

EMPLOYMENT AGREEMENT

This **Employment Agreement** ("Agreement") made and entered into this 20th day of April, 2023 by and between the **Cambria Community Services District** (hereinafter referred to as "**Employer**" or "**CCSD**" or "**District**") and **Matthew McElhenie** (hereinafter referred to as "**Employee**"), who understand as follows:

WITNESSETH:

WHEREAS, Employer desires to employ Employee as General Manager; and

WHEREAS, it is the desire of Employer to provide certain benefits, establish certain conditions of employment, and to set working conditions of Employee; and

WHEREAS, it is the desire of Employer to receive and retain the services of Employee and to provide for him to remain in such employment; to make possible full work productivity by assuring his morale and peace of mind with respect to future security; to act as a deterrent against malfeasance, misfeasance or substandard performance on his part; and to provide for terminating his services at such time as he may be unable to fully discharge his duties or when Employer may otherwise desire to terminate his employment; and

WHEREAS, Employee desires to accept employment as General Manager.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

1. Duties of General Manager

Employee agrees to perform the functions and duties of the position of General Manager, and any additional duties as may be assigned from time to time. The General Manager Position Description provides a high-level description of the duties and responsibilities of the General Manager, is attached to this Agreement as Exhibit A and is incorporated herein by this reference. In addition, Employee shall perform the statutorily required duties of a general manager of a community services district, as set forth in Government Code Section 61051, which provides as follows:

- a) The implementation of the policies established by the board of directors for the operation of the district.
- b) The appointment, supervision, discipline, and dismissal of the district's employees, consistent with the employee relations system established by the board of directors.
- c) The supervision of the district's facilities and services.
- d) The supervision of the district's finances.

2. Term of Agreement

This Agreement commences on April 20, 2023 and shall remain in effect for an indefinite term.

Nothing in this Agreement shall prevent, limit, or otherwise interfere with the right of Employer to terminate the services of Employee at any time, subject only to the provisions set forth in Section 4 of this Agreement.

3. Devotion to District Business and Hours of Work

The General Manager position is considered a full-time position. Therefore, except as otherwise provided herein, Employee shall not engage in any outside business, educational, professional, charitable, or other activities, whether for compensation or otherwise, that would conflict or materially interfere with the performance of the General Manager duties without prior written approval of the Board of Directors. As a full-time position, Employee's work schedule shall generally be consistent with the normal business hours adopted by the CCSD and those necessary to fulfill the obligations of General Manager, including being available to attend all necessary meetings during evenings and weekends. In recognition of the amount of work time required outside of regular business hours, it is agreed the General Manager does not have a fixed schedule, and Employee will have the discretion to work as needed to accomplish the duties and responsibilities assigned to the General Manager.

Notwithstanding the foregoing, it is understood and agreed that Employee will continue with his tenured teaching position at Hartnell College. As a result, Employee might not be available within district boundaries for up to two days a week when the Employee may be scheduled to teach. However, Employee will be available by phone, email, and video-conferencing on those days. Furthermore, if feasible, Employee will be available via teleconferencing from 3:30 pm until 9:30 pm on said days. Additionally, the Employee will work every "scheduled day off" (SDO) if the need arises from hours missed from these prior teaching obligations while extending his regular day working hours to include remote work via teleconferencing on weekends. If the Employee has no scheduled teaching obligations on the aforementioned days, Employee will be performing the duties of General Manager within District boundaries and, if necessary, working beyond regular working hours to augment any missed working hours from the above said teaching obligations. The teaching commitment shall be deemed an activity that does not conflict with or materially interfere with his performance of duties as General Manager.

4. Termination and Severance Pay

Employer may terminate this Agreement without cause, for any reason or for no reason, on three (3) months' notice to Employee. On the anniversary date of this Agreement, and upon receiving a satisfactory evaluation from the Board of Directors, the notice period shall be increased by one (1) additional month each year, until it reaches a maximum of

six (6) months. If this Agreement is terminated by Employer or by operation of law, Employee shall continue to work and receive Employee's salary and other compensation during the notice period. In the alternative and at its sole discretion, Employer may terminate Employee at any time during the notice period and, in that event, Employer agrees to pay Employee a lump sum cash payment equal to the remaining salary for the notice period and pay Employee's COBRA benefits equal to the notice period; provided, however, Employer shall have no obligation to provide such notice, severance pay and benefits in the event Employee is terminated for good cause. For the purpose of this Agreement, "good cause" shall include, but not necessarily be limited to, any of the following:

- A. A material breach of the terms of this Agreement;
- B. A failure to perform duties in a professional and responsible manner consistent with generally accepted standards of the profession;
- C. Conduct unbecoming the position of General Manager or likely to bring discredit or embarrassment to the CCSD;
- D. Repeated failure to carry out a directive or directives of the Board of Directors made by the Board as a body at a Brown Act-compliant meeting;
or
- E. Any grossly negligent action or inaction by Employee that materially and adversely: (a) impedes or disrupts the operations of the District or its organization units; (b) is detrimental to employees or public safety; or (c) violates the District's properly-established rules or procedures.

"Good cause" shall not mean a mere loss of support or confidence by the Board of Directors.

In the event Employee voluntarily resigns Employee's position with Employer, Employee shall give Employer sixty (60) days advance written notice unless the parties agree otherwise in writing.

5. Salary

Employer agrees to pay Employee for his services a monthly base salary in the amount of \$14,583 per month, or \$175,000 annually. Employee will be eligible for an increase in salary at his six-month evaluation at the discretion of the Board of Directors based on his performance. Subsequent salary increases may occur annually based on performance reviews by the Board of Directors.

6. Other Compensation

Employer agrees to provide Employee additional compensation and benefits as provided to other management employees of the CCSD. Employee agrees to pay one-hundred percent (100%) of the Employee designated share of the contribution to the Public Employees Retirement System in accordance with Section 2.08.150 of the CCSD Municipal Code. In addition, Employee shall receive the following benefits:

- A. Employee shall be reimbursed at the standard CCSD mileage rate for all business travel miles outside San Luis Obispo County in his personal vehicle.
- B. Employer agrees to match Employee contributions to Employer sponsored supplemental retirement fund ("457 Plan") up to \$100 per payroll period. In addition, Employer shall annually deposit an additional amount equal to five percent (5%) of Employee's salary into the 457 Plan.
- C. Employee shall receive 21 days vacation leave per year immediately upon hire, which shall be subject to the two (2) year cap on accrual of leave time in accordance with the CCSD's Payment and Compensation Plan.
- D. Employee will be provided with a \$100,000 life insurance policy. The District will pay the total monthly premium for Employee.
- E. Employee may, at his discretion, opt out of receiving the CCSD health insurance benefits.

7. Professional Development

As part of its normal budget process and reserving the right to establish appropriate priorities and funding amounts, Employer shall consider requests for funds for certain items, activities, and materials deemed necessary and desirable for Employee's continued professional development, participation, growth, and advancement. Those items, activities, and materials shall include:

- A. Professional dues and subscriptions necessary for full participation in appropriate and relevant associations and organizations;
- B. Travel and subsistence expenses for professional meetings and similar functions (e.g., conferences, workshops, seminars, meetings, etc.) to foster professional development or represent the CCSD; and
- C. Other items, activities, and materials as may be agreed upon in writing from time to time between Employee and Employer.

8. Performance Review

Employee shall receive semi-annual performance reviews. Employee shall report on his efforts to achieve the goals and policies as outlined by the Board of Directors.

9. General Provisions

- A. The terms of this Agreement are intended by the parties as the final expression of their agreement and may not be contradicted by evidence of any prior agreement or contemporaneous oral agreement. The parties further intend that this Agreement constitutes the complete and exclusive statement of its terms and that no extrinsic evidence whatsoever may be introduced in any judicial or arbitration proceeding, if any, involving this Agreement. Any amendments to this Agreement must be in writing and executed by both parties.
- B. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remainder of the provisions hereof shall remain in full force and effect and shall in no way be affected, impaired or invalidated thereby.
- C. This Agreement shall be governed by the laws of the State of California. Employee and the District agree that the venue for any dispute shall be in San Luis Obispo County, California.
- D. The parties acknowledge that they understand the significance and consequences of this Agreement. The parties also acknowledge that they have been given full opportunity to review and negotiate this Agreement and execute it only after full reflection and analysis and that they had an opportunity to review this document and its application and meaning with their respective attorneys and advisors. This Agreement shall not be interpreted against the party who prepared the initial draft because both parties participated in the drafting of this Agreement by having ample opportunity to review and submit suggested changes or corrections for incorporation into the final version of this Agreement.
- E. Employee may not assign this Agreement in whole or in part.
- F. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. The text herein shall constitute the entire Agreement between the parties. Any amendments to this Agreement must be in writing and executed by both parties. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Employee.

10. Effective Date

This Agreement shall be effective on April 20, 2023.


In Witness Whereof, Employer and Employee have signed and executed this Agreement, both in duplicate, the day and year first above written.

EMPLOYEE:



Matthew McElhenie

EMPLOYER:



Karen Dean, President
Board of Directors



**CAMBRIA COMMUNITY SERVICES DISTRICT
POSITION SPECIFICATION**

Position	General Manager
Organization	Cambria Community Services District
Location	Cambria, California
Reports to	Board of Directors
Website	www.cambriacsd.org

ABOUT THE DISTRICT

The Cambria Community Services District was formed in 1976, to include water, wastewater, fire protection, lighting, refuse, and parks, recreation, and open space. The CCSD is governed by a five-member Board of Directors elected by Cambria voters for four-year overlapping terms. A special district is a form of local government special to the state of California, set up by unincorporate communities to provide municipal services under local control. The CCSD is primarily funded by a combination of utility fees and property tax revenue.

ABOUT CAMBRIA

The town of Cambria, California is located halfway between San Francisco and Los Angeles on the Central Coast of California, approximately four miles south of Hearst Castle and fifteen miles north of Morro Bay. Cambria is considered one of the most desirable places to live in California. Within thirty minutes of San Luis Obispo and Paso Robles, Cambria offers a quality of life that provides unlimited outdoor amenities, rugged coastlines, rolling hills, clean air, and a moderate climate. Its population as of the 2020 Census is 5,678. The economy is based on tourism and, with a median age of about 60, its demographics are tilted toward retirees. Its income levels are above state and national averages.

Cambria’s local political debates center on a longstanding challenge of seeking adequate resources, especially water, without compromising the area’s environmental values and small-town atmosphere.

ROLE DESCRIPTION

The General Manager serves as the Chief Executive Officer of the District and is accountable to the Board of Directors. The General Manager provides policy guidance to the Board of Directors and management staff and is responsible for implementation and enforcement of all District ordinances, policies, and procedures, the conduct of all financial and human resources activities and the efficient and economical performance of the District’s operations. Along with the Board

president, the General Manager also represents the District before state, local and federal entities as well as members of the public. The General Manager may sub-delegate a function delegated by the Board. However, they still retain responsibility to ensure that any sub-delegated function is carried out appropriately.

PERFORMANCE EXPECTATIONS

Representation of the District and the Cambria Community: Understanding the community's interests and effectively promoting them in all relevant arenas, including government at the local, state and federal levels, media and interactions with the public.

Practices that contribute to this Performance Expectation are:

1. Listening: Requires a commitment to full-time service to Cambria and a willingness to listen to the full range of opinions.
2. Learning: Ability to get up to speed quickly on background material that is crucial to understanding today's issues.
3. Advocating for Cambria: Includes developing collaborative relationships with regulatory agencies and local peers in special district management; being able to articulate the CCSD's positions accurately and cogently, in media and other public venues.
4. Negotiation: Effectively representing the CCSD in bargaining, entering into contracts and other activities that potentially impact taxpayers and ratepayers.

Staff Effectiveness: Promoting the development and performance of employees throughout the organization.

Practices that contribute to this Performance Expectation are:

1. Team Leadership: Facilitating teamwork.
2. Coaching/Mentoring: Providing direction, support, and feedback to enable others to meet their full potential.
3. Empowerment: Creating a work environment that encourages responsibility and decision making at all organizational levels.
4. Delegating: Assigning responsibility to others.

Policy Execution: Assisting the CCSD Board of Directors and other community stakeholders identify, work toward, and achieve common goals and objectives.

Practices that contribute to this Performance Expectation are:

1. Facilitative Leadership: Building cooperation and consensus among and within diverse groups; recognizing interdependent relationships and multiple causes of community issues and anticipating the consequences of policy decisions.
2. Communication: Keeping the public, Board members and other interested parties up to date on status of CCSD activities, plans, regulatory issues and similar matters. Nurturing a "culture of communication" based on continual exchange of information with the public. Being able to clearly and thoroughly explain complex issues to the Board and public, in Staff reports and other venues.

Special District Leadership: Understanding the unique needs of a special district, having long-term vision, experience and familiarity with the regulatory agencies with whom CCSD interacts,

sincere interest in and ability to work cooperatively with these agencies as we maintain and improve our facilities and systems to serve the needs of our customers today and for generations to come in a way that maintains the natural beauty and protects our environmentally sensitive habitat area.

Service Delivery Management: Functional/Operational Expertise: Understanding the basic principles of service delivery in all functional areas (e.g., water, wastewater, fire protection, lighting, refuse, and parks, recreation and open space).

Practices that contribute to this Performance Expectation are:

1. Operational Planning: Anticipating future needs, organizing work operations, and establishing timetables for work units or projects.
2. Quality Assurance: Maintaining a consistently high level of quality in staff work, operational procedures, and service delivery.

Information Technology: Demonstrating an understanding of information technology and ensuring that it is incorporated appropriately in plans to improve service delivery, information sharing, organizational communication, and citizen access.

Financial Analysis: Interpreting financial information to assess the short-term and long-term fiscal condition of the District, determine the cost-effectiveness of programs, and compare alternative strategies.

Budgeting: Reviews and oversees the budget which includes knowledge of budgeting principles and practices, revenue sources, projection techniques, and financial control systems; skill in communicating financial information.

REQUIRED QUALIFICATIONS

EDUCATION/TRAINING

Minimum: Bachelor's degree in public or business administration, management, civil engineering or related field.

Preferred: Master's degree in any of the above.

EXPERIENCE

Minimum: Seven years of management level experience in the areas of staff development, finance/budget, capital projects, personnel management, intergovernmental relations/negotiations and interdepartmental coordination, and three years in the public sector/local government, or any combination of education and experience which would likely provide the necessary knowledge and abilities may be considered.

Preferred: Extensive management experience reporting to an elected board or commission (which has provided a broad knowledge of the operation) of local government in California, along with water-related issues and the operation of a community services district. Experience in dealing with government agencies that oversee permitting and environmental regulation in coastal California is particularly valuable.

CALIFORNIA DRIVER'S LICENSE

Valid California "C" driver's license. Must maintain satisfactory DMV record and ability to maintain insurance.