS, Employee represents and warrants that she desires to continue serving as the District's General Manager; and

WHEREAS, the parties desire to enter into this Contract in order to amend and restate, in one document, the current terms and conditions of employment instead of entering into another amendment.

NOW, THEREFORE, in consideration of the above recitals and the mutual covenants herein contained, the parties hereto agree as follows:

SECTION 1. DUTIES.

A. District hereby agrees to employ Employee as District's General Manager, to serve at the pleasure of the Board. Employee shall continue to perform the functions and duties of General Manager and such other legally permissible and further duties and functions as shall, from time to time, be assigned by the Board, or as required by law.

B. Employee shall devote such time, interest, and effort to the performance of her duties as may be reasonably necessary to fulfill the above requirements. Without limiting the generality of the foregoing, Employee agrees to a work schedule as provided in Section 7 hereinafter, except as otherwise provided herein.

C. Employee's duties require that she be available to address time-sensitive matters of District business, and Employee agrees to reside within a distance from the District administrative offices that enables her to be on District premises within fifteen (15) minutes during her employment as General Manager.

SECTION 2. TERM.

A. This Contract shall be effective as of July 1, 2021 (the "Anniversary Date") and shall remain in effect through June 30, 2024 unless and until terminated as provided in this Section.

B. It is expressly understood that Employee, in her capacity as the District's General Manager, is an at-will employee serving at the pleasure of the Board, subject to termination at any time, with or without cause, and with no right to any hearing, including any so-called Skelly hearing.

C. Nothing in this Contract shall prevent, limit, or otherwise interfere with the right of Employee or District to voluntarily terminate this Contract. Due to the sensitive nature of Employee's position and the difficulty of replacing Employee, Employee shall give ninety (90) days written notice prior to such termination to the Board.

D. In the event District terminates Employee's employment without cause, Employee shall be entitled to the following severance in accordance with the terms of California Government Code sections 53260, *et seq.*: (1) six (6) months' salary at the rate in effect at the date of termination; (2) full medical benefits for the term of severance or until such time as Employee finds other employment, whichever occurs first; and (3) compensation for unused vacation and unused but accrued sick leave pay at the salary rate effective at the date of termination (such accrual and compensation to be consistent with the terms of Section 7.A and 7.B of this Contract). If Employee is convicted of a crime involving an abuse of her office or position (as defined in Government Code Section 5324.3.4, or its successor), Employee shall be obligated to reimburse District the full amount of the cash settlement listed hereinbefore under (1). Payment of any severance is expressly contingent on Employee releasing District and its Board from any all claims relating to Employee's employment and the termination thereof, excluding any claims for workers' compensation or unemployment insurance.

Upon any allegation that Employee has engaged in conduct that would result in her termination "for cause" as defined below, Employee is entitled to address and attempt to rebut those allegations before the Board in a closed session prior to the Board making any final determination regarding the veracity of those allegations. In the event the Board, in its discretion, finds merit to the allegations and terminates for cause, the Employee shall not be entitled to any severance pay. Such determination shall be made by the Board in its sole discretion, subject to review in an evidentiary hearing, if requested by the Employee. The hearing shall be before a neutral hearing officer selected from a list supplied by the State Mediation and Conciliation Service, and the issue at the hearing shall be limited solely to whether or not there is sufficient evidence to support a finding of termination for cause such that the Employee would not be entitled to any severance pay. Under no circumstances shall the Employee be entitled to reinstatement to the position of General Manager as a result of such hearing. Following the hearing, the hearing officer shall submit his/her findings and decision to the District, which shall be final and binding. Termination shall be 'for cause' if the Employee: (1) acts in bad faith and to the detriment of the District; (2) refuses or fails to act in accordance with any specific direction or order of the District; (3) exhibits in regard to her employment unfitness or unavailability for service, unsatisfactory performance, misconduct, dishonesty, habitual neglect, or incompetence; (4) is convicted of a crime involving dishonesty, breach of trust, or physical or emotional harm to any person; or (5) breaches any material term of this Contract.

SECTION 3. COMPENSATION

As of July 1, 2021, and continuing as of the effective date of this Contract, District agrees to pay Employee for services rendered pursuant hereto at a rate of Three Hundred and Nine Thousand Nine Hundred and Ninety Dollars (\$309,990.00) annually, payable in bi-weekly installments, minus appropriate withholding and payable deductions, payable through and in accordance with the District's regular payroll procedures. As additional compensation, Employee shall receive a bonus in the amount of Five Thousand Dollars (\$5,000.00) to be paid prior to December 31, 2021, minus appropriate withholding and payable deductions. Such amount shall not be calculated or included for any CalPERS or deferred compensation purposes.

SECTION 4. PERFORMANCE EVALUATION.

Performance evaluations shall be conducted annually by no later than December 31st of each year during the term of this contract. In conjunction with each performance evaluation, the Board of Directors may consider adjustments to compensation and/or appropriate bonus amounts. Any such adjustments or bonuses shall be documented by way of an amendment to this Contract.

SECTION 5. HEALTH & WELLNESS.

District shall provide to Employee the same group medical, dental, vision, life, short and long-term disability insurance programs, as well as any retirement benefits, if any, as are afforded to other management employees of District in accordance with current policies or as such policies are revised or amended from time to time in the future. This section is interpreted consistently with those policies, as amended if applicable.

SECTION 6. PROFESSIONAL DEVELOPMENT AND BUSINESS EXPENSES.

A. If consistent with annual budgetary proceedings and when approved in advance by the Board President, or in his/her absence another Board Officer, District agrees to pay reasonable: (i) travel and subsistence expenses of Employee for professional and official travel to and from attendance at conferences, seminars, and meetings; and (ii) professional dues, books, and subscription expenses necessary and desirable to continue the professional development of Employee and to adequately pursue necessary official and other functions for District, including national, regional, state, and local governmental groups and committees thereof which Employee and/or District serves as a member.

B. If consistent with annual budgetary proceedings, District agrees to pay such other reasonable expenses related to Employee's performance of the duties stated herein.

Employee's professional development and business expenses are governed in accordance with existing District policies, or as such policies are revised from time to time in the future and are more fully set forth therein. This section is interpreted consistently with those policies, as amended if applicable.

SECTION 7. HOURS AND BENEFITS.

A. Employee shall be entitled to four (4) weeks (160 hours) of vacation time per year. Employee shall accrue paid vacation time according to the same schedule as is accorded division head employees of District as set forth in District policies, as such policies may be amended from time to time in the future. Employee has discretion to schedule her vacation so long as that vacation is scheduled in such a way as to avoid unnecessary detriment to District's operations. Employee will provide reasonable notice to the Board, of scheduled vacation dates and will identify employees who will perform the Employee's duties during her absence. This section is interpreted consistently with those policies, including but not by way of limitation, SECTION 4.01 of the Personnel & Salary Policy, as amended if applicable.

B. Employee shall accrue paid sick leave at the same rate and on the same terms as are afforded to other management employees of District, as set forth in District policies, as such policies may be amended from time to time in the future. This section is interpreted consistently with those policies, as amended if applicable.

C. Employee shall be entitled to paid holidays according to the same schedule as is afforded management employees of District, as set forth in District policies, as such policies may be amended from time to time in the future. This section is interpreted consistently with those policies, as amended if applicable.

D. Employee shall receive a monthly vehicle allowance in an amount consistent with the amount provided to other designated management employees of District (which may be

changed from time-to-time in accordance with District policies as specified below in this paragraph). In addition, District agrees to provide Employee with a FasTrak transponder, as employee is required to respond to District emergencies 24 hours per day, 7 days per week. Employee agrees the vehicle allowance and FasTrak transponder covers all vehicle costs and expenses that may be incurred by Employee in connection with the use of her private vehicle for District business, including but not limited to insurance, maintenance, and fuel costs. Employee's use of her private vehicle while conducting District business is governed by District policies, including District's *Vehicle and Equipment Policy, Article X*, of the *District's Administrative Policies*.

E. Employee shall be provided, at District's expense, a District cell phone or smart phone, and laptop computer or tablet to be used for District business. The provision of a District phone and laptop computer or tablet and related expenses are governed in accordance with existing District policies, and as such policies may be amended from time to time in the future and are more fully set forth therein. This section is interpreted consistently with those policies, as amended if applicable.

F. Employee shall report to District's offices for work five (5) days per week during normal business hours and at such other times as may be necessary to discharge her duties, except when away on business for District or as otherwise excused by the Board President, or in his/her absence any other Board Officer, in writing (including an email communication). This provision shall not be interpreted to require that Employee obtain written approval prior to scheduling Employee's vacation. Employee has discretion to schedule her vacation so long as that vacation is scheduled in such a way as to avoid unnecessary detriment to the District's operations. Employee will provide reasonable notice to the Board of Employee's scheduled vacation dates and will identify employees who will perform the Employee's duties during her absence.

G. District shall pay for all official bonds required for the office of the General Manager.

H. Provided Employee otherwise qualifies, District shall annually contribute two percent (2%) of Employee's annual salary on Employee's account to District's 401(a) Plan. The 401(a) Plan contribution shall be made in equal monthly installments in conformance with District's regular payroll procedures. Assuming eligibility, Employee may at her option participate in the District's 457 Deferred Compensation Plan. Employee's participation in these plans shall be in accordance with official plan documents and related District policies, if any, as such plans or policies may be amended from time to time in the future. This section is interpreted consistently with those plans and those policies, as amended if applicable.

I. Employee shall be a member of District's retirement plan adopted and existing pursuant to contract with the State of California Public Employees' Retirement System ("CalPERS") in accordance with official plan documents and related District policies, as such plan or policies may be amended from time to time in the future. This section is interpreted consistently with that plan and those policies, as amended if applicable.

J. Subject to amendment from time to time at the discretion of the District, the Employee will also be provided with the following additional benefits:

- (1) Paid bereavement leave for a maximum of forty (40) hours, as described in the District's Personnel and Salary Policy at SECTION 4.10.
- (2) Paid jury duty for a maximum of fifteen (15) days, as described in the District's Personnel and Salary Policy at SECTION 4.11.
- (3) Medical retirement benefits as described in the District's Personnel and Salary Policy at SECTION 4.19.A.2.
- (4) Wellness benefit as described in the District's Personnel and Salary Policy at SECTION 4.23.

Except as specifically provided herein, Employee shall not receive any other compensation or benefits for performance of the services described hereunder.

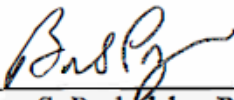
SECTION 8. GENERAL PROVISIONS.

- A. This Contract shall constitute the entire agreement between the parties hereto.
- B. This Contract shall be governed by the laws of the State of California.
- C. This Contract shall be binding upon and inure to the benefit of the heirs at law and executors of Employee.
- D. Any assignment of the rights or obligations of Employee hereunder without the express approval of District shall be void.
- E. No waiver, alteration, or modification of any of the provisions of this Contract shall be valid and binding unless in a writing executed by the parties hereto.
- F. This Contract integrates all of the terms and conditions mentioned herein, or incidental hereto, and this Contract supersedes all negotiations and previous agreements between the parties with respect to all or any part of the subject matter hereof. This Contract wholly supersedes and replaces the terms of any prior agreements, and any rights contained in such agreement. This Contract also incorporates by reference the District policies, as currently enacted and as amended in the future. Where in conflict, the provisions of this Contract supersede the District policies, including any revisions or amendments thereto. For example, and not by way of limitation, the provisions of this Contract shall be controlling over the 2012 Contract and amendments thereto. As a result, as of the effective date of this Contract, the provisions of the 2012 Contract, and amendments thereto, shall be of no further force or effect.
- G. If any provision or any portion thereof, contained in this Contract is held to be unconstitutional, invalid, or unenforceable, the remainder of this Contract or portion thereof, shall not be affected, and shall remain in full force and effect.

H. Employee acknowledges that she has had the opportunity to consult legal counsel regarding this Contract, that she has read and understands this Contract, that she is fully aware of its legal effect, and that she has entered into it freely and voluntarily and based on her own judgment and not on any representations or promises other than those contained in this Contract.

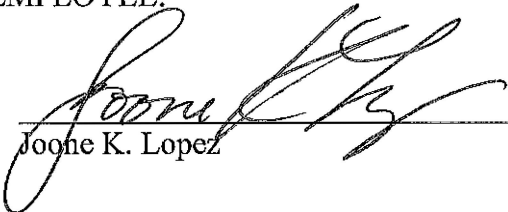
IN WITNESS WHEREOF, the Moulton Niguel Water District has caused this Contract to be signed and duly executed by its President, and the Employee has signed and executed this Contract, both in duplicate, as of the day and year first above written.

MOULTON NIGUEL WATER DISTRICT

By: 

Brian S. Probolsky, President
Board of Directors

EMPLOYEE:



Joane K. Lopez