

**PORT SAN LUIS HARBOR DISTRICT  
BUSINESS MANAGER EMPLOYMENT AGREEMENT**

This Employment Agreement ("Agreement"), between the Port San Luis Harbor District ("District"), and Jennifer L. Szeliga ("Manager"), shall be effective as of April 9, 2025 ("Effective Date").

**ARTICLE I - TERM OF EMPLOYMENT**

**Section 1.01 Grant and Acceptance of Employment/Term.** The District hereby employs Manager under the terms and conditions stated in this Agreement, and Manager hereby accepts such employment beginning April 9, 2025, and continuing for a period of one (1) year, ending April 8, 2025, unless otherwise terminated prior thereto as provided in this Agreement ("Initial Term").

**Section 1.02 Extension of Term.** Notwithstanding any other terms of this Agreement, this Agreement shall automatically renew from year to year, for successive one (1) year terms ("Extended Term(s)") unless the Harbor Director notifies the Manager of the District's decision not to extend the term of this Agreement prior to the end of the Initial or any Extended Term.

**ARTICLE II - DUTIES OF MANAGER**

**Section 2.01 General Duties.** Subject to Section 2.04 below, Manager is employed as the Business Manager to perform all duties for and on behalf of the District consistent with the job description of the Business Manager, a copy of which is attached hereto as Exhibit A and incorporated herein by reference, and such other duties as the District, through the Harbor Director, may direct from time to time.

**Section 2.02 Scope of Employment.** The Manager agrees to devote all of Manager's working time, ability and attention to the business of the District during the term of this Agreement. During the Initial and any Extended Term, Manager shall not directly or indirectly render any services of a business or commercial nature to any other person or organization (other than public sector, marina, port or harbor associations or organizations approved by the Harbor Director, whether for compensation or otherwise) without the prior approval and written consent of the District. The Manager shall perform all services, acts or things necessary or advisable to manage and conduct the business of District, subject to the direction of the Harbor Director and the policies set by the District from time to time.

**Section 2.03 Work Schedule.** The Manager's work schedule (and working time) shall generally conform to that of other employees of the District; however, it is recognized by both parties that the Manager's work schedule will be somewhat variable and may not always conform to a standard 40-hour workweek. The Manager shall be required to work such additional hours as may be necessary to perform all of the duties of the Manager including, but not limited to, responding to emergencies and attending regular meetings of the Commission and its committees and such other meetings held outside of the District's regular hours of business as shall be helpful to conduct District business.

**Section 2.04 Rules and Regulations.** At all times during employment with the District, the Manager shall strictly adhere to and obey all the policies, rules and regulations now in effect or as subsequently adopted governing the conduct of employees of District. Additionally, the Manager shall act in a prudent, responsible and ethical manner as to matters not the subject of the District's rules and regulations so as not to cause or bring discredit or disrepute to the District, the Commission or the position of Business Manager.

**Section 2.05 Change Duties.** The District shall have the right at any time during the Initial or Extended Term to assign managerial or supervisory duties to the Manager different from the duties originally assigned and specified above, and may amend Exhibit A attached hereto accordingly.

**Section 2.06 Performance.** The Manager agrees to loyally and conscientiously perform all of the duties and obligations either expressly or implicitly required of the Manager by this Agreement. Manager agrees to comply with and submit to the directions, instructions and control of the Harbor Director or her designee in the performance of the stated and implicit duties under this Agreement.

### **ARTICLE III - COMPENSATION OF MANAGER**

**Section 3.01 Base Salary.** As of the Effective Date, the District shall pay Manager a base monthly salary of Ten Thousand and 00/100 Dollars (\$10,000) (the "Base Salary"), payable in increments according to District's periodic payroll disbursement and withholding policies or requirements.

**Section 3.02 COLA and Discretionary Salary Adjustments.** Each year that the Commission grants District employees a cost of living adjustment (COLA) increase, Manager shall be granted a COLA increase in an amount equivalent to the increase granted to District employees.

**Section 3.03 Annual Review.** Each year of this Agreement, the Harbor Director shall review the annual goals and objectives set the prior year for Business Manager's position and review Manager's performance during that preceding year related thereto (the "Manager's Annual Review"). The Manager's Annual review will occur once for each year of this Agreement, on or near the anniversary date of this Agreement.

**Section 3.04 Merit Increases.** Notwithstanding any other provisions in this Agreement or District Policy, at any time during a term the Harbor Director may in their sole discretion grant Manager an increase in Base Salary as long as it is within the Salary range as approved by the Board. Any merit increase shall be subject to the Harbor Director's discretion in determining whether an increase is warranted and appropriate based on Manager's performance.

**Section 3.05 Longevity Pay.** Regular employees (does not include part-time hourly, regardless of amount of weekly hours worked) who have completed at least ten (10) full years of service in that category shall receive a two percent (2.0%) differential above the rate otherwise applicable. After fifteen (15) years, said differential shall be increased by an additional two and one-half percent (2.5%) to four and one-half percent (4.5%), and after twenty (20) years it shall be increased by an additional two and one-half percent (2.5%) to seven percent (7.0%).

Leave of Absence time shall not be counted toward the calculation of years of service under this section.

**Section 3.06 Deferred Compensation.** The District may provide to all employees a Deferred Compensation Plan during the term of this Agreement. Participating employees shall be responsible for annual fees and any other administrative fees charged by the District's appointed Plan Administrator. For any Deferred Compensation Plan implemented, the District will provide a 1: 1 match to employee contributions to a maximum of \$20.00 per month per employee.

**ARTICLE IV – BENEFITS**

The benefits provided below ("Benefits") are all of the employee benefits to be given to Manager and are in lieu of benefits provided to other employees, including any benefits deemed applicable to unrepresented or exempt employees, under the District Employee Personnel Policies, any collective bargaining agreement, any then current memorandum of understanding or other agreement except as specifically provided herein.

**Section 4.01 Vacation.** Manager shall earn paid vacation leave according to the following schedule:

<u>Months of Service</u>	<u>Hours per pay period</u>	<u>Hours per year</u>
<u>1 – 60</u>	<u>3.69</u>	<u>96</u>
<u>61 – 120</u>	<u>4.62</u>	<u>120</u>
<u>121 – 180</u>	<u>5.54</u>	<u>144</u>
<u>181 +</u>	<u>6.16</u>	<u>160</u>

Manager is encouraged to use all accrued vacation benefits each year. If, at any time, Manager's earned but unused vacation hours reach 240 hours, Manager will not accrue any additional vacation time until vacation time is used. If Manager later uses enough vacation benefits to fall below the maximum, the Manager will begin to earn benefits again until the maximum is once more reached. Vacation time may be taken upon reasonable advance notification given by Manager to the Harbor Director. Upon separation from employment with the District for any reason, the Manager shall be entitled to be compensated for all accrued but unused vacation leave.

**Section 4.02 Sick Leave.** Manager shall accrue 3.69 hours of paid sick leave for each pay period of employment with the District. If Manager's accrued but unused sick leave exceeds 960 hours, Manager will not accrue any additional sick leave until the Manager uses enough benefits to fall below the maximum, after which Manager will begin to accrue sick leave benefits until the maximum is once more reached. Sick leave used by the Manager shall be governed by the same general requirements as those approved by the Commission for other District employees.

**Section 4.03 Administrative Leave.** Manager will be credited with fifty (50) hours of Administrative Leave each July 1, beginning July 1, 2025. Administrative Leave is intended to compensate Manager for work done outside regular business hours and can be taken in increments of a minimum of four hours and can be taken by Manager at any time during the applicable year. Administrative Leave of

more than one day is subject to reasonable advance notification given by Manager to the Harbor Director. Administration Leave shall not accrue from year to year and shall be forfeited at the end of any eligibility year for which granted. Upon separation from employment with the District for any reason, Manager shall not be entitled to be compensated for any accrued but unused Administrative Leave.

**Section 4.04 Holidays.** Manager shall receive eleven paid holidays annually. Manager is, however, required to ensure coverage and management staff presence, during those periods established from time to time by the District to be "peak holiday" periods. Manager will ensure that appropriate representatives of department staff are onsite, or immediately available, at the Harbor during "peak holiday" periods. Manager's paid holidays will be:

New Year's Day, Martin Luther King's Birthday, President's Day, Memorial Day, July 4, Labor Day, Veterans Day (As observed by the state government), Thanksgiving Day, the Friday after Thanksgiving, and December 24 and 25.

If a listed paid holiday falls on regular or holiday day off, then, subject to coverage requirements set forth herein, Manager shall be entitled to substitute the nearest adjacent workday for the identified paid holiday.

In addition to the eleven (11) District paid holidays, effective July 1 of each year, Manager shall be granted two (2) floating holidays, each of which is equal to one regularly scheduled workday of paid time off. Such leave with pay may be taken, subject to management approval, no later than June 30 of the year following the year in which it was granted. Leave granted pursuant to this provision shall have no cash value beyond that provided herein and shall be lost without benefit of compensation if not taken by June 30 as described above or prior to termination.

**Section 4.05 Pension Contribution.** District shall pay 100% of the employer's share, and Manager shall pay 100% of the employee's share of the premium cost for the District employees' pension plan currently in effect or any successor plan as may become effective during the term of this Agreement.

**Section 4.06 Health Plan.** Manager may participate in Health and Dependent Care flexible spending account programs in effect and generally available to other employees of the District. The District shall contribute flexible dollars and non-elective contributions towards Manager's health insurance as described in the District's Section 125 Cafeteria Plan document. Total contributions (flexible dollars plus non-elective contributions) shall equal the lowest cost HMO health care plan less the following amounts on a monthly basis:

Manager only:	\$0
Manager plus one dependent:	\$61 per month
Manager plus 2 or more dependents:	\$100 per month

The District shall also provide flexible dollars for the purchase of dental and vision insurance including insurance for the Manager's spouse and eligible dependents.

If the Manager provides the District with sufficient evidence of outside health insurance coverage that meets the District's approval, the District shall add \$350 per month to the Manager's base pay in lieu of providing health insurance coverage.

**Section 4.08 Contributions for Life and Disability Insurance.** District agrees to pay on Manager's behalf, or for their benefit, the cost of term life and disability insurance as such insurance types and programs are offered through the District to all District employees, and provided, and only for so long as, such benefits are provided by the District to all other qualified District employees.

**Section 4.09 Cell Phone Plan.** The District shall reimburse manager in an amount not to exceed Fifty dollars (\$50) per month for professional use of a personal cell phone or provide a District-issued cell phone for professional use at manager's option.

**Section 4.10 Education / Training.** The District encourages employees to improve their skills and knowledge. Consistent with the District's Personnel Policy Guide, Harbor Director may approve education and training opportunities for Manager and reimburse Manager for "tuition, books, lab fees, and other mandatory fees levied by the educational institution".

**Section 4.11 Other Benefits.** Nothing in this Agreement shall preclude the District from providing to Manager additional leave time or benefits; provided, the granting of such additional leave time or benefits is specifically approved with regard to Manager and this Agreement is amended in writing based on such approval.

## **ARTICLE V -TERMINATION OF EMPLOYMENT**

In addition to the expiration of this Agreement pursuant to Article I above, this Agreement may be terminated as follows:

**Section 5.01 Termination By Disability.** The Parties acknowledge and agree that during his employment with the District, Manager occupies a crucial and indispensable administrative position. Accordingly, the Parties agree that if by reason of disability the District may, to the extent permitted by and in accordance with the law, terminate this Agreement upon two weeks' advance written notice to Manager. For the purposes of this section, disability shall be defined as Manager's inability to carry out her material duties under this Agreement for more than 90 total calendar days in any 12 consecutive months due to mental or physical illness or injury.

**Section 5.02 Termination By Death.** The Parties agree that this Agreement shall terminate immediately upon Manager's death. Thereafter, all obligations of District under this Agreement shall cease and be extinguished, except for payment of all compensation, including any leave balances having cash value, due and owing at time of death.

**Section 5.03 Termination By District for Cause.** District may terminate Manager at any time during the term of this Agreement for Cause (as defined below). In that event, District shall pay Manager all compensation then due and owing; thereafter, all of District's obligations under this Agreement shall

cease. For purposes of this Agreement, "Cause" shall include the following: (a) malfeasance demonstrated by a pattern of failure to perform job duties diligently and professionally; (b) the willful refusal to implement or follow District's reasonable policies or directives; (c) the willful breach of a material provision of this Agreement; (d) committing an act of fraud or dishonesty against, or the misappropriation of property belonging to the District; or (e) the commission of an act that has a direct, substantial, and adverse effect on District's business interests or reputation. A termination under Section 5.01 (for disability) or Section 5.02 (for death) shall also be deemed to be a termination for Cause. If Manager is terminated for Cause, no severance other benefits identified in Section 5.07 shall be due or owing to Manager.

**Section 5.04 Termination By District Without Cause.** The District may terminate Manager at any time without Cause and with or without advance notice to Manager. If the District elects to terminate Manager without Cause and pursuant to the conditions of the preceding sentence, the District shall pay Manager all compensation due and owing through the last day he/she actually worked, and the severance amount provided in Section 5.07, below. For purposes of this Section 5.04, termination without Cause shall include the District's notice to Manager of its decision not to extend the term of this Agreement as set forth in Section 1.02, unless the District's decision not to extend the initial one-year term is due to conduct or circumstances that would otherwise constitute Cause for Manager's termination.

**Section 5.05 Termination By Manager with Good Reason.** Manager may immediately terminate this Agreement for Good Reason. For purposes of this Agreement, "Good Reason" shall mean: (a) the District's failure to pay Manager any amount or provide any benefit otherwise due hereunder or under any plan or policy of District, which failure is not cured within ten (10) days of receipt by District of written notice from Manager which describes in reasonable detail the amount which is due; or (b) the District assigns or requires Manager to perform duties or responsibilities that violate any laws, which assignment or requirement is not cured by the District within fifteen (15) days of receipt by the District of written notice from Manager describing in reasonable detail the assignment or requirement that violates this subsection (b). In the event of termination by Manager for Good Reason, District agrees to pay Manager the severance amount set forth in Section 5.07 below.

**Section 5.06 Termination by Manager without Good Reason.** Manager may terminate this Agreement at any time by giving at least thirty (30) days prior written notice to the District; however, Manager shall not be entitled to the severance pay set forth in Section 5.07 if Manager terminates this Agreement without Good Reason.

**Section 5.07 Severance.** If, during any Extended Term, but not the Initial Term, Manager's employment is terminated by District without Cause, as defined in Section 5.04, or by Manager with Good Reason, as defined in Section 5.05, the District shall pay to Manager in a lump sum at termination (less all applicable taxes, withholdings and payroll deductions) an amount equal to what would have been Manager's Base Salary plus continuation of existing health insurance coverage through COBRA only [i.e., no Benefits other than the health insurance] for an additional number of months equal to the number of whole years the Manager has been employed in any position in the District, up to a maximum of three (3) months, together with any vacation or other leave amounts accrued through the actual date of

termination only. As a prior condition to Manager receiving any severance payment hereunder, Manager and the District shall execute a full mutual release of known and unknown claims against each other, their successors, affiliates, employees, agents, advisors and representatives, in mutually agreeable form.

**Section 5.08 Termination Obligations.** Manager agrees that all property including, without limitation, and whether tangible or intangible, equipment, confidential or proprietary information, documents, records, notes, contracts, and computer-generated materials furnished to or prepared by Manager incident to Manager's employment belongs to District and shall be returned promptly to District upon termination of Manager's employment. Manager's obligations under this Section shall survive the termination of their employment and the expiration of this Agreement.

**Section 5.09 Suspension.** The District may, in its sole discretion, suspend Manager from duties, with or without pay, as necessary to conduct any investigation regarding Manager's service to District or any of Manager's other obligations under this Agreement.

## ARTICLE VI - GENERAL PROVISIONS

**Section 6.01 Notices.** Any notices to be given hereunder by either party to the other may be effected either by personal delivery in writing or by mail, registered or certified, postage prepaid with return receipt requested. Notices delivered personally shall be deemed communicated as of actual receipt; mailed notices shall be deemed communicated as of 48 hours after mailing to the Manager's home address or to the District, addressed to the District office, addressed to the Harbor Director.

**Section 6.02 Entire Agreement.** This Agreement supersedes any and all other agreements, either oral or in writing, between the parties hereto with respect to the employment of Manager by District and contains all of the covenants and agreements between the parties with respect to such employment. The terms of the District Personnel Policies shall not be deemed to be part of this Agreement except as specifically stated in this Agreement. Any modification of this Agreement will be effective only if it is in writing and signed by the party to be charged.

**Section 6.03 Severability.** If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions shall nevertheless continue in full force and effect without being impaired or invalidated in any way.

**Section 6.04 Material Provisions.** The parties agree that each provision of this Agreement is a material provision and that failure of any party to perform any one provision hereof shall be the basis for voiding the entire Agreement at the option of the other party, or for pursuing an action at law for such breach. The District may waive or excuse the failure of the Manager to perform any provision of this Agreement; provided, however, that any such waivers shall not preclude the enforcement of this Agreement upon any subsequent breach, whether or not similar in character to any waived breach.

**Section 6.05 Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California. All actions or proceedings arising directly or indirectly from this Agreement shall be litigated only in state or federal courts for the County of San Luis Obispo,

State of California, and Manager, as part of the consideration for the execution of this Agreement, hereby consents to the jurisdiction of any local, state or federal court situated within or for the County of San Luis Obispo, State of California.

**Section 6.06 Death of Manager.** If Manager dies prior to the expiration of the term of employment, any monies that may be due to Manager from District under this Agreement as of the date of Manager's death shall be paid to Manager's executors, administrators, heirs, personal representatives, successors and assigns.

**PORT SAN LUIS HARBOR DISTRICT**

Date: 5/27/2025 | 2:43:58 PM PDT, 2025

By:

Signed by:

*Matthew A Ashton*

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Matthew Ashton, Interim Harbor Director

**BUSINESS MANAGER**

Date: 5/28/2025 | 4:04:56 PM PDT, 2025

Accepted:

Signed by:

*Jennifer Szeliga*

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Jennifer L. Szeliga