

EMPLOYMENT AGREEMENT
BETWEEN THE MONTEREY COUNTY WATER RESOURCES AGENCY
AND ARA AZHDERIAN

THIS AGREEMENT OF EMPLOYMENT (“Agreement”) is entered into as of the date set forth below by and between the MONTEREY COUNTY WATER RESOURCES AGENCY (“MCWRA”), and Ara Azhderian (“Employee” or “Azhderian”), and collectively, the “Parties”.

RECITALS

WHEREAS, MCWRA is a public agency organized and operating under the County Water District Law codified at Division 12, section 30000, *et seq.*, Chapter 52 of the California Water Code Appendix; and

WHEREAS, following a thorough recruitment process in April 2023, the MCWRA Board of Supervisors, upon recommendation of the MCWRA Board of Directors, selected Ara Azhderian to perform the duties of General Manager of the MCWRA; and

WHEREAS, Azhderian entered into a three-year Employment Agreement with MCWRA, effective April 24, 2023, through April 24, 2026; and,

WHEREAS, the Parties now desire to again set forth the terms of the employment arrangements in a new Agreement.

TERMS

In consideration of the foregoing recitals and other good and valuable consideration, the receipt of which is hereby acknowledged by each party, the Parties agree as follows:

1. **Employment.** Subject to the terms and conditions of this Agreement and any and all applicable federal, state, and local laws, rules, regulations, policies, practices, and procedures, MCWRA hereby re-employs Azhderian as the MCWRA General Manager. Azhderian accepts such employment subject to the terms of this Agreement.
2. **Employment Policies, Practices and Procedures.** Except to the extent that they are inconsistent with the terms and conditions of this Agreement, all County of Monterey and MCWRA employment policies, practices, and procedures, including, but not limited to, policies, practices, and procedures pertaining to promotion, discipline, grievances, layoff, and payment and provision of compensation, benefits, and retirement, shall control. In the event of any inconsistency between the terms of this Agreement and County/MCWRA personnel policies, practices, and procedures, the provisions of this Agreement shall control.

3. **Term of Agreement.** This Agreement shall be in full force and effect on April 24, 2026, and shall remain in full force and effect until December 31, 2031, unless otherwise terminated or altered pursuant to the terms of this Agreement. Azhderian shall continue the duties of MCWRA General Manager on April 24, 2026. If so desired by the Parties, the MCWRA Board of Supervisors and Azhderian may negotiate a new employment agreement subject to mutually agreeable terms and provisions at any time.

4. **Compensation and Employee Benefits.**

A. **Compensation and Benefits:** Salary upon assumption of the duties of the MCWRA General Manager will remain at Step 7 of the County of Monterey's current Salary Schedule for the classification of General Manager - Water Resources Agency, which is \$28,131 per month or \$ \$337,572 annually. Upon completion of a compensation and classification study, if the results indicate that the Employee's salary is below market or warrants adjustment, the Employee may initiate contract negotiations, subject to the mutual agreement of the Parties. Employee is entitled to the same salary changes and advances as other "Y" unit Monterey County employees. Employee recognizes that he is a full-time executive-level employee, expected to work normal business hours and, without additional compensation, often in excess of normal business hours.

B. **Executive Management Benefits:** Employee shall be entitled to benefits of employment generally available to executive management officers and employees of the County of Monterey, as described on the attached Employee Benefit Summary (Exhibit A), and as generally available to Y-Unit executive management officers and employees of MCWRA, including, but not limited to, annual leave, professional leave, administrative leave, holidays, retirement, medical insurance (health, dental, and vision), vehicle allowance, management expense allowance, professional expense allowance, and cell phone allowance. The benefits described in this Section are subject to adjustment by the Board of Supervisors of MCWRA in accordance with County of Monterey policies, practices, and procedures relating to the executive management officers and employees of the County of Monterey and MCWRA.

C. **Business Expenses:** Employee's reasonable business expenses, when incurred within the course and scope of the performance of the duties of the MCWRA General Manager, shall be reimbursed in accordance with the then-current applicable County of Monterey and MCWRA policies and procedures.

5. **Term, Termination, and Status.**

A. **Status of Employee – At-Will:** In executing this Agreement, Employee specifically acknowledges that his employment status pursuant to this Agreement, and state law is "At-Will" subject only to the terms and conditions contained or

specifically referenced herein. It is expressly agreed by the parties hereto that no work, act, commission, or omission of the Employee, MCWRA, or the County of Monterey shall be construed to make or render the employee's status anything but "At Will." "At-Will" shall mean serving at the pleasure of the MCWRA Board of Supervisors, which service and employment may be terminated at any time, for any reason, and/or for no reason.

B. Termination by Notice: This Agreement may be terminated at any time in the following manner:

1. By mutual agreement of the Parties as set forth in writing;
2. By Employee giving MCWRA not less than ninety (90) days' advance written notice of termination; or
3. By MCWRA giving written notice of termination to Employee which termination shall be effective immediately upon the giving of notice or on such other date specified in the notice of termination. If this Agreement is terminated pursuant to this paragraph 5.B.3., MCWRA shall pay Employee severance in an amount equal to six (6) months' base pay, or pay through December 31, 2031, whichever is less.

C. Outside Employment: No outside employment shall be undertaken by Employee that does or may present a conflict of interest, or that has or may have the appearance of a conflict of interest with the duties and obligations of the Employee under the provisions of this Agreement. No outside employment may be undertaken without the consent of the Chair of the MCWRA Board of Supervisors.

6. Notices.

In the event that notice must be given under the terms of this Agreement, such notices shall be delivered personally or by first-class, postage prepaid mail, to MCWRA and Azhderian at the addresses listed below, or at such other addressees that either MCWRA or Azhderian may designate, in writing.

Monterey County Water Resources Agency
Attention: Chair of the Board of Supervisors
168 W. Alisal St.
Salinas, CA 93901-2680

Ara Azhderian



7. Evaluations.

The MCWRA Board of Supervisors, the MCWRA Board of Directors, and Azhderian have jointly developed goals and objectives that form the basis for Azhderian's performance evaluation. In June 2026, the MCWRA Board of Supervisors will perform a performance evaluation.

The MCWRA Board of Supervisors shall evaluate Azhderian's performance as MCWRA General Manager at intervals of approximately six (6) months commencing in approximately December 2026. The MCWRA Board of Supervisors shall perform Azhderian's annual evaluation each June and mid-year evaluation each December. Evaluations may be undertaken more frequently at the discretion of Azhderian or the MCWRA Board of Supervisors. Azhderian shall be reviewed at least annually by the MCWRA Board of Directors by no later than June each year.

8. General Provisions.

- A. Compliance with Applicable Law.** The Parties shall comply with all applicable federal, state, and local laws, rules, regulations, policies, practices, and procedures in performing this Agreement.
- B. Discrimination, Sexual Harassment, Workplace Violence and Other County Policies:** MCWRA and the County of Monterey have policies that prohibit discrimination in any of its forms, including sexual harassment, and which forbid violence in the workplace or anywhere else having a nexus with the workplace. Employee's signature on this Agreement constitutes Employee's promise to remain informed regarding such policies and to fully comply therewith. Employee shall comply with all MCWRA and County regulations, ordinances, policies, and procedures as adopted or amended from time to time, whether referenced in this Agreement or not.
- C. Conflicts of Interest:** Azhderian represents that he presently has no interest, and agrees not to acquire any interest during the term of this Agreement, which would directly, or indirectly, conflict in any manner or to any degree with the full and complete performance of the professional services required under this Agreement. In addition, Azhderian shall, at all times, comply with the California Political Reform Act and its associated regulations.
- D. Review and Execution of Agreement.** Each party acknowledges that it has had the opportunity to read this Agreement and to consult with legal counsel of its choice concerning the terms, conditions, obligations, duties, and responsibilities set forth in this Agreement, and that each party executes this Agreement based on its own analysis and not upon the representations of the other party.
- E. Amendment:** This Agreement may be amended or modified only by an instrument in writing signed by MCWRA and Employee.

F. Waiver: A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms or conditions in this Agreement.

G. Governing Law: This Agreement shall be governed by and interpreted under the laws of the State of California.

H. Integration: This Agreement represents the entire Agreement between MCWRA and Azhderian with respect to the subject matter of this Agreement and shall supersede all prior negotiations, representations, or agreements, either written or oral, between MCWRA and Azhderian as of the effective date of this Agreement.

I. Incorporation of Exhibits and Recitals: All exhibits and recitals referred to in this Agreement are an integral part of this Agreement and are incorporated in this Agreement by this reference as though at this point set forth in full.

J. Severability: The invalidity or partial invalidity of any portion of this Agreement will not affect the validity of any other provision. In the event that any provision of this Agreement is held to be invalid in a court of law, the remaining provisions shall be deemed to be in full force and effect as if they had been executed by both parties subsequent to the expungement or judicial modification of the invalid provision.

IN WITNESS WHEREOF, the Parties have executed this day and year written below.

Dated: April X, 2026

By: _____

Wendy Root-Askew, Chair
Monterey County Water Resources Agency Board of
Supervisors

Dated: April X, 2026

By: _____

Ara Azhderian

APPROVED AS TO FORM:

Susan Blich
County Counsel

EXHIBIT A

DRAFT

EMPLOYEE BENEFITS SUMMARY

UNIT Y (Executive Management - Safety & Non-Safety)

Pays

Paydays: Biweekly on Fridays

Longevity Pay:

10 years of County service	2.5%
15 years of County service	3.5%
20 years of County service	5.5%

Professional Development Stipend: \$450

Monthly Expense Allowance: \$100 Department Heads, \$75 All other Y unit classes.

Monthly Automobile Allowance: \$375

Holidays and Leaves

Paid Holidays: 13 Paid Holidays

Floating Holiday: 1 day per calendar year

Professional Leave: 10 days per calendar year

Paid Leave:

Type of Paid Leave: Annual Leave

Years of Completed Continuous County Service	Accrual
Zero to 2 years	23 days
After 2 years	25 days
After 6 years	27 days
After 10 years	30 days
After 15 years	32 days
After 18 years	33 days
After 20 years	34 days
After 25 years	37 days

Maximum Accrued Leave: 850 hours

Cash Out Per Calendar Year:

- Permanent Employees with 1-9 Year of Service: Up to 140 hours.
- Permanent Employees over 10 Years of Service: Up to 180 hours.

Insurance

Health Insurance: A cafeteria-style benefit plan is available to eligible employees and dependents. The County offers a variety of pre-tax and post-tax options, including medical, dental, and vision insurance. Coverage is effective the 1st of the month following the date of hire, subject to timely enrollment.

County Healthcare Contribution:

The County's contribution toward CalPERS health insurance will be the minimum contribution as required by CalPERS plus the fixed elective contribution as indicated in the corresponding PPPR. The [Employee Health Rates](#) will vary based on the employee's selected health plan.

Medical: CalPERS Health Insurance Program

- Preferred Provider Organization (PPO): Pers Gold, Pers Platinum, PORAC (Safety Members)
- Health Maintenance Organization (HMO): Kaiser Permanente, Anthem Select, Blue Shield Access+

Dental: County of Monterey Dental Plan

- \$2,000 annual max. per covered person
- Orthodontia - \$1,500 lifetime max. per covered person

Vision: County of Monterey Vision Plan

- Exam, lenses, and frames available every 12 months
- \$220 allowance for frames and contacts

Life Insurance:

\$50,000 Group-Term Life

Retirement

Retirement Plan: [California Public Employees' Retirement System \(CalPERS\)](#). CalPERS will have the final determination of Classic vs. PEPRA membership.

Members	Retirement Formula	Employee Share of Cost	Final Compensation
PEPRA Misc. (hired on or after 1/1/13)	2% @ 62	7%	*36-Month Highest Average
Classic Misc. (hired prior to 1/1/13)	2% @ 55	7%	*12-Month Highest Average
PEPRA Safety (hired on or after 1/1/13)	2.7% @ 57	12.75%	*36-Month Highest Average
Classic Safety (hired on or after 11/5/11)	3% @ 55	9%	*36-Month Highest Average
Classic Safety (hired prior to 11/5/11)	3% @ 50	9%	*12-Month Highest Average

*Subject to [CalPERS compensation limits](#) based on Classic vs. PEPRA membership.

Deferred Compensation 457(b) Plan: Newly hired employees are automatically enrolled at a rate of 1% of pre-tax salary and increased by 1% each year up to a 10% contribution rate. All employees may voluntarily participate at any time.

Defined Contribution 401 (a) Plan: The County's monthly contribution will be \$100 effective January 2027

Flexible Benefits

Flexible Spending Account (FSA): Employee may contribute up to the IRS limit, on a pre-tax basis.

Dependent Care Assistance Program (DCAP): Employee may contribute up to \$7,500 annually per household, on a pre-tax basis.

Other Benefits

Employee Assistance Program (EAP): The EAP offers confidential counseling, legal, financial, and referral services to employees and members of their household.

Employee Physicals: Full-time employees may receive a reimbursement of up to \$300.00 for a physical examination every year.

Assist to Own Program: Up to 5.5% in down payment assistance through Golden State Finance Authority to purchase a primary home.

- **Social Security (Safety):** No
- **Social Security (Non safety):** Yes
- **Medicare:** Yes
- **Disability Insurance:** County paid Short-Term & Long-Term plan.

Scan this QR code to visit the County of Monterey Employee Benefits website for more information:



PLEASE NOTE: The information listed above is intended to provide a general summary of benefits available to Monterey County employees and is not legally binding. The benefits to which an individual is entitled vary depending on bargaining unit. For additional information, contact Employee Benefits at 831-755-5116 opt. 4.