

## **EMPLOYMENT AGREEMENT (GENERAL MANAGER)**

This Employment Agreement ("**Agreement**") is effective as of December 18, 2017 ("**Effective Date**"), and is between the Olivehurst Public Utility District ("**District**"), a California independent special district pursuant to Government Code Section 56044, and John Tillotson ("**Employee**"), an individual. The parties agree as follows:

### **RECITALS**

A. District desires to employ the services of Employee as the District's general manager ("**General Manager**") in consideration of and subject to the terms, conditions, and benefits set forth in this Agreement.

B. Employee desires to accept employment as General Manager in consideration of and subject to the terms, conditions, and benefits set forth in this Agreement.

### **AGREEMENT**

#### **1. Position; Duties; Hours; Direction; Activities; And Period Of Employment.**

1.1 **Position and Duties.** Employee accepts employment with the District as its General Manager and agrees to perform all services and duties appropriate to that position, as well as such other services and duties consistent with the General Manager position as may be assigned by District's Board of Directors. These services and duties include, but are not limited to: (i) those set forth in all applicable District ordinances, resolutions, rules and policies; (ii) all duties required under California law; and (iii) all obligations imposed under this Agreement. Employee shall perform his obligations and responsibilities diligently within the time parameters specified by the Board of Directors, applying a high degree of professionalism, ethics, integrity, and good workmanship to every aspect of his obligations. Employee agrees to devote his best efforts and full-time attention to the performance of these services and duties. Employee acknowledges and agrees that Employee may not assign or subcontract to any party the performance of any services or duties required under this Agreement. Employee's duties include but are not limited to the following:

1.1.1 Employee shall report to the Board of Directors of OPUD and shall carry out and implement the Board's policies, directives and general goals as reasonably established.

1.1.2 District invests direct supervisory control over all operations and departments of the District subject to the policies established by the Board. Employee shall report to the Board regularly as to the condition of operations.

1.1.3 Employee shall be responsible for the preparation of an annual budget for all divisions of the District. All District expenditures must be approved by the Board as part of its budget review and approval, and Employee will have no independent authority to expend District funds, except as expressly authorized by the Board. This provision does not limit Employee from entering into and carrying out routine agreements necessary for the customary and usual operation of the District.

1.1.4 Employee shall be responsible for personnel management including hiring, supervision, direction, discipline, promotion, demotion and termination of all employees

of the District, subject to any applicable memorandums of understanding and to the direction, supervision by and review of the Board of Directors, and in accordance with Board-established policies and state and federal law.

1.1.5 In accordance with applicable grievance and/or meet and confer agreements, Employee will determine appropriate disciplinary action to be taken regarding District employees and will conduct preliminary hearings and issue determinations, as required. This will be done pursuant to the District's policies and procedures, the applicable memorandum of understand, and applicable laws.

1.1.6 Employee shall represent the District at conferences, conventions, hearings, administrative procedures, and in litigation and at settlement conferences as may be necessary to represent the District and to protect its interests. Employee may in his discretion consult with and give direction to District agents, consultants, attorneys and advisors as Employee may deem necessary in order to carry out his responsibilities to the District.

1.2 **Hours of Work.** Employee must devote the time necessary to adequately perform the duties of General Manager. The parties expect that a minimum of 40 hours per week during regular business hours, as well as additional time outside of the normal business hours, will be required to satisfy this requirement. Toward that end, Employee will be allowed reasonable flexibility in setting office hours, provided the schedule of such hours provides adequate availability to the Board of Directors, District staff, and members of the community during normal District business hours and for the performance of his duties and of District business. The position of General Manager is an exempt position under under the federal Fair Labor Standards Act and California wage and hour law. Employee's compensation (whether salary or benefits or other allowances) is not based on hours worked and Employee will not be entitled to any compensation for overtime.

1.3 **Direction from Board.** Employee will take direction as to matters of District business only from the Board of Directors as a whole, or from any duly authorized Board Committee, which has been granted the power by the Board to give direction to the General Manager.

1.4 **Professional Activity.** The Board of Directors desires Employee to be reasonably active in statewide, regional and professional organizations that will contribute to Employee's professional development and standing and that will contribute to the advancement of the District's interests and standing. Toward that end, Employee may, upon advance notice to the Board of Directors and subject to budgetary approval by the Board, undertake such activities as are directly related to Employee's professional development and that advance the interests and standing of the District. These activities may include, without limitation, participation in the California Special Districts Association, or other similar statewide, regional or professional organizations. District also agrees to reimburse, as provided in Section 2.2.1 [Reimbursement] of this Agreement, Employee's reasonable and necessary travel, business and subsistence expenses for the activities described in this section.

1.5 **Other Activity.** In accordance with Government Code section 1126, during the period of Employee's employment, Employee may not accept, without the express prior written consent of the Board of Directors, any other employment or engage, directly or indirectly, in any other business, commercial, or professional activity (except as permitted under Section 1.4 [Professional Activity]), whether or not to pecuniary advantage, that is or may be competitive with the District, that might cause a conflict-of-interest with the District, or that otherwise might interfere with the business or operation of the District or the satisfactory performance of Employee's duties as General Manager.

## **2. Compensation And Benefits.**

2.1 **Base Salary.** Employee will receive an annual base salary in the amount of One Hundred Eighteen Thousand (\$118,000.00) Dollars. The base salary is payable in installments at the time as other employees of the District are paid and subject to required withholdings. Employee will not be entitled to overtime pay, compensating time off, or other compensation or reimbursement for hours worked for the District. Employee's base salary will be reviewed annually by the Board of Directors, and may be increased in the sole discretion of the Board, as further described in paragraph 4.1.4 below.

2.2 **Longevity Salary.** In addition to an annual base salary, Employee shall also be entitled to a longevity salary. The longevity rate per years of service will be as follows:

- (a) 5 years of service =2% of base salary
- (b) 10 years of service =4% of base salary
- (c) 15 years of service =6% of base salary
- (d) 20 years of service =8% of base salary
- (e) 25 years of service =10% of base salary

For purposes of calculating Employee's Longevity Salary, Employee shall maintain the longevity he established as Director of Public Works.

2.3 **Reimbursement.** District will reimburse Employee for reasonable and necessary travel (other than commute), subsistence and other business expenses incurred by Employee in the performance of Employee's duties. All reimbursements are subject to California law and the District's adopted employee reimbursement policies.

2.4 **Health Insurance.** District agrees that during the period of employment it will make available to Employee and Employee's eligible dependents the District's health insurance, including dental and vision, offered to non-classified employees. Should Employee opt out of District's health insurance coverage, District shall compensate Employee \$600 per month in lieu of such coverage.

2.5 **Life Insurance.** District agrees that during the period of employment it will pay the premiums for an Employee Life Insurance Policy with a face value of Fifty Thousand Dollars (\$50,000.00).

2.6 **Holidays.** Paid holidays will be in accordance with the District's current practice for the MPEA unit and is subject to change. Paid holidays will be those deemed authorized by the District for the MPEA unit. The following days are presently recognized as paid holidays by the District:

- The 1<sup>st</sup> day of January (New Year's Day)
- The 3<sup>rd</sup> Monday in January (Martin Luther King Day)
- The 3<sup>rd</sup> Monday in February (Presidents' Day)
- Friday before the 31<sup>st</sup> day in March (Cesar Chavez Day)
- The last Monday in May (Memorial Day)
- The 4<sup>th</sup> Day of July (Independence Day)
- The 1<sup>st</sup> Monday in September (Labor Day)
- The 11<sup>th</sup> day of November (Veterans' Day)
- The day in November proclaimed as Thanksgiving Day
- The day after Thanksgiving Day
- Christmas Eve Day

- The 25th day of December (Christmas Day)
- New Year's Eve Day
- Any day designated as a holiday by proclamation of the Governor of the State of California or the President of the United States when affirmatively made a holiday by Resolution of the Board.

2.7 **Sick Leave.** Sick Leave will be administered in accordance with the District's current practice for non-classified employees and is subject to change. Employee will accrue 12 days of sick leave per year, not to exceed a total accumulation of 125 days. Upon resignation, termination, or retirement, except for resignation without the notice prescribed in Paragraph 3.4 hereof, Employee will be paid for 25% of unused sick leave up to a maximum unused sick leave of 31.25 days. Any remaining sick leave will be added to Employee's term of service for purposes of calculating retirement benefits, or shall be treated in a manner consistent with any District-wide sick leave policy the District may adopt following the execution of this Agreement.

2.8 **Vacation.** Vacation will be in accordance with the District's current practice for non-classified employees and is subject to change; provided, however, that Employee will be entitled to take up to 20 days of paid vacation per year of employment, which may be carried over each year of this Agreement, but not to exceed a total accumulation of 50 days. In any year, at Employee's discretion, Employee may "sell" to District up to five (5) days of accrued vacation for a cash allowance, equal to the number of days traded times the straight time rate of pay, determined on an hourly basis (assuming 2080 hours per year) that Employee is compensated. Upon termination, resignation, or retirement, unused Vacation shall be compensated at Employee's then current rate. To encourage the use of vacation, the District allows a vacation leave sell-back policy whereby employees with at least 180 hours of accrued vacation may sell back up to one week of leave, provided that the leave tendered for sell back is offered in conjunction with the employee taking a week of leave.

2.9 **Administrative Leave.** Employee is entitled to 6 days of paid Administrative Leave each year to be credited on the date of this Agreement and on each anniversary thereafter. Unused Administrative Leave will not carry over to the next year, and no payment for unused Administrative Leave will be made upon resignation, termination or retirement.

2.10 **Retirement.** District shall pay twelve percent (12%) of employee's base salary into an employee 457 deferred compensation fund. District will match an additional 1% Employee contribution, for a total possible District and Employee contribution of 14%. Although District currently participates in the retirement plan sponsored by the Operating Engineers, Local 3, Employee understands that changes in his retirement plan may be made at the Board's discretion, and as a result of such a change, Employee understands and agrees that any modification or change in the retirement plan for Employee shall be consistent with changes made for District employees generally.

2.11 **Vehicle Allowance.** Employee will receive a vehicle allowance of \$400 per month and will not be entitled to any mileage reimbursement.

2.12 **Communications.** Employee will be provided with use of a District laptop computer and cell phone.

### **3. At-Will Employment; Term; Termination.**

3.1 **Term.** The Parties agree that Employee will serve as District General Manager for a minimum of five years from the Effective Date of this Agreement. Nothing in this Agreement shall preclude the Parties from extending this Agreement beyond the initial five-year term.

3.2 **At-Will Employment.** Employee acknowledges that Employee is an at-will employee of District who will serve at the pleasure of the Board of Directors at all times during the period of service under this Agreement. With respect to the manner in which Employee's employment with the District may be terminated, the terms of the District's personnel rules, policies, procedures, ordinances, resolutions, memorandums of understanding, or collective bargaining agreements (collectively "**Personnel Policies**"), do not apply to Employee's term of employment, and nothing in this Agreement is intended to, or does, confer upon Employee any right to any property interest in continued employment, or any due process right to a hearing before or after a decision by the Board of Directors to terminate his employment, except as is expressly provided in this Section 3. Nothing contained in this Agreement will in any way prevent, limit or otherwise interfere with the right of the District to terminate the services of Employee as provided in Section 3. And nothing in this Agreement will prevent, limit or otherwise interfere with the right of Employee to resign at any time from this position with District, subject only to the provisions set forth in this Section 3.

3.2.1 Employee's position as General Manager is subject to a one-year probationary period. The evaluation process described in Section 4 below shall commence in January, 2019 following Employee's first year of service as General Manager. Upon successful completion of that evaluation, no further evaluation shall be required for Employee until April, 2020.

3.2.2 Employee shall be awarded permanent status upon successful completion of the one-year probationary period.

3.3 **Termination By District Not for Cause.** District may terminate Employee for any reason, and at any time, with or without cause, effective upon 30 days advance written notice, by providing Employee with six months base salary ("**Severance Payment**"), less applicable deductions, plus applicable accrued vacation and sick leave provided herein together with any extension of benefits required under California law. District may dismiss Employee notwithstanding anything to the contrary contained in or arising from any Personnel Policies or past District practices relating to the employment, discipline, or termination of its employees. By accepting the Severance Payment, Employee agrees not to commence any legal or administrative actions against District, its officials, officers and employees, and hereby waives and releases District and its officials, officers, and employees from any liabilities, known or unknown, owing to Employee, arising from or related to Employee's employment with District, except those for compensation, including retirement benefits, legally due.

3.3.1 District covenants not to terminate Employee without cause during his initial 1-year probationary period.

3.4 **Termination By Employee Not for Cause.** Employee may terminate Employee's employment for any reason, and at any time, with or without cause, by providing District with at least 60 days' advance written notice. District will have the option, in its complete discretion, to make Employee's termination effective at any time prior to the end of such period, provided District pays Employee all compensation due and owing through the last day actually worked, plus an amount equal to the base salary Employee would have earned through the balance of the above notice period. If Employee exercises this option to terminate this Agreement, Employee acknowledges and

agrees that he is not entitled to receive any Severance Payment. Such resignation, once given, shall be final and may not be revoked without the express written consent of the Board of Directors.

**3.5 Termination By District for Cause.** District may immediately terminate this Agreement at any time by providing Employee written notice of cause for termination. No Severance Payment or any further salary will be paid in the event Employee's employment is terminated for cause.

For purposes of this Agreement, cause for termination includes but is not limited to the following: theft or attempted theft; material dishonesty; willful or persistent material breach of duties; engaging in unlawful discrimination or harassment of employees or any third party while on District premises, time, or participating in any activity or performing any services under this Agreement; conviction of a felony; engaging in conduct tending to bring disrepute to the District, and unauthorized absences. Employee expressly waives any rights provided for non-classified employees under the District's Personnel Policies, or under state or federal law to any form of pre- or post-termination hearing, appeal, or other administrative process pertaining to termination, except when Employee has a California or federal constitutional right to a name clearing hearing.

**3.6 Termination Obligations.** Employee agrees that all property, including, without limitation, all equipment, tangible Proprietary Information (as defined below), documents, records, notes, contracts, and computer or other electronically-generated materials furnished to or prepared by Employee incident to Employee's employment belongs to District and must be returned promptly to District upon termination of Employee's employment. Employee's obligations under this section will survive the termination of Employee's employment and this Agreement.

**3.7 Benefits Upon Termination.** All benefits to which Employee is entitled under this Agreement will cease upon Employee's termination in accordance with this Section 3, unless expressly continued either under this Agreement, under any specific written policy or benefit plan applicable to Employee, or unless otherwise required by law.

**3.8** The severance pay provisions of Section 3.3 are subject to and shall be interpreted to comply with the limitations set forth in Government Code Section 53260. Any severance shall be paid in a lump sum or in equal amounts distributed over the usual pay schedule, at Employee's option. An election to receive severance pay distributed over the usual pay schedule does not extend the period of employment beyond the District-established termination date.

**3.9** If Employee is unable to perform the requisite duties expected under this Agreement because of sickness, accident, mental incapacity, or health with reasonable accommodation, for a period of one month following exhaustion of accumulated sick leave, then District shall have the option to terminate this Agreement and, notwithstanding the provisions of Section 3.3 above, Employee shall not be entitled to severance. If Employee is terminated because of permanent disability, Employee shall be compensated in a lump sum for any accrued vacation or other benefits to the extent such compensation is required by law.

**3.10** Notwithstanding Section 3.3, above, District shall not be obligated to pay any compensation, benefits, or severance under the provisions of this Agreement if Employee is terminated for cause, including, without limitation, because of a criminal conviction, criminal plea bargain, or adverse State Attorney General, Grand Jury, or Fair Political Practices Commission determination involving any felony, intentional tort, crime of moral turpitude, or violation of statute or law constituting forfeiture of office, misconduct in office, misuse of public funds, or conflict of interest. During the proceedings which may be necessary for District to confirm the cause for termination hereunder, District may place Employee on paid administrative leave.

3.11 Pursuant to Government Code Section 53243.4, all of the following requirements apply:

3.11.1 If this Agreement is terminated, any cash settlement related to the termination that Employee may receive from District shall be fully reimbursed to District if Employee is convicted of a crime involving an abuse of his office or position as defined by Government Code Section 53243.4.

3.11.2 If any express or implied provision of this Agreement, the Ordinances of District, or any policy or practice of District provide paid leave salary to Employee pending an investigation, this paid leave salary shall be full reimbursed by Employee to District if Employee is convicted of a crime involving an abuse of his office or position as defined by Government Code Section 53243.4.

3.11.3 If any express or implied provisions of this Agreement, the Ordinances of District, or any policy or practice of District provide for payment of funds for the legal criminal defense of Employee, the funds paid for his legal defense shall be fully reimbursed by Employee to District if Employee is convicted of a crime involving an abuse of his office or position as defined by Government Code Section 53243.4.

#### **4. Evaluation.**

4.1 The Board of Directors shall review and evaluate the performance of Employee, including eligibility for any discretionary, performance-based increase, at least once annually no later than May of each year following Employee's commencement of employment utilizing the following procedure:

4.1.1 Not later than April 1 of each year, Employee shall prepare a memorandum to the Board setting forth Employee's self evaluation of his accomplishment of goals as established jointly by the Board and Employee for the current year, and Employee's intended goals for the coming year. For his initial year of employment as General Manager, Employee's goals include the following:

- Work closely with Board of Directors; Board of Directors will include General Manager in work of Ad Hoc Committees
- Training: Complete Robert Bendorf Leadership Training and Mitch Rosenberg one-on-one training
- Prepare Checklist of Turnover Items from prior General Manager, together with Status Report on each
- Within first year, prepare Employee Manual for General Manager position that covers job duties and ongoing responsibilities

4.1.2 The Board shall, as soon as feasible thereafter, but no later than the regular meeting of May, schedule an evaluation of Employee's performance.

4.1.3 If performance is considered satisfactory, the Board shall conclude the evaluation, advise Employee in writing that his performance is satisfactory, and the District will implement a Cost of Living increase in Employee's salary equivalent to the Consumer Price Index, May to May Index, Western States B/C, or the amount of 3%, whichever is less to be made effective on the succeeding July 1st.

4.1.4 If performance is considered exemplary, the Board may in its sole discretion increase Employee's salary beyond the Cost of Living increase enunciated in paragraph 4.1.3 above.

4.1.5 If the Board believes that the performance of the General Manager is not satisfactory, then the Board, in writing, shall set forth those areas of performance where improvement is required, to be included in an Improvement Plan for Employee to guide such improvement.

4.1.6 At the conclusion of six calendar months, the Board shall conduct an evaluation to consider Employee's performance under the Improvement Plan. If Employee has satisfactorily implemented such plan, the COLA shall be implemented retroactively to the preceding July 1. If Employee has not substantially rectified those areas required for improvement specified in the Plan, then Employee shall be considered in breach hereof and this Agreement may be terminated for cause.

4.1.7 In no event shall Employee be subject to termination for cause without notice, an Improvement Plan, and an opportunity to remedy such deficiencies in performance as set forth herein. Notwithstanding the foregoing, the Board shall not be precluded hereby from terminating Employee's services without cause, provided a severance payment is made as set forth in Paragraph 3.3 above.

4.2 Review and evaluation will be in accordance with such criteria as the parties may jointly agree upon, but which the parties contemplate will include mutually defined goals and performance objectives for the General Manager that the parties determined to be necessary for the proper operation of District and the attainment of the District's policy objectives. Failure of the District to provide a performance evaluation will not limit the District's ability to terminate this Agreement pursuant to Section 3 [Termination].

4.3 Employee shall be eligible for a performance bonus based on the Board's determination that Employee has significantly exceeded the mutually established and quantifiable objectives. Payment of this bonus in any year is at the sole discretion of the Board of Directors and shall be based upon outstanding, out-of-the-ordinary performance.

## **5. Proprietary And Confidential Information.**

"**Proprietary Information**" is all information and any idea pertaining in any manner to the business and operations of District, which was produced by any employee or contractor of District in the course of his or her employment or otherwise produced or acquired by or on behalf of District. Proprietary Information includes, without limitation, trade secrets, product ideas, inventions, processes, formulae, data, know-how, software and other computer programs, copyrightable material, strategies, budgets and other financial reports and forecasts, and personnel information. All Proprietary Information not generally known outside of District's organization or otherwise in the public domain, and all Proprietary Information so known only through improper means, will be deemed "**Confidential Information.**" During employment by District, Employee may use Proprietary Information, and may disclose Confidential Information, only for the benefit of District and as is or may be necessary to perform Employee's job responsibilities under this Agreement. Following termination, Employee may not disclose any Confidential Information, except with the express written consent of District. Employee's obligations under this Section 5 will survive the termination of Employee's employment and the expiration of this Agreement.



**6. Conflict Of Interest.**

6.1 Employee represents and warrants to District that Employee presently has no interest, and represents that Employee will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or interfere in any way with performance of Employee's services under this Agreement.

6.2 Employee shall be subject to the conflict of interest provisions of the California Government Code and any conflict of interest code applicable to his employment as General Manager. Employee is responsible for submitting to the Board Clerk the appropriate Conflict of Interest Statements at the time of appointment, annually thereafter, and at the time of separation from the position.

**7. General Provisions.**

7.1 **Vehicle Operation.** Employee must operate any vehicle used in connection with the performance of Employee's duties as General Manager in a safe manner and otherwise in observance of all established traffic safety laws and ordinances and must maintain a valid California automobile's driver's license during the period of employment.

7.2 **Notices.** All notices, requests, demands and other communications under this Agreement must be in writing and will be effective upon delivery by hand or three business days after deposit in the United States mail, postage prepaid, certified or registered, and addressed to District at the address below, and or at the last known address maintained in Employee's personnel file. Employee agrees to notify District in writing of any change in his address during his employment with District. Notice of change of address will be effective only when accomplished in accordance with this section.

**District's Address:**

Olivehurst Public Utility District  
1970 9<sup>th</sup> Avenue  
Olivehurst, CA 95961  
ATTN: Board President

**Employee's Address:**

John Tillotson  
12427 Rainbow Road  
Grass Valley, CA 95949

7.3 **Indemnification.** Subject to, in accordance with, and to the extent required by the California Government Claims Act [Government Code Section 810 and following] the District shall indemnify, defend, and hold Employee harmless from and against any action, demand, suit, monetary judgment or other legal or administrative proceeding, and any liability, injury, loss or other damages, arising out of any act or omission occurring during and within the scope of Employee's employment as General Manager, except for any award of punitive or exemplary damages. District has the discretion to determine whether to compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon. With respect to a judgment for punitive or exemplary damages, District will consider and evaluate the circumstances and may, as provided in Government Code section 825 (or any successor statute), elect to pay such punitive or exemplary

damages if all of the requisite findings can be made. The indemnification provisions of this Agreement shall not extend to any judgment for damages arising out of any willful wrongdoing or acts performed outside of the normal course and scope of Employee's employment as General Manager.

7.4 **Integration.** This Agreement is intended to be the final, complete, and exclusive statement of the terms of Employee's employment by District. This Agreement supersedes all other prior and contemporaneous agreements and statements, whether written or oral, express or implied, pertaining in any manner to the employment of Employee, and it may not be contradicted by evidence of any prior or contemporaneous statements or agreements. To the extent that the practices, policies, or procedures of District, now or in the future, apply to Employee and are inconsistent with the terms of this Agreement, the provisions of this Agreement will control.

7.5 **Amendments.** This Agreement may not be amended except in a written document signed by Employee, and approved by the Board of Directors at a regular meeting.

7.6 **Waiver.** Failure to exercise any right under this Agreement will not constitute a waiver of such right.

7.7 **Severability.** If a court or arbitrator holds any provision of this Agreement to be invalid, unenforceable, or void, the remainder of this Agreement will remain in full force and effect. In the event of such entire or partial invalidity, the parties hereto agree to enter into supplemental or other agreements to effectuate the intent of the parties and the purpose of this Agreement.

7.8 **Disputes; Mediation; Arbitration; Attorneys' Fees.** Any disputes arising under this Agreement must first be submitted to non-binding mediation with each party bearing its own costs and legal expenses. Any disputes not resolved in mediation shall be settled by binding arbitration in accordance with the rules of judicial arbitration established by the Superior Court of Yuba County. In any proceeding brought to enforce or interpret the terms of this Agreement as a result of any unresolved dispute, each party shall bear its own attorneys' fees and costs and legal expenses.

7.9 **Governing Law.** This Agreement is governed by and will be construed in accordance with the laws of the State of California, with venue proper only in Yuba County, State of California.

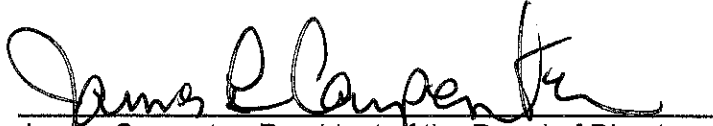
7.10 **Interpretation.** This Agreement will be construed as a whole, according to its fair meaning, and not in favor of or against any party. Captions are used for reference purposes only and should be ignored in the interpretation of the Agreement.

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

**[Signatures on the following page.]**

The Olivehurst Public Utility District has caused this Agreement to be executed on its behalf by its President and duly attested by its Clerk, and Employee has executed this Agreement on his behalf, each as of the Effective Date.

**OLIVEHURST PUBLIC UTILITY DISTRICT**

  
James Carpenter, President of the Board of Directors

**ATTEST:**

  
Elizabeth Mallen, Board Clerk

**GENERAL MANAGER**

  
John Tillotson