

**GENERAL MANAGER EMPLOYMENT AGREEMENT BETWEEN JASON DAFFORN  
AND THE VALLEY SANITARY DISTRICT**

THIS EMPLOYMENT AGREEMENT ("Agreement") is effective as of June 14, 2023 by and between the Valley Sanitary District, a public agency ("District") and Jason Dafforn ("Employee"), and who are collectively referred to herein as the "Parties."

**RECITALS**

This Agreement is based upon the following facts and/or understandings:

WHEREAS, the District is in need of a General Manager;

WHEREAS, Employee has represented that he/she possesses the professional skills and qualifications necessary to adequately provide the services required of the General Manager position;

WHEREAS, the District desires to hire Employee as General Manager and Employee desires to accept the position of General Manager of the District under the terms and conditions of this Agreement; and

NOW, THEREFORE, in consideration for the promises set forth herein, the receipt and adequacy of which is hereby acknowledged, the Parties hereto agree as follows:

**AGREEMENT**

**SECTION 1 - EMPLOYMENT AND TERM**

1.1 The District hereby agrees to employ Employee, and Employee agrees and does accept at-will employment upon the terms and conditions set forth herein. The effective date of employment shall be June 14, 2023.

1.2 The term of this Agreement shall be for three (3) years, unless sooner terminated or extended by the parties as set forth in this Agreement. In the event that the Board determines that Employee is not to be reemployed upon expiration of this Agreement, he/she shall be given written notice thereof by the District at least two (2) months in advance of the expiration of the term of this Agreement. Should the District fail to give notice at least two (2) months prior to the end date of this Agreement, the Agreement shall be extended on the same terms for additional one-year periods.

**SECTION 2 - DUTIES AND OBLIGATIONS OF EMPLOYEE**

2.1 *Functions of Position.* Employee hereby agrees to perform the functions and duties of the Position as set forth in the applicable job description, the District's Resolutions, Rules, Regulations and Policies, and to perform such other duties and functions as the District and specifically the District's Board of Directors may assign. It is expressly understood that the

terms of this Agreement, including but not limited to those governing termination of employment, supersede any rights conferred by District Resolution, Rules, Regulations or Policies where in contradiction.

2.2 *Allocation of Time/ Outside Commitments.* Employee will focus his/her professional time, ability, and attention to District business during the term of this Agreement. Employee shall not engage in any other business duties or pursuits whatsoever or, directly or indirectly, render any services of a business, commercial, or professional nature to any other person or organization, whether for compensation or otherwise, without the prior consent of the District, except that:

(1) The expenditure of reasonable amounts of time not in conflict with the District's needs and interests, for educational, charitable, community, and professional activities, shall not be deemed a breach of this Agreement and shall not require prior consent.

(2) This Agreement shall not be interpreted to prohibit Employee from making passive personal investments or conducting private business affairs off-duty if those activities do not materially interfere with the services required under this Agreement.

2.3 *Intellectual Property.* All data, studies, reports and other documents prepared by Employee while performing his/her duties pursuant to this Agreement shall be furnished to and become the property of the District, without restriction or limitation on their use. All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other materials either created by or provided to Employee in connection with the performance of this Agreement shall be held confidential by Employee unless disclosed within the scope of her duties. Such materials shall not, without the prior written consent of the District, be used by Employee for any purposes other than the performance of his/her duties. Nor shall such materials be disclosed to any person or entity not connected with the performance of services under this Agreement, except as required by law.

2.4 *Annual Performance Evaluations.* The Board shall review and evaluate the performance of Employee in writing on an annual basis at the second Board meeting of every July. The evaluation will also set forth mutually defined goals to be achieved by the Employee in the subsequent year. The Employee will be provided an adequate opportunity to discuss his/her evaluation with the Board at the Board meeting. Failure of the Board to conduct a performance evaluation shall not prohibit the Board from terminating this Agreement in accordance with Section 5 of this Agreement

### **SECTION 3 – SALARY AND BENEFITS**

3.1 *Salary.* Employee shall be placed at Step 3 of the attached General Manager Salary Schedule compensated at annual salary of Two Hundred Forty Thousand Five Hundred Dollars (\$240,500) which shall be payable in installments at the same time as other employees of the District are paid, pursuant to the procedures regularly established, and as they may be amended by the District. Additionally, each year during the term of this Agreement, Employee will be eligible for a salary increase of up to two (2) tiers on the salary schedule at the discretion of the Board, contingent on a satisfactory annual review by the Board of Directors. Such salary

increase must be approved by a majority of the Board of Directors. All compensation and comparable payments to be paid to Employee shall be less withholdings required by law.

3.2 *Health, Dental & Vision.* Health, dental and vision insurance will be provided at the level available to other employees of the District.

3.3 *Retirement & Deferred Compensation.* The District shall pay costs related to the Employee's membership in CalPERS on the same basis as for other employees and in accordance with the Public Employees' Pension Reform Act (PEPRA). Classic members, such as Employee, participate in CalPERS at a formula of 2.5% at fifty-five (55) years. If Employee elects to participate in the District's deferred compensation plan, the District will match the Employee's annual contribution up to a maximum of Two Thousand and Four Hundred Dollars (\$2,400.00).

3.4 *Life Insurance.* The District shall provide to Employee a group term policy. The value of the policy is one time the annual salary of Employee with a cap of Two Hundred Thousand Dollars (\$200,000.00).

3.5 *Vacation.* Employee shall accrue fifteen (15) days (or 120 hours) of vacation for each year of service. The District may, in its discretion, allow Employee a weekly prorated accrual per week in order to total a fifteen (15) day accrual by year end. Such vacation may be carried over, if not used, and may accumulate to a cap of Two Hundred and Forty (240) hours. Once the accrual cap is reached, the Employee will not accrue additional vacation hours until such time as he/she reduces his/her accrued hours below the cap. Proposed Employee vacation dates must be approved by the Board of Directors in order to best suit District needs.

3.6 *Sick Leave.* Upon execution of this Agreement, Employee will be allotted five (5) days (or 40 hours) of sick leave. Sick leave may be used for any and all purposes outlined in District policy or in compliance with the *Healthy Workplaces, Healthy Families Act*. In addition to the initial five (5) day grant, Employee will accrue sick leave at a rate of eight (8) hours of sick leave per month. Employee may carry over such sick leave from year to year any unused sick leave up to a maximum of nine hundred and sixty (960) hours. Once Employee's accrual reaches nine hundred and sixty (960) hours, he/she will be ineligible to accrue further sick leave until such time as he/she reduces her accrued hours below the cap.

3.7 *Administrative leave.* Upon execution of this Agreement, Employee will be allotted ten (10) days (or 80 hours) of administrative leave away from the office, to be scheduled and used throughout the year to complete administrative tasks and duties without undue office interference. In addition to the initial ten (10) day grant, Employee will be allotted ten (10) days (or 80 hours) of administrative leave away from the office annually. These days off do not accrue, are not subject to carry over, are not subject to any cash-out option, and will not be paid out upon termination of employment.

3.8 *Notice.* Employee agrees to notify the Board President of any days he/she will be absent from the District office.

3.9 *Car Allowance:* Employee shall receive a car allowance in the amount of Five

Hundred Dollars (\$500.00) per month in lieu of receiving mileage reimbursement.

3.10 *Professional development.* The District shall budget and pay for approved professional dues and association memberships necessary for continued participation in approved organizations necessary for Employee's continued professional growth and advancement. The District shall also pay for travel and subsistence expenses (as set out by applicable District policy) for approved professional or official travel, meetings, training, seminars or similar functions.

3.11 *Other benefits pursuant to District policy.* In addition, Employee shall be provided all those benefits for which Employee is eligible pursuant to policies and procedures of District personnel, as may be amended by the District.

#### **SECTION 4- RELOCATION EXPENSES**

4.1 Employee agrees that he/she will reside no further than thirty miles from the District's treatment facility. Understanding that a permanent move will take time, the District will provide Employee with Two Thousand Dollars (\$2,000.00) per month for up to six months to provide for temporary housing while Employee's permanent move is pending. The District also agrees to reimburse Employee for customary and reasonable expenses associated with moving Employee's personal belongings to a home within a thirty-mile radius of the District's treatment facility. Such expenses include, but are not limited to, the rental of a moving truck or hiring of a moving company. Reimbursement will be contingent on the District's approval of the scope of expenses prior to expenditure and will be based on the lowest of three (3) bids obtained by Employee for rental or services. Relocation expenses may not be submitted for reimbursement later than six (6) months following Employee's start of employment, unless approved by the Board.

#### **SECTION 5 - AT-WILL EMPLOYMENT STATUS, TERMINATION OF AGREEMENT AND SEVERANCE PAY**

5.1 *Nature of Employment.* The parties hereby expressly agree that the employment relationship created by the Agreement is "at will" and that Employee serves at the will and pleasure of the District's Board of Directors. Nothing in this Agreement, any Resolution, Statute, Ordinance, Rule or Policy shall prevent, limit or otherwise interfere with the right of the District to terminate the services of Employee at any time without cause or right of notice, Skelly conference, hearing, appeal or grievance. Accordingly, Employee agrees that this Agreement sets forth the only terms and conditions applicable to the termination of his/her employment and that he/she hereby waives any rights he/she would otherwise have thereunder.

5.2 *By the Employee.* The Employee may terminate this Agreement upon written notice to the Board of Directors and shall give thirty (30) days prior notice. The District shall have the option, in its complete discretion, to terminate the Employee any time prior to the end of such notice period, provided the District pays the Employee all compensation due and owing through the last day actually worked, plus an amount equal to the base salary the Employee would have earned through the remainder of the notice period. Thereafter, all the District's obligations under this Agreement shall cease.

5.3 *By the District, Without Cause.* At any time, and without prior notice, the District may terminate the Employee's employment for any reason, with or without cause. In the event the District exercises its right under this provision to terminate employment without cause, the District shall pay Employee all compensation due and owing through the last day actually worked, plus six (6) months of the Employee's salary as of the time of the termination or pursuant to the requirements of Government Code § 53260, an amount equivalent to the remainder of the term of this Agreement, whichever is less. The payment of such severance benefit shall be conditioned upon Employee executing a general release agreement containing a general release of all claims Employee may have against the District at the time of any such termination, in such form as may be reasonably required by Employer's attorney. Such severance benefit shall not be payable unless and until Employee executes such a general release and until expiration of all waiver and rescission rights as provided by law at the time of such termination. Failure by the Employee to satisfy her termination obligations pursuant to Section 5(E) shall nullify the District's obligation to provide severance payment pursuant to this Section. If Employee is convicted of a crime involving an abuse of his/her office or position, whether before or after release from employment, Employee shall fully reimburse the District for any severance pay, paid leave salary disbursed pending an investigation, or legal criminal defense funds relevant to the crime paid for by the District.

5.4 *By the District, For Cause.* At any time, and without prior notice, the District may terminate Employee for Cause (as defined below). The District shall pay Employee all compensation then due and owing; thereafter, all of the District's obligations under this Agreement shall cease. Termination shall be for "cause" if Employee: (1) acts in bad faith and to the detriment of the District; (2) refuses or fails to act in accordance with any specific direction or order of the District; (3) exhibits in regard to his/her employment unfitness or unavailability for service, unsatisfactory performance, misconduct, dishonesty, habitual neglect, or incompetence; (4) is convicted of a crime involving dishonesty, breach of trust, or physical or emotional harm to any person; or (5) breaches any material term of this Agreement.

Upon any allegation that Employee has engaged in conduct that would result in his/her termination "for cause" as defined below, Employee is entitled to address and attempt to rebut those allegations before the Board in a closed session prior to the Board making any final determination regarding the veracity of those allegations. In the event the Board, in its discretion, still finds merit to the allegations and terminates, the Employee shall not be entitled to any severance and will be owed no further compensation.

5.5 *Termination Obligations.* Employee agrees that all property, including, without limitation, all equipment, tangible proprietary information, documents, records, notes, contracts, and computer-generated materials furnished to or prepared by Employee incident to his/her employment belongs to the District and shall be returned promptly to the District upon termination of Employee's employment. Further, any and all debts to the District shall be paid upon termination. Employee's obligations under this subsection shall survive the termination of his/her employment.

## **SECTION 6- OTHER TERMS AND CONDITIONS OF EMPLOYMENT**

6.1 The Board, in consultation with Employee, may set forth in writing any such other terms and conditions of employment as they may determine from time to time, provided such terms and conditions are not inconsistent with or in conflict with the provisions of this Agreement, any regulations, rules, policies or procedures of the District, or other applicable law.

6.2 District agrees that this Agreement shall be binding upon successors and assigns of District.

6.3 In the event of any legal action between the parties to enforce the provisions of this Agreement, the prevailing party shall be entitled to reasonable legal fees and costs incurred in the prosecution or defense of the action.

6.4 If Employee is convicted of a crime involving an abuse of his office or position, Employee would be required to fully reimburse District for any severance benefits provided or any other cash settlement related to his termination, in accordance with Government Code section 53243.2. During any investigation into any misconduct alleged against Employee, if Employee is provided paid administrative leave and is subsequently convicted of a crime involving an abuse of his or her office or position, Employee shall be required to fully reimburse the District any paid leave salary in accordance with Government Code section 53243, as amended. In addition, any funds provided for the legal criminal defense of Employee shall be fully reimbursed to the District if Employee were convicted of a crime involving an abuse of his or her office or position, in accordance with Government Code section 53243.1.

## **SECTION 7- AMENDMENTS**

7.1 This Agreement may not be amended or modified except by a writing signed by both parties. The failure of either party to insist on strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party shall not be deemed a waiver of that term, covenant, or condition, nor shall any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

## **SECTION 8 – GOVERNING LAW**

8.1 This Agreement shall be governed by and construed in accordance with the law of the State of California. Venue shall be appropriate in the Superior Court of Riverside County, California.

## **SECTION 9- INTERPRETATION**

9.1 This Agreement shall be construed as a whole, according to its fair meaning, and not in favor of or against any party. By way of example and not in limitation, this Agreement shall not be construed in favor of the party receiving a benefit nor against the party responsible

for any particular language in this Agreement. Captions are used for reference purposes only and should be ignored in the interpretation of the Agreement. Furthermore, no presumption for or against validity or as to any interpretation hereof, based upon the identity of the drafter shall be applicable in interpreting or enforcing this Agreement.

**SECTION 10-CONFLICT OF INTEREST**

10.1 The Employee agrees that he will abide with all applicable local State and Federal rules on conflicts of interest and receipt of gifts, including without limitation those rules found in the California Fair Political Practices Act and related regulations and those found in Government Code Sections 1090, *et seq.*

**SECTION 11 -ACKNOWLEDGEMENT**

11.1 Employee acknowledges that he has had the opportunity to consult legal counsel in regard to this Agreement, that he has read and understands this Agreement, that he is fully aware of its legal effect, and that he has entered into it freely and voluntarily and based on his own judgment and not on any representations or promises other than those contained in this Agreement.

IN WITNESS WHEREOF, the District has caused this Agreement to be signed and duly executed on its behalf by its Board President, on the 13th day of June, 2023. Employee has accepted the terms and conditions set forth in this Agreement as evidenced by his signature below.

**VALLEY SANITARY DISTRICT**

By: Debra Canero  
BOARD PRESIDENT

Date 6/13/2023

**EMPLOYEE**

By: J. R. H.  
Jason Dafforn

Date 5/24/23