

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

This Eighth Amendment to Employment Agreement (this “Eighth Amendment”) between the DESERT WATER AGENCY (the “Agency”) and MARK S. KRAUSE (“General Manager – Chief Engineer”) is entered into this 17th day of May 2022.

Except as modified in this Eighth Amendment and the preceding First through Seventh Amendments, the underlying Employment Agreement originally dated December 2015 (“Agreement”) between the Agency and the General Manager – Chief Engineer shall remain in full force and effect.

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

Section 4.1 entitled “Salary and Expenses” is hereby amended to reflect the 2022 salary and annual bonus:

**“Section 4. Salary and Expenses.”**

4.1 Effective June 24, 2022, the Board of Directors agrees to pay the GM-CE for his services rendered a base salary of Twenty-six Thousand, One Hundred and Thirty Dollars and Fifty-four cents (\$26,130.54) 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 shall have the right to grant merit increases as the Board deems appropriate, in its discretion. The GM-CE will be eligible for a discretionary annual incentive award not to exceed ten percent (10%) of his total annual base salary based on the results of his annual performance evaluation. The incentive may be based, in part, on the accomplishment of specific goals set by the Board of Directors that are achieved by the GM-CE. Any 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. Any performance pay awarded under this Section shall not become a part of the GM-CE’s established base salary going forward.

The Board approved a 2022 bonus of five percent (5%) of salary. Thus, a bonus of Fifteen Thousand, Six Hundred and Seventy-Eight Dollars and Thirty-Three Cents (\$15,678.33) is payable to the GM-CE for his service from 2021 through 2022.

The Agency and the General Manager – Chief Engineer have duly executed this Eighth Amendment as of the date first written above.

**DESERT WATER AGENCY**

**MARK S. KRAUSE**

By: *Kristen Blomv*  
President, Board of Directors

By: *Mark S. Krause*