

**WATER EMPLOYEE SERVICES AUTHORITY
GENERAL MANAGER
ADDENDUM NO. 1 TO EMPLOYMENT AGREEMENT**

This Addendum No. 1 is to the Employment Agreement dated September 30, 2019, between the Water Employee Services Authority ("Authority") and Gregory Thomas ("Employee").

RECITALS

- A. The Employment Agreement provides that on or about the yearly anniversary of the Employment Agreement, the Authority Board ("Board") shall provide an evaluation of Employee's performance and may, at its sole discretion, award an annual merit increase of Employee's base annual salary.
- B. In the original Employment Agreement, Employee's base salary is \$250,000, he is not entitled to deferred compensation, and the term is for three years – from September 30, 2019 to September 30, 2022.
- C. Since the Employment Agreement was entered in 2019, the Board has granted various merit increases and made other changes to Employee's salary and fringe benefits, all of which are effective as of the anniversary date of the Employment Agreement.
- D. For each adjustment of salary and/or benefits, the Board duly took action to approve the change in an open and public meeting and pursuant to all provisions of the Ralph M. Brown Act. The changes were then set forth through executed Letter Amendments.
- E. In order to provide a single summary of the changes, the Board has requested that the history of the changes be set forth in this Addendum to the Employment, together with formal agreement to the most recent modifications.
- F. The following contract modifications have been previously approved and executed as follows:
 - 1. **On October 14, 2021**, through Minute Order M-0156, the Board duly approved an Amendment and then executed Letter Agreement No. 1 for:
 - a. An extension of five (5) years to the term of the Employment Agreement, resulting in a term until September 30, 2027.
 - b. Increase of Base Annual Salary to \$265,000;
 - c. Inclusion of a 401(a) supplemental retirement plan in the following amounts for five years, starting with September 30 2021:
 - i. Year 1 - \$10,000 [2021]

- ii. Year 2 - \$10,000 [2022]
- iii. Year 3 - \$15,000 [2023]
- iv. Year 4 - \$20,000 [2024]
- v. Year 5 - \$25,000 [2025]; and

d. Increase in annual paid vacation to twenty (20) days per year.

2. **On October 27, 2022**, through Minute Order M-0165, the Board duly approved an Amendment and then executed Letter Agreement No. 2 for:
 - a. Increase of Base Annual Salary to \$297,000; and
 - b. Increase of automobile allowance from \$700 per month to \$900 per month.
3. **On November 9, 2023**, through Minute Order M-0174, the Board duly approved an Amendment and then executed Letter Agreement No. 3 for:
 - a. Increase of Base Annual Salary to \$305,910.

NOW THEREFORE, as approved by the Board **On September 12, 2024**, through Minute Order M-0182, Authority and Employee agree:

1. To modify Section 3(a)(1) of the Employment Agreement to increase of Base Annual Salary to \$321,205.50;
2. To modify Section 3(b) of the Employment Agreement (as previously modified on October 14, 2021) to add:

“v. Year 6 (and each additional year thereafter) - \$25,000”

and to eliminate: “Total: \$80,000.00”.

3. To modify Section 3(a)(ii) as follows:

“Annual Evaluation. On or about every year after this Agreement takes effect, the Board of Directors shall provide Employee with an annual performance evaluation.”

4. That all other terms and conditions of the Employment Agreement shall remain unchanged and in full force and effect.

[Signatures on Following Page]

Water Employee Services Authority



Chance Edmondson
President of the Authority

Employee:



Gregory Thomas

Attest:



Clerk of the Board

Approved as to Form:



Steven Anderson (Sep 26, 2024 17:42 PDT)

Best Best & Krieger