THIRD AMENDMENT TO EMPLOYMENT AGREEMENT

This THIRD AMENDMENT TO EMPLOYMENT AGREEMENT is entered into as of the 13th day of April, 2025 ("Effective Date"), by and between MOJAVE WATER AGENCY, a self-governing special district formed under California Water Code Appendix Section 97 et seq. ("Employer"), and ADNAN ANABTAWI, an individual ("Employee").

RECITALS

- A. On or about April 13, 2023, Employer and Employee entered into an Employment Agreement ("Agreement") which sets forth the terms and conditions under which Employer would employ Employee to serve as Employer's General Manager.
- B. On or about October 26, 2023, Employer and Employee entered into a First Amendment to Employment Agreement ("First Amendment") which revised various terms and conditions contained in the Agreement.
- C. Effective April 13, 2024, Employer and Employee entered into a Second Amendment to Employment Agreement ("Second Amendment") which further revised various terms and conditions contained in the Agreement.
- D. Employer and Employee wish to further amend the Agreement in the manner set forth herein as of the Effective Date.

COVENANTS

NOW THEREFORE, in consideration of the preceding Recitals and the mutual Covenants contained herein, the parties hereto agree as follows:

Section 1. <u>PERIOD OF EMPLOYMENT</u>. Pursuant to Section 9 of the Agreement, Section 1(a) of the Agreement is hereby amended to provide in full as follows:

"Basic Term. Employer shall employ Employee for a period of five (5) years from the Effective Date until April 12, 2030, unless extended by mutual agreement of Employer and Employee, or Employee is terminated sooner in accordance with Section 4 below. As used herein, the phrase "Employment Term" shall refer to the entire period of employment of Employee by Employer hereunder, whether for the period mentioned above or whether extended or earlier terminated."

Section 2. <u>COMPENSATION</u>. Pursuant to Section 9 of the Agreement, Section 3(a) of the Agreement is hereby amended to provide in full as follows:

"Salary. Employer shall pay Employee a salary at the rate of THREE HUNDRED FORTY-ONE THOUSAND SEVEN HUNDRED SEVENTY-FIVE DOLLARS (\$341,775) per year during the Employment Term beginning April 13, 2025, in accordance with Employer's duly established practices. Thereafter, on each subsequent anniversary thereof, Employee shall receive an annual salary increase of at least five percent (5%) per annum each year during the remainder of the Employment Term. Employer may, but is not obligated to, further adjust Employee's salary as deemed appropriate by Employer's Board of Directors in the exercise of its sole discretion upon completion of its annual review of Employee's job performance during the Employment Term."

Section 3. <u>LOCAL RESIDENCE INCENTIVE</u>. Pursuant to Section 9 of the Agreement, Section 3(i) of the Agreement is hereby added to provide in full as follows:

"Relocation Assistance. Employee shall be entitled to reimbursement from Employer for all applicable relocation costs, including all required non-refundable deposits, moving costs, storage fees, and monthly lease and/or mortgage expenses, not to exceed a total of SEVENTY-FIVE THOUSAND DOLLARS (\$75,000.00). In order to qualify for such reimbursement, Employee must (a) relocate his residency to a location within Employer's service area and provide valid proof of expenses incurred and proof of residency; and (b) incur such reimbursable relocation costs within three (3) years of the Effective Date. Thereafter, in the event that Employee does not maintain his residency within Employer's service area at any time during the Employment Term, Employee's salary may be adjusted accordingly by Employer's Board of Directors to reflect Employee's pro rata return of the relocation assistance furnished herein. Further, if Employee receives relocation assistance from Employer, and then separates from employment with Employer pursuant to Sections 4(d) and 4(f) of the Agreement prior to April 12, 2030, Employee will reimburse Employer a percentage of the relocation assistance paid to Employee by Employer in accordance with the following schedule:

Date of Separation	Reimbursement
On or before April 13, 2028	100%
After April 13, 2028, but on or before April 13, 2029	67%
After April 13, 2029, but on or before April 12, 2030	33%
On or after April 12, 2030	0%"

Section 4. <u>TERMINATION OF EMPLOYMENT</u>. Pursuant to Section 9 of the Agreement, Section 4(c) of the Agreement is hereby amended to provide in full as follows:

"By Employer Not For Cause. Employer may dismiss Employee without cause notwithstanding anything to the contrary contained in or arising from any statements, policies, or practices of Employer relating to the employment, discipline, or termination of its employees. Employer shall pay Employee all compensation then due and owing for the period prior to termination, plus a lump sum cash payment equal to Employee's base salary prorated over the remaining balance of the unexpired Employment Term, or over a period of twelve (12) months, whichever is less, and thereafter all of Employer's obligations under this Agreement shall cease. In no event shall Employee's employment be terminated 120 days prior to, or 120 days following, a general election in which members of Employer's Board of Directors stand for election. Employee shall be entitled to all unused vacation, floating holidays, and administrative leave and Employer shall continue health benefits for twelve (12) months upon termination pursuant to this subsection."

Section 5. STATUS OF AGREEMENT. Except as expressly set forth herein, all other provisions of the Agreement as modified by the First Amendment and Second Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to Employment Agreement to be executed by their respective officers as of the Effective Date.

EMPLOYER

President, Board of Directors

Mojave Water Agency

ATTEST:

kathleen Hoffman

Secretary, Board of Directors

Mojave Water Agency

EMPLOYEE

Adnan Anabtawi