

GENERAL MANAGER EMPLOYMENT AGREEMENT

This GENERAL MANAGER EMPLOYMENT AGREEMENT ("Agreement") is made by and between Mary Reeves ("Employee") and the Big Bear City Community Services District, ("District"). The District and Employee may sometimes be referred to individually as "Party," and collectively as "Parties," throughout this Agreement. The Parties hereto agree as follows:

Section 1. Employment.

1.1 The District agrees to employ Employee as General Manager and she agrees and does accept employment as General Manager upon the terms and conditions set forth herein.

1.2 Employee agrees to perform the functions and duties of General Manager as may be established or directed by the District Board of Directors ("Board"). Employee agrees to perform all such functions and duties to the best of her ability and in a lawful, efficient and competent manner.

1.3 Employee agrees that her employment with the District is at the will and pleasure of the Board and that Employee's employment and this Agreement may be terminated by the Board, with or without cause, with or without prior notice, and without right of appeal or hearing (except as provided in Section 3.4 of this Agreement), at any time.

Section 2. Term of the Agreement.

2.1 This Agreement shall be for a term of five (5) years, beginning July 22, 2017, and ending July 21, 2022.

2.2 Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Board to terminate the services of Employee and this Agreement, at any time during the Term, subject only to the provisions set forth in Section 3 of this Agreement.

2.3 Employee agrees to remain in the exclusive employment of the District during the term of this Agreement, and she shall neither accept other employment nor become employed by any other person, business, or organization during the term of this Agreement without the written approval of the Board. As used in this section, the term "employed" shall not be construed to include occasional teaching, writing, or consulting on Employee's time off, which may be undertaken by Employee, provided they are conducted with persons, businesses, or organizations not within the District limits. Under no circumstances, however, may Employee engage in outside employment or other activities that present a real or potential conflict of interest with Employee's employment with the District.

Section 3. Termination and Severance Pay.

3.1 Employee serves at the will and pleasure of the Board and may be terminated with or without cause, with or without prior notice, and without right of appeal or hearing (except as provided in Section 3.4 of this Agreement), at any time. Consequently, nothing in this Agreement shall in any way affect or limit the Board's right to terminate the employment of Employee and this Agreement on an at-will basis, with or without cause, with or without prior

notice, and without right of appeal or hearing (except as provided in Section 3.4 of this Agreement), at any time.

3.2 In the event that Employee and this Agreement are terminated without cause, District agrees to provide Employee with severance pay in a lump sum cash payment equal to the lesser of six (6) months' base salary or an amount equal to the monthly base salary of Employee multiplied by the number of months left on the unexpired term of this Agreement, less deductions required by law, and subject to the following condition. Payment of severance pay shall be conditioned upon Employee executing a release and waiver of any and all claims against District, its Board, officers, employees and agents, arising out of her employment with District, and the termination thereof, in such form as may reasonably be required by District. Severance pay shall not be payable unless and until Employee executes such release and waiver and until expiration of all waiver and revocation rights as provided by law at the time of termination of Employee's employment and this Agreement.

3.3 In the event Employee and this Agreement are terminated for cause, Employee shall not be entitled to any severance pay. Termination for cause is defined as follows:

- (a) A willful breach of this Agreement.
- (b) Habitual neglect of duties required to be performed under this Agreement.
- (c) Any acts of dishonesty, fraud, misrepresentation or other acts of moral turpitude.
- (d) Refusal or failure to act in accordance with any lawful directive or order of the Board.

3.4 In the event that Employee and this Agreement are terminated for cause, Employee will be presented with written notice of the basis for said cause. Upon receipt of said written notice, Employee, within five (5) business days, may request a hearing before the Board. 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 Employee would not be entitled to any severance pay. Under no circumstances shall Employee be entitled to reinstatement as a result of such hearing.

3.5 Employee shall not be released without cause from her employment and this Agreement shall not be terminated without cause within ninety (90) days, before or after, an election of the Board.

3.6 Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of Employee to resign at any time from her position with District, subject only to the provisions set forth in this Agreement. In the event Employee resigns from her position with the District, Employee shall provide the Board sixty (60) days' advance notice, unless the Parties agree otherwise. In the event Employee resigns, she shall not be entitled to any severance pay, but the District shall pay Employee for all accrued vacation benefits.

3.7 Notwithstanding any other provision herein, in accordance with Government Code Sections 3511.2 and 53260, the cash payment that Employee may receive in the event of the termination of this Agreement, as set forth in Section 3.2 above, shall not exceed an amount

equal to the monthly base salary of Employee multiplied by the number of months left on the unexpired term of this Agreement.

3.8 Pursuant to Government Code Sections 53243, 53243.1 and 53243.2, which became effective on January 1, 2012, if Employee is convicted of a crime involving an abuse of her office or position, all of the following shall apply: (1) if Employee is provided with administrative leave pay pending an investigation, Employee shall be required to fully reimburse District for such amounts paid; (2) if the District pays for the criminal legal defense of Employee (which would be in its sole discretion, as it is generally not obligated to pay for a criminal defense), Employee shall be required to fully reimburse District such amounts paid; and (3) if this Agreement is terminated, any cash settlement related to the termination that Employee may receive from the District shall be fully reimbursed to the District or void if not yet paid to Employee. For this Section, abuse of office or position means either: (1) an abuse of public authority, including waste, fraud, and violation of the law under color of authority; or (2) A crime against public justice, including, but not limited to, a crime described in Title 7 (commencing with Section 92) of Part 1 of the Penal Code.

Section 4. Salary, District Vehicle, and District Equipment.

4.1 District agrees to pay Employee for her services rendered an annual base salary of One Hundred Fifty Thousand Dollars (\$150,000.00), less required and authorized deductions, in installments at the same time as other employees of the District are paid, commencing on her first day of employment. The Board, in its sole discretion, may grant annual salary increases, based upon merit, of up to Two and One Half percent (2.5%) of Employee's base salary.

4.2 Effective July 1 of each year, Employee shall receive an automatic cost of living adjustment ("COLA"). The amount of this COLA shall be equal to the annual percentage change for the preceding year in the Consumer Price Index ("CPU-I") for All Urban Consumers Los Angeles-Riverside-Orange County, as published by the U.S. Bureau of Labor Statistics in January of the current year.

4.3 District shall provide Employee with an automobile allowance of Seven Hundred Forty-Five Dollars (\$745.00) per month.

4.4 District shall provide Employee with a laptop computer and cellular telephone, the uses of which shall be subject to the relevant District policies and rules.

Section 5. Benefits.

5.1 Employee shall accrue a total of eighty (80) hours of administrative leave annually according the following schedule: Employee shall receive forty (40) hours of administrative leave on January 1st of each year of this Agreement, and forty (40) hours of administrative leave on July 1st of each year of this Agreement.

5.2 Upon the commencement of the term of this Agreement, Employee shall receive twenty-four (24) days of accrued vacation annually. Subsequently, Employee shall accrue additional vacation hours in accordance with the terms and conditions set forth in the SUMMARY OF BENEFITS MISCELLANEOUS EMPLOYEE BARGAINING UNIT, which is attached hereto as Exhibit "A."

5.3 With the exception of administrative leave as provided in Section 5.1 above, Employee shall be eligible for all other benefits and accruals in accordance with the terms and conditions set forth in the SUMMARY OF BENEFITS MISCELLANEOUS EMPLOYEE BARGAINING UNIT. (It is recognized by the Parties that the General Manager classification is not included in the Miscellaneous Employee Bargaining Unit and this reference to the Unit's Summary of Benefits is solely for the purpose of establishing the General Manager's benefits.) However, in the event that this initial package of benefits contained in the SUMMARY OF BENEFITS MISCELLANEOUS EMPLOYEE BARGAINING UNIT is amended or changed, the Board shall meet to make a separate determination as to whether such amended or changed benefit package shall apply to Employee.

Section 6. Performance Evaluation.

The Board shall review and evaluate the performance of Employee after six (6) months of employment and at least annually thereafter. Said review and evaluation shall be conducted by the Board. Evaluation criteria shall be developed and adopted by the Board after consultation with Employee. It shall be the responsibility of Employee to notify and remind the Board at least thirty (30) days prior to any evaluation required under this Agreement.

Section 7. Bonding.

The District shall bear the full costs of any fidelity or other bonds required of Employee under any law or ordinance.

Section 8. General Provisions.

8.1 This Agreement supersedes any and all other agreements, either oral or written, between the Parties hereto with respect to the employment of Employee by the District, and contains all of the covenants and agreements between the Parties with respect to the employment of Employee by District.

8.2 Each Party agrees and acknowledges that no representations, inducements, promises, or agreements, orally or otherwise, have been made by any Party, or anyone acting on behalf of any Party, which are not embodied herein and that any agreement, statement, or promise not contained in this Agreement shall not be valid or binding on either Party.

8.3 Any modification of this Agreement will be effective only if made in writing and signed by both Employee and District.

8.4 If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

8.5 The failure of either Party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other Party shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

8.6 This Agreement shall be governed by and construed in accordance with the laws of the State of California.

8.7 Neither this Agreement, nor any right, privilege or obligation of Employee hereunder shall be assigned or transferred by her without the prior written consent of the Board. Any attempt at assignment or transfer in violation of this provision shall, at the option of the Board, be null and void and may be considered a material breach of this Agreement.

8.8 This Agreement shall be construed as a whole, according to its fair meaning, and not in favor of or against any Party. By way of example and not in limitation, this Agreement shall neither be construed in favor of the Party receiving a benefit nor against the Party responsible for any particular language in this Agreement.

8.9 Any notice to be given hereunder by either Party to the other shall be in writing and may be transmitted by personal delivery or mail, registered or certified, postage prepaid, with return receipt requested. Personally delivered notices shall be deemed received upon delivery and mailed notices shall be deemed received two (2) days after the date of mailing. Mailed notices shall be addressed to the following respective addresses:

District: Big Bear City Community Services District
139 East Big Bear Blvd. / PO Box 558
Big Bear City, CA 92314
Attn: Board of Directors

Employee: Address on File at Big Bear City CSD

8.10 Employee acknowledges that she has had the opportunity to consult legal counsel in regard to this Agreement, that she has read and understands this Agreement, 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 Agreement.

Date: 7-17-17

By: Mary T. Reeves
Mary Reeves
Employee

Date: 7-17-17

By: John Green
John Green
Board President
Big Bear City
Community Services District



**SUMMARY OF BENEFITS
MISCELLANEOUS EMPLOYEE BARGAINING UNIT**

Following is a brief summary of some key benefits currently offered by the Big Bear City Community Services District. These benefits are subject to change by the Board of Directors. Please refer to individual contracts or policies for details.

Vacation

Regular full-time employees in continuous service shall be entitled to the following vacation time following anniversary dates from the first day of employment with the District.

<u>Years of Service</u>	<u>Accrued Vacation Leave per Year</u>
0-6	13 Days
7-10	18 Days
11	19 Days
12	20 Days
13	21 Days
14	22 Days
15	23 Days
16+	24 Days

Sick Leave

The District provides 144 hours of paid sick leave per year for illness of the employee or for doctor/dentist appointments. Employees will be eligible for sick leave beginning on the first day of employment. The maximum sick leave accumulation will be 2,000 hours.

Administrative Leave

Exempt employees are not eligible for overtime pay or compensative time for working hours over and above the normal daily work schedule. Exempt employees are entitled to 40 hours of administrative leave per calendar year.

Holidays

The District provides 11 paid set holidays each year; 2 paid floating holidays are granted to regular employees at the beginning of the calendar year.

Exhibit A

Medical Insurance

You are entitled to enroll in the CalPERS medical insurance program that offers a selection of health plans. Currently, the District pays a maximum of \$1,523.04 a month for your CalPERS medical insurance. Medical insurance will become effective the first of the month following enrollment.

Dental/Vision Insurance

Dental/Vision insurance is provided by Delta Dental and Vision Service Plan and commences on the first of the month following 60 days of employment. The District will pay the premium for this insurance for you and your family.

Death Benefit

Full-time regular employees are entitled to be eligible for the District death benefit program. A fully paid \$15,000 death benefit will be paid to the designated beneficiary.

Deferred Compensation

Employees may make contributions to a deferred compensation program (457), at their own expense. The District offers a choice of 3 deferred compensation plans, CalPERS, Nationwide Retirement Solutions, and Lincoln Life.

Educational Assistance

The District encourages employees to obtain job-related education. Seminar and conference attendance are often approved.

Retirement

Employees are enrolled in the California Public Employees' Retirement System (CalPERS). The current retirement formula for new CalPERS employees is 2%@62. The employee's contribution rate is 8% of your monthly salary. District employees currently pay 8% on a pre-tax basis. Under CalPERS, an employee may retire if he or she has reached the age of 50 and has five years of service with CalPERS. The District's contract with CalPERS provides for continuing medical coverage for the retiree after five years of service. This coverage will be the same monthly amount given to active members employed by the District. Dental/vision insurance is not covered for the retiree, but can be obtained through COBRA.

More information about CalPERS is available at www.calpers.ca.gov

Social Security

The District participates in the Social Security System and payroll deductions are made each pay period in accordance with Federal Law.

Employee Assistance Program

Counseling and referral services are available for employees and family members who are experiencing personal, marriage family, work, substance abuse, financial problems, etc.

Alternative Workweek

Alternative workweeks allow employees to work a flexible work schedule during the 2-week pay period by redistributing the 80 hours.

FIRST AMENDMENT TO THE GENERAL MANAGER EMPLOYMENT AGREEMENT

This FIRST AMENDMENT TO THE GENERAL MANAGER EMPLOYMENT AGREEMENT ("First Amendment") is made and entered into between Mary Reeves ("Employee") and the Big Bear City Community Services District ("District"), in order to amend, in writing, the terms and conditions of employment for the Employee of the District.

WHEREAS, on July 17, 2017, the District and the Employee entered into the General Manager Employment Agreement ("Agreement") that among other things sets forth Employee's annual salary;

WHEREAS, the Board wishes to provide Employee a Seven percent (7%) salary increase, retroactive to the anniversary date of her employment on July 22, 2020.

NOW, THEREFORE, the parties hereto agree as follows:

1. Except as modified by this First Amendment, all provisions of the Agreement shall remain in full force and effect for the term hereof. In case of any conflict, the terms of the Agreement shall prevail over the provisions of the First Amendment.

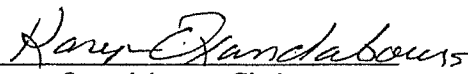
2. Section 4.1 of the Agreement shall be amended in its entirety to read as follows:

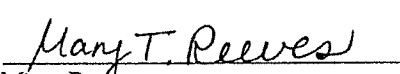
"Effective July 22, 2020, District agrees to pay Employee for her services rendered an annual base salary of One Hundred Eight-Five Thousand Seven Hundred and Twenty-Six Dollars and Thirty-Two Cents (\$185,726.32), less required and authorized deductions, in installments at the same time as other employees of the District are paid, commencing on her first day of employment. The Board, in its sole discretion, may grant annual salary increases, based upon merit, of up to Seven percent (7%) of Employee's base salary."

IN WITNESS WHEREOF, the parties have executed this First Amendment on the 3rd day of August 2020.

BIG BEAR CITY COMMUNITY SERVICES
DISTRICT

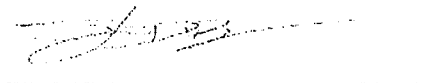
MARY REEVES

By: 
Karyn Oxandabours, Chair

By: 
Mary Reeves

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP

By: 
General Counsel for Big Bear City
Community Services District

**SECOND AMENDMENT TO THE GENERAL MANAGER
EMPLOYMENT AGREEMENT**

This SECOND AMENDMENT TO THE GENERAL MANAGER EMPLOYMENT AGREEMENT ("Second Amendment") is made and entered into between Mary Reeves ("Employee") and the Big Bear City Community Services District ("District"), in order to amend, in writing, the terms and conditions of employment for the Employee of the District.

WHEREAS, on July 17, 2017, the District and the Employee entered into the General Manager Employment Agreement ("Agreement");

WHEREAS, on August 3, 2020, the District and the Employee amended the Agreement to increase the salary of the Employee;

WHEREAS, the Board now wishes to further amend the Agreement to extend the term.

NOW, THEREFORE, the parties hereto agree as follows:

1. Except as modified by this Second Amendment, all provisions of the Agreement shall remain in full force and effect for the term hereof. In case of any conflict, the terms of the Agreement shall prevail over the provisions of the First Amendment.

2. Section 2.1 of the Agreement shall be amended in its entirety to read as follows:

"This Agreement shall be a term of six (6) years, beginning from July 22, 2017 and ending July 21, 2023."

IN WITNESS WHEREOF, the parties have executed this Second Amendment on the 20th day of June 2022.

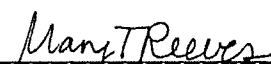
BIG BEAR CITY COMMUNITY SERVICES
DISTRICT

MARY REEVES

By:


Lary Walsh, President


BY:


Mary T. Reeves

APPROVED AS TO FORM:

BEST BEST & KRIEGER LLP

By:


General Counsel for Big Bear City
Community Services District