



## QUARTZ HILL WATER DISTRICT – CHAD REED GENERAL MANAGER EMPLOYMENT CONTRACT

1. The parties to the contract are as follows:
  - 1.1. Quartz Hill Water District (“Employer”). Employer is a Water District chartered by the State of California pursuant to the terms of the California Government Code and the California Water Code, and is a public entity.
  - 1.2. Chad J. Reed (“Employee”). Employee is an individual. Employee currently serves as General Manager of Employer under an employment contract that expires on December 31, 2019. This agreement supersedes and replaces all other agreements between Employee and Employer.
  - 1.3. This contract is a preliminary agreement between Employee and Employer, as represented by the President of the Board of Directors of Employer. Employer’s entrance into this agreement is provisional until and unless this contract is ratified and approved by the Board of Directors of Employer.
2. Term of Contract
  - 2.1. The effective date of this contract is 12:01 a.m., January 1, 2020.
  - 2.2. This contract shall remain effective until the conclusion date, which shall be seven calendar years after the effective date of the contract, December 31, 2026 at 11:59 p.m.
  - 2.3. After 11:59 p.m., December 31, 2026, this contract shall become employment “at will”, with all provisions of this contract operable, with the exception of the Salary Increases under Sections 3.5.2.1, CPI increases under 3.5.2.2, and eligibility for Separation Payments under Section 3.4 of this agreement.
3. Terms of Employment
  - 3.1. Employee shall perform the functions and duties as General Manager of Employer, as specified in the Quartz Hill Water District Policies, Procedures, Rules and Regulations and as delegated by the Board of Directors of Employer.
    - 3.1.1. Employee shall have all duties and powers incidental to his position, including but not limited to general management and oversight over the day-to-day business and operational activities of Employer, the hiring and firing of employees of Employer, and to make periodic reports to the Board of Directors of Employer. Employee shall also have other legally permissible and proper duties and functions as Employer shall from time to time designate.
      - 3.1.1.1. Employee’s duties include the attending of all meetings of the Board of Directors, including regular meetings, special meetings, and emergency meetings.
      - 3.1.1.2. Employee shall also attend the meetings of other agencies as directed by the Board of Directors from time to time, including but not limited to the Board of Directors of the Antelope Valley-East Kern Water Agency as well as for meetings taking place outside the Antelope Valley area.



available as of the date of Employee's execution of this agreement), or the nearest equivalent in the event that Employer's plan changes thereafter.

- 3.6.2. Additionally, Employer shall continue to provide dental, vision and life insurance at the benefit level, or an equivalent benefit level in the event of a policy change, in effect as of the date of Employee's signature herein.
- 3.6.3. An eligible employee shall have the option of retiring from Employer according to the contract the Employer has with the Public Employee's Retirement System (PERS) to provide what is commonly called "local Miscellaneous 2%@ 55" retirement, plus other contracted optional benefits.
- 3.6.4. Employer shall contribute to PERS as Employer Paid Member Contribution all of the normal member contributions to PERS for the (Classic) employee retirement.
- 3.6.5. Employer shall continue to provide Employee with a deferred compensation program, as was in effect as of the date of Employee's execution of this agreement.
- 3.6.6. Employee leave benefits (Annual Leave, Sick Leave, Bereavement Leave, et al.) shall be consistent with all employees employed by Employer as of the date of Employee's execution of this agreement.

3.7. Employee acknowledges that he is a "Managerial" employee for the purposes of the Federal Fair Labor Standards Act and the California Labor Code and regulations promulgated thereunder. Employee's work is expected to include greater than half of all time spent in employment-related activities in the exercise of independent judgment, decision-making affecting the general and overall course of business activities of Employer, and the hiring, firing, discipline, control, training, direction, and supervision of other employees.

3.8. Employee represents and affirms to Employer that Employee is able to perform all functions and duties described herein and reasonably anticipated to arise pursuant to this agreement both with respect to Employee's skills, knowledge, training, and abilities, and with respect to Employee's legal ability to discharge said functions and duties, including that Employee is not party to any contract or obligation which would prevent or obstruct his performance hereunder, and that Employee is presently ready, willing, and able to perform hereunder to the best of his abilities.

#### 4. Interpretation

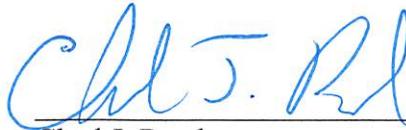
- 4.1. This agreement and any other documents referred to herein shall, in all respects, be interpreted, enforced and governed under the laws of the United States of America and the State of California.
- 4.2. In the event any term of this agreement shall, to any extent, be invalid or unenforceable, the remainder of this agreement shall remain valid and enforceable.
- 4.3. This agreement constitutes the whole and entire agreement between the parties, and any and all prior oral and written negotiations are subsumed into this agreement. All prior oral understandings, agreements and writings are expressly superseded hereby, and are of no further force or effect.
- 4.4. This agreement is the result of arms' length negotiation between the parties and the result of negotiation between them. Neither party shall be considered the "offerror" or "offeree" and this agreement shall be interpreted neutrally at all times to both parties with intent to give effect to the mutual intent of the parties.

- 4.5. Both parties to this agreement have read and understand the agreement completely, had an opportunity to review this agreement and consult with counsel of their choice regarding the terms of this agreement prior to entering into the agreement.
5. In the event of any dispute arising under or related to the terms of this agreement:
  - 5.1. The parties agree to mediation of all disputes arising out of this agreement before resorting to arbitration or court action. Mediation fees, if any, shall be divided equally among the parties involved. If, for any dispute or claim arising hereunder, any party commences an action without first attempting to resolve the matter through mediation, or refuses to mediate after a request has been made, then that party shall not be entitled to recover attorney's fees, even if that party would otherwise have been able to recover attorney's fees.
  - 5.2. Employee agrees that he will settle any and all previously unasserted claims, disputes or controversies arising out of or relating to his application or candidacy for employment, employment and/or cessation of employment with Employer, exclusively by final and binding arbitration before a neutral Arbitrator. By way of example only, such claims include claims under federal, state, and local statutory or common law, such as the Age Discrimination in Employment Act, Title VII of the Civil Rights Act of 1964, as amended, including the amendments of the Civil Rights Act of 1991, the Americans with Disabilities Act, the law of contract and the law of tort.
  - 5.3. The venue for resolution of all disputes shall be in Los Angeles County, California. This shall apply to mediations, arbitrations, and court actions. The parties consent to the jurisdiction of the Superior Court of the State of California in and for the County of Los Angeles for all purposes.
  - 5.4. In the event of a lawsuit or arbitration arising out of or related to the terms of this agreement, the party prevailing in that action shall recover attorney's fees reasonably incurred in the prosecution or defense of that action. This provision shall apply to actions and cross-actions equally.
6. Miscellaneous
  - 6.1. The parties agree to execute any and all further documents necessary to fulfill the purposes and objects of this agreement.
  - 6.2. This agreement may not be modified except in a writing signed by both parties.
  - 6.3. This agreement is for personal services between the parties hereto and may not be assigned or delegated by either party without the prior written consent of the other party.
  - 6.4. This agreement may be executed in counterparts, both of which together shall be deemed to constitute one and the same document.
  - 6.5. The provisions of this agreement shall be binding upon and inure to the benefit of the heirs, executors, administrators, personal representatives, successors in interest and assigns of the respective parties hereto.
  - 6.6. Time is of the essence in the performance of this agreement.
  - 6.7. Paragraph headings are for convenience only and are not intended to expand or restrict the scope or substance of the provisions of this agreement.
  - 6.8. Wherever used herein, the singular shall include the plural, the plural shall include the singular, and pronouns shall be read as masculine, feminine or neuter as the context requires.

IT IS AGREED AS SET FORTH ABOVE.

Date:

9/6/19



Chad J. Reed  
Employee

Date:

9-8-19



Allen G. Flick, Sr.  
Board President  
Quartz Hill Water District  
Employer

Date:

6 Sep 19



Sheldon Carter  
Director  
Quartz Hill Water District  
Employer

Ratified on

September 12, 2019



Debi Pizzo  
Board Secretary