

## **RESIGNATION, SEVERANCE, AMENDMENT, AND RELEASE AGREEMENT**

This Resignation, Severance, Amendment, and Release Agreement (“Agreement”) is entered into between the San Diego County Water Authority (“Water Authority”) on the one hand, and Maureen Stapleton (“Ms. Stapleton” or “Employee”) on the other. Ms. Stapleton and the Water Authority are collectively referred to as the “Parties,” or individually as a “Party.”

### **RECITALS**

A. Ms. Stapleton has been employed by the Water Authority as General Manager since December of 1995, pursuant to the terms and conditions in an at-will employment contract and all of its amendments (collectively, the “General Manager Employment Agreement”). Among other things, this Agreement serves to amend the General Manager Employment Agreement.

B. Ms. Stapleton and the Water Authority jointly desire to consensually allow for Ms. Stapleton’s resignation and retirement as General Manager of the Water Authority, all under the terms stated in this Agreement.

C. Ms. Stapleton desires to continue, until her resignation date, to be employed by the Water Authority while using already earned vacation time and/or sick leave.

D. The Parties jointly desire that Ms. Stapleton resign from employment effective July 25, 2020 (or earlier if there is an Early Termination, as defined below), and after that point she will no longer be a Water Authority employee.

E. Between the Effective Date (defined below) and the date of Ms. Stapleton’s Separation Date (defined below), the parties jointly desire to allow the Water Authority to name an Acting Interim General Manager, and to also allow the Water Authority to search for, and hire, a new General Manager.

F. To effectuate the desires of both Parties, and as addressed in detail herein, this Agreement serves to: (a) accept Ms. Stapleton’s resignation as General Manager of the Water Authority effective on July 25, 2020 (or at Early Termination, as defined below); (b) allow Ms. Stapleton to go on what is often called by some employers “terminal leave” prior to the effective date of her resignation on July 25, 2020; and (c) allow the Water Authority to rely on Ms. Stapleton’s leave status and her announced resignation date to engage one or more interim Acting General Manager(s), and to search for and hire a new General Manager.

NOW THEREFORE, and in consideration for the promises contained herein, and other good and valuable consideration, receipt of which is acknowledged by the execution of this Agreement, it is agreed by and between Ms. Stapleton and the Water Authority as follows:

1. Effective Date. The Effective Date of this Agreement shall be the later of the following: (1) the eighth day immediately following Ms. Stapleton’s signing of this Agreement; or (2) the day on which the Agreement is fully executed.

2. Resignation/Retirement, and Interim Relinquishment of Role as Acting General Manager. Ms. Stapleton hereby freely and voluntarily agrees to, and hereby in this Agreement submits, her irrevocable resignation/retirement from and relinquishment of the position of General Manager of the Water Authority, effective at 6:00 p.m. on July 25, 2020 (or an earlier date specified as Early Termination, as defined below), and the Board of Directors hereby accepts such resignation and relinquishment (the "Resignation"). Ms. Stapleton's Resignation from the position of General Manager is irrevocable, cannot be set aside, and Ms. Stapleton agrees that she waives any right to be returned to the position of General Manager or any other position at the Water Authority. The Parties agree that the General Manager Employment Agreement is mutually terminated effective as of the Separation Date (defined below). Ms. Stapleton agrees that she is not, and shall not be, entitled to severance pay pursuant to the General Manager Employment Agreement, or otherwise, and will not be paid any severance pay. Ms. Stapleton also agrees that between the Effective Date and the date of Resignation, Ms. Stapleton will continuously use her accrued vacation time and/or sick leave such that she will not again be an Acting General Manager at the Water Authority. Ms. Stapleton agrees that the Water Authority may immediately appoint an Acting General Manager to serve during the period between the Effective Date and the Resignation. Ms. Stapleton agrees and understands that her status of being on leave, and thus inactive, means she will no longer be in charge of Water Authority matters, attend Water Authority meetings or functions, act as an authorized agent of the Water Authority, instruct staff, or perform the other duties of an acting General Manager. Ms. Stapleton understands and agrees that one or more Acting General Managers will be performing all the normal duties, functions, and activities of General Manager at the Water Authority during the Interim Period described below. If the Board Chair requests in writing that Ms. Stapleton provide advice or assistance to the Acting General Manager in the Interim Period defined below, and if she is available, Ms. Stapleton will do so at her normal base rate of pay under this Agreement (and will not be charged vacation or sick leave time for such work time).

3. New General Manager. Ms. Stapleton understands and agrees that the Water Authority may immediately after the Effective Date: (a) engage in a search for a new General Manager; (b) appoint a new Acting General Manager; and (c) hire a new General Manager to take over as Acting General Manager, and also as General Manager as of the date of Resignation. Ms. Stapleton understands and agrees that the Water Authority is entitled to rely, and is relying, on her commitments in this Agreement so as to allow the Water Authority to engage in such search and hiring. If Ms. Stapleton chooses to go on leave before the Effective Date, this Agreement does not prevent the Water Authority, under normal policies and procedures, naming an Acting General Manager for the period between such date and the Effective Date.

4. Interim Period. The Interim Period is defined as the period beginning with the Effective Date until an "Early Termination" (defined below), or until July 25, 2020, whichever of the foregoing events occurs first. During the Interim Period, Ms. Stapleton will receive her normal base monthly compensation of \$26,265.72 (minus applicable taxes and required and authorized deductions), and shall also receive all normal employee benefits for persons using their sick leave/vacation time, such as insurances, CalPERS, etc., with only the exceptions noted below. Ms. Stapleton will be paid in accordance with the Water Authority's regular payroll schedule. Because Ms. Stapleton will not be actively working (absent a written request from the Board Chair, as noted above), she agrees she will not be paid: (a) a vehicle or cell phone allowance; (b) costs of a bi-annual physical evaluation, (c) membership dues of any kind; (d)

any additional deferred compensation; or (e) severance pay of any kind. Ms. Stapleton retains the right to elect to discontinue voluntary authorized deductions such as United Way and the Employees Association, and to take a portion of her base pay and put it in standard Water Authority deferred compensation plans consistent with standard Water Authority policies.

5. Use of Accrued Vacation and Sick Time. During the Interim Period, Ms. Stapleton agrees to continuously use her vacation and/or sick leave time that she accrued as General Manager (collectively, "Leave"). Ms. Stapleton agrees to provide medical certification to support the use of any sick leave during the Interim Period, consistent with standard Water Authority policies.

6. Early Termination. An Early Termination shall occur if: (a) before July 25, 2020, Ms. Stapleton provides written notice to the Water Authority Board Chair that she is resigning from the Water Authority effective on a date prior to July 25, 2020, or (b) before July 25, 2020, Ms. Stapleton has used up all of her vacation time, and is not able to use further sick leave because she is not in a condition that would allow for use of sick leave under standard Water Authority sick leave policies. Nothing in this Agreement shall be construed as requiring Ms. Stapleton to stay employed by the Water Authority until July 25, 2020. The Agreement can be terminated by the Water Authority in the event Ms. Stapleton materially breaches the Agreement, or by Ms. Stapleton in the event the Water Authority materially breaches this Agreement. In the event that the Water Authority materially breaches this Agreement, the release contained in Paragraphs 2, 7 and 10 of this Agreement related to Ms. Stapleton's claim for severance under the General Manager Employment Agreement with the Water Authority would be void, and any remaining accrued and unused vacation and/or sick pay will be payable immediately.

7. Separation From Water Authority Employment. Ms. Stapleton's employment with the Water Authority shall end the earlier of: (a) the date of Early Termination; or (b) July 25, 2020 (the earlier of which shall be deemed the "Separation Date" and the date of her Resignation). Ms. Stapleton hereby agrees that such Separation Date and her Resignation are not reversible, are non-revocable, are not otherwise subject to change, and that she will no longer be an employee of the Water Authority after the Separation Date, but will be officially separated from the Water Authority as of the Separation Date. Ms. Stapleton also agrees she has no right or entitlement to, and will not receive, severance pay of any kind at Separation or otherwise. If, as of her Separation Date, Ms. Stapleton has not used all of her Leave, she will be paid for all unused Leave consistent with standard Water Authority policies for a retirement.

8. Water Authority Access. Because Ms. Stapleton will be using her Leave, and will be inactive, she shall remove all her personal items from the Water Authority, and shall turn over all her Water Authority access cards, both no later than close of business on March 1, 2019. The emails received at Ms. Stapleton's Water Authority email address(es) will be redirected to one or more other senior management employees of the Water Authority for operational purposes, and Ms. Stapleton will not have further access to those email addresses. Ms. Stapleton shall provide e-mail and home addresses at which she may be contacted to General Counsel Mark Hattam.

9. Opportunity for Counsel. Ms. Stapleton was advised, and by this Agreement is again advised in writing, to consult with an attorney prior to executing this Agreement. Ms.

Stapleton has had an opportunity to discuss this Agreement with, and to be advised regarding this Agreement, by an attorney of her choice, and does not need any additional time within which to review and consider this Agreement.

10. Waivers and Releases.

A. **No Admission of Liability.** This Agreement and compliance with this Agreement shall not in any way be construed as an admission by the Water Authority or Ms. Stapleton of any unlawful acts or other liability whatsoever against each other or against any other person or entity. The Water Authority and Ms. Stapleton specifically disclaim any liability to, against each other, or against any other person or entity, on the part of themselves, any related person or any related predecessor corporation or its or their agents, representatives or successors in interest and assigns. This Agreement cannot be used by a Party to demonstrate any admission of wrongdoing by another Party, other than enforcing the terms of this Agreement.

B. **Ms. Stapleton's Release of Claims.** To the fullest extent allowed by law, Ms. Stapleton hereby and forever releases and discharges the Water Authority, and its past or present Board members, directors, officers, governing body, employees, agents, predecessors, attorneys, divisions, departments, representatives, insurers, successors in interest and assigns, and all persons acting by, through, under or in concert with any of them (collectively, the "Releasees"), from any and all causes of action, judgments, liens, indebtedness, damages, losses, claims, liabilities, and demands of whatsoever kind or character, known or unknown, suspected to exist or not suspected to exist, anticipated or not anticipated, whether or not it has been brought before any state or federal court or before any state or federal agency or other governmental entity, that arise from or are related or attributable in whole or in part to: (1) Ms. Stapleton's employment with the Water Authority as General Manager; (2) Ms. Stapleton's relinquishment of and resignation from the position of General Manager; and (3) the General Manager Employment Agreement.

Ms. Stapleton understands and agrees that she is waiving any rights she has, may have had, or may have, to pursue any and all remedies available to her under any employment-related or other cause of action against any of the Releasees, including, without limitation, any claims for discrimination, harassment and/or retaliation, claims under the California Fair Employment and Housing Act (California Government Code section 12900, et seq.), the California Family Rights Act (California Government Code section 12945.2), the Unruh and George Civil Rights Acts (California Civil Code section 51, et seq.), all provisions of the California Labor Code and any wage orders or similar directives or authorities issued by any federal or state authority having enforcement powers, the Constitution of the United States, the Constitution of the State of California, Title VII of the Civil Rights Act of 1964 (42 U.S.C. § 2000e, et seq.), the Age Discrimination in Employment Act (29 U.S.C. § 621, et seq.), the Equal Pay Act (29 U.S.C. § 206(d)), the Fair Labor Standards Act (29 U.S.C. § 201, et seq.), the Family and

Medical Leave Act (29 U.S.C. § 2601, et seq.), the Employment Retirement Income Security Act of 1974 (29 U.S.C. § 1001, et seq.), Sections 1981-88 of Title 42 of the United States Code (42 U.S.C. § 1981, et seq.), the American with Disabilities Act (42 U.S.C. § 12101, et seq.), claims of retaliation or whistle-blowing (including but not limited to California Labor Code section 1102.5, et seq. and Government Code section 12653), claims for breach of any type of contract, including written, oral or implied and, including, but not limited to the breach of any covenant, promise or representation pertaining to (1) Ms. Stapleton's employment with the Water Authority as General Manager; (2) Ms. Stapleton's relinquishment of and resignation from the position of General Manager; (3) the General Manager Employment Agreement, whether expressed or implied, and all other claims arising in contract, tort or equity or under any other statute, whether federal, state or local up to the date of execution of this Agreement.

Ms. Stapleton understands and agrees that this Agreement, to the fullest extent allowed by law, extends to all disputes or claims of every nature and kind, known or unknown, suspected or unsuspected, past, present or future, arising from or attributable to her employment as General Manager, or her stepping down from that position and her Resignation. Ms. Stapleton understands and expressly agrees that this Agreement also extends to any other matter, event or claim against any of the Releasees occurring prior to the date of execution of this Agreement.

This Agreement does not limit Ms. Stapleton's ability to bring an administrative charge with an administrative agency, but Ms. Stapleton expressly waives and releases any right to recover any type of personal relief from the Water Authority or Releasees, including monetary damages or reinstatement, in any administrative action or proceeding, whether state or federal, and whether brought by Ms. Stapleton or on Ms. Stapleton's behalf by an administrative agency, related in any way to the matters released herein. Furthermore, nothing in this Agreement prohibits Ms. Stapleton from reporting possible violations of law or regulation to any government agency or entity, including but not limited to the Equal Employment Opportunity Commission, the California Department of Fair Employment and Housing, the Department of Labor and/or the Department of Justice, or making other disclosures that are protected under the whistleblower provisions of law. Ms. Stapleton does not need prior authorization of the Water Authority to make any such reports or disclosures and is not required to notify the Water Authority that she has made such reports or disclosures.

Notwithstanding all the foregoing, nothing in this Section 10 shall be read as releasing any of the obligations created by this Agreement.

C. **Civil Code Section 1542 Waiver.** Ms. Stapleton hereby waives any and all rights that she may have pursuant to California Civil Code section 1542 for the matters released herein, which statute reads as follows:

**A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD**

**HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH  
THE DEBTOR OR RELEASED PARTY.**

1. Ms. Stapleton hereby expressly waives the provisions of California Civil Code section 1542 and further expressly waives any right to invoke said provisions now or at any time in the future.
2. Ms. Stapleton recognizes and acknowledges that factors which have induced her to enter into this Agreement may turn out to be incorrect or to be different from what she had previously anticipated, and she hereby expressly assumes any and all of the risks thereof and further expressly assumes the risks of waiving the rights provided by California Civil Code section 1542.

D. **Age Discrimination in Employment Act Waiver and Release.** The Age Discrimination in Employment Act of 1967 ("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 or older. The Older Workers Benefit Protection Act ("OWBPA"), 29 USC. §§ 626, et. seq. 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, Ms. Stapleton acknowledges that she is knowingly and voluntarily, for just compensation in addition to anything of value to which Ms. Stapleton is already entitled, waiving and releasing any rights she may have under the ADEA and/or OWBPA. Ms. Stapleton further acknowledges that she has been advised and understands, pursuant to the provisions of the ADEA and OWBPA, that:

1. This waiver/release is written in a manner understood by Ms. Stapleton.
2. Ms. Stapleton is aware of and has been advised of her rights under the ADEA and OWBPA, and of the legal significance of her waiver of any possible claims she currently may have under the ADEA, OWBPA, or similar age discrimination laws.
3. Ms. Stapleton 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 she may have under the ADEA, the OWBPA, or similar age discrimination laws, but she may, in the exercise of her own discretion, sign or reject this Agreement at any time before the expiration of the twenty-one (21) days. By signing this Agreement prior to the expiration of the 21-day review period, as of the Effective Date Ms. Stapleton waives the balance of that period.
4. 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 date this Agreement takes effect.

5. Ms. Stapleton was advised and by this Agreement is advised in writing that she should consult with an attorney prior to executing this Agreement. Ms. Stapleton has had an opportunity to discuss this waiver and release with, and to be advised regarding this Agreement, by an attorney of her choice, and does not need any additional time within which to review and consider this Agreement.
6. Ms. Stapleton has seven (7) days following her execution of this Agreement to revoke the Agreement by submitting a written revocation addressed to and received by Mark Hattam, General Counsel, San Diego County Water Authority, both at [mhattam@sdcwa.org](mailto:mhattam@sdcwa.org). and San Diego County Water Authority 4677 Overland Avenue, San Diego CA. 92123.
7. Ms. Stapleton knowingly and voluntarily agrees to all of the terms set forth in this Agreement and knowingly and voluntarily intends to be bound by those terms.

**MS. STAPLETON ACKNOWLEDGES BY HER SIGNATURE TO THIS AGREEMENT THAT SHE FULLY UNDERSTANDS HER RIGHT TO DISCUSS THIS WAIVER WITH LEGAL COUNSEL, AND HAS CAREFULLY READ AND FULLY UNDERSTANDS THE WAIVER, AND THAT SHE IS VOLUNTARILY AGREEING TO WAIVE ANY CLAIMS THAT SHE HAS OR MAY HAVE UNDER THE AGE DISCRIMINATION IN EMPLOYMENT ACT, THE OLDER WORKERS BENEFIT PROTECTION ACT, AND ANY OTHER LAWS PROHIBITING AGE DISCRIMINATION IN EMPLOYMENT ARISING FROM OR RELATED OR ATTRIBUTABLE TO THE PARTIES' ALLEGATIONS OR CLAIMS.**

11. Each Party To Bear Own Fees and Costs. Each Party shall bear its own costs, expenses and attorneys' fees incurred in connection with: (a) negotiating and drafting this Agreement; and (b) any events prior to this Agreement; However, in the event of a dispute arising out of or related to enforcement of this Agreement, the prevailing party will be entitled to recover its own attorneys' fees and costs relating to such dispute or enforcement of the Agreement.

12. No Pending Claims. Ms. Stapleton represents that she has not filed any lawsuits, complaints, appeals, claims, applications or charges against the Water Authority or Releasees with any state or federal court, or local, state or federal agency, or administrative or quasi-administrative tribunal or person, based on any events occurring on or prior to the date of execution of this Agreement.

13. No Prior Assignments. Ms. Stapleton represents that she has not assigned or transferred, or purported to assign or transfer, to any person or entity, any claim or any portion thereof or interest therein against the Water Authority or Releasees.

14. Enforcement and Venue. This Agreement is made and entered into in the State of California, and shall be governed, interpreted, and enforced under the laws of the State of California. The Parties agree that jurisdiction and/or venue of any action involving the validity,

interpretation, or enforcement of this Agreement or any of its terms, provisions, or obligations, or claiming breach thereof, shall exist exclusively in a court or applicable government agency located within the County of San Diego, State of California. The Parties further agree that this Agreement may be used as evidence in any subsequent proceeding in which any of the Parties allege a breach of this Agreement or seek to enforce its terms, conditions, provisions, or obligations.

15. Covenant to Effectuate Agreement. Each Party hereto agrees to do all things and execute and deliver all instruments and documents necessary to fulfill and effectuate the provisions of this Agreement and to protect the respective rights of the Parties to this Agreement. If for any reason any portion of this Agreement is found to be unenforceable, the Parties agree to work together in good faith to develop mutually agreeable alternate elements to effectuate the intent of this Agreement.

16. No Waiver of Terms of Agreement. No waiver by any Party of any breach of any term or provision of this Agreement shall be construed to be, nor be, a waiver of any preceding, concurrent or succeeding breach of the same, or any other term or provision hereof. No waiver shall be binding unless in writing and signed by the Party to be charged or held bound. It is further understood and agreed that if, at any time, a breach of any term of this Agreement is asserted by any Party hereto, that Party shall have the right to seek specific performance of that term and/or any other necessary and proper relief.

17. No Duress or Undue Influence. The Parties represent and agree that they have carefully read and fully understand all of the provisions of this Agreement, and that they are voluntarily, without any duress or undue influence on the part of or on behalf of any Party, entering into this Agreement.

18. Consultation with Counsel. The Parties affirm that, prior to execution of this Agreement, they have had a full opportunity to and/or have consulted with their respective legal counsel/representatives concerning the terms and conditions set forth herein.

19. Entire Agreement. This Agreement contains all of the terms and conditions agreed upon by the Parties hereto regarding the subject matter of this Agreement. Any prior agreements, promises, negotiations, or representations, either oral or written, relating to the subject matter of this Agreement, not expressly set forth in this Agreement, are of no force or effect.

20. Interpretation. This Agreement has been jointly negotiated and drafted by the Parties and/or their respective counsel. The language in this Agreement shall be construed as a whole according to its fair meaning and not strictly for or against any of the Parties.

21. Severability. In the event that any one or more provisions of this Agreement shall be declared to be illegal, invalid, unenforceable, and/or void by a court of competent jurisdiction, such provision or portion of this Agreement shall be deemed to be severed and deleted from this Agreement but this Agreement shall in all other respects remain unmodified and continue in force and effect, unless such severed/deleted term is determined to be material to the entire Agreement.



22. No Precedent. This Agreement is in no way intended, and shall in no way be construed, to restrict rights guaranteed to the Water Authority under local, state or federal law, rule, policy or agreement or to establish a precedent in this or any other matter, now or in the future.

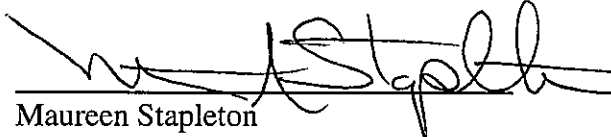
23. Execution of Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original when all counterparts are executed, but all of which together shall constitute one and the same instrument. Signatures submitted by electronic means (such as PDF version) or facsimile transmission shall be deemed the equivalent of original inked signatures and constitute evidence of the Agreement having been executed.

24. Public Nature of Agreement. The Parties agree that this document, once executed, shall be public and not confidential.

25. Superseding And Amending Terms of This Agreement. To the extent any terms of this Agreement are determined to be not in accord with any terms of the General Manager Employment Agreement, or any other policy or term of Ms. Stapleton's employment, the terms of this Agreement shall supersede such contrary provisions, and shall constitute an agreed amendment of any such provisions.


IN WITNESS WHEREOF, the Parties hereto have executed and agree to all terms of this Agreement.

Dated: 2/28/19

By:   
Maureen Stapleton

San Diego County Water Authority

Dated: 28 Feb. 2019

By:   
James Madaffer, as Chairman of the Board