

**THIRD AMENDMENT TO  
AGREEMENT FOR EMPLOYMENT  
OF  
GENERAL MANAGER**

THIS THIRD AMENDMENT TO THE AGREEMENT FOR EMPLOYMENT OF GENERAL MANAGER – MONTEREY REGIONAL WATER POLLUTION CONTROL AGENCY DATED MAY 28, 2015 (“Agreement”) is made and entered into on April 25, 2022, by and between MONTEREY ONE WATER, formerly known as the Monterey Regional Water Pollution Control Agency, a California public agency, hereinafter referred to as “Agency,” and PAUL A. SCIUTO, hereinafter referred to as “Employee,” as follows:

**Recitals**

1. WHEREAS, on May 28, 2015, the Agency hired Employee to serve as the General Manager of the Agency pursuant to the terms and conditions of the Agreement which is attached hereon as Exhibit “A.”
2. WHEREAS, Paragraph 4, subparagraph (a) of the Agreement set forth the annual base salary for Employee.
3. WHEREAS, under the terms of the Agreement, the Board of Directors completes an annual written performance review of Employee and determines whether an increase in base salary is warranted.
4. WHEREAS, in 2017, the Board completed a performance review of Employee, and on August 28, 2017, the Agency and Employee entered into the First Amendment to the Agreement amending Paragraph 4(a) of the Agreement to set the annual base salary for Fiscal Years 2017-18, 2018-19, 2019-20, and 2020-21.
5. WHEREAS, November 28, 2018, the Agency and Employee entered into the Second Amendment to the Agreement amending Paragraph 4(a) of the set the annual base salary effective at the beginning of the 2017-18 fiscal year, with salary increases and related benefits over the next three calendar 2019, 2020, and 2021.
6. WHEREAS, on March 28, 2022, the Board of Directors completed Employee’s performance evaluation and the Parties agree to a set of performance goals which are attached hereto as Exhibit “B” and incorporated herein by reference (“Performance Goals”),
7. WHEREAS, the Parties have completed negotiations on compensation to be paid to Employee under the terms and conditions of the Agreement for the periods calendar year 2022, 2023, and 2024, and have agreed to amend the Agreement based upon the Terms and Conditions set forth below.

**Terms and Conditions**

NOW THEREFORE, in consideration of the foregoing recitals and the mutual agreements contained herein, the Parties hereto agree as follows:

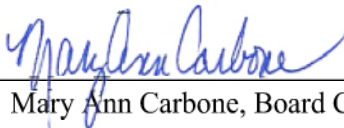
- 1) Paragraph 4, subparagraph a), of the Agreement, as previously amended, is hereby withdrawn and replaced with the following provisions:
- a) Agency agrees to pay Employee for his services rendered pursuant hereto an annual base salary and related benefits over the next three calendar years as follows:
    - i) For Year One, commencing the first pay period of calendar year 2022, the annual base salary of Employee shall be increased to \$290,250. In addition, a \$5,000 bonus shall be paid as deferred compensation to Employee's 457(b) Plan, the timing of the payment directed by Employee. In addition, Employee shall be entitled to receive a bonus at the end of the year in the amount of \$1,000 for each performance goal set forth in the Performance Goals which Employee completes to the satisfaction of the Board of Directors.
    - ii) For Year Two, commencing the first pay period of calendar year 2023, the annual base salary shall be increased consistent with the October San Francisco/Oakland/Hayward CPI Index, with a minimum of 2% and a maximum of 7%, plus a bonus of \$5,000 paid to Employee's 457(b) Plan, the timing of the payment directed by Employee. In addition, Employee shall be entitled to receive a bonus at the end of the year in the amount of \$1,000 for each performance goal set forth in the Performance Goals which Employee completes to the satisfaction of the Board of Directors.
    - iii) For Year Three, commencing the first pay period of calendar year 2024, the annual base salary shall be increased consistent with the October San Francisco/Oakland/Hayward CPI Index, with a minimum of 2% and a maximum of 7%, plus a bonus in the amount of \$5,000 paid to Employee's 457(b) Plan, the timing of the payment directed by the Employee. In addition, Employee shall be entitled to receive a bonus at the end of the year in the amount of \$1,000 for each performance goal set forth in the Performance Goals which Employee completes to the satisfaction of the Board of Directors.

All other terms and conditions set forth in the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the Agency has caused this Third Amendment to Agreement to be signed and executed on its behalf of the Chairman of the Board of Directors, and duly attested to by the Clerk of the Board of Directors, and Employee has signed and executed this Agreement, as of the date first hereinafter set forth.

**MONTEREY ONE WATER**

**EMPLOYEE**

By:   
 Mary Ann Carbone, Board Chair

By:   
 Paul A. Sciuto

**ATTEST:**

**APPROVED AS TO FORM:**

By:   
 Clerk to the Board of Directors

By:   
 Agency Legal Counsel