

EMPLOYMENT AGREEMENT

THIS AGREEMENT is made between Heber Public Utility District, (HPUD), a public entity, and Madeline Dessert, ("Dessert") an individual, for employment and service as General Manager of HPUD.

1. **Term** – Employment shall commence January 3, 2023, for a period of three (3) years. Thereafter, the parties may mutually agree to extend or modify this Agreement, provided, however, that the duration of this term shall not prevent, limit, or otherwise interfere with the right of HPUD to terminate Dessert as provided within this Agreement. This Agreement will automatically renew for successive one (1) year periods unless HPUD notifies Dessert, in writing, at least sixty (60) days before the expiration of the initial three (3) year term or any successor term, of HPUD's intent not to renew this Agreement. Nothing in this paragraph affects or modifies any right to severance pay upon termination.

2. **Duties** - Dessert will serve as General Manager of HPUD, to fulfill all duties set forth by the California Government Code, Public Utilities Code and HPUD Ordinances as well as such additional responsibilities as assigned by the HPUD Board of Directors.

3. **Full-Time Commitment** - Dessert will commit her full-time to meeting the responsibilities of the position of General Manager. Office hours are not fixed. Evening meeting attendance is a job duty. Overtime is not paid in money or compensatory time. Dessert agrees to remain the exclusive employee of HPUD during the term of this Agreement and shall neither accept other employment nor become employed by any other employer without the prior express written permission of the HPUD.

4. **Holidays** – Dessert shall be entitled to the same paid holidays as provided other HPUD management/office staff.

5. **Personal Time Off** - Dessert shall be entitled to three hundred twenty (320) hours of personal time off (PTO). PTO shall accrue at the rate of 12.31 hours per pay period, starting on the first day that Dessert commences employment. Unused PTO may be carried over to the next anniversary year with Board approval. However, at no time shall accrued PTO exceed twice the annual rate. Seventy five percent (75%) of accrued, unused PTO will be paid for at termination from service.

6. **Bereavement– Leave** – Dessert shall be entitled to the same bereavement leave as provided other HPUD employees.

7. **Insurance** - HPUD shall provide the same health, dental, vision and life insurance for the General Manager as provided other HPUD employees. Dessert may obtain dependent coverage at her own expense. If the General Manager were on an approved leave of absence without pay from HPUD, she may continue to carry HPUD's insurance by making full payments to HPUD for the costs of such insurance.

8. **Retirement** - Dessert shall be enrolled in the State of California Public Employees Retirement System (CalPERS). Dessert's contribution shall be one percent (1%) of the employee contribution amount as determined by CalPERS. HPUD will contribute the remaining portion of the employee contribution and one hundred percent (100%) of the employer contribution amount as determined by CalPERS.

9. **Car Allowance** - In lieu of reimbursement for actual mileage incurred while Dessert is performing duties or business for HPUD, Dessert shall be entitled to a car allowance in the amount of four hundred dollars (\$400.00) per month. Dessert shall be responsible for providing all maintenance and other costs associated with the use of her personal vehicle, and will maintain limits of insurance acceptable to the HPUD Board of Directors.

10. **Cell Phone/Laptop** – HPUD will provide Dessert with a cell phone and laptop at the start of her employment. The cell phone and laptop remain the property of HPUD, shall be used exclusively in connection with her HPUD job duties, and shall be surrendered to HPUD upon termination of this Agreement.

11. **Base Salary** – Effective January 3, 2023, for administrative services rendered to HPUD, Dessert shall receive an annual base salary of ninety thousand dollars (\$90,000.00). During the first year of employment, HPUD agrees to conduct a mid-year evaluation of Dessert, and may grant a merit salary increase of five thousand dollars (\$5,000.00), if Dessert meets or exceeds performance standards as established by the HPUD Board of Directors. Said merit increase, if awarded, would increase Dessert's base salary to ninety-five thousand dollars (\$95,000.00).

12. **Professional Development** – HPUD agrees to consider to budget for and to pay for travel and subsistence expenses of the General Manager for short courses, institutes and seminars that are necessary for the employee's professional development and for the good of HPUD.

13. **Applicability of Personnel Rules** - This is a professional position serving at the pleasure of the Board of Directors of HPUD. HPUD's Personnel Rules shall apply to the General Manager to the extent not superseded by this Agreement.

14. **Termination by Employee** – Except at otherwise provided, Dessert may resign at any time with ninety (90) calendar days prior written notice. During the third year of employment, Dessert shall give at least six (6) months prior written notice if she does not wish for the HPUD Board of directors to consider an extension of this Agreement. Under either circumstance, Dessert shall not be eligible for severance on the date of termination of this Agreement.

15. **Employment Termination by HPUD Without Cause** – Dessert may be terminated by the HPUD Board of Directors without cause upon ten (10) calendar days prior written notice. Upon such termination without cause, Dessert shall receive severance pay in an amount not to exceed six (6) times her monthly base salary on the date of termination. The provision of a

severance payment also shall be conditioned upon the execution by Dessert of a Release of All Claims, both known and unknown. Such severance pay shall be paid to Dessert within ten (10) working days after the effective date of Dessert's termination or may be paid in other increments as determined by Dessert. Dessert is not entitled to severance pay if she is terminated by the HPUD Board of Directors within the first ninety (90) days of employment. If Dessert is terminated between the ninety-first (91st) day and six (6) months of employment, her severance pay shall be prorated to equal her period of employment. Under no circumstances shall severance pay exceed an amount that is six (6) times Dessert's base salary.

16. **Employment Termination by HPUD for Cause** – Dessert may be removed for cause. "Cause" for termination means the following:

a. Conviction of any crime involving an abuse of office or position as that term is defined in Government Code Section 53243.4; or

b. Repeated failure to carry out a directive or directives of the Board of Directors made by the HPUD Board as a body at a duly noticed meeting; or

c. Any grossly negligent action or inaction by the General Manager that materially and adversely impedes or disrupts the operation of HPUD; or

d. Failure or refusal by the General Manager to perform the duties of her office that continues for a period of thirty (30) calendar days from the date of her receipt of written notice of such failure.

In the event the General Manager is terminated with cause, she shall not be entitled to severance pay but shall receive any and all amounts otherwise owed under federal or state law, HPUD's personnel rules or this Agreement.

17. **Annual Evaluation** – The General Manager shall be evaluated by the Board of Directors during June of each year. It is the responsibility of the General Manager to place such evaluation on the Board of Directors agenda during June of each year. Said evaluation shall be in accordance with specific criteria and goals developed jointly by the Board of Directors and the General Manager. Additional adjustments to the base salary, if any, or to any other provisions of this Agreement, effective January 3, 2024, and January 3, 2025, shall be negotiated during the General Manager's annual performance evaluation in June of each year. Notwithstanding the foregoing, the General Manager may be evaluated at any time by the Board of Directors.

18. **Reimbursement of Cash Settlement upon Conviction of Crime Involving Office or Position** – Regardless of the term of this Agreement, if this Agreement is terminated, any cash settlement related to the termination that the General Manager may receive from HPUD shall be fully reimbursed to HPUD if the General Manager is convicted of a crime involving an abuse of her office or position.

19. **Notices** - Notices pursuant to this Agreement shall be given by deposit in custody of the United States Postal Service, within the County of Imperial, postage prepaid, addressed as follows or as later designated:

HPUD: Heber Public Utility District
P.O. Box H
Heber, CA 92249

General Manager: Madeline Dessert
1208 Poplar Drive
El Centro CA, 92243

With a copy to: Steven M. Walker
Walker & Driskill, PLC
300 South Imperial Avenue, Suite 10
El Centro CA, 92243

Alternatively, notices required pursuant to this contract may be personally served in the same manner as is applicable to civil judicial practice. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

20. **General Provisions** - The text herein shall constitute the entire agreement between the parties; provided however, federal and state laws and regulations shall govern if inconsistent with this Agreement. If any provision, or any portion thereof, contained in this Agreement is held unconstitutional, invalid, or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected, and shall remain in full force and effect.

21. **Entire Agreement** - This Agreement contains the entire understanding between the parties with respect to the subject matter contained herein and may only be altered or modified by a subsequent written agreement.

HEBER PUBLIC UTILITY DISTRICT

DATED: _____

By: _____
Kaine Garcia, President, Board of Directors

DATED: 12/18/2022

By: 
Madeline Dessert