

**SECOND AMENDMENT TO EMPLOYMENT AGREEMENT
DATED SEPTEMBER 8, 2023**

**Between Las Gallinas Valley Sanitary District
And
Michael Cortez (District Engineer)**

This SECOND AMENDMENT TO EMPLOYMENT AGREEMENT (“Agreement”) is made and entered into this 12th day of MARCH, 2025, by and between the Las Gallinas Valley Sanitary District, a special district, (“District or Employer”) and Michael Cortez, (“Employee”) both of whom understand as follows:

RECITALS

WHEREAS, an Employment Agreement exists between the District and Employee, entered into on the 8^h of September 2023; and

WHEREAS, the Board of Directors approved Resolution No. 2025-2348 to set forth certain compensation premiums for unrepresented employees including management employees; and

WHEREAS, the Employer and Employee wish to amend “**Longevity Pay**” and “**Acting Pay**” benefits in their Employment Agreement to align with language in the resolution; and

WHEREAS, Section 9, Paragraph B of the Agreement provides for modification of the agreement; and

WHEREAS, both Employer and Employee have read this Second Amendment to Employment Agreement and understand its contents fully.

NOW, THEREFORE, in consideration of the foregoing and the provisions and promises hereinafter set forth, the parties agree that “**Section 3: Salary**” paragraphs “**B**” and “**H**” of the Agreement are amended to read in their entirety as follows:

B. Longevity Pay

- i. Management employees first hired by the District prior to July 1, 2016, and continuously employed by the District since that date, are eligible for longevity.
- ii. The Longevity Pay shall be 5.0% of the Employee's base salary at the completion of the 6th year of employment, an additional 3.0% of base salary compounded with the 5.0% at the completion of the 10th year of employment, and a final additional longevity pay of 2.0% of base salary compounded with the 5.0% and 3.0% at the completion of the 15th year. The additional Longevity Pay percentages at the completion of 10th and 15th years are compounding with the previously awarded percentage Longevity Pays, thus following the completion of the 10th year, the Employee will begin to receive 8.15% of Employee's base pay as Longevity Pay, and following the completion of the 15th year, the Employee will begin to receive 10.313% as Longevity Pay. "Year of employment" is the Employee's years of service and is calculated based on the Employee's hire date.

H. In the event that Employee is required to be upgraded to "Acting General Manager" for a period of more than 7 consecutive days, the Employee's pay shall be increased by 5% of base pay beginning on the 8th day. The Acting Pay increase shall continue until the employee is no longer in the position of "Acting General Manager." Subject to CalPERS guidance and the PERL, the 5% "Acting Pay" is only reportable as "Temporary Upgrade Pay" special compensation when (1) the employee is (1) a Classic member; (2) the employee takes over all responsibilities of the General Manager; and (3) the Employee is relieved of all their regular duties while performing as "Acting General Manager."

IN WITNESS WHEREOF, Las Gallinas Valley Sanitary District has caused this Agreement to be signed and executed on its behalf by the General Manager, and duly attested by its District Secretary, and the Employee has signed and executed this Agreement the day and year first above written.



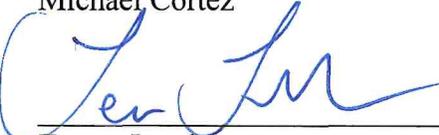
General Manager
Las Gallinas Valley Sanitary District

Date: 03/12/2025



Michael Cortez

Date: 3/11/2025



Teresa Lerch
District Secretary

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