

**AMENDMENT NO. 2 TO EMPLOYMENT CONTRACT  
FOR GENERAL MANAGER  
OF WALNUT VALLEY WATER DISTRICT**

This Amendment No. 2 to Employment Contract is made and entered into at Walnut, California, by and between WALNUT VALLEY WATER DISTRICT, a California Water District organized and existing under the California Water District Act (hereinafter “DISTRICT”) and SHERYL L. SHAW (hereinafter “SHAW” or “GENERAL MANAGER”), effective as of January 1, 2026.

RECITALS:

A. SHAW is currently serving as the General Manager of the DISTRICT under an Employment Contract dated March 1, 2024 (the “Employment Contract”).

B. The Employment Contract provides for an annual evaluation of the General Manager’s performance and a possible adjustment of compensation effective January 1<sup>st</sup> of each year. Adjustments are within the sole discretion of the Board of Directors.

C. SHAW and the DISTRICT entered into Amendment No. 1 to Employment Contract on December 16, 2024 to adjust SHAW’s compensation.

D. The Board of Directors of the DISTRICT conducted an evaluation of SHAW’s performance on November 13, 2025 and, by final action taken on February 17, 2026, determined to revise the Employment Contract’s term to expire on June 30, 2026 and to make an adjustment in SHAW’s compensation in accordance with the provisions of this Amendment.

AGREEMENTS:

NOW THEREFORE, the parties agree as follows:

1. Section 1 – EMPLOYMENT is amended to read in its entirety as follows to revise the term of the Employment Contract:

“Subject to the provisions of Paragraph 6 below, the DISTRICT employs SHAW as its General Manager/Chief Engineer beginning March 1, 2024, and continuing until June 30, 2026, unless sooner terminated as provided herein, and SHAW hereby accepts such employment.”

2. Section 3 – COMPENSATION is amended in part to read as follows:

Effective January 1, 2026, GENERAL MANAGER’s annual base salary shall be increased to \$295,397.15 payable in 26 bi-weekly installments of \$11,361.43, which amount includes the cost of living increase and salary adjustment otherwise provided to other DISTRICT employees.

3. NO OTHER AMENDMENTS

Except as amended herein, the Employment Contract dated March 1, 2024 shall remain in full force and effect.

Executed on February 17, 2026 at Walnut, California.



\_\_\_\_\_  
SHERYL L. SHAW  
“GENERAL MANAGER”

WALNUT VALLEY WATER DISTRICT

By:  \_\_\_\_\_  
Its President  
DISTRICT”