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**SAUSALITO MARIN CITY SANITARY DISTRICT (SMCSD)**

# GENERAL MANAGER EMPLOYMENT AGREEMENT

This Agreement is made and entered into on June 2, 2026, by and between the Sausalito Marin City Sanitary District (hereinafter "SMCSD") and Kevin Rahman (hereinafter "General Manager").

SMCSD desires to employ the services of Kevin Rahman as General Manager for SMCSD on the terms pursuant to the express understandings more specifically set forth hereinafter.

## SECTION I – Employment and Term of Office

SMCSD agrees to employ Kevin Rahman as General Manager to perform the functions and duties of said office as specified in the job description for General Manager on file with SMCSD. This Agreement shall become effective on July 11, 2026, and shall continue until amended and/or terminated by either party as herein provided.

The District desires that the General Manager be on premise daily to manage employees from the District office, and except for duties as prescribed by the General Manager job description that necessitate working out of office, it will be the expectation that the General Manager's daily work will be performed at the District's main office.

## SECTION II – Compensation

Effective July 11, 2026, General Manager shall receive a monthly salary of $24,500. Salary is to be paid at the same intervals and in the same manner as other District employees.

In each year of this Agreement, the General Manager and the District shall jointly establish performance measures for the General Manager to achieve in the applicable year and provide the General Manager with an annual performance evaluation. To the extent possible, the Board should attempt to complete the evaluation by the end of June of each year. At the discretion of the Board a merit increase or bonus for performance may be provided annually following the General Manager's performance review.

## SECTION III – Benefits

For CALPERS retirement the General Manager shall be entitled to the District's "miscellaneous" 2.7% at 55 CALPERS retirement plan, with benefits provided under the District's contract with CALPERS set forth in Government Code Sections 20024.2 (One Year Final Compensation), 21361.5 (Local System Service Credit Included in Basic Death Benefit), 20862.8 (Credit for Unused Sick Leave) and 20615.5 (Employer Paid Member Contribution Converted to Pay Rate During the Final Compensation Period). General Manager will make the CALPERS EPMC contributions consistent with District Resolution No. 990.

For Health Insurance the District will pay up to the Bay Area Kaiser Plan rate. General Manager will be eligible for retiree health insurance consistent with, and to the extent eligible under, the vesting

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program under District Resolution No. 865 and Government Code Section 22893. The District shall pay the premiums for dental and vision insurance up to the employee plus family rate.

For Life, AD&D and disability Insurance the District shall pay the premium for Fifty Thousand Dollars ($50,000) term life insurance with accidental death and dismemberment (AD&D) coverage. The District shall pay the full premium for long term disability insurance and twenty-five percent (25%) of the premium for short term disability insurance.

**SECTION IV – Leaves of Absences**

General Manager shall accrue, and may use, up to two hundred forty (240) hours of paid vacation annually. The District Personnel Rule 31 – Leaves of Absence, adopted by Board Action on April 4, 2016 applies to the General Manager accrual and use of vacation, sick leave and other types of leaves of absences.

**SECTION V – Holidays**

General manager shall receive Holidays as described in District Personnel Rule 30 – Holidays as adopted by Board Action on April 4, 2016.

**SECTION VI – Vehicle Use**

For making use of his personal vehicle for his District related business, General Manager shall receive an auto allowance of Four Hundred Fifty Dollars ($450) each month.

**SECTION VII – Deferred Compensation Contribution**

SMCSD shall contribute 7% of the Manager's annual salary to the General Manager's 457 deferred compensation program.

**SECTION VIII – Professional Associations and Conferences**

SMCSD will allow and pay the reasonable cost of professional association memberships, conferences, and subscriptions on behalf of the General Manager, which are reasonably necessary and desirable for his continued professional participation, growth, and advancement.

**SECTION IX – Outside and other Professional Activities**

General Manager agrees to devote all of his professional time and attention to the District's business during the term of this Employment Agreement. The General Manager may engage in teaching, consulting, speaking, or other non-District business for which compensation is paid only with the advance written approval of the District Board President.

**SECTION X – Other Fringe Benefits**

Beyond the specific benefits provided in this Employment Agreement, General Manager shall be afforded the same benefits as provided to other District employees as set forth in current

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memorandum of understanding, Personnel Rules and Standard Procedures, except that any salary increases and/or cost of living increases are not to be applied except as adjusted by the Board under section II of this agreement.

**SECTION XI – Termination, Resignation and Severance**

Nothing contained in this agreement shall in any way prevent, limit, or otherwise interfere with the right of the Board to terminate services of the General Manager. The General Manager is an at-will employee who at all times serves at the pleasure of the Board. The Board may remove the General Manager at any time, either with or without cause, and with or without notice, except as otherwise provided by law. Termination of the General Manager's services, however, is subject to the following provisions:

A. In the event the District involuntary terminates this Agreement without "cause," General Manager will be paid an amount equal to his monthly gross salary for six (6) months. In addition, the District shall pay the General Manager for the cost of COBRA coverage for the same period of six (6) months. In exchange for severance, General Manager agrees to cooperate with the District in the transition of his duties to a new or interim General Manager. To be eligible for full payment of the severance and COBRA coverage, General Manager agrees to sign a general and full release of all claims against the District, including without limitation its current and former elected officials, officers, agents and employees, in a form satisfactory to the District Board.

B. In the event the General Manager resigns his position following a formal suggestion by the District, through its Board, that he do so, the General Manager may at his option, be deemed to have been involuntarily terminated and entitled to receive the above benefits.

C. In the event that the General Manager is terminated for cause the Board shall have no obligation to pay any of the above termination benefits.

   "Cause" shall include: (1) conviction of a felony or misdemeanor involving moral turpitude; (2) the occurrence of an event disqualifying the General Manager from public office or causing a forfeiture of office under State Law; (3) continued abuse of non-prescription drugs or alcohol that materially affects the performance of the General Manager's duties, subject to the limits of any applicable disability protections; (4) willful abandonment of duties or repeated and protracted unexcused absences from the General Manager's office and duties; (5) acceptance of employment from another source which is inconsistent with full time employment as the District's General Manager; or (6) any material breach of this Agreement.

D. In the event the General Manager resigns his position with SMCSD, General Manager agrees to provide 60 days written notice to the District Board. If the General Manager resigns his employment, he shall not be entitled to any severance pay or continued compensation or benefits except as otherwise required under state or federal law.

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**SECTION XII – Indemnification**

Regardless of if or how the General Manager's employment with the District may be terminated, the District shall defend, hold harmless, and indemnify the General Manager in connection with any actual or potential legal action, claim, demand, investigation, or similar event arising out of an alleged negligent act or omission occurring in the performance of the General Manager's duties in accordance with the provisions of California Government Code section 810 et seq. The General Manager will cooperate in good faith with the District with respect to the defense of such claims, demands or legal actions.

Pursuant to Government Code section 53243, et seq., if the General Manager is convicted of a crime involving an abuse of his office or position, all of the following shall apply upon final conviction: (1) if the General Manager is provided with administrative leave pay pending an investigation, the General Manager shall be required to fully reimburse such amounts paid; (2) if the District, in its discretion, pays for the criminal legal defense of the General Manager, the General Manager shall be required to fully reimburse such amounts paid; and (3) if the General Manager is provided with any severance pay and/or settlement pay, the General Manager shall be required to reimburse such pay. For purposes of this Section, "abuse of office or position" shall be as defined under California Government Code section 53243.4.

**SECTION XIII – General Provisions**

A. Integration. This Agreement sets forth and establishes the entire understanding between the District and the General Manager relating to the employment of the General Manager by the District. Any prior discussions or representations by or between the parties are merged into and rendered null and void by this Agreement. The parties by mutual written agreement may amend any provision of this Agreement during the life of the Agreement. Such amendments shall be incorporated and made a part of this Agreement.

B. Binding Effect. This Agreement shall be binding on the District and the General Manager as well as their heirs, assigns, executors, personal representatives and successors in interest.

C. Parity in Construing Agreement. This Agreement and any ambiguities or uncertainties herein, or the documents referenced herein, shall be equally and fairly interpreted and construed without reference to the identity of the party preparing this document or the documents referred to herein, on the express understanding and agreement that the parties participated equally in the negotiation and preparation of this Agreement and any documents referred to herein, or have had equal opportunity to do so.

D. 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, the remaining provisions shall be deemed to be in full force and effect as if they have been executed by both parties subsequent to the expungement or judicial modification of the invalid provision.

E. Governing Law. The validity, interpretation, effect, and enforcement of this Agreement shall be governed by the laws of the State of California.

Dated: 6/3/2026

By: Signed by: Kevin Rahman
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KEVIN RAHMAN
General Manager
Sausalito Marin City Sanitary District

Dated: 6/3/2026

By: DocuSigned by:
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DAN RHEINER
President of the Board
Sausalito Marin City Sanitary District

APPROVED AS TO FORM:

By: DocuSigned by: Benjamin L. Stock
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Benjamin L. Stock
Burke, Williams & Sorensen, LLP
District Counsel
Sausalito-Marin City Sanitary District