

**FIRST AMENDMENT TO  
GENERAL MANAGER / CHIEF ENGINEER EMPLOYMENT AGREEMENT**

THIS AMENDMENT TO EMPLOYMENT AGREEMENT ("Amendment") is entered into as of the \_\_\_\_ day of February, 2021, between the Mission Springs Water District, a county water district (the "District") and Arden Wallum ("Employee").

**RECITALS**

A. District and Employee entered into that certain Employment Agreement ("Agreement") dated July 1, 2020.

B. District and Employee wish to amend the Agreement to change the terms as provided herein. Except as amended herein, all other terms of the Agreement shall remain unchanged and in full force and effect.

**AMENDMENT**

A. Section I of the Agreement is hereby amended in its entirety as set forth below:

**I. TERM.**

"The District hereby employs Employee as the District's General Manager and Chief Engineer commencing on July 1, 2020 ("Commencement Date") until terminated pursuant to Section VII of this Agreement ("Term")."

B. Section II of the Agreement is hereby amended in its entirety as set forth below:

**II. SALARY.**

**"Base Salary.** Commencing on July 1, 2020, Employee's Base Salary shall be Two Hundred and Forty-Three Thousand Dollars (\$243,000.00) per year, which sum shall continue to be paid pursuant to the same procedures established for management employees as they may be amended by the District from time to time. The Board shall annually review the Employee's Base Salary for increase, in an amount to be determined by the Board in its discretion, commencing on July 1, 2022 and on July 1<sup>st</sup> each year thereafter."

C. Section VI of the Agreement is hereby amended in its entirety as set forth below:

**VI. EVALUATION.**

"Employee shall meet with the District's Board in closed session at least annually, on or around each anniversary date of the Commencement Date, to formally review Employee's performance and discuss the Board's evaluation of said performance. The District and Employee agree that additional closed sessions may be scheduled throughout the year to discuss the Employee's performance as deemed necessary by the Board."

D. Section VII.B of the Agreement is hereby amended in its entirety as set forth below:

**“VII. B. Severance Payment.** In the event Employee is terminated without cause, Employee shall be entitled to a severance payment in the amount of twelve (12) months Base Salary. Said Base Salary shall be paid to Employee on a monthly basis in the same manner as Employee was paid prior to termination. Along with severance payments, Employee shall also receive (1) the cash value of all accrued and unused sick leave and (2) the cash value of any unused administrative leave. District shall provide existing health benefits during the period that severance payments are being made to Employee but District shall have no obligation to continue providing health benefits as a part of Severance Pay to the extent that Employee is otherwise eligible for health benefits either from another employer or pursuant to any form of retiree medical coverage such as Medicare (all of the foregoing shall be referred to collectively as "Severance Pay".) Employee’s Severance Pay and benefits shall cease upon Employee accepting employment with another Employer. Notwithstanding anything herein to the contrary, in no event shall Employee’s Severance Pay exceed the amount permitted by law, including but not limited to Government Code Sections 53260, et seq. and 53243, et seq. The above severance provisions are intended to comply with the provisions of Government Code section 53260, et seq. and 53243, et seq. Any Severance Pay under this Agreement is subject to the forfeiture or repayment provisions of Government Code section 53243, et seq., including sections 53243.1; 53243.2; 53243.3; 53243.4 and 53244, the text of all of which are hereby incorporated into this Agreement.”

E. Section VII.E is hereby stricken.

F. Section VIII.D is hereby stricken to remove the car allowance.

IN WITNESS WHEREOF, the parties have executed this Agreement on the \_\_\_\_ day of \_\_\_\_\_, 2021.

MISSION SPRINGS WATER DISTRICT

EMPLOYEE

By: \_\_\_\_\_  
Nancy Wright, Board President

By: \_\_\_\_\_  
Arden Wallum

APPROVED AS TO FORM

\_\_\_\_\_  
John Pinkney, District Counsel