

**BOARD OF DIRECTORS
SANTA CLARA VALLEY WATER DISTRICT**

RESOLUTION NO. 2026-

**APPOINTING THE INTERIM CHIEF EXECUTIVE OFFICER, AN UNCLASSIFIED
EMPLOYEE, APPOINTED BY THE BOARD OF DIRECTORS OF THE SANTA CLARA
VALLEY WATER DISTRICT AND APPROVING THE COMPENSATION AMOUNT**

WHEREAS, on (Fill in Date) the Board of Directors appointed Melanie Richardson to serve as the Santa Clara Valley Water District's (Valley Water) Interim Chief Executive Officer (Interim CEO); and

WHEREAS, the Board establishes the salary and benefits of Board Appointed Officers, and desires to establish the compensation for the Interim CEO while she serves in that capacity.

NOW, THEREFORE BE IT RESOLVED by the Board of Directors of the Santa Clara Valley Water District as follows:

1. Melanie Richardson is hereby appointed to the position of Interim CEO for a term not to exceed one (1) year commencing on March 12, 2026;
2. During the period of her services as Interim CEO of the Valley Water District, Melanie Richardson will earn a salary in the amount of \$511,680;
3. In addition to the annual salary set forth in paragraph 1, Ms. Richardson will receive each of the employee benefits applicable to members of the unclassified service, as set forth in Exhibit A to this resolution.
4. The salary, wages, compensation, and expenses provided for herein shall be in full or all official services performed.

PASSED AND ADOPTED by the Board of Directors of Santa Clara Valley Water District by the following vote on February 24, 2026.

AYES: Directors

NOES: Directors

ABSENT: Directors

ABSTAIN: Directors

SANTA CLARA VALLEY WATER DISTRICT

TONY ESTREMER
Chair, Board of Directors

ATTEST

CANDICE KWOK-SMITH
Clerk, Board of Directors

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EXHIBIT A COVERSHEET

EMPLOYMENT AGREEMENT BETWEEN SANTA CLARA VALLEY WATER DISTRICT AND MELANIE RICHARDSON

No. of Pages: 16

Exhibit Attachments: Attachment A: ICMA Code Of Ethics With Guidelines
Attachment B: Valley Water Unclassified Employee Benefits

**EMPLOYMENT AGREEMENT BETWEEN
SANTA CLARA VALLEY WATER DISTRICT AND MELANIE RICHARDSON**

This Employment Agreement (Agreement) is between the Santa Clara Valley Water District, a California special district (Valley Water), and Melanie Richardson, an individual (Employee), effective March 12, 2026 (Effective Date).

This Agreement is entered into on the basis of the following facts, among others:

- A. Valley Water, acting by and through its Board of Directors (Board), desires to employ Employee as Valley Water's Interim Chief Executive Officer (Interim CEO) subject to the terms and conditions set forth in this Agreement.
- B. Employee desires to be employed by Valley Water as its Interim CEO subject to the terms and conditions set forth in this Agreement.
- C. Valley Water and Employee desire to establish and maintain a constructive business relationship by ensuring clarity about specific terms and conditions relating to that relationship, including Employee's duties, compensation and benefits, performance evaluations, and related matters.

BASED UPON THE FOREGOING, VALLEY WATER AND EMPLOYEE AGREE AS FOLLOWS:

1. Term.

This Agreement is in effect beginning on the Effective Date and shall remain in effect for one (1) year concluding on March 11, 2027 or, if earlier, in accordance with section 8 of this Agreement.

2. At Will Employment.

Employee understands that she has no constitutionally protected property or other interest in her employment as Interim CEO. She understands and agrees that she works at the will and pleasure of the Board and that she may be terminated or asked to resign at any time, with or without cause, subject only to the provisions of this Agreement. There is no express or implied promise made to Employee for any form or term of continued employment. This Agreement is the sole and exclusive basis for an employment relationship between Valley Water and Employee.

3. Duties.

Employee will perform the duties of Valley Water's Interim CEO as set forth in: (a) the job description approved by the Board; (b) the Board's Governance Policies; (c) direction of the Board approved by a majority of the Board at a lawfully held meeting; and (d) as otherwise provided by law, ordinances, resolution, or regulation. Employee will perform her duties and exercise her powers consistent with due diligence, according to the highest professional standards and in compliance with all federal, state, and local laws, ordinances, and regulations which are applicable to or associated with the performance of such duties. Further, in carrying out these duties Employee will adhere to Valley Water Values, as set forth in the Board's Governance Policies and to the Code of Ethics of the International City/County Management Association (Code of Ethics). A copy of the Code of Ethics is attached hereto as **Attachment A**.

- 3.1 Employee will devote her full energy, skill and ability to the performance of Employee's duties.
- 3.2 Employee will not engage in any activity, whether or not for compensation, which is actually or potentially in conflict with, inimical to, or which interferes with the performance of Employee's duties. Employee will not engage in any new business duties or pursuits or render any services of a business, commercial, or professional nature without the prior consent of the Board.
- 3.3 Employee will inform the Board in advance of absences from District work of more than one day during normal Valley Water workdays.

4. Compensation.

Valley Water agrees to pay Employee an annual base salary of Five Hundred Eleven Thousand, Six Hundred and Eighty Dollars (\$511,680) per annum payable in installments in accordance with Valley Water's usual payroll schedule.

5. Benefits and Allowances.

Employee will be eligible for, and will receive, all regular benefits and leave allowances as generally provided to employees in Valley Water's unclassified service and as set forth in **Attachment B**, Unclassified Employee Benefits (effective January 1, 2026).

6. Expenses of Employment/Membership in Organizations.

- 6.1 Valley Water agrees to reimburse Employee for all actual and reasonable business expenses incurred in the course and scope of her employment as Interim CEO, subject to reasonable budgetary amounts. This includes membership in professional organizations associated with her profession and duties and attendance at meetings of such organizations. Employee understands and agrees that when she joins community or professional organizations in her role as Interim CEO, she is viewed as representing Valley Water. Accordingly, Employee agrees to inform the Board about organizations she joins in her capacity as Interim CEO.
- 6.2 The Board and Employee agree that it is necessary and desirable for Employee to maintain current knowledge and skills appropriate to the leadership position of Interim CEO, for the benefit of Valley Water. The Board therefore encourages Employee's participation in development opportunities for executive managers and agrees, to the extent Valley Water is financially able, to budget for and pay for travel and subsistence expenses of Employee for professional meetings, executive degrees, institutes and seminars that are necessary for her continued professional development and for the good of Valley Water. The parties anticipate that these professional development opportunities would involve up to 40 hours of Employee's work time each year, or as otherwise determined in Employee's work plan established by the Board.

7. Evaluation of Employee Performance.

The Board and Employee agree that regular communication about their mutual expectations and about Employee's performance is essential to a strong working relationship. Accordingly, the parties agree that a closed session evaluation of Employee's performance will be completed by September 30, 2026.

8. Termination/Severance.

- 8.1 Employee may terminate this Agreement at any time upon 60 days' written notice to the Board.
- 8.2 Valley Water may terminate this Agreement at any time. Should Valley Water desire to terminate Employee's services, it may do so only by an affirmative majority vote of the Board made during a lawfully conducted closed session meeting and confirmed thereafter in a public meeting.
- 8.3 If Employee is involuntarily terminated by Valley Water without cause before March 11, 2027, while still willing and able to perform the duties of Interim CEO, Valley Water agrees to pay Employee in accordance with the Valley Water pay schedule in an amount equal to her remaining salary that she would have earned through March 11, 2027. This severance payment is expressly conditioned upon the signing of a Settlement and Release Agreement.
- 8.4 In recognition of Employee's professional status, Employee and the Board will prepare a joint public statement to be made at the public meeting should termination of the employment relationship be confirmed.
- 8.5 Employee may choose to resign her office instead of being terminated if a decision by the Board to terminate has been made in closed session. In such an event, the public announcement as provided for in paragraph 8.4 will state that Employee has resigned.
- 8.6 If Employee resigns her employment with Valley Water or retires from service to Valley Water, she will not be entitled to any severance pay.

9. ARBITRATION OF DISPUTES

- 9.1 Agreement to arbitrate. As a condition of Employee's employment with Valley Water, Valley Water and Employee agree, to the fullest extent permitted by law, to submit to mandatory binding arbitration any dispute, claim or controversy arising out of or relating to Employee's employment with Valley Water.
- 9.2 Arbitrable Claims: The parties understand and agree that to the fullest extent permitted by law, this Agreement applies to all claims (the "Arbitrable Claims") arising out of, related to or connected with Employee's employment with Valley Water, whether in contract, tort, law, equity or otherwise, and including, but by no means limited to, claims of discrimination, harassment, breach of contract (express or implied), breach of implied covenant of good faith and fair dealing, wrongful termination, misrepresentation, as well as claims based upon any federal, state or local ordinance, statute, regulation or constitutional provision, including, but not limited to, the Age Discrimination in Employment Act, 29 U.S.C.A. § 621 et seq., the Employee Retirement Income Security Act (ERISA), 29 U.S.C.A. § 1001 et seq., Title VII of the Civil Rights Act of 1964, 42 U.S.C.A. § 2000e et seq., 42 U.S.C.A. § 1981; the California Fair Employment and Housing Act, and the California Labor Code. Arbitration shall be final and binding upon the parties. Arbitration shall be the exclusive method by which to resolve all Arbitrable Claims. As an exception, this Agreement does not preclude the filing of workers' compensation claims, unemployment benefits claims, or any claims that may not be compelled to arbitration under California or federal law. **THE PARTIES WAIVE ANY RIGHTS THEY MAY HAVE TO A COURT OR JURY TRIAL IN REGARD TO ARBITRABLE CLAIMS.**

- 9.3 Administration of arbitration: The parties agree that the arbitration shall be conducted in Santa Clara County, California by a neutral arbitrator from JAMS Mediation, Arbitration and ADR Services, who will administer any such arbitration(s) in accordance with the JAMS Employment Arbitration Rules & Procedures. The arbitrator shall: (a) have the authority to compel adequate discovery for the resolution of the dispute, and to award such relief as would otherwise be permitted by law; and (b) issue a written decision including a statement of the award and the arbitrator's essential findings and conclusions on which the decision is based. The arbitrator shall have the power to award damages, remedies or relief that would be available in a court otherwise having jurisdiction of the matter, but no other damages, remedies or relief. Each party shall pay its own attorneys' fees and expenses, except that Valley Water shall pay the fees and expenses related to the arbitration that Employee would not generally be required to bear if Employee brought the same action in a court otherwise having jurisdiction. Nothing in this Agreement is intended to prevent either Employee or Valley Water from obtaining injunctive relief in court to prevent irreparable harm pending the conclusion of any such arbitration.
- 9.4 Arbitration Rules. The JAMS Employment Arbitration Rules & Procedures, as amended from time to time, shall apply to any arbitration conducted in this Agreement. The Rules may be found here, <https://www.jamsadr.com/rules-employment-arbitration>, and are incorporated by reference as if fully set forth herein.
- 9.5 Entire Agreement. Entire Agreement Regarding Arbitration; Modification: This Agreement reflects the parties' full and final agreement regarding the manner in which they will resolve Arbitrable Claims. There are no other agreements between the parties regarding this subject. This Agreement supersedes any prior agreements, written or oral, regarding this subject.
- 9.6 Review of Arbitration Award. Court review of any arbitration award shall be limited in accordance with the California Arbitration Act. Arbitration under this Agreement is governed by the California Arbitration Act (Code of Civil Procedure Sections 1280 et seq.). In the event of any conflict between the California Arbitration Act and the JAMS Employment Arbitration Rules & Procedures, the provisions of the California Arbitration Act shall govern.
- 9.7 Acknowledgment and Agreement. Employee acknowledges her prior receipt of the Rules and has had sufficient time to review the same prior to execution of this Agreement. Employee understands and agrees to the provisions of this Section 9 (ARBITRATION OF DISPUTES)

Melanie Richardson
Employee

10. General/Miscellaneous Provisions

10.1 Indemnification and defense. Valley Water shall defend, hold harmless, and indemnify Employee against any tort, professional liability claim, or demand, or civil rights or other action, arising out of any act, event, or omission occurring in the scope of Employee's duties as Interim CEO, except to the extent that Employee's actions are the result of actual fraud, corruption, or actual malice. Valley Water will defend, compromise, or settle any such claim or suit, as appropriate, and pay the amount of any settlement or judgment rendered thereon. This indemnification will extend beyond termination of employment or other expiration of this Agreement with respect to acts undertaken by Employee both during her employment and in the scope of her employment as Interim CEO. The extent of defense or indemnification may be limited by the provisions of California law.

To Valley Water:

To Employee:

Chair of the Board of Directors
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118

Melanie Richardson
Santa Clara Valley Water District
5750 Almaden Expressway
San Jose, CA 95118

AND to Employee's home address on file with Valley Water

10.2 Notices. Notices given under this Agreement will be in writing and will be: (a) served personally; (b) Delivered by first-class United States mail, certified, with postage prepaid and a return receipt requested; or (c) Sent by Federal Express, or an equivalent private mail delivery service. Notices will be deemed received at the earlier of actual receipt or 3 days following deposit with the U.S. Mail or private mail delivery service. Notices will be directed to the addresses shown below, provided that a party may change such party's address for notice by giving written notice to the other party in accordance with this paragraph 10.2:

10.3 Entire Agreement/Amendments. This Agreement reflects the complete understanding and agreement between the parties as to those matters contained in it, and supersedes any and all prior or contemporaneous agreements, representations, and understandings of the parties. It may be amended at any time by mutual written agreement of the parties.

10.4 Severability. Should any provision, section, or subsection of this Agreement be declared invalid or unenforceable by any court of competent jurisdiction, such ruling will not affect any other provision of the Agreement, and the unaffected provisions will remain in full force and effect.

10.5 Effect of Waiver. The failure of either party to enforce against another a provision of this Agreement will not constitute a waiver of that party's right to enforce such provision at a later time and will not serve to vary the terms of this Agreement.

10.6 Employee's Independent Review. Employee acknowledges that she has had the opportunity and has conducted an independent review of the financial and other effects of this Agreement; that she has had the opportunity to obtain legal or other review of the Agreement; and that in determining to enter into this Agreement she has not relied upon any representation of Valley Water, its officer, agents, or employees other than those expressly set forth in this Agreement.

- 10.7 Governing Law and Venue. The laws of the State of California will govern the interpretation, application, and enforcement of this Agreement.
- 10.8 Survivability. This Agreement shall be in full force and effect during the entire period of Employee's employment with Valley Water. This Agreement does not, however, extend or waive any statutes of limitations or other provisions of law that specify the time within which any claim must be brought. The provisions of sections 9 and 10.1 shall survive the termination of this agreement.

The signatures of the parties below indicate that each has read and understood the Agreement and will abide by the terms stated herein.

EMPLOYEE

Melanie Richardson

Date

SANTA CLARA VALLEY WATER DISTRICT

Tony Estremera
Chair, Board of Directors

Date

ATTEST

Candice Kwok-Smith
Clerk, Board of Directors

ICMA Code of Ethics with Guidelines

The ICMA Code of Ethics was adopted by the ICMA membership in 1924, and most recently amended by the membership in May 2025. The Guidelines for the Code were adopted by the ICMA Executive Board in 1972, and most recently revised in July 2025.

The mission of ICMA is to advance professional local government through leadership, management, innovation, and ethics. To further this mission, certain principles, as enforced by the Rules of Procedure, shall govern the conduct of every member of ICMA, who shall:

Tenet 1. We believe professional management is essential to effective, efficient, equitable, and democratic local government.

Tenet 2. Affirm the dignity and worth of local government services and maintain a deep sense of social responsibility as a trusted public servant.

GUIDELINE

Advice to Officials of Other Local Governments. When members advise and respond to inquiries from elected or appointed officials of other local governments, they should inform the administrators of those communities in order to uphold local government professionalism.

Tenet 3. Demonstrate by word and action the highest standards of ethical conduct and integrity in all public, professional, and personal relationships in order that the member may merit the trust and respect of the elected and appointed officials, employees, and the public.

GUIDELINES

Public Confidence. Members should conduct themselves so as to maintain public confidence in their position and profession, the integrity of their local government, and in their responsibility to uphold the public trust.

Length of Service. For chief administrative/executive officers appointed by a governing body or elected official, a minimum of two years is considered necessary to render a professional service to the local government. In limited circumstances, it may be in the best interests of the local government and the member to separate before serving two years. Some examples include refusal of the appointing authority to honor commitments concerning conditions of employment, a vote of no confidence in the member, or significant personal issues. It is the responsibility of an applicant for a position to understand conditions of employment, including expectations of service. Not understanding the terms of employment prior to accepting does not justify premature separation. For all members a short tenure should be the exception rather than a recurring experience, and members are expected to honor all conditions of employment with the organization.

Appointment Commitment. Members who accept an appointment to a position should report to that position. This does not preclude the possibility of a member considering several offers or seeking several positions at the same time. However, once a member has accepted a formal offer of employment, that commitment is considered binding unless the employer makes fundamental changes in the negotiated terms of employment.

Credentials. A member's resume for employment or application for ICMA's Voluntary Credentialing Program shall completely and accurately reflect the member's education, work experience, and personal history. Omissions and inaccuracies must be avoided.

Professional Respect. Members should demonstrate professional respect for colleagues, including predecessors, successors, and others who might be candidates for the same position. Professional respect does not preclude sharing honest differences of opinion privately between colleagues; it does preclude attacking a person's motives or integrity, undermining them, or actively interfering with their work.

Showing professional respect involves acknowledging power dynamics between different career points and tenures. Undue influence, abuse of power, and intimidation are inappropriate and must be avoided.

A member no longer working in service to a local government should be mindful of professional respect before running for elected office in a jurisdiction where they recently served.

Reporting Ethics Violations. When becoming aware of a possible violation of the ICMA Code of Ethics, members are encouraged to report possible violations to ICMA. In reporting the possible violation, members may choose to go on record as the complainant or report the matter on a confidential basis.

Confidentiality. Members shall not discuss or divulge information with anyone about pending or completed ethics cases, except as specifically authorized by the Rules of Procedure for Enforcement of the Code of Ethics.

Seeking Employment. Members should not seek employment for a position that has an incumbent who has not announced his or her separation or been officially informed by the appointive entity that his or her services are to be terminated. Members should not initiate contact with representatives of the appointive entity. Members contacted by representatives of the appointive entity body regarding prospective interest in the position should decline to have a conversation until the incumbent's separation from employment is publicly known.

Relationships in the Workplace. Members should not engage in an intimate or romantic relationship with any elected official or board appointee, employee they report to, one they appoint and/or supervise, either directly or indirectly, within the organization.

This guideline does not restrict personal friendships, professional mentoring, or social interactions with employees, elected officials and Board appointees.

Influence. Members should conduct their professional and personal affairs in a manner that demonstrates that they cannot be improperly influenced in the performance of their official duties.

Conflicting Roles. Members who serve multiple roles – either within the local government organization or externally – should avoid participating in matters that create either a conflict of interest or the perception of one. They should disclose any potential conflict to the governing body so that it can be managed appropriately.

Conduct Unbecoming. Members should treat people fairly, with dignity and respect and should not engage in, or condone bullying behavior, harassment, sexual harassment, unwelcome contact, advances, or discrimination on the basis of race, religion, national origin, age, disability, gender, gender identity, sexual orientation, or veteran status. Members should foster respectful, inclusive environments in all professional and social settings.

Tenet 4. Serve the best interests of all community members.

GUIDELINES

Effects of Decisions. Members should inform the appropriate elected or appointed official(s) of a decision's anticipated effects on community members.

Promote Equity. Members should ensure fairness and impartiality in accessing programs and services and in the enforcement of laws and regulations. Members should assess and propose solutions to strive to eliminate disparities.

Tenet 5. Submit policy proposals to elected officials; provide them with facts, and technical and professional advice about policy options; and collaborate with them in setting goals for the community and organization.

Tenet 6. Recognize that elected representatives are accountable to their community for the decisions they make; members are responsible for implementing those decisions.

Tenet 7. Refrain from all political activities which undermine public confidence in professional administrators. Refrain from participation in the election of the members of the employing legislative body.

GUIDELINES

Elections of the Governing Body. Members should maintain a reputation for serving equally and

impartially all members of the governing body of the local government they serve, regardless of party. To this end, they should not participate in an election campaign on behalf of or in opposition to candidates for the governing body.

Elections of Elected Executives. Members shall not participate in the election campaign of any candidate for mayor or elected county executive.

Running for Office. Members shall not run for elected office or become involved in political activities related to running for elected office, or accept appointment to an elected office. They shall not seek political endorsements, financial contributions or engage in other campaign activities.

Elections. Members share with their fellow citizens the right and responsibility to vote. However, in order not to impair their effectiveness on behalf of the local governments they serve, they shall not participate in political activities to support the candidacy of individuals running for any city, county, special district, school, state or federal offices. Specifically, they shall not endorse candidates, make financial contributions, sign or circulate petitions, or participate in fund-raising activities for individuals seeking or holding elected office.

Elections relating to the Form of Government. Members may assist in preparing and presenting materials that explain the form of government to the public prior to a form of government election. If assistance is required by another community, members may respond.

Presentation of Issues. Members may assist their governing body in the presentation of issues involved in referenda such as bond issues, annexations, and other matters that affect the government entity's operations and/or fiscal capacity.

Personal Advocacy of Issues. Members share with their fellow citizens the right and responsibility to voice their opinion on public issues. Members may advocate for issues of personal interest only when doing so does not conflict with the performance of their official duties.

Tenet 8. Continually improve professional capabilities and those of others while fostering growth and development through ethical leadership and effective management practices.

GUIDELINES

Self-Assessment. Members should evaluate and enhance their professional skills and competencies annually through self-reflection and by proactively soliciting feedback.

Professional Development. Members should stay informed about emerging issues, practices, and challenges, actively engage in development activities year-round, and support others in enhancing their professional and ethical competencies.

Tenet 9. Keep the community informed on local government affairs. Encourage and facilitate active engagement and constructive communication between community members and all local government officials.

GUIDELINE

Engagement. Members should ensure community members can actively engage with their local government as well as eliminate barriers and support involvement of the community in the governance process.

Tenet 10. Oppose efforts to interfere with professional responsibilities by consistently executing official duties, policies, and processes with an unwavering commitment to unbiased public service.

GUIDELINES

Information Sharing and Feedback. The member should collaborate with the governing body to establish clear communication protocols for effective, equitable, and transparent information sharing and reciprocal feedback.

Personnel and Operational Matters. The member shall lead personnel and operating decisions consistent with responsibilities established in the charter or enabling legislation without interference from the governing body.

Tenet 11. Manage all personnel matters with fairness and impartiality.

GUIDELINE

Diversity and Inclusion. It is the member’s responsibility to recruit, hire, promote, retain, train, and support a diverse workforce at all levels of the organization.

Tenet 12. Public office is a public trust. A member shall not leverage his or her position for personal gain or benefit.

GUIDELINES

Gifts. Members shall not directly or indirectly solicit, accept or receive any gift if it could reasonably be perceived or inferred that the gift was intended to influence them in the performance of their official duties; or if the gift was intended to serve as a reward for any official action on their part.

The term “Gift” includes but is not limited to services, travel, meals, gift cards, tickets, or other entertainment or hospitality. Gifts of money or loans from persons other than the local government jurisdiction pursuant to normal employment practices are not acceptable.

Members should not accept any gift that could undermine public confidence. De minimus gifts may be accepted in circumstances that support the execution of the member’s official duties or serve

a legitimate public purpose. In those cases, the member should determine a modest maximum dollar value based on guidance from the governing body or any applicable state or local law.

The guideline is not intended to apply to normal social practices, not associated with the member's official duties, where gifts are exchanged among friends, associates and relatives.

Investments in Conflict with Official Duties. Members should refrain from any investment activity which would compromise the impartial and objective performance of their duties. Members should not invest or hold any investment, directly or indirectly, in any financial business, commercial, or other private transaction that creates a conflict of interest, in fact or appearance, with their official duties.

In the case of real estate, the use of confidential information and knowledge to further a member's personal interest is not permitted. Purchases and sales which might be interpreted as speculation for quick profit should be avoided (see the guideline on "Confidential Information"). Because personal investments may appear to influence official actions and decisions, or create the appearance of impropriety, members should disclose or dispose of such investments prior to accepting a position in a local government. Should the conflict of interest arise during employment, the member should make full disclosure and/or recuse themselves prior to any official action by the governing body that may affect such investments.

This guideline is not intended to prohibit a member from having or acquiring an interest in or deriving a benefit from any investment when the interest or benefit is due to ownership by the member or the member's family of a de minimus percentage of a corporation traded on a recognized stock exchange even though the corporation or its subsidiaries may do business with the local government.

Personal Relationships. In any instance where there is a conflict of interest, appearance of a conflict of interest, or personal financial gain of a member by virtue of a relationship with any individual, spouse/partner, group, agency, vendor or other entity, the member shall disclose the relationship to the organization. For example, if the member has a relative that works for a developer doing business with the local government, that fact should be disclosed.

Confidential Information. Members shall not disclose to others, or use to advance their personal interest, intellectual property, confidential information, or information that is not yet public knowledge, that has been acquired by them in the course of their official duties.

Information that may be in the public domain or accessible by means of an open records request, is not confidential.

Private Employment. Members should not engage in, solicit, negotiate for, or promise to accept private employment, nor should they render services for private interests or conduct a private

business when such employment, service, or business creates a conflict with or impairs the proper discharge of their official duties.

Teaching, lecturing, writing, or consulting are typical activities that may not involve conflict of interest or impair the proper discharge of their official duties. Prior notification of the appointing authority is appropriate in all cases of outside employment.

Representation. Members should not represent any outside interest before any agency, whether public or private, except with the authorization of or at the direction of the appointing authority they serve.

Endorsements. Members should not endorse commercial products or services by agreeing to use their photograph, endorsement, or quotation in paid or other commercial advertisements, marketing materials, social media, or other documents, whether the member is compensated or not for the member's support. Members may, however, provide verbal professional references as part of the due diligence phase of competitive process or in response to a direct inquiry.

Members may agree to endorse the following, provided they do not receive any compensation:

(1) books or other publications; (2) professional development or educational services provided by nonprofit membership organizations or recognized educational institutions; (3) products and/or services in which the local government has a direct economic interest.

Members' observations, opinions, and analyses of commercial products used or tested by their local governments are appropriate and useful to the profession when included as part of professional articles and reports.

VALLEY WATER
Unclassified Employee Benefits
(Effective 01-01-2026)

BENEFIT	SUMMARY
Vacation	<ul style="list-style-type: none"> Newly hired employees receive 224 hours (28 days/year) of prorated vacation based on the date of hire. The prorated amount is vested immediately for the remainder of the fiscal year and is available for use upon approval of the employee's Appointing Authority. Starting the following fiscal year, vacation shall accrue as set forth below for current employees. Beginning each fiscal year, current employees receive 224 hours (28 days/year) of vacation, which is vested immediately for the entire fiscal year, and may be accumulated up to 4 times entitlement. Employees may elect either a cash pay-off for up to 28 days (224 hours) or have all or a portion of the cash value transferred to the Deferred Compensation Plan once each year. Elections to cash out vacation must be made in the calendar year prior to the cash out.
Sick Leave	<p>Sick leave is accrued at the rate of 1 day per month (96 hours per year) with unlimited accumulation.</p> <ul style="list-style-type: none"> Upon resignation, with 10 or more years of service with Valley Water, up to 480 hours of accrued sick leave shall be paid at 25% of the equivalent cash value. Upon retirement (filed for CalPERS retirement), regardless of years of service with Valley Water, sick leave may be paid out as follows: <ul style="list-style-type: none"> Sick leave balance <i>up to</i> 480 hours is paid out at 50% of the equivalent cash value. Any remaining balance above 480 hours may be converted into additional CalPERS service credit. Sick leave hours above 480 will not be paid out. Entire accrued sick leave balance may be converted into additional CalPERS service credit. No sick leave hours will be paid out. Combination of any portion (<i>up to 480 hours</i>) of the sick leave balance is paid out at 50% and any remaining balance may be converted into additional CalPERS service credit. Sick leave hours above 480 will not be paid out. Upon death, all accrued, unused sick leave will be paid at 100% of the cash value. <p>Any other payout of accrued sick leave upon separation of employment must be approved by the Chief Executive Officer. Any such approved payout shall not exceed 480 hours of accrued sick leave and shall be at the rate of 25% of the equivalent cash value.</p>
Sick Leave Conservation	<p><u>Sick Leave Conservation Program</u> - Employees with a minimum of one (1) year of service who have used no more than twenty-seven (27) sick leave hours during the preceding twelve (12) month period may convert up to twenty-four (24) hours to cash. Elections to cash out sick leave must be made in the calendar year prior to the cash-out.</p>
Executive Leave & Personal Leave	<p>24 hours of executive leave and 32 hours of prorated personal leave provided upon hire. Leave may be converted to cash or credited to the deferred compensation plan at any time during the fiscal year. Automatically paid out if no election is made.</p>
Bereavement Leave	<p>5 days of bereavement leave for obligations arising from the death of a family member as defined in the At-Will Policy for Employees in the Unclassified Service. Additional time may be charged to sick leave for a total leave (3 days of bereavement leave plus sick leave) not to exceed 10 consecutive working days.</p>
Parental Leave	<p>Employees may use sick leave (in addition to current vacation, comp time, and/or personal leave) for all qualifying parental leave. Employees can use this sick leave for bonding (or for the placement of a child with an employee for adoption or foster care). The duration of such parental or bonding leave shall be subject to Valley Water policy.</p>
Holidays	<p>14 designated days per calendar year.</p>
CalPERS Retirement for Classic Members Hired Prior to 3/19/2012 (Tier 1)	<p>California Public Employees Retirement System (CalPERS) 2.5% at 55 retirement plan with final compensation of highest 12 consecutive months. The current required employee contribution is 8%. Contributions are pre-tax payroll deductions.</p>
CalPERS Retirement for Classic Members Hired On or After 3/19/2012 (Tier 2)	<p>California Public Employees Retirement System (CalPERS) 2.0% at 60 retirement plan with final compensation of highest 36 consecutive months. The current required employee contribution is 0%. Valley Water pays the employee contribution (Employer Paid Member Contributions – EPMC) of 7%.</p>
CalPERS Retirement for New Members Hired On or After 1/1/2013 (Tier 3/PEPRA)	<p>California Public Employees Retirement System (CalPERS) 2.0% at 62 retirement plan with final compensation of highest 36 consecutive months. Employees are required to pay 50% of the total normal cost as determined by the annual CalPERS valuation which is subject to change each fiscal year. The current required employee contribution is 7.25%. Contributions are pre-tax payroll deductions.</p>

<p>Retirement Health Benefits for Employees Hired Prior to 12/30/2006</p>	<p>Medical coverage is provided for retired employees with 10 years of continuous service with Valley Water or a combination of prior public agency service (meaning the State of California or any political subdivision thereof, including any city, county, or special district) with a minimum of 5 consecutive years of Valley Water Service.</p> <p>Medical, Dental, and Vision coverage is provided for retired employees and one eligible dependent with 15 or more years of continuous service with Valley Water or a combination of prior public agency service with a minimum of 5 consecutive years of Valley Water Service.</p> <p>Medical, Dental, and Vision coverage is provided for retired employees plus two (2) or more eligible dependents with 25 or more years of continuous service with Valley Water or a combination of prior public agency service with a minimum of 5 consecutive years of Valley Water Service.</p>
<p>Retirement Health Benefits for Employees Hired on or after 12/30/2006 and Prior to 3/1/2007</p>	<p>Medical coverage is provided for retired employees with 10 years of continuous service with Valley Water or a combination of prior public agency service (meaning the State of California or any political subdivision thereof, including any city, county, or special district) with a minimum of 5 consecutive years of Valley Water Service.</p> <p>Medical, Dental, and Vision coverage is provided for retired employees and one eligible dependent with 15 or more years of continuous service with Valley Water or a combination of prior public agency service with a minimum of 5 consecutive years of Valley Water Service.</p> <p>Medical, Dental, and Vision coverage is provided for retired employees plus two (2) or more eligible dependents with 25 or more years of continuous service with Valley Water or a combination of prior public agency service with a minimum of 5 consecutive years of Valley Water Service.</p> <p>Medical premium cost sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less. Effective April 1, 2024, retirees will pay 0% of the cost of the premium. Valley Water will pay 100% of the cost of the premium.</p>
<p>Retirement Health Benefits for Employees Hired On or After 3/1/2007</p>	<p>Medical coverage is provided for retired employees with 15 years of continuous service with Valley Water or a combination of prior public agency service (meaning the State of California or any political subdivision thereof, including any city, county, or special district) with a minimum of 5 consecutive years of Valley Water Service.</p> <p>Medical coverage is provided for retired employees and one eligible dependent with 20 or more years of continuous service with Valley Water or a combination of prior public agency service with a minimum of 5 consecutive years of Valley Water Service.</p> <p>Medical premium cost sharing is required with the same contribution percentage as active employees and based on the medical premium amount applicable to active employees or retirees, whichever is less. Effective April 1, 2024, retirees will pay 0% of the cost of the premium. Valley Water will pay 100% of the cost of the premium.</p>
<p>Health Insurance</p>	<p>Medical, Dental, Vision Care, and EAP benefits are provided by Valley Water with no monthly premium cost to the employee.</p> <p>Medical, Dental, Vision Care, and EAP benefits are provided to all regular employees and their eligible dependents including domestic partners. Domestic partner coverage is taxable income for federal income tax purposes.</p> <p>Valley Water employees may only receive coverage under one plan; either as single coverage or family coverage and either as the primary subscriber or as a dependent under the plan of a spouse or domestic partner who is a regular Valley Water employee. Eligible dependents will only be covered under one employee's medical plan.</p>
<p>Disability Insurance</p>	<p>Valley Water provides Short Term Disability (STD) equal to 66 2/3% of salary to a maximum weekly benefit of \$3,462 with a 14-day waiting period. STD may transition into Long Term Disability (LTD) after 180 days of disability and then provide 66 2/3% of salary to a maximum monthly benefit of \$15,000.</p>
<p>Life Insurance</p>	<p>Valley Water provides life insurance benefits equal to employee's annual salary up to a maximum benefit of \$100,000 with a five-year phase out in declining increments of \$10,000 per year starting with \$50,000 coverage upon retirement. The premium attributable to life insurance benefit exceeding \$50,000 is considered "imputed income" and must be reported as taxable earnings on the W-2 statement each year, as required by the IRS.</p>
<p>Life Insurance</p>	<p>Optional supplemental life insurance available in amounts equal to 1, 2, 3, or 4 times annual salary to a maximum benefit of \$750,000 is available at employee cost. Guaranteed issue amount is \$200,000.</p>
<p>Deferred Compensation</p>	<p>Deferred compensation plans are available at the employee's option, with up to \$8,000 in annual matching contributions each calendar year from Valley Water. The match will be deposited into the 401(a) plan.</p>

Flexible Spending Account (FSA)	<p>Health Care Spending Account – Maximum contribution up to \$3,400 for eligible medical, dental, vision and prescription expenses for 2026. The rollover amount from 2026 into 2027 is \$680.</p> <p>Dependent Adult or Child Daycare – Maximum contribution of \$7,500 per family or \$3,750 if you file taxes “Married Filing Separately” per calendar year.</p> <p>Commuter Spending Account – Pre-tax deductions are allowed up to the IRS maximum for any public transportation or to pay for qualified vanpools to commute to work.</p>
Legal Insurance	<p>Valley Water offers comprehensive legal benefits through Legal Shield which include (but are not limited to): Bullying Protection, Post-Nuptial/DP Agreements, Gender Identifier Change, Elder Law Matter, Civil/Social Discrimination, and Consumer Credit Services.</p>
Employee Assistance Program (EAP)	<p>Valley Water provides an EAP to employees and their eligible dependents that are staffed by licensed credentialed counselors and provides information, referral, and short-term counseling for personal issues affecting work or personal life.</p>
Pet Insurance	<p>Valley Water offers pet insurance through MetLife.</p>
Wellness	<p>ValleyWaterWell – Valley Water Wellness program. We offer company-wide challenges, lunchtime seminars, health cooking demos, health stations, and more!</p>
	<p>Origin Financial Wellness – Valley Water provided financial Wellness tool. Free 1:1 meetings with certified financial planners, free app access with visibility to financial transactions, free basic will preparation, discounted will preparation and more!</p>
	<p>ClassPass – Fitness & wellness at your fingertips. 13 Valley Water provided credits per month, up to 13 credit rollover. Discounted credit purchases.</p>
	<p>Personify Health – Valley Water Wellness Platform. Participate in wellness challenges, competitions, and more. Earn up to \$200/annually!</p>
	<p>LifeBalance – Discounts at thousands of businesses nationwide, including health clubs, fitness studios, online retailers, movie theaters, hotels, and more!</p>
Other	<p>Car Allowance – Board Appointed Officers (BAO) are eligible for a monthly car allowance as follows: CEO & General Counsel = \$600 / Clerk of the Board =\$450. Mileage is paid for out-of-county Valley Water business in addition to a monthly car allowance.</p>
	<p>Electronic Devices – Valley Water-owned communication devices are provided, including cell phones, pagers, two-way radios, tablets, and computers. A monthly stipend for smartphones is provided.</p>
	<p>Tuition Assistance Program – Unclassified employees with six (6) or more months of continuous service, up to 100% reimbursement of tuition costs upon satisfactory completion of an approved course to a maximum of \$3,500 per fiscal year.</p>
<p><i>This is a summary of benefits only. Official plan documents/agreements govern how a benefit is determined or administered.</i></p>	

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