

**DESERT WATER AGENCY
FIRST AMENDMENT TO EMPLOYMENT AGREEMENT**

This First Amendment to Employment Agreement (this "First Amendment") between the DESERT WATER AGENCY (the "Agency") and ESTHER M. SAENZ ("General Manager") is entered into this 7th day of July 2026.

Except as modified in this First Amendment and the underlying Employment Agreement originally dated July 4, 2025 ("Agreement") between the Agency and the General Manager shall remain in full force and effect.

The parties to this First Amendment agree to the following changes:

Section 4.1 entitled "Salary and Expenses" is hereby amended to reflect the 2026 Cost of Living Adjustment and base salary increase awarded at the discretion of the Board:

"Section 4. Salary and Expenses.

4.1 Effective July 1, 2026, the Board of Directors agrees to pay the GM for her services rendered a base salary of Twenty-Eight Thousand, Nine Hundred and Three Dollars and No Cents (\$28,903.00) per month in installments at the same time as other employees of the Agency are paid. The base salary will be adjusted annually by the same percentage adjustment provided to all Agency employees for changes in the cost of living, if any.

In addition, the Board has elected to award a discretionary incentive award of 5% of her total annual base salary based on the results of her annual performance evaluation. The bonus awarded is \$17,341.80. The incentive is being awarded based, in part, on the accomplishment of specific goals set by the Board of Directors that are achieved by the GM. The performance incentive awarded under this section shall be in a lump sum payment, subject to all legally required wage and employment deductions. Notwithstanding the above, the issuance of any incentive awards is at the sole discretion of the Board of Directors. The performance pay awarded under this Section shall not become a part of the GM's established base salary going forward.

...

The Agency and the General Manager have duly executed this First Amendment as of the date first written above.

DESERT WATER AGENCY

ESTHER M. SAENZ

By: 
President, Board of Directors

By: 