## FOURTH AMENDMENT TO EMPLOYMENT CONTRACT FOR GENERAL MANAGER OF LA PUENTE VALLEY COUNTY WATER DISTRICT

This FOURTH AMENDMENT TO EMPLOYMENT CONTRACT FOR GENERAL MANAGER OF LA PUENTE VALLEY COUNTY WATER DISTRICT ("Fourth Amendment") is made and entered into at La Puente, California, by and between the LA PUENTE VALLEY COUNTY WATER DISTRCT, a County Water District organized and existing under the County Water District Law (hereinafter the "DISTRICT") and ROY FRAUSTO (hereinafter "FRAUSTO" or "General Manager"), and is effective as of January 1, 2025.

### **RECITALS:**

A. FRAUSTO is currently serving as the General Manager of the DISTRICT under the Employment Contract for General Manager of La Puente Valley County Water District, dated November 1, 2020 (the "Employment Contract").

B. The Employment Contract provides for an initial and subsequent annual evaluations of the General Manager's performance and possible adjustments of compensation initially and then effective January 1<sup>st</sup> of each year. Adjustments to compensation are within the sole discretion of the DISTRICT's Board of Directors.

C. The DISTRICT's Board of Directors conducted an evaluation of FRAUSTO'S performance on December 9, 2024, which was a positive evaluation, and at that meeting the Board of Directors approved a seven and one-half percent (7.5%) salary increase for FRAUSTO, consisting of a five percent (5%) merit increase and two and one-half percent (2.5%) of cost of living increase, as provided to all DISTRICT employees.

D. By action taken by the Board of Directors at its January 27, 2025 regular meeting, the DISTRICT's Board of Directors approved this Fourth Amendment to memorialize and implement the salary increase described in Recital C.

#### AGREEMENTS:

NOW THEREFORE, the parties hereby amend the following paragraph of the Employment Contract, to read in its entirety as follows, with the added language underlined:

#### 3. <u>COMPENSATION</u>

Effective January 1, 2025, the GENERAL MANAGER'S annual base salary shall be increased to \$243,932.38, payable in equal installments concurrently with salary payments to other employees of the DISTRICT. Future annual adjustments to the General Manager's compensation, if any, will be based upon the review of the performance of the General Manager by the Board, which evaluation shall subsequently be completed prior to December 31st of each year with any salary adjustments effective January 1st of the following year. Evaluations may be performed by the Board or a committee thereof. Salary adjustments shall be within the sole discretion of the Board. Adjustments shall be in addition to any general cost-of-living adjustments which the District may, at any time during this Employment Contract, provide to other employees of the District as provided in Paragraph 4(a) below.

#### NO OTHER AMENDMENTS

Except as amended herein, the Employment Contract dated November 1, 2020 shall remain in full force and effect.

Executed on January 27, 2025, at La Puente, California.

# "DISTRICT"

"GENERAL MANAGER"

By: \_\_\_\_\_

President of the Board La Puente Valley County Water District ROY FRAUSTO