

**SECOND AMENDMENT TO AT-WILL EMPLOYMENT AGREEMENT OF BENNETT HORENSTEIN AS
GENERAL MANAGER OF THE MARIN MUNICIPAL WATER DISTRICT**

This Second Amendment ("Amendment") is made by and between Bennett Horenstein as General Manager ("General Manager") and the Marin Municipal Water District as employer ("District") to amend the At-Will Employment Agreement of Bennett Horenstein as General Manager of the Marin Municipal Water District made effective as of December 2, 2018 ("Employment Agreement") and as previously amended. This Second Amendment shall be effective as of November 7, 2023.

RECITALS

- A. The District and the General Manager entered into the Employment Agreement to set forth the terms and conditions of employment for the General Manager in service of the District.
- B. On April 5, 2022, the District Board of Directors approved a First Amendment to the Employment Agreement to extend the term for three (3) additional years, through December 2, 2026.
- C. The parties now desire to execute this Second Amendment to the Agreement to revise the terms and conditions of the General Manager's employment.

AGREEMENT

- 1. **Subsection 1 of Section 2 (D) entitled "Base Salary" of the Employment Agreement is hereby amended to read as follows:**

Provided that an evaluation occurred in the immediately preceding fiscal year and the General Manager's performance was thereby deemed satisfactory, the General Manager's Base Salary as defined in section 2(D), shall be increased annually on July 1st of each fiscal year, starting on July 1, 2020 through July 1, 2023, respectively by a percentage change equivalent to the positive change in the California Consumer Price Index for Urban Wage Earners and Clerical Workers ("CPI") as determined by the Department of Industrial Relations for the calendar year immediately preceding this adjustment.

Effective the first full pay period following July 1, 2024 and, annually thereafter, on each first full pay period following July 1st, if an evaluation occurs in the immediate preceding fiscal year and the General Manager's performance was thereby deemed satisfactory, the General Manager's Base Salary as defined in section 2 (D), shall be increased by a percentage equivalent to the positive change in the Consumer Price Index U (CPI-U), as reported by the United States Department of Labor Bureau of Labor Statistics for the annual calendar period (December to December), for each calendar year preceding the adjustment, for the San Francisco- Oakland-Hayward metropolitan area.

The total annual salary as calculated herein shall be paid as compensation for services rendered, payable in accordance with the District's regular payroll procedures. The term "Base Salary" as used in this Agreement means the annual compensation specified in this Section 2(D) for services rendered.

2. Section 2 (G) of the Employment Agreement entitled "CalPERS Retirement" is hereby amended to read as follows:

G. CalPERS Retirement. The General Manager is a local "new" member of the California Public Employees Retirement System ("CalPERS"). The retirement benefit formula to be received by the General Manager shall be in accordance with the provisions of CalPERS and District policy consistent with CalPERS. The District shall not pay any portion of the mandatory employee contribution for the General Manager.

3. Section 2 (H) of the Employment Agreement entitled "Benefits" is hereby amended to read as follows:

H. Benefits. In addition to Base Salary and inclusion in CalPERS, and except as explicitly stated below, the General Manager shall receive the same benefits as those provided to District Division Directors by resolution of the District Board of Directors, and as they may be amended from time to time. For ease of reference. The current benefit resolution (No. ____) is attached.

1. Vacation. The General Manager shall receive four weeks of vacation per year. Accrual shall be in equal measure per pay period, annually totaling 160 hours. Vacation time cannot be accrued in excess of 500 hours. After one year of employment, the General Manager may annually request to cash-in up to eighty (80) hours of vacation time to be accrued in the coming year, as long as a minimum accrued vacation balance of at least eighty (80) hours would remain after the cash-in. The General Manager shall receive a one-time, lump sum, vacation credit of eighty (80) hours which shall be "banked" and immediately available for use upon the Commencement Date. The Board prefers that the General Manager take no more than two consecutive weeks of vacation at a time. Vacations of more than two consecutive weeks shall be subject to advance approval by the Board.

2. Sick Leave. Upon the Commencement Date, the General Manager shall receive an advance of 240 hours of "banked" sick leave, which he may use immediately. The General Manager shall accrue sick leave thereafter in the same manner and at the same rate as District Division Managers (current accrual rate is 120 hours per calendar year). Over the first two years of employment the General Manager shall offset the 240 hours of "banked" sick leave with 240 hours of accrued sick leave. Thereafter, the General Manager will begin to accrue additional hours of sick leave over and above 240 hours. Sick leave benefits for Division Manager level employees, and by extension for the General Manager, are subject to modification by the Board at any time, and shall not be deemed to be vested except as otherwise provided by law.

3. Administrative Leave. The General Manager shall receive forty (40) hours of administrative leave per calendar year beginning January 1, 2019.

4. Vehicle. In lieu of a car allowance, the General Manager shall have access to a District vehicle for commuting and undertaking the District's business. Any personal use of the District's vehicle shall be reported as a taxable fringe benefit in accordance with IRS rules and regulations and District policy. The District shall provide the General Manager with a vehicle within the five (5) business days of the Commencement Date.

- 4. **Exhibit B to the Employment Agreement entitled "Benefit Summary" is hereby deleted in its entirety.**
- 5. **Except as set forth in the First and Second Amendments, all terms and conditions in the Employment Agreement shall remain unchanged and in full force and effect.**

WHEREFORE, the parties have entered into this Second Amendment as of the date written above.

MARIN MUNICIPAL WATER DISTRICT

GENERAL MANAGER

By: _____
Monty Schmitt, Board President

By: _____
Bennett Horenstein