

**SECOND AMENDMENT TO EMPLOYMENT AGREEMENT BETWEEN
FALLBROOK PUBLIC UTILITY DISTRICT AND JACK BEBEE**

This SECOND AMENDMENT is made the 23rd of September, 2019, between Fallbrook Public Utility District (hereinafter referred to as "DISTRICT") and Jack Bebee (hereinafter referred to as "EMPLOYEE").

RECITALS

- A. DISTRICT and EMPLOYEE entered into an Employment Agreement ("AGREEMENT") on August 27, 2018 pursuant to which EMPLOYEE agreed to serve as General Manager of DISTRICT.
- B. DISTRICT and EMPLOYEE executed an Amendment to the AGREEMENT on July 22, 2019 regarding changes to EMPLOYEE's compensation and benefits ("FIRST AMENDMENT").
- C. DISTRICT and EMPLOYEE now desire to further amend the AGREEMENT related to deductions from EMPLOYEE's annual compensation.

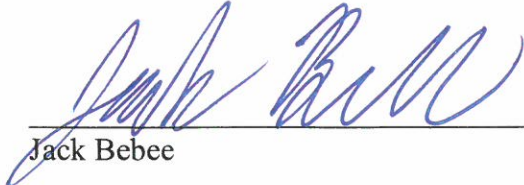
NOW THEREFORE, in consideration of the mutual promises set forth herein, DISTRICT and EMPLOYEE agree to amend the AGREEMENT as follows:

- 1. AGREEMENT Paragraph 2.a is hereby amended to delete the language in ~~strikeout~~ as follows:
 - a. EMPLOYEE shall be paid an annual salary of \$220,147.00, ~~subject to adjustment as set forth in Paragraph 2.a.i.~~, payable in biweekly installments at the same time as salary is paid to other DISTRICT employees. This compensation may not be reduced during the term of this Agreement except that if the Board finds it necessary to reduce salaries of all executive management employees, in which case EMPLOYEE'S salary may be reduced by no more than the average salary reduction of executive management, ~~or except as specified below in Paragraph 2.a.i.~~
- 2. AGREEMENT Paragraph 2.a.i is hereby deleted in its entirety.
- 3. AGREEMENT Paragraph 4 is amended to add Paragraph 4.a to read as follows:
 - a. EMPLOYEE may serve as DISTRICT representative to the San Diego County Water Authority (CWA), which includes service on two standing CWA committees. In no event shall EMPLOYEE serve on any additional CWA committees (or serve on any committees or boards of other agencies or entities related to the business of DISTRICT) without prior approval of DISTRICT Board.

4. All remaining terms of the AGREEMENT (as previously modified by the FIRST AMENDMENT) shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment to the "Employment Agreement Between Fallbrook Public Utility District and Jack Bebee" on the day and year first above written.


DATED: 9/24/19



Jack Bebee

FALLBROOK PUBLIC UTILITY DISTRICT

DATED: 9/24/19



Don McDougal, President
Fallbrook Public Utility District