REPORT TO BOARD OF DIRECTORS

DATE: September 18, 2025

REPORT BY: Carlos Arias

SUBJECT: Agreement for Employment of District Manager

RECOMMENDATION:

That the Board of Directors consider and determine whether to approve District Manager At-Will Employment Agreement With Maria Reyna.

EXECUTIVE SUMMARY

The Board of Directors has received notice from current District Manager that he is retiring. The Board has gone through a recruiting process for a District Manager. Based on Maria Reyna's qualifications and ability, the Board desires to employ Maria Reyna to serve as the District Manager for the DISTRICT.

The proposed Agreement is an At-Will Agreement for a one-year term. It includes terms regarding her duties and responsibilities, compensation, benefits, separation, performance evaluations, conflicts of interest, termination, severance pay, and standard contract language. The compensation and benefits terms are described below under Brown Act language. The Agreement also includes Exhibit A "Agreement of Separation, Severance, and General Release.

BROWN ACT ANNOUNCEMENT

The Brown Act requires that prior to taking final action, the Board shall orally report a summary of a recommendation for a final action on the salaries, salary schedules, or compensation paid in the form of fringe benefits of a local agency executive during the open meeting in which the final action is to be taken. It is recommended the Board Chair read the following announcement:

Board Announcement - If approved, the proposed Agreement for Employment of District Manager provides as follows:

- Compensation is \$68,700.00 per year;
- Employee will be entitled to severance if separated without cause;
- Employee is entitled to time off and leaves of absence as set forth in the District's Human Resources Manual.
- Employee shall be entitled to receive the same health and welfare benefits offered by the District to full-time employees, which may include life, health, dental, and vision insurance benefits as approved in the sole discretion of the Board;
- Employee is eligible to participate in the CalPERS retirement Program under the 2% at 62 formula and 3-year formula.

If the Board approves the agreement, the Chair will execute the Agreement between the District and Maria Reyna for the services of District Manager.

AGREEMENT NO. 2025-1

EMPLOYMENT AGREEMENT FOR DISTRICT MANAGER

THIS AGREEMENT is made and entered into and effective on September ____, 2025, by and between the **DEL REY COMMUNITY SERVICES DISTRICT**, a community services district, ("DISTRICT" herein) and **MARIA REYNA** ("EMPLOYEE" herein).

RECITALS

WHEREAS, the current District Manager is Carlos Arias, who has served in this capacity since January 15, 2015; and

WHEREAS, Mr. Arias has informed the Board of Directors of the DISTRICT that it is his intention to retire from his position as District Manager; and

WHEREAS, the Board of Directors has gone through a recruiting process for a District Manager; and

WHEREAS, based on EMPLOYEE's qualifications and ability, the Board of Directors desires to employ EMPLOYEE to serve as the District Manager for the DISTRICT; and

WHEREAS, EMPLOYEE desires to perform and assume responsibility for the provision of District Manager services to the DISTRICT; and

WHEREAS, the Parties wish to establish the terms and conditions of EMPLOYEE's provision of District Manager professional services to DISTRICT through this Agreement; and

WHEREAS, this Agreement will ensure the retention of the EMPLOYEE's services as District Manager and the performance of the duties of the office in a manner which serves the best interests of DISTRICT, subject always to the direction of the Board of Directors.

NOW, THEREFORE, incorporating the foregoing recitals herein, DISTRICT and EMPLOYEE mutually agree as follows:

1. SCOPE OF WORK AND OTHER REQUIREMENTS.

- a. EMPLOYEE agrees to exercise all powers and perform all duties on a "acting" basis set forth in Government Code section 61051 (District Manager), including, but not limited to, the following duties:
- i. The implementation of the polices established by the Board of Directors for the operation of DISTRICT;
- ii. The appointment, supervision, discipline and dismissal of DISTRICT's employees, consistent with the employee relations system established by the Board of Directors (i.e., the "Human Resources Manual", etc.);
- iii. The supervision of DISTRICT's facilities and services; and

- iv. The supervision of DISTRICT's finances.
- b. Additionally, EMPLOYEE agrees to exercise and perform the following duties:
- i. Advise DISTRICT on all issues and activities related to DISTRICT management;
- ii. Perform all duties typical of a District Manager in a community services district run government;
- iii. Enforce and faithfully observe all franchises, contracts, privileges, and permits granted by the Board of Directors;
- iv. Conduct studies and recommend to the Board of Directors administrative reorganization as needed;
- v. Recommend ordinances and the adoption of measures to the Board of Directors for the benefit of DISTRICT;
- vi. Attend all meetings of the Board of Directors;
- vii. Prepare and submit the proposed annual budget and the proposed annual salary plan to the Board of Directors;
- viii. Provide reports to Board of Directors relating to DISTRICT expenditures;
- ix. Make investigations into the affairs of the DISTRICT and any department or division thereof, ensure proper performance of contracts, and investigate all complaints relating to district administration;
- x. Exercise general supervision over all public places and public property under the control and jurisdiction of the Board of Directors;
- xi. Cooperate with all DISTRICT Agencies, Boards and Commissions and attend meetings as necessary;
- xii. Be available to the DISTRICT's Board of Directors, District Counsel, and staff members, by email or telephone, during normal business hours five (5) days per week (Monday-Friday), and in situations as described in Section 2(a) below.
- xiii. Perform all tasks and duties as deemed necessary by the Board of Directors.

2. **EMPLOYMENT**

a. <u>Work Schedule</u>. It is recognized that the District Manager is expected to engage in the hours of work that are necessary to fulfill the obligations of the position, must be

available at all times, and must devote a great deal of time outside the normal office hours to the business of the DISTRICT. EMPLOYEE acknowledges that proper performance of the duties of District Manager will require EMPLOYEE to observe normal business hours (currently 8:00 a.m. to 5:00 p.m., Monday through Friday, including a standard one hour lunch period), as set by the DISTRICT and as may be duly revised from time-to-time by the DISTRICT, and will also often require the performance of necessary services outside of normal business hours. EMPLOYEE's compensation (whether salary or benefits) is not based on hours worked. Furthermore, the District Manager position remains an "exempt" classification under the overtime provisions of the federal Fair Labor Standards Act ("FLSA") and EMPLOYEE shall not be entitled to any compensation for overtime nor subject to such overtime provisions of the FLSA.

- b. <u>FLSA Exempt Status</u>. EMPLOYEE acknowledges and agrees that the District Manager position is that of an exempt employee of the DISTRICT for the purposes of the FLSA.
- c. Other Activities. EMPLOYEE shall focus her professional time, ability, and attention to the DISTRICT's business during the term of this AGREEMENT. EMPLOYEE shall not engage, without the express prior written consent of the Board of Directors, 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, that is or may be competitive with the DISTRICT, that might cause a conflict-of-interest with the DISTRICT, or that otherwise might interfere with the business or operation of the DISTRICT or the satisfactory performance of the functions and duties of the District Manager. EMPLOYEE shall comply with all requirements of law, including but not limited to Sections 87100 et seq., Section 1090 and Section 1126 of the Government Code, and all other similar statutory and administrative rules.
- d. <u>Employment Status</u>. Upon appointment to the District Manager position, EMPLOYEE shall serve at the will and pleasure of the Board of Directors and understands that by accepting the District Manager appointment, she shall be an "at-will" employee and shall be subject to summary dismissal without any right of notice or hearing, including any so-called due process or pre-disciplinary "<u>Skelly</u>" hearing. The DISTRICT may terminate EMPLOYEE at any time in accordance with Section 5(d) below.
- e. <u>Exemption from Personnel System.</u> DISTRICT's Human Resources Manual expressly exempts Executive positions, such as the District Manager position, from the DISTRICT's Personnel System established in Human Resources Manual. EMPLOYEE understands, acknowledges and agrees that EMPLOYEE is exempt from the DISTRICT's Personnel System. Although the EMPLOYEE is exempt from the DISTRICT's Personnel System, EMPLOYEE agrees he must comply with the standards required for DISTRICT employees in the Human Resources Manual including those addressing unlawful harassment, nepotism, use of DISTRICT vehicles, conflicts of interest, confidentiality, off-duty use of DISTRICT facilities (including equipment), use of the DISTRICT telephone, use of cellular phones, DISTRICT ownership of employee work, DISTRICT conduct and ethics, appearance, employee's personal property and privacy, solicitation & distribution, release of information, workplace violence, and any smoking restrictions in effect.

f. <u>DISTRICT Documents</u>. All data, studies, reports and other documents prepared by EMPLOYEE while performing his duties during the term of 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 to the extent permitted by applicable law, except as may be required by any governmental agency or court of competent jurisdiction. Such materials shall not be used by EMPLOYEE, without the prior written consent of the District Board, for any purposes other than the performance of EMPLOYEE's duties. Additionally, no such materials may be disclosed to any person or entity not connected with the performance of services under this AGREEMENT, except as required by (a) law, (b) any governmental agency, (c) subpoena, or (d) an order issued by a court of competent jurisdiction.

3. <u>COMPENSATION AND REIMBURSEMENT</u>

- a. <u>Base Salary</u>. For the services rendered pursuant to this AGREEMENT, EMPLOYEE's annual base salary shall be Sixty-Eight Thousand and Seven Hundred Dollars (\$68,700.00) ("Salary"), which shall be paid on a pro-rated basis twice monthly at the same time as other employees of the DISTRICT are paid, effective the first full pay period after the Effective Date of this AGREEMENT. Such Salary shall be subject to normal and proper tax and other withholdings as determined by state and federal law. Such Salary shall also be subject to any increases required by law.
- b. <u>Salary Review</u>. The Board of Directors and EMPLOYEE agree to endeavor to conduct a Salary review concurrently with the annual performance evaluation set forth in Section 6(b) hereof. Following the annual performance evaluation set forth in Section 6(b) hereof, the Board of Directors may increase EMPLOYEE's base salary and benefits package based on the results of those annual reviews. Any adjustments in the base salary and/or benefits following the annual performance evaluation under Section 6(b) shall be at the sole discretion of the Board of Directors.
- c. <u>Business Expense Reimbursements</u>. DISTRICT shall reimburse EMPLOYEE for all reasonable out-of-pocket expenses incurred while performing the duties described in this Agreement, which may include meals, lodging expenses, and parking fees. EMPLOYEE agrees to cover the expense of his mileage, and EMPLOYEE shall not be eligible for mileage reimbursement unless the travel is specifically approved by the Board of Directors on a case-by-case basis. EMPLOYEE shall submit a receipt and a description of the expenses to DISTRICT within (30) days of the date each expense is incurred as a condition of obtaining reimbursement.
- d. <u>Incidental Expense Reimbursement</u>. DISTRICT agrees to reimburse EMPLOYEE the actual cost of those incidental expenses necessarily incurred by EMPLOYEE while engaged in the business of DISTRICT upon the presentation of an appropriate receipt therefor, including but not limited to expenses incurred related to business lunch meetings. DISTRICT shall not reimburse EMPLOYEE for any alcoholic beverage expenses.

g. <u>Past Due Obligations to District</u>. EMPLOYEE agrees to satisfy any past due obligations to the DISTRICT with respect to charges and penalties due to the DISTRICT within one year of the execution of this AGREEMENT.

4. **TERM**

- a. Commencement & Effective Date. EMPLOYEE shall commence service hereunder at 8:00 a.m. Pacific Daylight Time on the effective date of this Agreement, or such other date/time upon which EMPLOYEE and Board of Directors may mutually agree.
- b. Term. DISTRICT hereby employs EMPLOYEE for an initial term of one (1) calendar year commencing on the AGREEMENT's Effective Date, subject to termination by the Board of Directors or by EMPLOYEE, with or without cause, as hereinafter provided in Sections 4(c) and 4(d), at the conclusion of which this AGREEMENT shall automatically terminate. Additionally, the Term of this AGREEMENT may be extended upon mutual concurrence from the Board of Directors and the EMPLOYEE, as evidenced by a writing signed by both parties.
- c. Termination by EMPLOYEE. EMPLOYEE may terminate this AGREEMENT at any time, provided EMPLOYEE provides the Board of Directors with at least thirty (30) days' advance written notice. In the event EMPLOYEE terminates this AGREEMENT, EMPLOYEE expressly agrees that EMPLOYEE shall not be entitled to any severance pay.
- d. Termination by DISTRICT. The Board of Directors may terminate this AGREEMENT at any time with or without cause, by providing written notice of the reason(s). The Board of Director's right to terminate EMPLOYEE shall not be subject to or in any way limited by the DISTRICT's Human Resources Manual, or any subsequent related resolutions, or past DISTRICT practices related to the employment, discipline or termination of the DISTRICT's employees. EMPLOYEE expressly waives any rights provided for the District Manager under the DISTRICT's Human Resources Manual, District Resolutions or Ordinances, or under other local, state or federal law to any other form of pre- or post-termination hearing, appeal, or other administrative process pertaining to termination. Nothing herein shall be construed to create a property interest, where one does not exist by rule of law in the position of District Manager. Notwithstanding this Section, upon appointment to the District Manager position, EMPLOYEE remains an at-will employee serving at the pleasure of the Board of Directors.
 - i. Termination by DISTRICT for Cause. The DISTRICT may terminate this AGREEMENT at any time by providing EMPLOYEE with five (5) business days' written notice of the termination for cause and the facts and grounds constituting such cause. The term "cause" shall be defined to include any misconduct materially related to performance of official duties, including but not limited to any of the following: 1) breach of this AGREEMENT; 2) willful or persistent material breach of duties; 3) résumé fraud or other acts of material dishonesty; 4) unauthorized absence or leave; 5) conviction of a misdemeanor involving moral turpitude (i.e., offenses contrary to justice, honesty, or morality),

conviction of a misdemeanor DUI, or conviction of a felony under California law (however, the DISTRICT may, in its discretion, place EMPLOYEE on paid or unpaid administrative leave until resolution of charges brought against EMPLOYEE); 6) violation of the DISTRICT's anti-harassment policies and/or a finding that legally prohibited personal acts of harassment against a DISTRICT official or employee or legally prohibited personal acts of discrimination against a DISTRICT official or employee has occurred; 7) violation of the DISTRICT's ordinances, rules, and regulations, including but not limited to the DISTRICT's Human Resources Manual; 8) use or possession of illegal drugs; 9) engaging in conduct tending to bring embarrassment or disrepute to the DISTRICT; 10) any illegal or unethical act involving personal gain; 11) pattern of repeated, willful and intentional failure to carry out materially significant and legally constituted directions or policy decisions of the Board of Directors; 12) gross misfeasance or gross malfeasance; 13) EMPLOYEE's death, or 14) EMPLOYEE's permanent disability if such disability precludes EMPLOYEE from performing his essential job duties for more than (6) cumulative months after attempts at reasonable accommodation pursuant to the Americans with Disabilities Act and/or California's Fair Employment & Housing Act. If the DISTRICT terminates for cause this AGREEMENT and the services of EMPLOYEE hereunder, the DISTRICT shall have no obligation to pay EMPLOYEE any severance.

ii. Termination by DISTRICT Without Cause. By providing EMPLOYEE at least thirty (30) days' prior written notice thereof, the DISTRICT may terminate EMPLOYEE without cause but rather based upon management reasons such as implementing the DISTRICT's goals or policies, including but not limited to: i) change of administration, or ii) incompatibility of management styles. In the event EMPLOYEE is terminated without cause, EMPLOYEE expressly agrees that EMPLOYEE shall not be entitled to any severance pay as the result of the termination of this AGREEMENT except as provided in Section 5 below.

5. **SEVERANCE**

- a. Severance Pay. In the event EMPLOYEE is terminated without cause and EMPLOYEE does not challenge such termination, including but not limited to, by means of appeal or civil or administrative claim or liberty hearing, then DISTRICT shall pay to EMPLOYEE severance as follows, contingent upon the length of EMPLOYEE's service with the DISTRICT:
 - i. 0 5 months: DISTRICT shall pay to EMPLOYEE severance in an amount equal to EMPLOYEE's monthly base salary then in effect multiplied by one quarter (.25), excluding deferred compensation or the value of any other benefits.

- ii. 6 12 months: DISTRICT shall pay to EMPLOYEE severance in an amount equal to EMPLOYEE's monthly base salary then in effect multiplied by one (1), excluding deferred compensation or the value of any other benefits.
- b. In the event that this AGREEMENT expires by its own terms and not by resignation of EMPLOYEE or early termination by DISTRICT, then EMPLOYEE shall not be entitled to any severance.
- c. Notwithstanding any other provision of this section, should such proposed severance payment exceed the amount authorized to be paid under Government Code Section 53260, then the amount paid to EMPLOYEE shall be reduced in the amount necessary to comply with such statute. (Government Code Section 53260 provides that all contracts of employment with a DISTRICT must include a provision limiting the maximum cash settlement for the termination of the contract to the monthly salary (excluding benefits) multiplied by the number of months left on the unexpired term, but not more than eighteen (18) months if the unexpired term exceeds eighteen (18) months.)
- d. No Severance Pay if Termination for Cause or Initiated by EMPLOYEE. As provided in Section 4(d)(i), should EMPLOYEE be terminated for cause, the DISTRICT shall have no obligation to pay the severance provided for in Section 5(a) above. As provided in Section 4(c), should EMPLOYEE initiate termination of this AGREEMENT, the DISTRICT shall have no obligation to pay the severance provided for in Section 5(a) above. As provided in Section 5(a) above, should this AGREEMENT expire by its own terms without early termination by EMPLOYEE or DISTRICT, then the DISTRICT shall have no obligation to pay the severance provided for in Section 5(a).
- e. Sole Rights. The severance rights provided in this section shall constitute the sole and only entitlement of EMPLOYEE with respect to severance pay in the event of the termination, other than for cause or by expiration of the AGREEMENT. EMPLOYEE expressly waives any and all other rights with respect to severance pay except as provided herein. Any and all severance rights are conditioned upon and in consideration for execution of the standard "Agreement of Separation, Severance, and General Release" attached hereto in form only as Exhibit "A."

6. <u>PERFORMANCE EVALUATIONS</u>

- a. Purpose. The performance review and evaluation process set forth herein is intended to provide review and feedback to EMPLOYEE so as to facilitate a more effective management of the DISTRICT. Nothing herein shall be deemed to alter or change the employment status of EMPLOYEE as District Manager (as set forth in Section 3(d) above), nor shall this section be construed as requiring "cause" to terminate this AGREEMENT, or the services of EMPLOYEE hereunder.
- b. Annual Evaluation. Unless waived by EMPLOYEE, the Board of Directors shall conduct a formal or informal review and evaluate the performance of EMPLOYEE, using an evaluation form to be approved by Board of Directors. Such performance review and evaluation shall be conducted not more than 90-days from the

expiration of the one year term of this Agreement, and in accordance with the purpose noted in Section 6(a) above.

c. Written Summary. The Board of Directors may, at its sole discretion, elect to provide a written summary of each performance evaluation to EMPLOYEE within four (4) weeks following the conclusion of the performance review and evaluation process, and may, at its sole discretion, schedule at least one (1) Board of Directors closed session with EMPLOYEE to deliver and discuss the evaluation.

7. <u>BENEFITS AND OTHER COMPENSATION.</u>

- a. Time Off And Leaves Of Absence. EMPLOYEE shall be entitled to time off and leaves of absences as set forth in the DISTRICT's Human Resources Manual.
- b. Health and Welfare Benefits. EMPLOYEE shall be entitled to receive the same health and welfare benefits offered by the DISTRICT to full-time employees, which may include life, health, dental and vision insurance benefits as approved in the sole discretion by the Board of Directors.
- c. Benefits Mandated by Law and Regulations. EMPLOYEE shall be entitled to receive the same benefits offered by the DISTRICT to full-time employees as set forth in Section 3 of the DISTRICT's Human Resources Manual.
- d. Retirement Plan. EMPLOYEE is a "new member" as defined by CalPERS and as mandated by the Public Employees' Pension Reform Act of 2013, and shall be eligible to participate in the DISTRICT's CalPERS Retirement Program with the 2% at 62 formula and 3-Year Average formula. EMPLOYEE shall be responsible for the full member contribution for EMPLOYEE's CalPERS retirement plan.
- 8. NO GIFTS OF VALUE. The California Political Reform Act, Government Code §§ 81000 et. seq., which applies to local officials such as EMPLOYEE, establishes a gift limit on the total value of gifts public officials may receive from a single source during the calendar year. As of January 1, 2025, the annual limit is Six Hundred and Thirty Dollars (\$630). Gifts are defined as any payment or other benefit provided to an official that confers a personal benefit for which the official does not provide goods or services of equal or greater value.

Based on the limits imposed by the Political Reform Act, EMPLOYEE is hereby prohibited from accepting gifts greater than \$630 in a single calendar year from a single source, including but not limited to DISTRICT residents, employees, contractors, businesses or anyone seeking to do business with DISTRICT. The Political Reform Act also requires that EMPLOYEE's receipt of gifts totaling Fifty Dollars (\$50) or more from a single source during the calendar year be disclosed on a Statement of Economic Interests.

9. <u>INDEMNIFICATION</u>. For the purpose of indemnification and defense of legal actions, EMPLOYEE shall be considered an employee of DISTRICT and entitled to the same rights and subject to the same obligations as are provided for all other employees of DISTRICT as set forth in Sections 825 through 825.6 and Sections 995 throughout 996.6 of the California Government Code. EMPLOYEE shall indemnify and hold harmless DISTRICT from all

liability for loss, damage or injury to person or property resulting from the gross negligence or willful misconduct of EMPLOYEE.

DISTRICT will not indemnify EMPLOYEE for the defense of an action or proceeding in the following circumstances, unless it determines the defense would be in the best interests of DISTRICT and that EMPLOYEE acted, or failed to act, in good faith, without actual malice and in the apparent interests of DISTRICT:

- 1. DISTRICT will not indemnify EMPLOYEE for the defense of an action or proceeding brought by DISTRICT to remove, suspend or otherwise penalize EMPLOYEE, or an appeal to a court from an administrative proceeding by DISTRICT to remove, suspend, or otherwise penalize EMPLOYEE.
- 2. DISTRICT will not indemnify EMPLOYEE for the defense of an administrative proceeding brought against EMPLOYEE, including but not limited to, instances where the proceeding is brought on account of an act or omission in the scope of EMPLOYEE's employment as an employee of DISTRICT, unless the Board of Directors determines the defense would be in the best interests of DISTRICT.
- 3. DISTRICT will not indemnify EMPLOYEE for the defense of an action or proceeding brought by DISTRICT against EMPLOYEE as an individual, and not in his official capacity, or an appeal therefrom.
- 10. <u>NO WAIVER OF DEFAULT</u>. The failure of any party to enforce against another party any provision of this Agreement shall not constitute a waiver of that party's right to enforce such a provision at a later time, and shall not serve to vary the terms of this Agreement.
- 11. **GOVERNING LAW**. The laws of the State of California will govern the validity of this Agreement, its interpretation and performance. Any litigation arising in any way from this Agreement shall be brought in Fresno County, California.
- 12. **FURTHER ASSURANCES**. Each party shall execute and deliver such papers, documents, and instruments, and perform such acts as are necessary or appropriate, to implement the terms of this Agreement and the intent of the parties to this Agreement.
- 13. **NOTICES**. All notices relative to this Agreement shall be given in writing and shall be personally served or sent by certified or registered mail and be effective upon depositing in the United States mail or upon personal service. The parties shall be addressed as follows, or at any other address designated by notice:

DISTRICT:

DEL REY COMMUNITY SERVICES DISTRICT

P.O. Box 186

Del Rey, California, 93616

EMPLOYEE:

MARIA REYNA

Address set forth in EMPLOYEE's Personnel File. If no address is in the

Notices shall be deemed given as of the date of personal service or upon the date of deposit in the course of transmission with the United States Postal Service.

- 14. <u>ASSIGNMENT</u>. Neither this Agreement, nor any interest in it, may be assigned or transferred by any party without the prior written consent of all the parties. Any such assignment will be subject to such terms and conditions as DISTRICT may choose to impose.
- 15. **BINDING EFFECT**. The rights and obligations of this Agreement shall inure to the benefit of, and be binding upon, the parties to the contract and their heirs, administrators, executors, personal representatives, successors and assigns, and whenever the context so requires, the masculine gender and includes the feminine and neuter, and the singular number includes the plural. This Agreement may be executed in any number of counterparts, each of which shall be considered as an original and be effective as such.
- 16. **EXHIBITS**. In the event of a conflict between the terms, conditions or specifications set forth in this Agreement and those in exhibits attached hereto, the terms, conditions, or specifications set forth in this Agreement shall prevail. All exhibits to which reference is made in this Agreement are deemed incorporated in this Agreement, whether or not actually attached.
- 17. <u>MERGER AND MODIFICATION</u>. This contract sets forth the entire Agreement between the parties and supersedes all other oral or written representations. This Agreement may be modified only in a writing approved by the Board of Directors and signed by all the parties.
- 18. **PARTIAL INVALIDITY**. If any provision in this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force without being impaired or invalidated in any way.
- 19. **EXECUTION**. This Agreement is effective upon execution retroactive to the Effective Date. It is the product of negotiation and all parties are equally responsible for authorship of this Agreement. Section 1654 of the California Civil Code shall not apply to the interpretation of this Agreement.
- 20. <u>NON-INTEREST</u>. With the exception of EMPLOYEE, no officer or employee of the DISTRICT shall hold any interest in this Agreement (California Government Code § 1090).
- 21. <u>ACKNOWLEDGEMENT</u> OF STATUTES THAT MAY AFFECT EMPLOYMENT RELATIONSHIP. Assembly Bill 1344, which was subsequently enacted as Government Code §§ 53243 53243.4, sought to provide greater transparency in local government and institute certain limitations on compensation paid to local government executives. These statutes also require that contracts between local agencies and its employees include provisions requiring an employee who is convicted of a crime involving an abuse of his office or position to provide reimbursement to the local agency. These statutes are incorporated herein by reference. Accordingly, the Parties agree that it is their mutual intent to fully comply

with these Government Code sections and all other applicable law as it exists as of the date of execution of this AGREEMENT and as such laws may be amended from time to time thereafter. Specifically, the following Government Code sections are called out and hereby incorporated by this AGREEMENT:

- § 53243. Reimbursement of paid leave salary required upon conviction of crime involving office or position.
- § 53243.1. Reimbursement of legal criminal defense upon conviction of crime involving office or position.
- § 53243.2. Reimbursement of cash settlement upon conviction of crime involving office or position.
- § 53243.3. Reimbursement of noncontractual payments upon conviction or crime involving office or position.
 - § 53243.4. "Abuse of office or position" defined.

EMPLOYEE represents that EMPLOYEE has reviewed, is familiar with, and agrees to comply fully with each of these provisions if any of these provisions are applicable to EMPLOYEE, including that EMPLOYEE agrees that any cash settlement or severance related to a termination that EMPLOYEE may receive from the CITY shall be fully reimbursed to the local agency if EMPLOYEE is convicted of a crime involving an abuse of EMPLOYEE's office or position.

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22. <u>INDEPENDENT LEGAL ADVICE</u>. The DISTRICT and EMPLOYEE represent and warrant to each other that each has received legal advice from independent and separate legal counsel with respect to the legal effect of this AGREEMENT, or had the opportunity to do so, and the DISTRICT and EMPLOYEE further represent and warrant that each has carefully reviewed this entire AGREEMENT and that each and every term thereof is understood and that the terms of this AGREEMENT are contractual and not a mere recital. This AGREEMENT shall not be construed against the Party or its representatives who drafted it or who drafted any portion thereof.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed, the day and year first-above written.

"DISTRICT"	"EMPLOYEE"
By:	By: Maria Reyna
Date: September, 2025	Date: September, 2025
WITNESSED:	
By:Eileen Hernandez Office Assistant	
APPROVED AS TO FORM:	
By: Michael R. Linden, Esq. Aleshire & Wynder, LLP	

District Counsel

EXHIBIT A

AGREEMENT OF SEPARATION, SEVERANCE, AND GENERAL RELEASE

1. PARTIES

This Agreement of Separation, Severance, and General Release (hereinafter referred to as the "AGREEMENT") is entered into by and between the by and between the **DEL REY COMMUNITY SERVICES DISTRICT**, a community services district ("DISTRICT" herein), and **MARIA REYNA**, an individual ("EMPLOYEE" herein).

2. <u>RECITALS</u>

- 2.1. EMPLOYEE was hired by the DISTRICT as an at-will District Manager effective on or about September _____, 2025 serving at the pleasure of the Board of Directors of the DISTRICT pursuant to a written contract, a copy of which is attached hereto as Exhibit "A" ("THE CONTRACT").
- 2.2. The DISTRICT and EMPLOYEE desire that EMPLOYEE separate from employment with the DISTRICT and enter into a severance agreement whereby EMPLOYEE receives severance compensation in exchange for executing a general release and waiver of any and all claims that EMPLOYEE may have against the DISTRICT, including but not limited to, its elected and non-elected officials, employees, attorneys, and agents. Accordingly, the parties hereto intend by this AGREEMENT to mutually conclude any and all employment relationships between the DISTRICT and EMPLOYEE by means of EMPLOYEE's separation by means of as of _______, _____. This AGREEMENT sets forth the full and complete terms and conditions concluding EMPLOYEE's employment relationship with the DISTRICT and any obligations related thereto, including any provided under THE CONTRACT.
- 2.3 In accordance with this AGREEMENT and with applicable state and federal laws, EMPLOYEE acknowledges that EMPLOYEE has been advised of EMPLOYEE's post-employment rights, including but not limited to, EMPLOYEE's rights under the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA"), the Employee Retirement Income Security Act of 1974 ("ERISA"), and the Health Insurance Portability and Accountability Act of 1996 ("HIPAA").

3. <u>CONSIDERATION</u>

- 3.1 EMPLOYEE shall receive payment to him at the time of his voluntary separation all earned salary, accrued fringe benefits as detailed in THE CONTRACT, and/or all other wage compensation/benefits owed to EMPLOYEE upon separation of employment, as required by state, federal or municipal law or THE CONTRACT or any other agreement with the DISTRICT.
- 3.2. In exchange for the waivers and releases set forth herein, the DISTRICT shall cause to be paid to EMPLOYEE an additional compensatory payment as severance pay by means of a lump sum payment of _____ and ___ cents (\$_____.00), as set forth in THE CONTRACT in the form of a check made payable to EMPLOYEE to be mailed to

EMPLOYEE at EMPLOYEE's home address via certified mail return receipt requested within thirty (30) business days after the EFFECTIVE DATE (as defined below) of this AGREEMENT. The lump sum payment shall be subject to applicable state and federal withholdings as determined appropriate by the DISTRICT.

3.3 In exchange for the severance payment provided for herein, EMPLOYEE, and on behalf of EMPLOYEE's spouse, heirs, representatives, successors, and assigns, hereby releases, acquits, and forever discharges the DISTRICT, and each of its predecessors, successors, assigns, officials, employees, representatives, agents, insurers, attorneys, and all persons and entities acting by, through, under, or in concert with any of them, and each of them (hereinafter referred to as "the DISTRICT PARTIES"), from any and all claims, charges, complaints, contracts, understandings, liabilities, obligations, promises, benefits, agreements, controversies, costs, losses, debts, expenses, damages, actions, causes of action, suits, rights, and demands of any nature whatsoever, known or unknown, suspected or unsuspected, which EMPLOYEE now has or may acquire in the future, or which EMPLOYEE ever had, relating to or arising out of any act, omission, occurrence, condition, event, transaction, or thing which was done, omitted to be done, occurred or was in effect at any time from the beginning of time up to and including (hereinafter referred to collectively as "CLAIMS"), without regard to whether such CLAIMS arise under the federal, state, or local constitutions, statutes, rules or regulations, or the common law. EMPLOYEE expressly acknowledges that the CLAIMS forever barred by this AGREEMENT specifically include, but are not limited to, claims based upon any alleged breach of THE CONTRACT or any other agreement of employment, any demand for wages, overtime or benefits, any claims of violation of the provisions of ERISA, COBRA or HIPAA, any alleged breach of any duty arising out of contract or tort, any alleged wrongful termination in violation of public policy. any alleged breach of any express or implied contract for continued employment, any alleged employment discrimination or unlawful discriminatory act, or any claim or cause of action including, but not limited to, any and all claims whether arising under any federal, state or local law prohibiting breach of employment contract, wrongful termination, or employment discrimination based upon age, race, color, sex, religion, handicap or disability, national origin or any other protected category or characteristic, and any and all rights or claims arising under the California Labor Code or Industrial Welfare Commission Wage Orders, the Federal Fair Labor Standards Act, the California Fair Employment and Housing Act, California Government Code §§ 12, 900 et seq., the Americans With Disabilities Act, Title VII of the Civil Rights Act of 1964, the Public Safety Officers Procedural Bill of Right Act, and any other federal, state, or local human rights, civil rights, or employment discrimination or employee rights statute, rule, or regulation. Nothing herein shall be interpreted as a release or waiver of any workers' compensation claims or in any way prohibit or prevent EMPLOYEE from participating in any claims or administrative action brought by a state or federal agency. Furthermore, nothing herein shall be interpreted as a release or waiver of the DISTRICT's statutory obligations relative to providing defense and indemnification of public employees, if any, including but not limited to Government Code Sections 825-825.6 and Sections 995-996.6.

4. <u>SPECIFIC ACKNOWLEDGMENT OF WAIVER OF CLAIMS UNDER ADEA AND OWBPA</u>

The Age Discrimination in Employment Act of 1967 (hereinafter referred to as the "ADEA") makes it illegal for an employer to discharge any individual or otherwise discriminate

with respect to the nature and privileges of an individual's employment on the basis that the individual is age forty (40) or older. The Older Workers Benefit Protection Act (hereinafter referred to as the "OWBPA," 29 U.S.C. § 626, et. seq., Pub L 101-433, 104 Stat. 978 (1990)) further augments the ADEA and prohibits the waiver of any right or claim under the ADEA, unless the waiver is knowing and voluntary. By entering into this AGREEMENT, EMPLOYEE acknowledges that EMPLOYEE knowingly and voluntarily, for just compensation in addition to anything of value to which EMPLOYEE was already entitled, waives and releases any rights he may have under the ADEA and/or OWBPA. EMPLOYEE further acknowledges that EMPLOYEE has been advised and understands, pursuant to the provisions of the ADEA and OWBPA, that:

- (a) This waiver/release is written in a manner understood by EMPLOYEE;
- (b) EMPLOYEE is aware of, and/or has been advised of, EMPLOYEE's rights under the ADEA and OWBPA, and of the legal significance of EMPLOYEE's waiver of any possible claims EMPLOYEE currently may have under the ADEA, OWBPA and/or similar age discrimination laws;
- (c) EMPLOYEE is entitled to a reasonable time of at least twenty-one (21) days within which to review and consider this AGREEMENT and the waiver and release of any rights EMPLOYEE may have under the ADEA, the OWBPA and similar age discrimination laws; but may, in the exercise of EMPLOYEE's own discretion, sign or reject this AGREEMENT at any time before the expiration of the twenty-one (21) days;
- (d) The waivers and releases set forth in this AGREEMENT shall not apply to any rights or claims that may arise under the ADEA and/or OWBPA **after** the EFFECTIVE DATE of this AGREEMENT;
- (e) EMPLOYEE has been advised by this writing that EMPLOYEE should consult with an attorney <u>prior</u> to executing this AGREEMENT;
- (f) EMPLOYEE has discussed this waiver and release with, and been advised with respect thereto by, EMPLOYEE's counsel of choice or at least had the opportunity to do so, and EMPLOYEE represents by signing this AGREEMENT that EMPLOYEE does not need any additional time within which to review and consider this AGREEMENT;
- (g) EMPLOYEE has **seven (7) days following EMPLOYEE's execution** of this AGREEMENT to revoke the AGREEMENT;
- (h) Notice of revocation within the seven (7) day revocation period must be provided, in writing, to the DISTRICT pursuant to Paragraph 8.9 herein, and must state, "I hereby revoke my acceptance of our Agreement of Severance and General Release;" and
- (i) This AGREEMENT shall not be effective until all parties have signed the AGREEMENT and ten (10) days have passed since EMPLOYEE's execution of same ("EFFECTIVE DATE").

5. UNKNOWN CLAIMS

In relation to the release provisions of Paragraphs 3 and 4 above, EMPLOYEE understands that California Civil Code section 1542 reads as follows:

"General Release--Claims Extinguished"

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his or her settlement with the debtor."

EMPLOYEE hereby waives the protection of California Civil Code section 1542.

6. WAIVER OF ADDITIONAL CLAIMS

EMPLOYEE hereby waives any provisions of state or federal law that might require a more detailed specification of the claims being released pursuant to the provisions of Paragraphs 3, 4, and 5 above.

7. REPRESENTATIONS AND WARRANTIES

Each of the parties to this AGREEMENT represents and warrants to, and agrees with, each other party as follows:

- 7.1. Advice of Counsel: The parties hereto have received independent legal advice from their respective attorneys concerning the advisability of entering into and executing this AGREEMENT or have been given the opportunity to obtain such advice. The parties acknowledge that they have been represented by counsel of their own choice in the negotiation of this AGREEMENT, that they have read this AGREEMENT; that they have had this AGREEMENT fully explained to them by such counsel, or have had such opportunity to do so and that they are fully aware of the contents of this AGREEMENT and of its legal effect.
- 7.2. No Fraud in Inducement: No party (nor any officer, agent, employee, representative, or attorney of or for any party) has made any statement or representation or failed to make any statement or representation to any other party regarding any fact relied upon in entering into this AGREEMENT, and neither party relies upon any statement, representation, omission or promise of any other party in executing this AGREEMENT, or in making the settlement provided for herein, except as expressly stated in this AGREEMENT.
- 7.3. <u>Independent Investigation</u>: Each party to this AGREEMENT has made such investigation of the facts pertaining to this settlement and this AGREEMENT and all the matters pertaining thereto, as it deems necessary.
- 7.4. <u>Mistake Waived</u>: In entering into this AGREEMENT, each party assumes the risk of any misrepresentation, concealment or mistake. If any party should subsequently discover that any fact relied upon by it in entering into this AGREEMENT was untrue, or that any fact was concealed from it, or that its understanding of the facts or of the law was incorrect, such

party shall not be entitled to any relief in connection therewith, including without limitation on the generality of the foregoing any alleged right or claim to set aside or rescind this AGREEMENT. This AGREEMENT is intended to be, and is, final and binding between the parties, regardless of any claims of misrepresentation, promise made without the intent to perform, concealment of fact, mistake of fact or law, or any other circumstance whatsoever.

- 7.5. <u>Later Discovery</u>: The parties are aware that they may hereafter discover claims or facts in addition to or different from those they now know or believe to be true with respect to the matters related herein. Nevertheless, it is the intention of the parties that EMPLOYEE fully, finally and forever settle and release all such matters, and all claims relative thereto, which do now exist, may exist or have previously existed against the DISTRICT or the DISTRICT PARTIES. In furtherance of such intention, the releases given here shall be, and remain, in effect as full and complete releases of all such matters, notwithstanding the discovery or existence of any additional or different claims or facts relative thereto.
- 7.6. <u>Indemnification</u>: EMPLOYEE agrees to indemnify and hold harmless the DISTRICT or the DISTRICT PARTIES from, and against, any and all claims, damages, or liabilities sustained by them as a direct result of the violation or breach of the covenants, warranties, and representations undertaken pursuant to the provisions of this AGREEMENT. EMPLOYEE understands and agrees that EMPLOYEE shall be exclusively liable for the payment of all taxes for which EMPLOYEE is responsible, if any, as a result of EMPLOYEE's receipt of the consideration referred to in Paragraph 3 of this AGREEMENT. In addition, EMPLOYEE agrees fully to indemnify and hold the DISTRICT PARTIES harmless for payment of tax obligations as may be required by any federal, state or local taxing authority, at any time, as a result of the payment of the consideration set forth in Paragraph 3 of this AGREEMENT.
- 7.7. <u>Future Cooperation</u>: EMPLOYEE shall execute all such further and additional documents as shall be reasonable, convenient, necessary or desirable to carry out the provisions of this AGREEMENT. EMPLOYEE shall provide the DISTRICT with consultation services (including deposition or trial testimony) in any litigation involving the DISTRICT which is reasonably related to acts or occurrences transpiring during EMPLOYEE's employment.
- 7.8. <u>Return of Confidential Information and Property</u>: Prior to the separation assistant or designated employee, all District keys, equipment, passwords, computer identification cards or codes, and other equipment or materials or confidential documents provided to or obtained by EMPLOYEE during the course of EMPLOYEE's employment with the DISTRICT.
- 7.9 No Pending Claims and/or Actions: EMPLOYEE represents that EMPLOYEE has not filed any complaints or charges against the DISTRICT or the DISTRICT PARTIES with any local, state or federal agency or court; that EMPLOYEE will not do so at any time hereafter for any claim arising up to and including the EFFECTIVE DATE of this AGREEMENT; and that if any such agency or court assumes jurisdiction of any such complaint or charge against the DISTRICT or the DISTRICT PARTIES on behalf of EMPLOYEE, whenever or where ever filed, EMPLOYEE will request such agency or court to withdraw from the matter forthwith. Nothing herein shall be interpreted as a release or waiver of any workers' compensation claims or in any way prohibit or prevent EMPLOYEE from participating in any claims or administrative action brought by a state or federal agency.

- 7.10. Ownership of Claims: EMPLOYEE represents and warrants as a material term of this AGREEMENT that EMPLOYEE has not heretofore assigned, transferred, released or granted, or purported to assign, transfer, release or grant, any of the CLAIMS disposed of by this AGREEMENT. In executing this AGREEMENT, EMPLOYEE further warrants and represents that none of the CLAIMS released by EMPLOYEE thereunder will in the future be assigned, conveyed, or transferred in any fashion to any other person and/or entity.
- 7.11 <u>Enforcement Fees and Costs</u>: Should any legal action be required to enforce the terms of this AGREEMENT, the prevailing party shall be entitled to reasonable attorneys' fees and costs in addition to any other relief to which that party may be entitled.
- 7.12 <u>Authority</u>: Each party represents to the other that it has the right to enter into this AGREEMENT, and that it is not violating the terms or conditions of any other AGREEMENT to which they are a party or by which they are bound by entering into this AGREEMENT. The parties represent that they will obtain all necessary approvals to execute this AGREEMENT. It is further represented and agreed that the individuals signing this AGREEMENT on behalf of the respective parties have actual authority to execute this AGREEMENT and, by doing so, bind the party on whose behalf this AGREEMENT has been signed.

8. MISCELLANEOUS

- 8.1. <u>No Admission</u>: Nothing contained herein shall be construed as an admission by the DISTRICT of any liability of any kind. The DISTRICT denies any liability in connection with any claim and intends hereby solely to avoid potential claims and/or litigation and buy its peace.
- 8.2. <u>Governing Law</u>: This AGREEMENT has been executed and delivered within the State of California, and the rights and obligations of the parties shall be construed and enforced in accordance with, and governed by, the laws of the State of California.
- 8.3. <u>Full Integration</u>: This AGREEMENT is the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous oral and written agreements and discussions. This AGREEMENT may be amended only by a further agreement in writing, signed by the parties hereto.
- 8.4. <u>Continuing Benefit</u>: This AGREEMENT is binding upon and shall inure to the benefit of the parties hereto, their respective agents, spouses, employees, representatives, officials, attorneys, assigns, heirs, and successors in interest.
- 8.5. <u>Joint Drafting</u>: Each party agrees that it has cooperated in the drafting and preparation of this AGREEMENT. Hence, in any construction to be made of this AGREEMENT, the parties agree that same shall not be construed against any party.
- 8.6. <u>Severability</u>: In the event that any term, covenant, condition, provision or agreement contained in this AGREEMENT is held to be invalid or void by any court of competent jurisdiction, the invalidity of any such term, covenant, condition, provision or agreement shall in no way affect any other term, covenant, condition, provision or agreement and the remainder of this AGREEMENT shall still be in full force and effect.

- 8.7. <u>Titles</u>: The titles included in this AGREEMENT are for reference only and are not part of its terms, nor do they in any way modify the terms of this AGREEMENT.
- 8.8. <u>Counterparts</u>: This AGREEMENT may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with other signed counterparts, shall constitute one AGREEMENT, which shall be binding upon and effective as to all parties.
- 8.9. <u>Notice</u>: Any and all notices given to any party under this AGREEMENT shall be given as provided in this paragraph. All notices given to either party shall be made by certified or registered United States mail, or personal delivery, at the noticing party's discretion, and addressed to the parties as set forth below. Notices shall be deemed, for all purposes, to have been given and/or received on the date of personal service or three (3) consecutive calendar days following deposit of the same in the United States mail.

DISTRICT:	DEL REY P.O. Box 186 Del Rey, Califor		SERVICES	DISTRICT
•	Copy to: Michael R. Lind Aleshire & Wyn 2440 Tulare Stre Fresno, CA 9372	ider, LLP eet, Suite 410		
EMPLOYEE:	MARIA REYN	A		
		n in EMPLOYEE's l el File, notice ma e.		
IN WITNES executed, the day and year f	SS WHEREOF, the irst-above written.	ne parties hereto hav	ve caused this Ag	greement to be
"DISTRICT"		"EMPLOYEE	222	
By: Daniel Ramirez, Presid Board of Directors		By: Maria Re	yna	
Date:	_	Date:	***************************************	
WITNESSED:				
By:				

APPROVED AS TO FORM:

By: Michael R. Linden, Esq.
Aleshire & Wynder, LLP
District Counsel