EMPLOYEE COMPENSATION POLICY

The Sacramento Groundwater Authority (SGA) and Regional Water Authority (RWA) entered into “AGREEMENT BETWEEN THE REGIONAL WATER AUTHORITY AND THE SACRAMENTO GROUNDWATER AUTHORITY FOR ADMINISTRATIVE AND MANAGEMENT SERVICES,” (Administrative Services Agreement) on the 23rd day of May, 2002, and amended the Agreement on the 9th day of September, 2004.

With respect to employees, the Administrative Services Agreement states in Section 2.b, “Employees shall include all full-time and part-time personnel and staff hired and retained by RWA to act for the benefit of both RWA and SGA.”

Consistent with the Administrative Services Agreement, SGA recognizes a need to have consistent compensation levels with RWA and thereby adopts Exhibit A to this Policy. Exhibit A will be updated annually to maintain consistency with the RWA employee salaries and pay scales, and the Board will be notified of changes.