

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
EMPLOYMENT AGREEMENT – GENERAL MANAGER**

3rd This Employment Agreement (herein “Agreement”) is made and entered into as of the day of September, 2013 (“Effective Date”), by and between the Municipal Water District of Orange County (hereinafter the “District”) and ROBERT HUNTER (hereinafter “Employee”).

RECITALS

WHEREAS, District wishes to engage the services of Employee as the General Manager of the District and to induce the Employee to remain in such position on the terms and conditions set forth in this Agreement;

WHEREAS, Employee represents he is familiar with the powers and duties of the General Manager position as set forth in the District’s Administrative Code at Section 1307, incorporated by this reference; the job description for the position attached hereto as Exhibit A, the position’s legal requirements generally, and the industry standards related to the position; and

WHEREAS, Employee represents and warrants that he has the skill and ability to serve in such position and wishes to accept such employment on the terms and conditions set forth in this Agreement.

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

1. EMPLOYMENT.

A. District hereby offers and the Employee hereby accepts the position of General Manager. Employee shall perform the duties and responsibilities of that position as specified in Section 1307 of the District’s Administrative Code, the job description for the position attached hereto as Exhibit A, and as otherwise imposed by law or industry standards, as well as such legally permissible further duties and functions as shall, from time to time, be assigned by the Board. More specifically, Employee shall direct the District’s activities in connection with the development, production, treatment, storage, transmission, and distribution of water, including but not limited to operations, maintenance, management, and engineering in accordance with the directions and policy established by the Board of Directors from time to time. He shall do and perform all other services and acts necessary or advisable to manage and conduct the business of the District and as directed by the Board of Directors.

B. Employee shall devote such time, interest, and effort to the performance of his duties as may be reasonably necessary to fulfill the above requirements. Employee agrees to perform such services to the best of his ability, in an efficient and competent manner consistent with the standards of the profession. Without limiting the generality of the foregoing, Employee understands and agrees that this position is an exempt, salaried, full-time position with regular

required office hours Monday through Friday and weekend hours when required in the best interests of the District.

2. TERM AND RENEWAL.

A. This Agreement shall be effective as of September 9, 2013. The term of this Agreement shall be for five (5) years, through September 8, 2018, unless sooner terminated or extended by the parties as set forth in this Agreement.

B. In the event that the Board determines that the Employee is not to be reemployed upon expiration of this Agreement, he shall be given written notice thereof by the Board at least six (6) months in advance of the expiration of the term of this Agreement. Should the Board fail to re-employ the Employee and the written notice provided for in this Section 2 has not been given at least six (6) months prior to the end of the initial term of this Agreement, it shall be extended on the same terms for an additional period of one (1) year.

3. TERMINATION AND SEVERANCE.

A. It is expressly understood that Employee, in his capacity as General Manager, is a contracted employee serving "at will" and at the pleasure of the Board, subject to termination pursuant to the terms of this Agreement, and with no right to any hearing or appeal, including any so-called *Skelly* conference, other than the rights expressly provided in this Agreement. To the extent any District rule, regulation, or policy purports to provide rights to the Employee beyond what is articulated within this Agreement, Employee expressly waives said rights.

B. This Agreement shall automatically terminate upon Employee's death, retirement, or permanent incapacity.

C. The Employee serves at the will and pleasure of the Board. At any time during the term of this Agreement or any extension thereof, the Board reserves the right to terminate the employment of Employee and determine his last day of employment upon vote of a majority of the Board (e.g., four of seven members) at a duly noticed Board meeting.

1. In the event that this Agreement is terminated before the end of its term "for cause" as defined below, no further compensation or benefit shall be made to the Employee. Upon any allegation that Employee has engaged in conduct that would result in his 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, still finds merit to the allegations and terminates, the Employee shall not be entitled to any severance and will be owed no further compensation. However, if this Agreement is terminated "for cause," the Employee shall have the right to appeal the Board's decision upon written notice to the Board of such appeal within ten (10) days of the determination. Failure to provide written notice within the ten (10) day period will result in waiver of the right to appeal. Upon appeal, the parties will select an independent arbitrator, either mutually agreed to or selected from a list of seven (7) arbitrators provided by the State Mediation and Conciliation Service. If the

parties are unable to agree upon an arbitrator, they shall alternate striking names from the list until such time as only one arbitrator remains on the list. Any arbitrator selected must be able to hear the matter within thirty (30) days of selection and render a decision within fifteen (15) days of the close of the hearing. The District shall bear the costs of the arbitrator. The issue at the hearing shall be limited solely to whether or not District's "for cause" termination was arbitrary and capricious, entitling Employee to severance pursuant to Section 3(C)(2). 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 legal requirement or specific direction or order of a majority of the Board of Directors; (3) Exhibits in regard to his employment unfitness or unavailability for service, unsatisfactory performance, misconduct, dishonesty, habitual neglect, or incompetence; (4) Is involved in crime involving dishonesty, breach of trust, or public conduct reflecting negatively on the District (no pending criminal prosecution need be in effect for termination due to fraud, embezzlement or public conduct reflecting negatively on the District; rather the Board must only have a good faith belief based on a good faith investigation); (5) Recklessly creates physical or emotional harm to any person; or (6) Breaches any material term of this Agreement.

2. In the event the District terminates Employee's employment for a reason other than those set forth in Section 3(C)(1), the Employee shall be entitled to the following severance in accordance with the terms of California Government Code sections 53260, *et seq.*: An amount equal to six (6) months of the Employee's then base monthly salary or an amount equal to his then base monthly salary multiplied by the number of months remaining on the unexpired term of this Agreement, whichever is less. The Employee shall be entitled to this severance pay either in a lump sum or, if he so elects, in a reasonable number of installments.
3. The provisions of California Government Code sections 53243 through 53243.4, as those sections now or hereafter exist are hereby incorporated by reference into this Agreement. Thus, if Employee is convicted of a crime involving an abuse of his office or position, whether before or after release from employment, Employee shall fully reimburse the District for any severance pay, paid leave, salary disbursed pending an investigation related to the crime, or legal criminal defense funds relevant to the crime.

D. The Employee may terminate this Agreement upon written notice to the Board and six (6) months prior notice, unless the parties otherwise agree. The District shall have the option, in its complete discretion, to terminate the Employee any time prior to the end of such notice period, provided the District pays the Employee all compensation due and owing through the last day actually worked, plus an amount equal to the base salary the Employee would have

earned through the remainder of the notice period. Thereafter, all the District's obligations under this Agreement shall cease.

4. COMPENSATION AND REIMBURSEMENT.

A. Relocation Benefit. In consideration of the Employee's willingness to enter into this Agreement and relocate to accommodate the employment, the District shall provide the Employee a lump sum relocation benefit of Thirty Seven Thousand and Five Hundred Dollars (\$37,500.00), payable within a reasonable time following the execution of this Agreement. This payment shall be paid less withholdings and taxes if required by law.

B. Salary. The District agrees to pay Employee for services rendered pursuant hereto at a rate of Two Hundred and Twenty Five Thousand Dollars (\$225,000.00) annually, pursuant to the procedures regularly established and as they may be amended by the District in its sole discretion. The Employee may receive annual increases in salary as may be determined by the Board in its sole discretion. Any agreed salary increase must be expressly memorialized in a subsequent written and executed Amendment to this Agreement. All compensation and comparable payments to be paid to Employee shall be less withholdings and taxes required by law. Any adjustments must be made in light of Employee's performance evaluation.

C. Retirement & Deferred Compensation. The Employee shall participate in the California Public Employment Retirement System (CalPERS) as a "new member," as that term is defined by the Public Employees' Pension Reform Act (PEPRA). Pursuant to PEPRA, the Employee shall be subject to the two percent (2%) at sixty-two (62) benefit formula and shall have a mandatory employee contribution rate of six and a quarter percent (6.25%) of Employee's pensionable compensation, as defined under CalPERS. This mandatory employee contribution rate is subject to subsequent adjustments as determined by CalPERS in accordance with PEPRA. The District is prohibited by law from paying any portion of the mandatory employee contribution. District will contribute the employer contribution rate as calculated by CalPERS. With respect to Employee's base salary in excess of the pensionable compensation limits established by Government Code Section 7522.10(c) ("Excess Compensation"), and to the extent allowable or limited under the law as may be interpreted by CalPERS and/or the courts, the District will contribute up to six and a quarter percent (6.25%), but in no event higher than the District's employer contribution rate to CalPERS, of such Excess Compensation into a qualified pension plan established pursuant to Section 401(a) of the Internal Revenue Code for the Employee's benefit. The District shall be responsible for all expenses associated with the Section 401(a) account during the initial or extended term of this Agreement, including but not limited to administrative services fees and commissions.

5. BENEFITS.

In addition to the compensation and reimbursement set forth in Section 4 the Employee shall be entitled to the following benefits:

A. Vacation. Employee shall accrue fifteen (15) days (120 hours) vacation days for each year of service. The District may, in its discretion, allow Employee a weekly prorated accrual at approximately 2.31 hours per week in order to total a fifteen (15) day accrual by year

end. Such vacation may be carried over, if not used, and may accumulate to a cap of Three Hundred and Sixty (360) hours. Once the accrual cap is reached, the Employee will not accrue additional vacation hours until such time as he reduces his accrued hours below the cap. *The Employee's vacations shall be scheduled in coordination with the Board.* The Board encourages employees to take regular vacation time, but recognizes that job demands may not make this possible for top management employees.

B. Job-Related Expense Reimbursement. The District will pay the Employee's legitimate good faith business expenses incurred in connection with District business, as required under law or provided for other employees of the District and upon the same terms and conditions as those which apply to other employees of the District.

C. Dues and Subscriptions. The District shall budget and pay for Employee's professional dues and subscriptions necessary for his continued full participation in approved national, regional, state, and local associations and organizations necessary and desirable for continued professional growth and advancement and for the good of the District.

D. Professional Development. The District shall budget and pay for travel and subsistence expenses for Employee (as set out by applicable District practice, as it may be amended from time to time in the District's sole discretion) for Board approved professional and official travel, meetings, and similarly necessary functions, including, but not limited to, Board approved groups and committees of which Employee is a member, as well as short courses, institutes and seminars necessary for the Employee's professional development and the good of the District.

E. Bonding. The District shall bear the full cost of any fidelity or other bonds required under any law or ordinance in order to discharge the duties of Employee's position.

F. Automobile Allowance. The Employee agrees to use his personally-owned vehicle for local travel in the performance of his work-related duties. All expenses associated with such use shall be the Employee's responsibility. As consideration for use of his personal vehicle to perform work-related duties, the District shall provide the Employee with a Seven Hundred and Fifty Dollar (\$750) monthly automobile allowance.

G. Other Benefits. Except as otherwise provided herein, and once eligibility requirements have been met, the District agrees to provide the Employee with the same fringe benefits, including but not limited to medical, dental, and vision care plans, and all other benefits which the District, in its discretion as may be revised from time to time during the continuance of this Agreement, provides for other employees of the District and upon the same terms and conditions as those which apply to other employees of the District.

6. PERFORMANCE EVALUATION.

A. The Board shall review and evaluate the performance of Employee in writing on an annual basis at a Board meeting in September of each year. The evaluation will also set forth mutually defined goals to be achieved by the Employee in the subsequent year. The Employee will be provided an adequate opportunity to discuss his evaluation with the Board at a Board

meeting. The Employee shall be eligible, if warranted in the Board's sole discretion, to receive a salary increase at the conclusion of such evaluation and at any additional time determined by the Board. Any agreed salary increase must be expressly memorialized in a subsequent written and executed Amendment to this Agreement. Failure of the Board to conduct a performance evaluation shall not prohibit the Board from terminating this Agreement in accordance with Section 3 of this Agreement

B. The performance review and evaluation process set forth herein is intended to provide review and feedback to Employee so as to facilitate a more effective management of the District. Nothing herein shall be deemed to alter or change the employment status of Employee, nor shall this Section be construed as requiring "cause" to terminate this Agreement or the services of Employee hereunder.

7. OUTSIDE EMPLOYMENT, CONDUCT, AND BEHAVIOR.

A. During the term of this Agreement, Employee shall not, whether directly or indirectly, render any services of a commercial or professional nature to any other person or organization, whether for compensation or otherwise, without the prior written consent of Employer. However, the expenditure of reasonable amounts of time for educational, charitable, or professional activities shall not be deemed a breach of this Agreement if those activities do not materially interfere with the services required under this Agreement and shall not require the prior written consent of Employer.

B. Employee shall comply with all local and state requirements regarding conflicts of interest and shall avoid personal involvement in situations which are inconsistent or incompatible with the position of General Manager or which give rise to the appearance of impropriety.

C. Employee covenants and agrees with Employer that Employee will not, during the initial or extended term of this Agreement and thereafter directly or indirectly use, communicate, disclose, or disseminate to anyone (except to the extent reasonably necessary for Employee to perform Employee's duties hereunder, except as required by law, or except if generally available to the public otherwise than through use, communication, disclosure, or dissemination by Employee) any Confidential Information (as hereinafter defined) concerning the business or affairs of Employer or of any of its affiliates or subsidiaries which Employee may have acquired in the course of or as incident to Employee's employment or prior dealings with Employer or with any of its affiliates or subsidiaries.

1. "Confidential Information" shall mean (a) all knowledge, information, trade secret, process, procedure, and/or material concerning Employer or its business or the business of any of its affiliates or subsidiaries that shall become known to Employee as a consequence of Employee's relationship with Employer, (b) all information that has been disclosed to Employer by any third party under an agreement or circumstances requiring such information to be kept confidential, and (c) all knowledge, information, trade secret, process, procedure, and/or material concerning inventions that are owned by Employer or assigned to Employer; provided that the Confidential Information shall not include

knowledge, information, process, procedure, and/or material that is or becomes generally known or available to others in businesses engaged in by Employer or to the public (other than through unauthorized disclosure). Confidential Information shall include without limitation (a) information of a technical nature, such as information regarding past, present, and future research, financial data, product information, marketing plans, computer programs (whether in source or object code form or other form and whether contained on program listings, magnetic tape, magnetic disks, CD ROMS or any other media), logic, flow charts, specifications, documentation and ideas relating to the activities of Employer, (b) information of a business nature, such as information regarding past, present, and future client development, strategies, procurement specifications, costs and financial data, contracts, quotations, and names of actual and prospective clients or customers, and (c) all documents, drawings, reports, client lists, and other physical embodiments of all such information.

D. The Employer may set such other terms and conditions of employment as it may determine from time to time, in its sole discretion, relating to the performance of Employee, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement or any federal, state, or local law. Employee shall also adhere to the District's Administrative Code and all of Employer's Rules, Regulations, and Policies so long as not in conflict with the terms of this Agreement. Failure to do so shall constitute a material breach of this Agreement.

8. GENERAL PROVISIONS.

A. Integration. This Agreement integrates all of the terms and conditions mentioned herein, or incidental hereto, and this Agreement supersedes all negotiations and previous agreements between the parties with respect to all or any part of the subject matter hereof. This Agreement wholly supersedes and replaces the terms of any prior agreements, and any rights contained in such agreements.

B. Governing Law. This Agreement shall be governed by the laws of the State of California.

C. Waiver. A waiver of any term or condition of this Agreement shall not be construed as a general waiver by either party to this Agreement, and either party shall be free to reinstate any such term or condition, with or without notice to the other.

D. Amendment. This Agreement may be amended from time to time, as mutually agreed by the parties in writing. No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the Employee and approved by the Board.

E. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Employee, but nothing herein shall be construed as an authorization or right of any party to assign his/its rights or obligations hereunder. Any assignment of the rights or obligations of Employee hereunder without the express written approval of District shall be void.

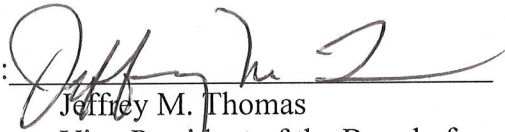
F. Partial Invalidity. If any provision or any portion thereof, contained in this Agreement is held to be unconstitutional, invalid, or unenforceable, the remainder of this Agreement or portion thereof, shall not be affected, and shall remain in full force and effect.

G. Legal Consultation. Employee acknowledges that he has had the opportunity to consult legal counsel in regard to this Agreement, that he has read and understands this Agreement, that he is fully aware of its legal effect, and that he has entered into it freely and voluntarily and based on his own judgment and not on any representations or promises other than those contained in this Agreement.

IN WITNESS WHEREOF, the MUNICIPAL WATER DISTRICT OF ORANGE COUNTY has caused this Agreement to be signed and duly executed by its President, and the Employee has signed and executed this Agreement, both in duplicate, as of the day and year first above written.

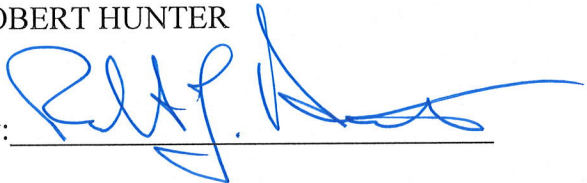
DISTRICT:

MUNICIPAL WATER DISTRICT OF
ORANGE COUNTY

By: 
Jeffrey M. Thomas
Vice-President of the Board of
Directors

EMPLOYEE:

ROBERT HUNTER

By: 

ATTEST:

By: 
District Secretary

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY

JOB TITLE: GENERAL MANAGER
SUPERVISOR: BOARD OF DIRECTORS
STATUS: EXEMPT
SALARY RANGE: SET BY BOARD

Position Summary:

Under the general direction of the Board of Directors, develops and fulfills strategic plan, organizational goals, and management policies; acts as the Chief Executive Officer of the Agency and confers regularly with the Executive Team, Board and its committees, MWDOC and MET representatives, and elected other officials and business partners; leads overall operations of the District, presents annual budget, and controls District expenditures.

Duties and Responsibilities (Essential Functions):

- Develop and update MWDOC strategic plan to accurately reflect the current mission and strategies of the organization, under the direction of the MWDOC Board of Directors.
- Meet regularly with the MWDOC Board, and its committees, as well as MET and MWDOC Member Agencies related to agenda items and Board business.
- Provide leadership and advocacy on regional and Orange County water issues in collaboration with MET representatives to achieve action plans and priorities, and form coalitions to address Orange County objectives.
- Meet, brief, and raise awareness of Orange County priorities and regional water issues by cultivating relationships and sustaining communications with MET Directors and MWDOC Directors.
- Maximize development of local sustainable Orange County water resources through the completion of programs, studies, and initiatives to promote water sustainability, water use efficiency, and supply reliability.
- Promote Urban Water Management Plan and work with member agencies to increase water supplies from non-local sources.
- Advocate MWDOC issues and priorities with local, State, and federal officials.
- Engage intergovernmental regulators by advocating for science-based, stream-lined permitting, and coalition based approaches to regulatory reform.
- Direct the development and implementation of community outreach programs.
- Oversee plans that ensure the effectiveness of the WEROC for emergency preparedness situations.
- Solicit input from the Board of Directors and the District's Contracting Agencies to ensure that the organization design promotes operational efficiency and well-coordinated communications.
- Recommend and evaluate the effectiveness of programs and policies in attaining the District's goals and mission.
- Attract, retain, and promote the capabilities of a highly qualified workforce through career progression, mentoring, and succession planning programs and inform staff regarding MWDOC issues and priorities.
- Select, train, direct, and evaluate employees and institute or approve disciplinary actions.
- Guide the work of department heads and administrative staff; delegate responsibility and authority and assure the attainment of departmental and Board initiatives and objectives.
- Establish District employee job classifications subject to periodic review of overall personnel utilization by the Board, within overall staffing levels approved by the Board.
- Develop or approve service agreements and direct the activities of District contractors and consultants.

- Act as principal spokesperson for the District and establish and maintain relations with the District's contracting agencies and industry representatives to facilitate continual flow of information related to regional issues and constituent interests.
- Direct District budget and assets to efficiently achieve the District's priorities, and maximize grant funding, public and private partnerships, and efforts to increase efficiency, reduce costs, and promote financial planning.
- Oversee the District's financial operations and investment policies to assure that District funds are expended in conformance with Board-approved budgets and applicable laws and reporting practices. Forecast future operating revenues and capital and operating budget allocations and prepare an annual budget in a form and level of detail that is accurate and transparent to the Board of Directors.
- Encumber funds within the amount approved by the Board of Directors and up to the limits authorized for each budget category. Review the budget status on a quarterly basis with the Board and propose corrective actions if revenues or expenditures vary materially from the adopted budget.
- Provide regular progress reports to the MWDOC Board regarding key capital and operating projects and financial reports.
- Promote MWDOC and regional goals through the effective use of MWDOC technology, including the evaluation of costs and benefits of MWDOC technology investments.
- Expend budgeted sums within authorized amount for any contract or purchase.
- Expend non-budgeted District funds to meet emergencies which adversely affect the ability of the District to perform its services and regularly inform the Board regarding steps that are being taken.
- Propose and carry out District management objectives and plans that are approved by the Board.
- Carry out all orders and actions of the Board.

Qualifications (Knowledge, Skills and Abilities):

Knowledge of:

- Advanced principles and practices of public administration, including the organization, operations, and services of water districts.
- Government, governing body, and legislative processes.
- Principles and practices of budget preparation and administration.
- Current social, political, and economic trends and operating problems of water districts.
- Advanced principles and practices of organization, management and supervision.
- Principles and practices of strategic planning.
- Water project design, planning, and management practices.
- Methods of analyzing, evaluating, and modifying administrative procedures.
- Decision making principles.
- Pertinent federal, State, and local laws, codes and regulations.
- Principles of effective public relations and interrelationships with community groups and agencies, private businesses and firms, and other levels of government.
- Advanced interpersonal relations skills.
- Principles and practices of program development and evaluation.
- Methods and techniques of research, statistical analysis, and report preparation and presentation.
- Principles of business letter writing.
- Modern office procedures, methods, and equipment including computers.

Ability to:

- Provide effective leadership to and coordinate the activities of the Municipal Water District of Orange County.
- Analyze a variety of administrative and organizational problems and make sound policy and procedural recommendations.
- Analyze and define problems, identify alternative solutions, project consequences of proposed actions, and implement recommendations in support of goals.
- Identify and respond to community and Board of Directors' issues, concerns, and needs.
- Serve effectively as the administrative agent of the Board of Directors.
- Develop and administer District-wide goals, objectives and procedures.
- Research, analyze and evaluate new service delivery methods and systems.
- Prepare clear and concise administrative and financial reports.
- Prepare and administer large and complex budgets.
- Interpret and apply federal, State and local policies, laws and regulations.
- Plan, organize and direct the work of staff.
- Select, manage, train and evaluate staff.
- Delegate authority and responsibility.
- Negotiate and resolve complex issues.
- Operate a variety of office equipment including a computer and standard office applications.
- Make effective oral and written presentations to groups within and outside the District, including legislative bodies and elected representatives.
- Communicate clearly and concisely, both orally and in writing.
- Establish and maintain effective working relationships with those contacted in the course of work.

Education and Experience:

Bachelor's degree in business administration, engineering, public administration, or a related field is required. Requires ten or more years of increasingly responsible professional, management, and public relations experience including at least five years of experience in the water or collection systems industry. Designation as a Professional Engineer is desirable.

Special Requirements:

Possess and maintain a valid Class C California driver's license and an acceptable driving record, as position occasionally requires driving.

Working Conditions and Physical Activities:

The conditions herein are representative of those that must be met by an employee to successfully perform the essential functions of this job. Reasonable accommodations may be made to enable individuals with disabilities to perform essential job functions.

Environment: Standard office setting. May be required to work extended hours including evenings and weekends; may be required to travel to attend meetings via car, bus or air transportation.

Physical: Primary functions require sufficient physical ability to work in an office setting; stand or sit for prolonged periods of time; operate office equipment including use of a computer keyboard, telephone, FAX machine, printers, calculators, copiers; lift and carry office files or records weighing less than 20 pounds; verbally communicate to exchange information; communicate orally with co-workers, District management, directors and the public in face-to-face, one-to-one and group settings, ability to operate vehicle to travel to various locations and meetings.

Vision: See in the normal visual range with or without correction; vision sufficient to read computer screens and printed documents; and to operate assigned equipment.

Hearing: Hear in the normal audio range with or without correction.

The specific statements shown in each section of this description are not intended to be all-inclusive. They represent typical elements and criteria necessary to successfully perform the job.

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
FIRST AMENDMENT TO EMPLOYMENT AGREEMENT – GENERAL MANAGER**

This First Amendment to Employment Agreement (this “First Amendment”) between the Municipal Water District of Orange County (the “District”) and Robert Hunter (the “Employee”), is entered into this 19th day of November 2014. Except as modified in this First Amendment the Employment Agreement, originally dated September of 2013, between the District and the Employee shall remain in full force and effect.

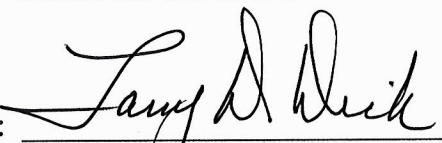
The parties to this First Amendment agree to the following changes:

Section 4(B) entitled “Salary” is hereby amended as follows:

B. Salary. The District agrees to pay Employee for services rendered pursuant hereto at a rate of Two Hundred Thirty-Seven Thousand and Three Hundred Seventy-Five Dollars (\$237,375.00) annually, pursuant to the procedures regularly established and as they may be amended by the District in its sole discretion. The Employee may receive annual increases in salary as may be determined by the Board in its sole discretion. Any agreed salary increase must be expressly memorialized in a subsequent written and executed Amendment to this Agreement. All compensation and comparable payments to be paid to Employee shall be less withholdings and taxes required by law. Any adjustments must be made in light of Employee’s performance evaluation.

The District and the Employee have duly executed this First Amendment to the Employment Agreement as of the date first written above and shall be effective retroactive to September 9, 2014.

**MUNICIPAL WATER DISTRICT
OF ORANGE COUNTY**

By: 
Larry D. Dick,
President, Board of Directors


Robert Hunter
General Manager

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
SECOND AMENDMENT TO EMPLOYMENT AGREEMENT
GENERAL MANAGER**

This Second Amendment to Employment Agreement (this "Second Amendment") between the Municipal Water District of Orange County (the "District") and Robert Hunter (the "Employee"), is entered into this 21st day of October 2015. Except as modified in this Second Amendment the Employment Agreement, originally dated September of 2013, between the District and the Employee shall remain in full force and effect.

The parties to this Second Amendment agree to the following changes:

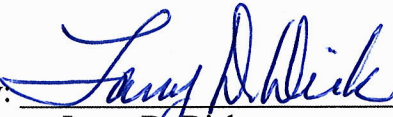
Section 4(B) entitled "Salary" is hereby amended as follows:

B. Salary. The District agrees to pay Employee for services rendered pursuant hereto at a rate of Two Hundred Fifty-Four Thousand Dollars (\$254,000.00) annually, pursuant to the procedures regularly established and as they may be amended by the District in its sole discretion. The Employee may receive annual increases in salary as may be determined by the Board in its sole discretion. Any agreed salary increase must be expressly memorialized in a subsequent written and executed Amendment to this Agreement. All compensation and comparable payments to be paid to Employee shall be less withholdings and taxes required by law. Any adjustments must be made in light of Employee's performance evaluation.

The District and the Employee have duly executed this Second Amendment to the Employment Agreement as of the date first written above and shall be effective retroactive to September 9, 2015.

MUNICIPAL WATER DISTRICT
OF ORANGE COUNTY

By: _____


Larry D. Dick,
President, Board of Directors



Robert J. Hunter,
General Manager

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
THIRD AMENDMENT TO EMPLOYMENT AGREEMENT –
GENERAL MANAGER**

This Third Amendment to Employment Agreement (this “Third Amendment”) between the Municipal Water District of Orange County (the “District”) and Robert Hunter (the “Employee”), is entered into this 16 day of November 2016. Except as modified in this Third Amendment, the Employment Agreement, originally dated September 3, 2013, between the District and the Employee shall remain in full force and effect.

The parties to this Third Amendment agree to the following changes:

Section 4(C) entitled “Retirement & Deferred Compensation” is hereby amended in its entirety as follows:

“C. Retirement Benefits.

1. CalPERS Retirement. The Employee shall participate in the California Public Employment Retirement System (CalPERS) as a “new member,” as that term is defined by the Public Employees' Pension Reform Act (PEPRA). Pursuant to PEPRA, the Employee shall be subject to the two percent (2%) at sixty-two (62) benefit formula and shall have a mandatory employee contribution rate of six and a quarter percent (6.25%) of Employee’s pensionable compensation, as defined under CalPERS. This mandatory employee contribution rate is subject to subsequent adjustments as determined by CalPERS in accordance with PEPRA. The District is prohibited by law from paying any portion of the mandatory employee contribution. District will contribute the employer contribution rate as calculated by CalPERS.

2. Defined Contribution Plan.

a. Effective January 1, 2014 and to the extent allowable or limited under the law as may be interpreted by CalPERS, the California Attorney General’s Office and/or the courts, the District will contribute an amount equal to the amount that would otherwise be contributed by the District on behalf of Employee to CalPERS but for the limit on pensionable compensation set forth in California Government Code Section 7522.10(c) into a qualified pension plan established pursuant to Section 401(a) of the Internal Revenue Code for the Employee’s benefit. The District shall be responsible for all expenses associated with the Section 401(a) account during the initial or extended term of this Agreement, including but not limited to administrative services fees and commissions.

b. Effective October 19, 2016, the District shall make an additional annual contribution on behalf of the Employee in an amount equal to four percent (4%) of his base salary in effect on October 18, 2015, or \$10,160, to be contributed in equal installments on a pay period basis into a qualified pension plan established pursuant to Section 401(a) of the Internal Revenue Code.

The District and the Employee have duly executed this Third Amendment to the Employment Agreement as of the date first written.

**MUNICIPAL WATER DISTRICT
OF ORANGE COUNTY**

EMPLOYEE

By: Wayne S. Osborne
Wayne Osborne,
President, Board of Directors

Robert J. Hunter
Robert J. Hunter,
General Manager

Approved as to Form

Joseph P. Byrne
Joseph P. Byrne
General Counsel

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
FOURTH AMENDMENT TO EMPLOYMENT AGREEMENT –
GENERAL MANAGER**

This Fourth Amendment to Employment Agreement (“Fourth Amendment”) between the Municipal Water District of Orange County (“District”) and Robert Hunter (“Employee”), is entered into this 18th day of October 2017. Except as modified in this Fourth Amendment, the Employment Agreement, originally dated September 3, 2013, between the District and the Employee shall remain in full force and effect.

The parties to this Fourth Amendment agree to the following changes:

1. Section 2.A. Term and Renewal. The term of the Agreement is extended for an additional three (3) years to September 8, 2021.

2. Section 4.B. entitled “Salary” is hereby amended in its entirety to read as follows:

“B. Compensation: Effective September 9, 2017, the District agrees to pay Employee for services rendered pursuant hereto an annual amount equal to Two Hundred Seventy Seven Thousand Three Hundred and Sixty Eight Dollars (\$277,368) (“Compensation”) pursuant to the procedures regularly established, and as they may be amended, by the District in its sole discretion. The Employee may receive annual increases in compensation as may be determined by the Board in its sole discretion. Any agreed increases in compensation must be expressly memorialized in a subsequent written and executed Amendment to this Agreement. All compensation and comparable payments to be paid to Employee, except as set forth herein, shall be less withholdings and taxes required by law. Any adjustments must be made in light of Employee’s performance evaluation. The foregoing Compensation shall be allocated as follows:

i. Base Salary: Two Hundred Sixty Thousand Six Hundred and Four Dollars (\$260,613.60) shall be paid to Employee as base salary. This amount shall be reported to CalPERS as pensionable compensation, as that term is defined in Government Code Section 7522.34, subject to any limitations thereto pursuant to Government Code Section 7522.10(c).

2. 401(a) Plan Contribution: Sixteen Thousand Seven Hundred Sixty Four Dollars (\$16,754.40) shall be contributed by the District in equal installments on a pay period basis into a qualified pension plan established pursuant to Section 401(a) of the Internal Revenue Code. This amount shall not be reported to CalPERS as pensionable compensation and shall not be subject to any withholdings or taxes in accordance with Sections 3121(a)(5)(A) and 3401(a)(12)(A) of the Internal Revenue Code.”

3. Section 4.C. entitled “Retirement and Deferred Compensation” is hereby amended in its entirety as follows:

“C. Retirement Benefits.

1. CalPERS Retirement. The Employee shall participate in CalPERS as a “new member,” as that term is defined by the Public Employees' Pension Reform Act (“PEPRA”). Pursuant to PEPRA, the Employee shall be subject to the two percent (2%) at sixty-two (62) benefit formula and shall have a mandatory employee contribution rate as determined by CalPERS in accordance with PEPRA. The District is prohibited by law from paying any

portion of the mandatory employee contribution. The District will contribute the employer contribution rate as calculated by CalPERS.

2. Defined Contribution Plan. Effective January 1, 2014 and to the extent allowable or limited under the law as may be interpreted by CalPERS, the California Attorney General's Office and/or the courts, the District will contribute an amount equal to the amount that would otherwise be contributed by the District on behalf of Employee to CalPERS but for the limit on pensionable compensation set forth in Government Code Section 7522.10(c) into a qualified pension plan established pursuant to Section 401(a) of the Internal Revenue Code for the Employee's benefit. The District shall be responsible for all expenses associated with the Section 401(a) plan during the initial or extended term of this Agreement, including but not limited to administrative services fees and commissions."

The District and the Employee have duly executed this Fourth Amendment to the Employment Agreement as of the date first written.

**MUNICIPAL WATER DISTRICT
OF ORANGE COUNTY**

EMPLOYEE

By: Wayne S. Osborne
Wayne Osborne,
President, Board of Directors

Robert Hunter
Robert Hunter

Approved as to Form

Joseph P. Byrne
Joseph P. Byrne
General Counsel

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
FIFTH AMENDMENT TO EMPLOYMENT AGREEMENT –
GENERAL MANAGER**

This Fifth Amendment to Employment Agreement (herein “Fifth Amendment”) is made and entered into as of the 20th day of December 2018, by and between the MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (hereinafter the “District”) and ROBERT J. HUNTER (hereinafter “Employee”).

RECITALS

- A. The District and Employee entered into an employment agreement for the position of General Manager dated September 3, 2013, a First Amendment dated November 19, 2014, a Second Amendment dated October 21, 2015, a Third Amendment dated November 16, 2016, and a Fourth Amendment dated October 18, 2017 (collectively the “Agreement”).
- B. The District and Employee wish to amend the Agreement as provided below.

TERMS

1. The words (“Effective Date”) in the first paragraph of the Agreement are deleted.
2. Section 2(A) is amended to read as follows:

“A. This Agreement shall be effective as of September 9, 2018 (the “Effective Date”). The term of this Agreement shall be through September 8, 2021, unless sooner terminated or extended by the parties as set forth in this Agreement.”

3. Section 4(B) is amended to read as follows:

“Compensation. Effective September 9, 2018, the District agrees to pay Employee for services rendered pursuant hereto at an annual amount equal to Two Hundred and Eighty Nine Thousand Eight Hundred and Fifty Dollars (\$289,849.56) (“Compensation”) pursuant to the procedures regularly established and as they may be amended by the District in its sole discretion. The Employee may receive annual increases in salary as may be determined by the Board in its sole discretion. Any agreed increases in compensation must be expressly memorialized in a subsequent written and executed amendment to this Agreement. All compensation and comparable payments to be paid to Employee, except as set forth herein, shall be less withholdings and taxes required by law. Any adjustments must be made in light of Employee’s performance evaluation. The foregoing Compensation shall be allocated as follows:

- i. Base Salary: Two Hundred Seventy Three Thousand Ninety Five Dollars (\$273,095.16) shall be paid to Employee as base salary. The amount shall be reported to CalPERS as pensionable compensation, as that term is defined in the Government Code Section 7522.34, subject to any limitations thereto pursuant to Government Code Section 7522.10(c).

- ii. 401(a) Plan Contribution: Sixteen Thousand Seven Hundred Fifty Four Dollars (\$16,754.40) shall be contributed by the District in equal installments on a pay period basis into a qualified pension plan established pursuant to Section 401(a) of the Internal Revenue Code. This amount shall not be reported to CalPERS as pensionable compensation and shall not be subject to any withholdings or taxes in accordance with Sections 3121(a)(5)(A) and 3401(a)(12)(A) of the Internal Revenue Code.”

4. Section 5(A) is amended to read as follows:

“Vacation. Having served in his position since 2013, Employee shall accrue twenty (20) days (160 hours) vacation days for each year of service. The District may, in its discretion, allow Employee a weekly prorated accrual in order to total a twenty (20) day accrual by year end. To the extent this Agreement is extended in term, Employee’s vacation accrual shall also be entitled to increase based on years’ of service to the District: (1) Employee shall be entitled to an additional sixteen (16) hours of vacation each year (for a total of twenty two (22) days) beginning with the eleventh year of service; and (2) Employee shall be entitled to an additional twenty four (24) hours of vacation each year (for a total of twenty five (25) days) beginning with the fifteenth year of service. Such vacation may be carried over, if not used, and may accumulate to a cap of Three Hundred Sixty (360) hours. Once the accrual cap is reached, the Employee will not accrue additional vacation hours until such time as he reduces his accrued hours below the cap. *The Employee’s vacations shall be scheduled in coordination with the Board.* The Board encourages employees to take regular vacation time, but recognizes that job demands may not make this possible for top management employees.”

5. Section 6(A) is amended to read as follows:

“The Board shall review and evaluate the performance of Employee in writing on an annual basis at a Board meeting in October of each year. The evaluation will also set forth mutually defined goals to be achieved by the Employee in the subsequent year. The Employee will be provided an adequate opportunity to discuss his evaluation with the Board at a Board meeting. The Employee shall be eligible, if warranted in the Board’s sole discretion, to receive a salary increase at the conclusion of such evaluation and at any additional time determined by the Board. Any agreed salary increase must be expressly memorialized in a subsequent written and executed Amendment to this Agreement. Failure of the Board to conduct a performance evaluation shall not prohibit the Board from terminating this Agreement in accordance with Section 3 of this Agreement.”

6. Continuing Effect of Agreement. Except as amended by this Fifth Amendment, all other provisions of the Agreement remain in full force and effect. From and after the date of this Fifth Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement as amended by the First, Second, Third, Fourth, and Fifth Amendments.

The District and Employee have duly executed this Fifth Amendment to the Agreement as of the date written above.

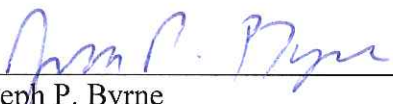
MUNICIPAL WATER DISTRICT OF
ORANGE COUNTY

By: 
Brett R. Barbre
President of the Board of Directors

EMPLOYEE:


Robert J. Hunter
General Manager

Approved as to Form:


Joseph P. Byrne
General Counsel

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY
SIXTH AMENDMENT TO EMPLOYMENT AGREEMENT –
GENERAL MANAGER**

This Sixth Amendment to Employment Agreement (herein “Sixth Amendment”) is made and entered into as of the 18th day of December 2019, by and between the MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (hereinafter the “District”) and ROBERT J. HUNTER (hereinafter “Employee”).

RECITALS

- A. The District and Employee entered into an employment agreement for the position of General Manager dated September 3, 2013, a First Amendment dated November 19, 2014, a Second Amendment dated October 21, 2015, a Third Amendment dated November 16, 2016, a Fourth Amendment dated October 18, 2017, and a Fifth Amendment dated December 20, 2018 (collectively the “Agreement”).
- B. The District and Employee wish to amend the Agreement as provided below.

TERMS

1. Section 2(A) is amended to read as follows:

“A. This Agreement shall be effective as of September 9, 2019 (the “Effective Date”). The term of this Agreement shall be through September 8, 2024, unless sooner terminated or extended by the parties as set forth in this Agreement.”

2. Section 3(C).2 is amended to read as follows:

“In the event the District terminates Employee’s employment for a reason other than those set forth in Section 3(C)(1), the Employee shall be entitled to the following severance in accordance with the terms of California Government Code sections 53260, *et seq.*: An amount equal to one month of the Employee’s then base monthly salary for each year of service to be paid in a lump sum or a reasonable number of installments as shall be determined by the District. The Employee shall be entitled to this severance pay either in a lump sum or, if he so elects, in a reasonable number of installments.

3. Section 4(B) is amended to read as follows:

“Compensation. Effective September 9, 2019, the District agrees to pay Employee for services rendered pursuant hereto at an annual amount equal to Three Hundred and Five Thousand Six Hundred and Fifty Five Dollars and Forty Cents (\$305,655.40) (“Compensation”) pursuant to the procedures regularly established and as they may be amended by the District in its sole discretion. The Employee may receive annual increases in salary as may be determined by the Board in its sole discretion. Any agreed increases in compensation must be expressly memorialized in a subsequent written and executed amendment to this Agreement. All compensation and comparable payments to be paid to Employee, except as set forth herein, shall

be less withholdings and taxes required by law. Any adjustments must be made in light of Employee's performance evaluation. The foregoing Compensation shall be allocated as follows:

- i. Base Salary: Two Hundred Eighty Five Thousand Ninety Five Dollars and Sixteen Cents (\$285,095.16) shall be paid to Employee as base salary. The amount shall be reported to CalPERS as pensionable compensation, as that term is defined in the Government Code Section 7522.34, subject to any limitations thereto pursuant to Government Code Section 7522.10(c).
- ii. 401(a) Plan Contribution: Twenty Thousand Five Hundred Sixty Dollars and Twenty-Four Cents (\$20,560.24) shall be contributed by the District in equal installments on a pay period basis into a qualified pension plan established pursuant to Section 401(a) of the Internal Revenue Code. This amount shall not be reported to CalPERS as pensionable compensation and shall not be subject to any withholdings or taxes in accordance with Sections 3121(a)(5)(A) and 3401(a)(12)(A) of the Internal Revenue Code."

4. Section 5(A) is amended to read as follows:

"Vacation. Having served in his position since 2013, Employee shall accrue twenty (20) days (160 hours) vacation days for each year of service. The District may, in its discretion, allow Employee a weekly prorated accrual in order to total a twenty (20) day accrual by year end. To the extent this Agreement is extended in term, Employee's vacation accrual shall also be entitled to increase based on years' of service to the District: (1) Employee shall be entitled to an additional sixteen (16) hours of vacation each year (for a total of twenty two (22) days) beginning with the eleventh year of service; and (2) Employee shall be entitled to an additional twenty four (24) hours of vacation each year (for a total of twenty five (25) days) beginning with the fifteenth year of service. Such vacation may be carried over, if not used, and may accumulate to a cap of Four Hundred (400) hours. Once the accrual cap is reached, the Employee will not accrue additional vacation hours until such time as he reduces his accrued hours below the cap. *The Employee's vacations shall be scheduled in coordination with the Board.* The Board encourages employees to take regular vacation time, but recognizes that job demands may not make this possible for top management employees."

5. Section 6(A) is amended to read as follows:

"The Board shall review and evaluate the performance of Employee in writing on an annual basis at a Board meeting in July of each year. The evaluation will also set forth mutually defined goals to be achieved by the Employee in the subsequent year. The Employee will be provided an adequate opportunity to discuss his evaluation with the Board at a Board meeting. The Employee shall be eligible, if warranted in the Board's sole discretion, to receive a salary increase at the conclusion of such evaluation and at any additional time determined by the Board. Any agreed salary increase must be expressly memorialized in a subsequent written and executed Amendment to this Agreement. Failure of the Board to conduct a performance evaluation shall not prohibit the Board from terminating this Agreement in accordance with Section 3 of this Agreement."

6. Continuing Effect of Agreement. Except as amended by this Sixth Amendment, all other provisions of the Agreement remain in full force and effect. From and after the date of this Sixth Amendment, whenever the term "Agreement" appears in the Agreement, it shall mean the Agreement as amended by the First, Second, Third, Fourth, Fifth, and Sixth Amendments.

The District and Employee have duly executed this Sixth Amendment to the Agreement as of the date written above.

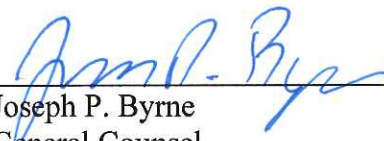
MUNICIPAL WATER DISTRICT OF
ORANGE COUNTY

By: 
Satoru Tamaribuchi
President of the Board of Directors

EMPLOYEE:


Robert J. Hunter
General Manager

Approved as to Form:


Joseph P. Byrne
General Counsel

**MUNICIPAL WATER DISTRICT OF ORANGE COUNTY SEVENTH AMENDMENT
TO EMPLOYMENT AGREEMENT – GENERAL MANAGER**

This Seventh Amendment to Employment Agreement (herein “Seventh Amendment”) is made and entered into as of the 30th day of October 2020, by and between the MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (hereinafter the “District”) and ROBERT J. HUNTER (hereinafter “Employee”).

RECITALS

- A. The District and Employee entered into an employment agreement for the position of General Manager dated September 3, 2013, a First Amendment dated November 19, 2014, a Second Amendment dated October 21, 2015, a Third Amendment dated November 16, 2016, a Fourth Amendment dated October 18, 2017, a Fifth Amendment dated December 20, 2018, and a Sixth Amendment dated December 18, 2019 (collectively the “Agreement”).
- B. The District and Employee wish to amend the Agreement as provided below.

TERMS

1. Section 2(A) is amended in its entirety to read as follows:

“A. This Agreement shall be effective as of September 9, 2019 (the “Effective Date”). The term of this Agreement shall be through September 8, 2025, unless sooner terminated or extended by the parties as set forth in this Agreement.”

2. Section 4(B) is amended in its entirety to read as follows:

“Compensation. Effective July 1, 2020, the District agrees to pay Employee for services rendered pursuant hereto at an annual amount equal to Three Hundred and Fifteen Thousand Six Hundred and Fifty Five Dollars and Forty Cents (\$315,655.40) (“Compensation”) pursuant to the procedures regularly established and as they may be amended by the District in its sole discretion. The Employee may receive annual increases in salary as may be determined by the Board in its sole discretion. Any agreed increases in compensation must be expressly memorialized in a subsequent written and executed amendment to this Agreement. All compensation and comparable payments to be paid to Employee, except as set forth herein, shall be less withholdings and taxes required by law. Any adjustments must be made in light of Employee’s performance evaluation. The foregoing Compensation shall be allocated as follows:

- i. Base Salary: Two Hundred Ninety Five Thousand Ninety Five Dollars and Sixteen Cents (\$295,095.16) shall be paid to Employee as base salary. The amount shall be reported to CalPERS as pensionable compensation, as that term is defined in the Government Code Section 7522.34, subject to any limitations thereto pursuant to Government Code Section 7522.10(c).
- ii. 401(a) Plan Contribution: Twenty Thousand Five Hundred Sixty Dollars and

Twenty Four Cents (\$20,560.24) shall be contributed by the District in equal installments on a pay period basis into a qualified pension plan established pursuant to Section 401(a) of the Internal Revenue Code. This amount shall not be reported to CalPERS as pensionable compensation and shall not be subject to any withholdings or taxes in accordance with Sections 3121(a)(5)(A) and 3401(a)(12)(A) of the Internal Revenue Code.”

4. Amendments to Sections 5(A) and 5(G):

Due to the COVID 19 Pandemic, the vacation accrual cap of Four Hundred (400) hours as described in Section 5(A) and the sick leave accrual cap of Four Hundred Eighty Eight (488) hours available to Employee pursuant to Section 5(G) of the Agreement are temporarily removed. This is consistent with actions that have been taken for all other MWDOC employees. The sick leave and vacation accrual caps shall be reinstated thirty days after the date that such caps are reinstated for MWDOC employees or thirty days after the date of the Employee’s annual performance evaluation with the Board, whichever occurs first.

5. Continuing Effect of Agreement. Except as amended by this Seventh Amendment, all other provisions of the Agreement remain in full force and effect. From and after the date of this Seventh Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement as amended by the First, Second, Third, Fourth, Fifth, Sixth, and Seventh Amendments.

The District and Employee have duly executed this Seventh Amendment to the Agreement as of the date written above.

MUNICIPAL WATER DISTRICT OF
ORANGE COUNTY



By: _____
Sat Tamaribuchi
President of the Board of Directors

EMPLOYEE:



Robert J. Hunter
General Manager

Approved as to Form:



Joseph P. Byrne
General Counsel

MUNICIPAL WATER DISTRICT OF ORANGE COUNTY EIGHTH AMENDMENT TO EMPLOYMENT AGREEMENT – GENERAL MANAGER

This Eighth Amendment to Employment Agreement (herein “Eighth Amendment”) is made and entered into as of the 17th day of September 2021, by and between the MUNICIPAL WATER DISTRICT OF ORANGE COUNTY (hereinafter the “District”) and ROBERT J. HUNTER (hereinafter “Employee”).

RECITALS

- A. The District and Employee entered into an employment agreement for the position of General Manager dated September 3, 2013, a First Amendment dated November 19, 2014, a Second Amendment dated October 21, 2015, a Third Amendment dated November 16, 2016, a Fourth Amendment dated October 18, 2017, a Fifth Amendment dated December 20, 2018, a Sixth Amendment dated December 18, 2019, and Seventh Amendment dated October 30, 2020 (collectively the “Agreement”).
- B. The District and Employee wish to amend the Agreement as provided below.

TERMS

1. Section 4(B) is amended in its entirety to read as follows:

“Compensation. Effective July 1, 2021, the District agrees to pay Employee for services rendered pursuant hereto at an annual amount equal to Three Hundred and Twenty Nine Thousand Seventy Dollars and Seventy Five Cents (\$329,070.75) (“Compensation”) pursuant to the procedures regularly established and as they may be amended by the District in its sole discretion. The Employee may receive annual increases in salary as may be determined by the Board in its sole discretion. Any agreed increases in compensation must be expressly memorialized in a subsequent written and executed amendment to this Agreement. All compensation and comparable payments to be paid to Employee, except as set forth herein, shall be less withholdings and taxes required by law. Any adjustments must be made in light of Employee’s performance evaluation. The foregoing Compensation shall be allocated as follows:

- i. Base Salary: Three Hundred and One Thousand Eight Hundred and Two Dollars and Eighty Three Cents (\$301,802.83) shall be paid to Employee as base salary. The amount shall be reported to CalPERS as pensionable compensation, as that term is defined in the Government Code Section 7522.34, subject to any limitations thereto pursuant to Government Code Section 7522.10(c).
- ii. 401(a) Plan Contribution: Twenty Seven Thousand Two Hundred Sixty Seven Dollars and Ninety Two Cents (\$27,267.92) shall be contributed by the District in equal installments on a pay period basis into a qualified pension plan established pursuant to Section 401(a) of the Internal Revenue Code. This amount shall not be reported to CalPERS as pensionable compensation and shall not be subject to any withholdings or taxes in accordance with Sections 3121(a)(5)(A) and

3401(a)(12)(A) of the Internal Revenue Code.”

2. Amendments to Sections 5(A) and 5(G):

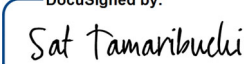
Effective July 1, 2021, the vacation accrual cap described in Section 5(A) shall be Five Hundred and Sixty (560) hours, and shall reduce by Forty (40) hours each year for four consecutive years. Effective July 1, 2025, the vacation accrual cap shall be Four Hundred (400) hours. If Employee ceases to be employed by the District prior to July 1, 2025, any hours accrued above four hundred shall not be paid out.

3. Continuing Effect of Agreement. Except as amended by this Eighth Amendment, all other provisions of the Agreement remain in full force and effect. From and after the date of this Eighth Amendment, whenever the term “Agreement” appears in the Agreement, it shall mean the Agreement as amended by the First, Second, Third, Fourth, Fifth, Sixth, Seventh, and Eighth Amendments.

The District and Employee have duly executed this Eighth Amendment to the Agreement as of the date written above.

MUNICIPAL WATER DISTRICT OF
ORANGE COUNTY

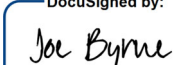
EMPLOYEE:

DocuSigned by:

By: C419ABE56D7047D...
Sat Tamaribuchi
President of the Board of Directors

DocuSigned by:

E3285F9B8EC9497...
Robert J. Hunter
General Manager

Approved as to Form:

DocuSigned by:

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Joseph P. Byrne
General Counsel