

April 16, 2025

26375 Fremont Road
Los Altos Hills, CA 94022
(650) 948-1217
PurissimaWater.org



Tammy Rudock
3920 Heritage Avenue,
Clovis, CA 93619

Re: **Offer of Employment/Employment Agreement**

Dear Tammy:

On behalf of the Purissima Hills Water District ("PHWD" or the "District"), I am pleased to extend to you this offer of employment as a temporary Interim General Manager. This letter agreement (the "Agreement") will confirm the terms of your employment.

1. DUTIES

You shall fully perform the duties and have those responsibilities consistent with the General Manager position as provided in: (1) California Water Code sections 30000 et seq. and in particular, section 30580 and 30582; and (2) the interim General Manager job description, which is attached as Exhibit "A" and incorporated by this reference.

2. TERM

Your employment as Interim General Manager will commence on April 21, 2025. This appointment is intended to continue until October 31, 2025, or until the District appoints a General Manager and that General Manager commences employment with the District. Nothing in this Agreement will prevent, limit, or otherwise interfere with the right of the District to terminate this Agreement for any reason, or no reason at all. Subject to the notification provision of Section 9, nothing in this Agreement will prevent, limit, or otherwise interfere with your right to resign at any time from this position with PHWD.

3. COMPENSATION

While performing the duties of Interim General Manager, you will receive a salary in the amount of \$10,500 bi-weekly. This amount is subject to authorized or required deductions and withholdings and will be paid bi-weekly. You will be an exempt employee under applicable wage and hour law.

4. TRAVEL AND LODGING EXPENSES

You are entitled to reimbursement for travel expenses from your home to the District's office each week, for lodging expenses to stay near the District during the work week, and meals and incidental expenses during your travel, up to a maximum amount of \$3,000 every two weeks. Hotel expenses should not exceed \$250 per night. Meals and incidental expenses shall not exceed the U.S. General Services Administration (GSA) rate at the time of travel for the geographical area. Expenses must be reviewed and approved by the Board President or their designee before reimbursement.

5. OTHER BENEFITS

Except as provided for in this Agreement, and as required by state and federal law, the District will not provide you any other benefits, incentives, compensation in lieu of benefits, automobile allowances, deferred compensation payments, or any other forms of compensation in addition to your base salary. You will not be entitled to receive vacation, dental, medical, vision, disability, or life insurance benefits in this position. You will not earn service credit or otherwise earn additional retirement benefits under the California Public Employees' Retirement System ("PERS") during your period of employment with PHWD.

6. SCHEDULE

During the term of this Agreement, you will work a regular 40-hours per week schedule. Generally, you will work at the District office Monday through Thursday, and work remotely on Fridays, unless you receive prior authorization from the Board President to deviate from this schedule. You will be available on a 24/7 basis and will attend all Board of Directors meetings. In no event will you work more than 960 hours in any fiscal year. You are required to keep accurate records of your hours worked to ensure that you do not exceed 960 hours within the fiscal year.

7. TERMINATION, REMOVAL, AND RESIGNATION

The District may remove you from employment at any time, with or without cause, by majority vote of the Board of Directors. You understand and agree that you have no constitutionally-protected property right or other interest in your employment as Interim General Manager.

You may resign from your employment at any time, upon giving thirty (30) days written notice to the Board of Directors.

8. PERS REQUIREMENTS

Because you are a PERS retiree and PHWD will employ you in the interim GM position while you are receiving retirement benefit payments from PERS, i.e. as a "retired annuitant", the reasons for and the terms of your employment must meet specific requirements in order for you to continue to receive your PERS retirement benefits while you are employed in the interim GM position.

In general, PERS law prohibits a retired annuitant from employment with a PERS employer unless she is reinstated from retirement. California Government Code sections 7522.56 and 21221(h), however, allow a retired annuitant, such as you, to work for a PERS contracting public agency employer, such as PHWD, without reinstatement into PERS and loss or interruption of her PERS benefits if she is employed by one-time appointment that:

1. Is for a vacant position during recruitment for a permanent appointment and deemed by the agency's governing body to require specialized skills or during an emergency to prevent stoppage of work;

2. Does not exceed 960 hours in any fiscal year for all PERS employers;
3. Provides for an hourly rate of pay that is neither less the minimum nor more than the maximum monthly base salary paid by the employer to other employees who perform comparable duties, as listed on a publicly available pay schedule for the vacant position, divided by 173.33; and
4. Does not provide for any other benefit, incentive, compensation in lieu of benefits, or other form of compensation.

To qualify for this exception, the retiree cannot have received any unemployment compensation arising out of her prior employment with a PERS agency during the 12-month period preceding the appointment. By accepting this offer of employment, you are certifying that you have not received unemployment compensation during the 12-month period preceding this appointment.

PHWD has determined that you have specialized skills needed to perform the work of the position of General Manager on an interim basis during the recruitment for a permanent appointment, and your pay rate will be consistent with the Board-adopted salary schedule for the General Manager position. The Board of Directors, at its May 21, 2025 public meeting, will ratify your appointment. Accordingly, so long as you do not exceed the 960 hours per fiscal year limit, we believe that PHWD is permitted under PERS law to rehire you as temporary interim General Manager without interruption to your PERS retirement benefits.

However, if PERS were to conclude that your employment by PHWD does not meet the aforementioned requirements for an exception to reinstatement from retirement, and that you are "unlawfully employed," you would be subject to penalties, which could include:

- Mandatory reinstatement from retirement, retroactive to the effective date of this offer – this means that your retirement benefits payments will stop;
- Required reimbursement of PERS for the total retirement benefits you received during the period of "unlawful employment";
- Required payment, through PHWD, of any employee retirement contributions that would have been submitted during your period of "unlawful employment"; and
- Required reimbursement of PERS for any administrative expenses incurred to process your mandatory reinstatement to the extent you are found to be at fault.

I have enclosed with this letter a PERS publication, "Employment After Retirement," which explains these issues in further detail.

9. NOTICES

Any notices to be given hereunder by either the District or you in writing may be effected by personal delivery, regular US mail, or electronic mail. Mailed notices shall be addressed to

the parties as set forth below, but each party may change their address by written notice given in accordance with this Section. Notices delivered personally or by electronic mail will be deemed communicated as of actual receipt. Mailed notices will be deemed communicated and received as of three (3) calendar days following the date of mailing.

DISTRICT: Attention: Board President
 Purissima Hills Water District
 26375 W. Fremont Road
 Los Altos Hills, CA 94022

TAMMY RUDOCK: Tammy Rudock, Interim General Manager
 [REDACTED]

10. PERSONNEL MANUAL POLICIES AND PRACTICES

The District's Personnel Manual and other ordinances, resolutions, rules, and policies will apply to you in the same manner as applied to other General Managers and management employees, provided, however, that in the event of a conflict between the provisions of this Agreement and District rules and policies, this Agreement will prevail.

11. ENTIRE AGREEMENT

This Agreement represents the entire agreement between you and the District and supersedes any and all other agreements, whether oral or in writing, between you and the District with respect to your employment by the District, and contains all of the covenants and agreements between the parties with respect to that employment. Both you and the District acknowledge that no representations, inducements, promises, or agreements, oral or otherwise, have been made by either party, or by anyone acting on behalf of either party, which are not embodied herein, and that no other employment agreement, statement, or promise not contained in this Agreement shall be valid or binding upon either party.

12. MODIFICATIONS

Any modification to this Agreement will be effective only if it is in writing and is signed by both you and the Directors indicated below.

13. EFFECT OF WAIVER

The failure of either you or the District to insist upon strict compliance with any of the terms, covenants, or conditions of this Agreement by the other party will not be deemed a waiver of that terms, covenant, or condition, nor will any waiver or relinquishment of any right or power at any one time or times be deemed a waiver or relinquishment of that right or power for all or any other times.

14. SCOPE AND SEVERABILITY

Tammy Rudock
April 16, 2025
Page 5

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.


15. GOVERNING LAW

This Agreement will be governed by and construed in accordance with the laws of the State of California.

Tammy, please indicate your acceptance of this offer of employment by signing this letter below and returning it to us. A copy of the letter is enclosed for your records.

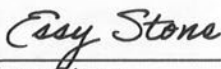
Very truly yours,

By



Anand Ranganathan
Director, Purissima Hills Water District

By



Essy Stone
Director, Purissima Hills Water District

I understand and agree to the foregoing terms and conditions.

Tammy Rudock

Date: _____

Tammy Rudock
April 16, 2025
Page 5

If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

15. GOVERNING LAW

This Agreement will be governed by and construed in accordance with the laws of the State of California.

Tammy, please indicate your acceptance of this offer of employment by signing this letter below and returning it to us. A copy of the letter is enclosed for your records.

Very truly yours,

By _____
Anand Ranganathan
Director, Purissima Hills Water District

By _____
Essy Stone
Director, Purissima Hills Water District

I understand and agree to the foregoing terms and conditions.

Tammy A. Rudock
Tammy Rudock
Date: 4/16/2025

EXHIBIT A, PHWD Interim General Manager

RESPONSIBILITIES

1. Take Over and Lead Active General Manager (GM) Recruitment Process (Estimated Schedule):

DATE	TASK
Late April 2025	Draft RFQ/RFP for Executive Search Firm and review with Board Committee
May 14, 2025 Regular Board Meeting	Review DRAFT RFQ/RFP with Board of Directors
May 2025	RFQ/RFP advertised/posted/distributed
Late May 2025	Receive/Review Submittals with Board Committee and legal counsel
June 11, 2025 Regular Board Meeting	Award Professional Services Contract to Executive Search Firm
Mid-June 2025	Create Recruitment Schedule with Executive Search Firm and hold Kickoff meeting with Board Committee to create DRAFT Recruitment Brochure and update job description (if needed); Executive Search Firm to seek input on GM qualities and skill sets for brochure from PHWD staff and legal counsel
Late June 2025 <i>Special Board Meeting</i>	Review final DRAFT Recruitment Brochure and (if needed) updated job description with Board of Directors
July 1, 2025	Recruitment advertised/posted/e-blasted by Executive Search Firm
Late July 2025	Receive preliminary report on qualified applicants and share with Board of Directors and legal counsel
Mid-August 2025 <i>Special Board Meeting - Closed Session</i>	Candidate Interviews with Board of Directors
Late August 2025	Employment Agreement negotiations with preferred GM candidate and Conditional Offer of Employment
September 10, 2025 Regular Board Meeting	Employment Agreement approval consideration by Board of Directors
October 8, 2025	New GM start date

2. 5-Year Rate Plan and Water Capacity Charges Update
 - RFO/RFP Advertised - March 2025
 - Receive/Review Submittals - April 2025 (with Board Committee)
 - Award Professional Services Contract - May 14, 2025
3. Capital Improvement Program (CIP) Financing Augmentation - Proposition 218 Property Assessment

- Meet with Muni Advisor, staff as applicable, and Board Committee to review status, process, and options. Create Prop 218 schedule and provide report to Board of Directors and follow through with Board direction.
4. Operations Center Construction Project
 - Meet with Operations Supervisor and Construction Project Manager/Inspector, and Board Committee and Administrative staff as applicable, and review status of project and project schedule. Provide report to Board of Directors.
 5. Fire District Contract Compliance
 - Review contract, status, and deliverables/schedule. Meet with appropriate staff to determine best course of action for compliance. Provide report to Board of Directors and follow through with Board direction.
 6. Organizational Assessment Review and Recommended Plan for Implementation
 - Review consultant report and recommendations and determine best course of action, including meetings with staff and Board Committee as applicable. Coordinate questions and/or feedback with assessment consultant as needed. Provide report to Board, including options for implementation.
 7. Supplemental Water Supply Project and Groundwater Test Well Project
 - Review activity on supplemental water supply (e.g., Valley Water option) and review groundwater test well project with staff and Board Committee and follow through with Board direction.
 8. Promote positive employee morale and plan for increased professional development. including by:
 - Proactively meeting individually with PHWD supervisors first and then employees and get to know them. Engaging supervisors in weekly meetings for project update reports, coordinating activities, improving workplace efficiencies, and Board meeting preparation and debriefing.
 - Engaging employees at monthly staff meeting (20-30 minutes) to receive feedback, share information and organizational updates, resolve concerns, and enhance teamwork.
 9. Relationship building (including follow-up and follow-through) with PHWD Board of Directors, PHWD staff, Town of Los Altos Hills officials, Fire District officials, business partners and consultants, and other local government agency colleagues.
 10. Determine status of FY 2025/2026 Operations & CIP Budgets and if near completion for consideration and approval by Board of Directors.

11. Meet with Administration staff and determine status of FYE June 30, 2024 Financial Audit and status of consultant contract.
12. Meet with Administration staff and determine if internal procedure is available in preparation for FYE June 30, 2025 Financial Audit.
13. Meet with Administration staff and review available PHWD policies and internal controls.
14. Reminder: ACWA JPIA Employee Benefits Open Enrollment (September/October).
15. Other work assignments, as directed by the Board President.