

District Manager
EMPLOYMENT AGREEMENT
Lilia M. Corona

This Employment Agreement (Agreement) is made on the 12th day of September 2019 for employment commencing on the 16th day of September 2019, by and between the Mt. View Sanitary District (District) and Lilia M. Corona (Ms. Corona).

Recitals:

- A. The District wishes to retain Lilia M. Corona as its District Manager effective on September 16, 2019, and to induce her to remain in the position on the terms and conditions set forth herein; and
- B. Lilia M. Corona has the skill and ability to serve as District Manager and wishes to accept such employment on the terms and conditions set forth herein.

Now, therefore, in consideration of the mutual promises and covenants contained in this agreement, the parties agree as follows:

1. Employment:

- a) District hereby offers and Ms. Corona accepts the position of the District Manager of the Mt. View Sanitary District. Ms. Corona agrees to perform the functions and duties set out in the District's Policy and Procedures Manual as may be amended from time to time, as well as such other functions and duties assigned by the Board of Directors.
- b) Ms. Corona shall perform such functions and duties on a full-time basis, to the best of her ability, in an efficient and competent manner consistent with the standards of the profession.

2. Term:

Subject to the termination provisions in Section 3, this Employment Agreement is effective on September 16, 2019, and shall end on September 30, 2024. If, as of April 1, 2024, neither party has given written notice of termination of this agreement, the parties hereby express their intent to begin negotiations for a successive term of employment during the last six months of the current employment Term. If, the parties have not entered into an agreement for a successive term of employment as of October 1, 2024 then the Employment Term will be automatically renewed for a period of ninety (90) days, subject to termination by either party on sixty (60) days written notice to the other party. Thereafter, unless either party gives written notice of termination, the Employment Term will automatically renew in 90-day increments, subject to termination by either party on sixty (60) days written notice.

3. Termination and Severance Pay:

- a) Automatic Termination: This agreement shall automatically terminate upon Ms. Corona's death, effective date of retirement or resignation, or when, through disability, she is unable to perform the essential functions of the job with or without reasonable accommodation.
- b) Termination by Employee: Ms. Corona may terminate the agreement at any time subject to a minimum 120 days written notice of the effective date of resignation. Ms. Corona agrees to provide the District with at least one hundred twenty (120) days written notice of the effective date of her planned retirement.
- c) Termination by District
 - i. Termination for Cause: The Board may institute discipline or may terminate Ms. Corona's employment and this agreement for "Cause" in which case, Ms. Corona shall not be entitled to any severance payment. For the purposes of this provision, "Cause" shall be defined as immoral conduct, dishonesty, conviction of a felony or of a crime involving moral turpitude, abandonment of the job, or willful refusal to obey a directive of the District Board of Directors.
 - ii. Termination for Performance: Ms. Corona serves at the will and pleasure of the Board, subject to the performance improvement provisions below. At any time during the term of this agreement or any extension thereof, the Board reserves the right to terminate the employment for performance reasons after exercising the following performance improvement process:
 - 1) The Board of Directors shall retain a qualified facilitator to assist with the performance improvement process.
 - 2) The Board and facilitator will meet to discuss and document performance issues and detail the specific performance issues and performance improvement metrics in a Performance Improvement Plan (PIP) and an associated specified and reasonable timeframe for the improvement of performance. The performance improvement timeframe shall be determined by the Board of Directors.
 - 3) The Board and facilitator shall meet with Ms. Corona to deliver and discuss the specific details of the PIP. Ms. Corona shall be afforded ample opportunity to provide input and perspective to the performance discussion.
 - 4) The Board, facilitator and Ms. Corona shall meet at a date designated by the facilitator to discuss performance progress and determine next steps.
- d) Severance Pay: In the case of a Termination for Performance under 3.c) b., Ms. Corona shall be entitled to severance pay which will be paid out in monthly installments. Severance pay shall be six (6) months of her then base salary or that of the remaining term of this agreement, whichever is less. Severance pay provided under this section shall be in lieu of any other notice, hearing or severance rights Ms. Corona may have under any other law, code or regulation applicable to employment with the District.

4. Compensation:

a) Salary:

To ensure that Ms. Corona is maintained at an appropriate compensation level commensurate with her responsibilities and status as the organization's chief executive officer, the Board establishes the following compensation considerations.

- i. For the period September 16, 2019 through September 30, 2020, Ms. Corona's annual base salary shall be \$220,691. Ms. Corona's base annual salary shall be paid in the same manner and frequency as all other District Employees (currently in twice monthly installments), paid in twice monthly installments.
 - ii. Following Ms. Corona's first annual job performance evaluation and continuing through the life of this agreement for each annual performance evaluation thereafter, the Board, in consultation with the Ms. Corona, will 1) review Ms. Corona's base salary and other compensation; and 2) determine (in consultation with Ms. Corona) whether or not her performance and other factors warrant: (A) adjustments in her base salary, including an increase based on Ms. Corona's performance (merit increase) and/or (B) payment of a bonus to Ms. Corona for the 12-month or other period; and/or (C) District matching Ms. Corona's deferred compensation plan contributions and to what extent.
- b) The District shall not, at any time during the term of this agreement, reduce Ms. Corona's salary, compensation or other financial benefits, once granted, except to the degree of any such reduction for all District employees. Nothing in this section shall prohibit the Board from imposing a suspension, without pay, a reduction in pay, a demotion, or from otherwise disciplining Ms. Corona, as defined in Section 3(c)a.
- c) In the event that Ms. Corona is convicted of any crime involving abuse of office or position, she shall reimburse the District for any of the following paid by the District: 1) paid leave pending an investigation; 2) legal criminal defense expenses; 3) cash settlements related to termination.

5. Benefits:

- a) Life insurance - Ms. Corona shall be provided with the benefits that are in effect on the commencement date of this agreement, as detailed in District policy #2015 or any subsequent amendment thereof.
- b) Health Insurance and Dental/Eye Benefits - Ms. Corona shall be provided with the same health related insurance coverages and benefits that are provided to District employees and that are in effect on the commencement date of this agreement, as detailed in District policy #2015 or any subsequent amendment thereof.
- c) Retirement - the District shall provide for Ms. Corona's membership in CalPERS on the same basis as other District employees. Ms. Corona shall contribute toward the employee share of CalPERS at the same rate as all other District employees.
- d) Retiree Health Care Benefits - Ms. Corona shall be provided with the same health related coverages and benefits that are provided to District employees by District policy, as it may be amended from time to time.

- e) Leaves - Ms. Corona shall accrue vacation in the same manner as other employees. Such vacation may be carried over, if not used, in accordance to District policy. Ms. Corona's vacations will be scheduled in coordination with the Board. On occasions where there is insufficient time for the full Board to coordinate vacation, the Board President may approve vacation. Ms. Corona shall accrue sick leave and floating holidays in accordance with the Policy and Procedures Manual. Additionally, she shall also receive eighty (80) hours of administrative leave per year, initially credited on September 16, 2019 and thereafter credited each July 1st. Administrative leave may not be carried over and she may not accrue more than eighty (80) hours of administrative leave. Administrative leave shall not be taken in conjunction with a scheduled vacation.
- f) Ancillary fringe benefits
 - i. Job related expenses - District will pay Ms. Corona's customary and reasonable business expenses as provided by District policy, as it may be amended from time to time.
 - ii. Technical equipment - District shall provide Ms. Corona with a District owned cell phone, and a District owned laptop computer. All expenses for cell phone services and internet connection services necessary to carry out District business shall be covered by the District.
 - iii. Professional development - District shall budget and pay for the customary and reasonable travel and subsistence expenses for Ms. Corona (as set out in District policy, as it may be amended from time to time) for professional and official travel, meetings, and similar functions necessary for the conduct of the business of the District. The necessity for same shall be at the discretion of the Board.
 - iv. Safety Shoes - Ms. Corona shall be entitled to compensation for the purchase of Safety Shoes in accordance with District Policy 2015.

6. Hours of Work:

Ms. Corona is a Fair Labor Standards Act (FLSA) exempt employee and will not accrue compensatory time. Ms. Corona understands that she may need to be available twenty-four hours per day. She may choose either a regular 5 day, 8 hour workweek or the alternative 9/80 work schedule currently chosen by most other District Employees. The parties recognize that the Manager must devote time outside normal office hours to the business of the District. To that end, Ms. Corona will be allowed to adjust her work schedule as deemed appropriate to accomplish the District's business.

7. Residency:

Because of the need to respond to District emergencies, Ms. Corona voluntarily agrees that she shall reside at a location that allows her to be physically present to respond to an emergency within the District within forty-five (45) minutes.

8. Bonding:

District shall bear the full cost of any fidelity or other bonds required of Ms. Corona under law or ordinance.

9. Educational Requirement:

Ms. Corona is currently pursuing and agrees to complete all requirements for the award of a Master's Degree in Public Administration on or before October 1, 2021. She shall be entitled to Educational Assistance in accordance with District Policy 2580.

10. Performance Evaluation:

The Board will review Ms. Corona's performance annually as provided for under Board Policy B-170 as it may be amended from time to time. Following a satisfactory evaluation she shall be eligible to receive additional performance pay compensation at the Board of Director's discretion.

11. Indemnification:

In addition to that required under state or local law, and excepting for any liability arising from intentional torts or criminal acts, the District shall defend, save harmless and indemnify Ms. Corona against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of any alleged act or omission occurring in the performance of her duties.

12. California Law:

This agreement is made in and shall be construed and enforced under the laws of the State of California.

13. Attorney's Fee and Costs:

If any actions at law or in equity are necessary to enforce or interpret in any terms of the agreement, the prevailing party in such actions shall be entitled to reasonable attorney's fees, costs, and any necessary disbursements, in addition to any other relief to which that party may be entitled.

14. Amendment:

The agreement may be amended from time to time, as mutually agreed by the parties, variation of the terms of this agreement shall be invalid unless made in writing, signed by Ms. Corona and approved by minute action or resolution of the Board.

15. Binding Effect:

This agreement shall bind all parties, their respective heirs, personal representatives, or assigns, but nothing herein shall be construed as an authorization or right of any party to assign her/its rights or obligations hereunder.

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In witness thereof, the parties authorized to do so have executed this Agreement as of the date set out above.

Dated September 12, 2019

Mt. View Sanitary District



By: Stanley R. Caldwell, Board President

Lilia M. Corona



By: Lilia M. Corona