

**GENERAL MANAGER EMPLOYMENT CONTRACT
BETWEEN JAMES DERBIN AND
THE CASTROVILLE COMMUNITY SERVICES DISTRICT**

This Contract (“the Contract”) is made and entered into, effective _____ 2024, by and between the Castroville Community Services District (“CCSD”) and JAMES DERBIN (“General Manager”).

RECITALS

A. CCSD is a political subdivision of the State of California formed and existing pursuant to the Community Services District Law, California Government Code Sections 61000 et seq.

B. Government Code Section 61050 authorizes and requires the board of directors (“Board”) of a community services district to appoint a general manager, provides that the general manager shall receive the compensation determined by the Board and shall serve at the Board’s pleasure, and provides that the Board may require the general manager to be bonded, with the cost of the bonds paid by the district. Pursuant to Government Code Section 61051, the responsibilities of the general manager are the following:

- (1) The implementation of the policies established by the Board of Directors for the operation of the CCSD.
- (2) The appointment, supervision, discipline, and dismissal of CCSD’s employees, consistent with the employee relations system established by the Board of Directors.
- (3) The supervision of the CCSD’s facilities and services.
- (4) The supervision of the CCSD’s finances.

C. CCSD desires to employ JAMES DERBIN as the CCSD’s General Manager, on the terms and conditions contained in this Contract.

D. JAMES DERBIN, by reason of his education and experience, is qualified to fill the General Manager position.

E. JAMES DERBIN desires to be employed by the CCSD as CCSD's General Manager, on the terms and conditions contained in this Contract.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND AGREEMENTS SET FORTH BELOW, the parties agree as follows:

AGREEMENTS

1. Services: General Manager will provide to CCSD necessary professional, administrative, and managerial services to perform the duties and responsibilities of General Manager to the satisfaction of CCSD's Board of Directors. Such services shall include, but not be limited to, the following:

a. To perform all functions and duties of the CCSD's General Manager pursuant to applicable laws and as set forth in the Recitals to this Contract and in the job description for "General Manager," attached hereto as **Exhibit 1**, in effect as of the date of this Contract (hereinafter referred to as "the Services").

b. To perform the Services on an exclusive full-time basis for CCSD¹, and to be available as needed to properly perform the Services, including attendance at after-hours meetings as needed for conduct of CCSD business.

2. Compensation:

a. CCSD will provide, as total compensation to General Manager, the following:

(1) Base Compensation: General Manager shall be paid an annual salary of Two Hundred Thousand Dollars and No/100 Cents (\$200,000.00), payable in accordance with payroll procedures and protocols in place within the CCSD, from which shall be deducted such amounts as are required by law and as otherwise agreed to by CCSD and General Manager. Subject to authorization by action of the Board of Directors, General Manager will be eligible for an annual salary increase based on the Cost of Living Adjustment ("COLA") with a merit increase dependent on job performance as determined by the Board of Directors.

(2) Expenses: General Manager shall be entitled reimbursement for out-of-pocket expenses incurred on CCSD business. The Board encourages the General Manager to represent the CCSD and participate in professional organizations such as the Association of

California Water Agencies and other organizations and associations whose activities affect the CCSD's concerns or policies and will reimburse the General Manager for reasonable expenses incurred in such activities.

(3) Health Care: CCSD shall pay the annual costs to enroll the General Manager and the General Manager's family in the CCSD's health care plan for dental care, vision care, and medical health care, and life insurance expenses incurred for him and/or his family.

(4) Paid Sick Leave: General Manager shall accrue paid sick leave according to the schedule adopted from time to time by the CCSD's Board, which complies with the California Healthy Workplaces, Healthy Families Act of 2014.

(5) Vacation: General Manager shall be entitled to four weeks (20 days) of paid vacation during each year of this Contract. The General Manager is encouraged to use his accrued vacation benefits each calendar year. The maximum accrued vacation benefits that the General Manager may accrue at any one time will not exceed the equivalent of two (2) times the amount of his current annual accrual (i.e., 40 days). For more information on requesting and using vacation benefits, the General Manager should review the Vacation policy in the CCSD Personnel Policy.

(6) Management Leave: General Manager shall be entitled to two (2) weeks of paid management leave each year for professional and personal development. Management leave is not considered vacation. If General Manager does not use management leave, CCSD will require General Manager to use it prior to the end of each year of employment.

(7) Retirement Plan Contribution: The CCSD shall make contributions to the CalPERS retirement program for General Manager equal to 100% of the monthly employer contributions.

(8) CCSD Vehicle: During the term of his employment with CCSD, CCSD will make available to the General Manager a CCSD vehicle for the General Manager's business and personal use.

b. Amendments to Compensation. All adjustments to General Manager's compensation, including, but not limited to, cost of living adjustments and merit increases, must be authorized by action of the Board separate and apart from action taken to authorize adjustments for other employees of the CCSD. No adjustment to the General Manager's compensation shall be effective until an Amendment to this Contract is signed by the President and Vice-President of the Board and the General Manager and attached to this Contract.

3. Performance Reviews: The Board will conduct annual performance reviews with the General Manager during the month of June each year that this Contract is in effect. The Board may at its discretion review confidentially the performance of the General Manager at any time during the term of this Contract. In connection with each annual review required by this paragraph, the CCSD's Board shall consider, but shall not be required to act on, adjustments to General Manager's compensation and other terms and conditions of this Contract. .

4. Term: This Contract shall become effective on _____ 2024 (the "Effective Date"), after execution by General Manager and by the President and Secretary of CCSD's Board, and shall remain in effect until midnight on _____, subject to earlier termination as provided in paragraph ___ of this Contract ("the Initial Term"). At the conclusion of the Initial Term, this Contract shall automatically renew for successive one (1) year terms ("Successive Terms") unless otherwise terminated as provided for in paragraph 5 of this Contract.

5. Termination: General Manager serves at the pleasure of the CCSD Board of Directors. The CCSD Board of Directors may terminate this Contract during the Initial Term or during Successive Terms, either with or without cause, by providing General Manager with a minimum of six (6) months' advance written notice of the termination. The termination shall become effective six (6) months following receipt of notice as defined in paragraph 14 of this Contract.

Termination may occur prior to six (6) months' notice as follows:

a. Termination by CCSD For Cause: CCSD may terminate General Manager for good cause with at least thirty (30) days' notice specifying the nature of the good cause for termination. During the 30 days' notice period, General Manager shall have an opportunity to cure any alleged default by appropriate action. However, the notice period shall not be required for any alleged cause which cannot be cured by the General Manager, such as conviction for a felony, in which case termination will be immediate. "Good Cause" includes, but is not limited to:

(1) the General Manager's willful failure, refusal or inability to perform the employment duties reasonably required of him and as set forth in this Contract and any attachments hereto;

(2) the General Manager's willful act or omission in material violation of any material provision of any CCSD policy or procedure, including, without limitation, any policy or procedure pertaining to ethics;

(3) Conviction of a, or a guilty plea to, a felony, whether or not affecting CCSD;

(4) The commission of an act of dishonesty by the General Manager which relates to or impacts CCSD.

b. Termination by Mutual Agreement: CCSD and General Manager may mutually agree to terminate this Contract in writing at any time.

c. Termination of Employment Upon Death of General Manager: In the event of the death of General Manager, this Contract terminates as of the date of death. Any wages owed as of the date of death shall be paid to General Manager's designated descendants or heirs.

d. Effect of Termination Upon Compensation: In the case of termination due to General Manager's death or conviction of a felony, CCSD shall pay to General Manager his Base Compensation, less required withholdings, through the last day worked. In the event of termination of General Manager for any other reason, CCSD shall pay to General Manager a sum equal to General Manager's Base Compensation multiplied by 12 months or for the unexpired term of the Initial Term of his employment pursuant to this Contract, or, if occurring during a Successive Term, for the unexpired term of the Successive Term, whichever is greater. However, no cash severance benefit, if paid, under this or any succeeding contract may exceed an amount equal to the monthly salary of the General Manager multiplied by 18 months. General Manager and General Manager's family shall be entitled to CCSD-paid health benefits for the unexpired term of this contract not to exceed eighteen (18) months, or until General Manager finds other employment, whichever occurs first unless the Contract is terminated due to the General Manager's conviction of a felony.

e. Any termination by CCSD within ninety (90) days following a public election of members of the CCSD's Board shall require the affirmative vote of four members of the CCSD's Board. Any termination by CCSD at any other time shall require the affirmative vote of a majority of the CCSD's Board.

6. Work Product: Except as otherwise agreed in writing by the parties, all forms of expression of ideas relating to General Manager's performance of this Contract shall be the property of the CCSD. General Manager shall provide all such work product produced during the term of this Contract through the date of termination, whether complete or incomplete, to CCSD, free of any and all claims, liens, and/or encumbrances, to be used by CCSD for any purpose.

7. Licenses: General Manager shall secure and maintain, throughout the life of this Contract, at CCSD's cost, all licenses, permits, qualifications and approvals of whatsoever nature which are legally required to practice any of the Services required by and set forth in this Contract or as otherwise assigned by the CCSD Board of Directors.

8. Standards of Performance: General Manager shall perform the Services described in this Contract in a professional, workmanlike and businesslike manner in accordance with standards of quality satisfactory to CCSD's Board of Directors in their sole discretion.

9. Assignment of Contract; Subcontracting: This Employment Contract is personal to JAMES DERBIN, based upon his unique training, background and experience. General Manager may not assign or subcontract any of his duties or benefits under this Contract without the CCSD's prior written consent, which the CCSD may withhold at its absolute discretion for any reason.

10. Bond: General Manager shall obtain for the benefit of CCSD such bond for the faithful performance of General Manager's duties under this Contract as the CCSD's Board may require from time to time. CCSD shall pay the premium on any such bond as well as any expenses incurred in obtaining such bond.

11. Reimbursement of Payments in Event of Investigation: If there should be the need for an investigation of the General Manager for abuse of office or position, and during the pendency of such investigation the General Manager is placed on a paid leave of absence, and/or CCSD pays for any attorneys' fees and costs related to any legal defense, civil or criminal, of the General Manager, and/or CCSD pays any settlement related to the investigation of General Manager and/or to resolve any civil or criminal action against General Manager, should the General Manager subsequently be found civilly liable or convicted of a crime involving abuse of his office or position, the General Manager shall reimburse the CCSD for any salary he received during the paid leave of absence, any defense funds paid by CCSD, and any settlement paid by CCSD on behalf of General Manager.

12. Confidential Information. General Manager acknowledges that, although much of CCSD's information is subject to disclosure under The Ralph M. Brown Act and the California Public Records Act, certain information is not subject to disclosure and is confidential. "Confidential Information" as defined below relating to CCSD to which General Manager will have access as a result of employment is proprietary to and the property of CCSD. "Confidential Information" shall mean all information, whatever its nature and form, obtained by General Manager during or as a result of employment by CCSD and is information that is not available to the public. "Confidential Information" includes all personnel, medical or similar records, closed session discussions, attorney and litigation consultations, trade secrets information, and business and customer information, including, but not limited to, marketing objectives and strategies, donor information, personnel information, financial information, Board activities, financial projections, planned product or services offerings, advertising and promotional materials, forms, client and customer information, data prepared for, stored in, processed by or obtained from an automated information system belonging to or in the possession of CCSD and all information that constitutes a trade secret under applicable law.

13. Use and Return of Confidential Information. General Manager agrees not to disclose or use any such Confidential Information, except as necessary to serve CCSD's legitimate purposes or as required by law. General Manager agrees to return all documentation, correspondence, and any other CCSD data or property, whether maintained in tangible or intangible form, upon termination of their employment. General Manager's obligations under these Sections 12 and 13 shall survive termination of their employment for any reason.

14. Paragraph Headings: The paragraph headings contained herein are for convenience and reference only and are not intended to define or limit the scope of this Contract.

15. Notice: Whenever notice to a party is required by this Contract, it shall be deemed given when deposited with proper address and postage in the U.S. Mail, or when personally delivered as follows or at such other address or place either party may designate in writing from time to time, or when sent by email to the addresses indicated below:

CCSD: CASTROVILLE COMMUNITY SERVICES
DISTRICT
11499 Geil Street
Castroville, CA 95012
Email: _____

General Manager: JAMES DERBIN

15. Duplicate Originals: This Contract may be executed in one or more duplicate originals bearing the original signature of both parties and when so executed any such duplicate original shall be admissible as proof of the existence and terms of the Contract between the parties.

16. Jurisdiction: This Contract is made and is to be performed in Monterey County and, subject to provisions of law governing venue, the Superior Court of California, County of Monterey, has jurisdiction over any litigation relating to the enforcement or interpretation of this Contract, arising out of General Manager's performance or relating in any way to the work under this Contract.

17. Court Costs and Attorney's Fees: In the event legal action is instituted by either party to enforce this Contract, the prevailing party shall be entitled to reasonable attorney's fees and actual costs incurred in connection with such action.

18. Waiver or Modification: No waiver, alteration, or modification of any of the provisions of this Contract shall be binding unless in writing and signed by a duly authorized representative of both parties to this Contract. Any document which modifies this Contract shall be appended to the original of this Contract, and copies of such documentation shall be provided to all parties to this Contract. No changes shall be implied. If there is any ambiguity or lack of clarity or uncertainty in or by reason of the language of any amendment, the language of the Contract shall control the interpretation of the Contract and any amendment.

19. Governing Law: This Contract shall be governed by the laws of the State of California.

20. Mediation of Disputes. Any dispute that arises under this Contract, including disputes over rights provided by federal, state, or local statutes, regulations, ordinances, and common law, including all laws that prohibit discrimination based on any protected classification, or any dispute concerning the enforcement or interpretation of this Contract shall be submitted to mediation.

The mediator shall be mutually selected by the parties. The mediation shall be held at Monterey, California, unless the parties otherwise agree. The cost of mediation shall be borne by CCSD.

At least ten (10) business days before the date of the mediation, each side shall provide the mediator with a statement of its position and copies of all supporting documents. Each party shall send to the mediation a person who has authority to bind the party.

If a subsequent dispute involves third parties, such as insurers or subcontractors, they will also be asked to participate in the mediation but if the third party or parties refuse or fail to participate in mediation, the parties to this Contract shall nevertheless engage in good faith in mediation.

The Parties agree to mediate in good faith. Only if good faith mediation efforts fail will either of the Parties have the ability to pursue litigation. The Parties agree to enter into a tolling agreement to preserve statutes of limitations while the parties engage in mediation.

22. Non-Assignment: No party may assign this Contract or any rights hereunder, or may delegate any of the duties to be performed hereunder, without the prior written consent of the other party.

23. Entire Agreement: This Contract contains the entire agreement and understanding between the parties to it and shall be binding on and inure to the benefit of the heirs, personal representatives, successors, and assigns of the parties; subject, however, to the restrictions on assignment contained herein.

24. Severability. The provisions of this Contract are severable, and if one or more provisions should be determined to be unenforceable by any court or arbitrator, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

IN WITNESS WHEREOF, the parties hereto have executed this Contract, consisting of _____ pages, in duplicate on _____, effective upon execution.

CCSD:

General Manager:

CASTROVILLE COMMUNITY
SERVICES DISTRICT

By

COSME PADILLA
President, Board of Directors

JAMES DERBIN

By

LIDIA SANTOS
Secretary, Board of Directors