

AMENDMENT NO. 2

**TO EMPLOYMENT AGREEMENT FOR THE GENERAL MANAGER
BETWEEN RAINBOW MUNICIPAL WATER DISTRICT
AND JACOB WILEY**

Per the action of the Rainbow Municipal Water District (“District”) Board of Directors in accordance with California Government Code Section 54953, subsection (c)(3) at the November 19, 2024 board meeting, the employment agreement (“Agreement”) between the District and Jacob Wiley (“Employee”) is hereby amended as follows.

Section 2 of the Agreement is amended to read:

2. TERM AND RENEWAL.

This Agreement shall be effective as of September 25, 2023. This Agreement shall remain in full force and effect unless and until it is terminated by a majority vote of three or more Board members. The Board shall provide Employee with at least forty-five (45) days’ written notice before terminating this Agreement.

Section 3 of the Agreement with Employee is amended to read:

3. COMPENSATION AND REIMBURSEMENT.

A. Salary. The District agrees to pay Employee for services rendered pursuant hereto at a rate of \$9,808.00 biweekly (\$255,008.00 annually) beginning on September 25, 2023, according to the procedures regularly established and as the District may amend them in its sole discretion.

1. Effective September 25, 2024, the Employee shall receive a 3% cost-of-living adjustment, bringing his salary to \$10,102.24 biweekly (\$262,658.24 annually).

2. The Employee shall also receive a 2% base pay merit increase, effective September 25, 2024, to bring his salary to \$267,911.28 annually, payable bi-weekly at the regular District pay periods.

B. The Employee shall be entitled to annual Cost of Living increases equal to the average 12-month increase, if any, of the most recently published Consumer Price Index (CPI) for San Diego County, with a maximum increase of 3%, effective on the anniversary of the Employee’s first day of employment.

C. The Employee may receive an annual lump-sum bonus of up to \$20,000 based on achieving his goals and objectives, as determined by the Board in its sole discretion. Any lump-sum bonus will not be subject to CalPERS contributions. All

compensation and comparable payments to be paid to Employee shall be subject to withholdings and taxes required by law.

1. After this Amendment is fully executed, a lump-sum bonus of \$17,250.00 will be paid to the Employee on the next regular pay date.

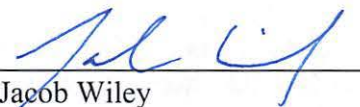
Section 7(c)(2) of this Agreement is amended to read:

In the event the District terminates Employee's employment for a reason other than those outlined in Section 7(C)(1), the Employee shall be entitled to the following severance per the terms of California Government Code sections 53260, *et seq.* An amount equal to six (6) months/13 pay periods of the Employee's then base salary and six (6) months of COBRA continuation coverage (medical, dental, vision, and EAP) provided the Employee requests such coverage. The Employee shall be entitled to this severance pay in a lump sum within 30 days of termination, subject to a separately negotiated Separation Agreement and General Release of Claims. Employee's entitlement to COBRA continuation coverage under this section 7.C(2) will expire immediately upon the Employee's eligibility to enroll in group health insurance benefits through any subsequent employer.


All other provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the 9th day of December 2024.

By: 
Hayden Hamilton
President, Board of Directors


Jacob Wiley
Employee

Approved as to form:


Alfred Smith, Esq.
Nossaman LLP