Employment Agreement

This Agreement ("Agreement") is made on this 5th day of October, 2026, between the Middle Rio Grande Conservancy District ("MRGCD") and Phillip W. London ("Employee").

1. Employment. MRGCD agrees to employ Employee as its Secretary/Treasurer and Chief Financial Officer (CFO), and Employee agrees to be employed by MRGCD upon the terms and conditions set forth in this Agreement.

2. Term. Subject to Section 7 below, the term of this Agreement shall begin on November 16, 2026 and shall continue at the pleasure of the Board of Directors of MRGCD ("Board").

3. Duties. Employee shall serve as MRGCD's Secretary/Treasurer and CFO responsible for all duties assigned by MRGCD's Chief Executive Officer/Chief Engineer(CEO) and/or its Board, including planning, organizing and supervising all accounting functions required to operate and maintain departmental activities and services of MRGCD, overseeing Purchasing, Information Systems, Equipment Repair & Transportation and Safety, co-managing Human Resources, and overseeing Claims. Employee's employment shall be subject to the policies, control and direction of the Board. Employee shall devote his entire time, attention and energies to the duties set forth herein and shall not, during the term of this Agreement, be engaged in other business or commercial activity whether or not such business activity considered to be detrimental to Employee's abilities to fully serve MRGCD and is pursued for gain, profit, or other pecuniary advantage except as stated below. However, Employee may invest his assets in such form and manner as will not require his services in the operation of the affairs of the entities in which such investments are made, and Employee may engage in minor and unrelated business or volunteer activities with prior written permission of the Board Chair.

Employee shall be subject to periodic evaluations, with formal evaluations generally performed in June and December of each year in accordance with the then current performance standards and specified goals in place for the rating period.

4. Compensation. For all services rendered by Employee, MRGCD will pay Employee the amounts the Board may elect from time to time, including any cost of living (COLA) increase, payable in regular increments according to MRGCD's pay policy. Employee's annual compensation shall be set forth in the attached Exhibit A and may be amended from time to time. Employee shall be eligible for increases in his annual compensation as recommended by the CEO at the discretion of and approval by the Board in addition to any COLA increase that may be authorized by the Board annually for all employees.

5. Benefits. In addition to the Compensation payable to Employee pursuant to Paragraph 4 above, Employee shall be entitled to the following benefits during the term of this Agreement:

(a) participation in the health insurance, disability insurance, annual leave, sick leave and other employee benefit programs in accordance with MRGCD's benefit policies, except that upon employment Employee shall be credited with 40 hours of annual leave and shall accrue

annual leave at no less than 5.54 hours per completed pay period and his leave shall be capped at the amounts set forth in MRGCD's benefit policy;

(b) reimbursement for all reasonable business expenses incurred by Employee in accordance with MRGCD's policies; and

(c) business and personal use of a cellular telephone, tablet, and/or laptop computer.

6. MRGCD's Policies and Handbook. It is understood and agreed that MRGCD has various policies which are set forth in MRGCD's Personnel Policies and Procedures, and that Employee shall be treated in the same respect as "unclassified employees" under those policies. Should any terms of this Agreement conflict with the Personnel Policies and Procedures, the terms of this Agreement shall control.

7. Termination of Agreement.

(a) Termination for Just Cause. MRGCD shall have the right to terminate this Agreement for Just Cause upon thirty (30) days' prior written notice to Employee. For purposes of this Agreement, "Just Cause" shall mean only (i) any conduct, action or inaction, arising from or directly connected with Employee's work which is inconsistent with Employee's obligation to MRGCD or which reflects Employee's disregard of MRGCD's interests; (ii) failure to adequately perform Employee's duties, as those duties are defined in Employee's position description or this Agreement; (iii) the commission of a felony by Employee; (iv) the commission by Employee of an act constituting financial dishonesty; (v) Employee conducts himself in an unprofessional or fraudulent manner or his conduct discredits MRGCD, is disruptive to MRCGD, or is detrimental to the reputation of MRGCD; or (vi) Employee is unable to fulfill his duties hereunder because of his death or Disability. For purposes of this paragraph, "Disability" shall mean a physical or mental condition that renders Employee unable to perform the essential functions of his duties with or without reasonable accommodation for a period of six (6) months, as determined in good faith by a physician selected by agreement between the Board and Employee.

Any termination for Just Cause based upon items (i) or (ii) of this Paragraph 7 (a) shall first require notice to Employee from the Chief Engineer/CEO or the Chair of the Board and reasonable time for Employee to take curative action, not to exceed forty-five (45) days.

(b) Termination for Convenience. MRGCD shall have the right to terminate this Agreement without Just Cause upon thirty (30) day's prior written notice to Employee. If MRGCD terminates Employee's employment hereunder without Just Cause, MRGCD shall be obligated to continue to pay Employee as severance pay Employee's regular salary hereunder on the normal salary payment dates during the thirty day notice period and for two (2) months after the notice period, beginning with the first payment date following the date of notice of termination (the "Severance Pay Period"). Employee shall have no other rights against MRGCD for any other compensation or benefits hereunder after any such termination without Just Cause and shall execute a release of claims that will be prepared by MRGCD prior to receipt of such severance pay. The parties agree that during the thirty (30) day notice period, Employee shall have no obligation to perform any work for MRGCD or to report to MRGCD offices or facilities.

(c) Resignation by Employee. If Employee resigns or otherwise terminates his employment with MRGCD, MRGCD's obligation to pay Employee his salary and benefits pursuant to the terms of this Agreement shall immediately terminate. Employee agrees to provide MRGCD no less than thirty (30) day's prior written notice of his intent to resign or otherwise terminate his employment.

8. Certified Government Financial Manager (CGFM) Certification. Employee shall actively pursue CGFM certification, including completing required examinations and governmental financial management experience, and will complete all requirements necessary to obtain CFGM certification no later than December 31, 2028, unless MRGCD and Employee mutually agree to adjust the deadline to obtain such certification.

9. Assistance, Cooperation, Future Litigation Post Employment. Employee agrees that he will cooperate reasonably, for a reasonable fee, with MRGCD in connection with (a) any existing or future threatened or actual legal action or government investigation involving MRGCD, whether regulatory, administrative, civil, or criminal in nature, in which and to the extent MRGCD reasonably requests his cooperation, (b) any business or factual issues regarding MRGCD about which he has relevant information, and (c) the transitioning of Employee's duties and responsibilities. Employee's cooperation hereunder shall be subject to reasonable accommodations to his schedule and will not unduly interfere with his personal or business pursuits. MRGCD shall reimburse Employee for his reasonable, pre-approved in writing out of pocket travel-related expenses incurred in connection with such cooperation upon receipt of appropriate documentation of such expenses.

10. Notice. Any notice or other communication required by this Agreement to be in writing shall be deemed to have been received by the person or entity to whom it is addressed (a) on the date it is personally delivered to that person or entity, or to that person or entity's duly authorized agent or representative, or (b) two business days after it is deposited in the United States mail, postage prepaid and return receipt requested, and addressed to that person or entity at their last known address.

11. Arbitration. Employee and MRGCD will resolve by arbitration all statutory, contractual and common law claims or controversies, past, present or future, that arise out of or relate to Employee's hiring, employment, or termination of employment by MRGCD, including:

- claims of discrimination, harassment, or retaliation under any federal, state or local statute or ordinance, including, but not limited to, Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act, and the Americans with Disabilities Act;
- claims of retaliation under state workers' compensation law or any "whistleblower" law;
- claims for breach of any contract or covenant (express or implied);
- tort claims (including, but not limited to, negligent or intentional injury, invasion of privacy, defamation, and tortious interference with contract);

- claims for benefits (except claims under an employee benefit, pension plan or other plan governed by ERISA that either: (1) specifies that its claims procedure shall culminate in an arbitration procedure different from this one, or (2) is underwritten by a commercial insurer which decides claims);

- claims for violation of any federal, state, or other governmental law, statute, regulation, or ordinance (except claims for unemployment benefits or workers compensation benefits);

- claims or disputes regarding this Agreement, including but not limited to, its enforceability, scope or terms; and

- disputes regarding arbitrability under this Agreement.

This arbitration provision of this Agreement cannot be amended without the specific consent of both parties to so amend.

The parties hereby recognize that the payment of the salary discussed herein also constitutes payment for the agreement to this arbitration clause.

12. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico.

13. Entire Agreement. This Agreement contains the entire understanding of the parties, all previous negotiations, agreements, representations, and warranties being merged herein, and may not be modified except by writing signed by both parties.

14. Waiver. The waiver by MRGCD of a breach of any provision of this Agreement by Employee shall not operate or be construed as a waiver of any subsequent breach of the same or any other provision of this Agreement.

15. No Assignment. Employee acknowledges that services to be rendered by him are unique and personal and, therefore, Employee may not delegate any of his duties or obligations under this Agreement. This Agreement shall inure to the benefit of and be binding upon the successors and assigns of MRGCD.

16. Captions. The captions appearing at the beginning of each paragraph of this Agreement are for convenience only and are not a part of this Agreement nor do they in any way limit or amplify the terms and provisions of this Agreement.

17. Severability. If any part of this Agreement is for any reason held to be excessively broad as to time, duration, geographical scope, activity or subject, it will be construed, by limiting or reducing it, so as to be enforceable to the extent allowed by law.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

MRGCD:

MIDDLE RIO GRANDE
CONSERVANCY DISTRICT

By _____
Its Board Chair

EMPLOYEE:

_____
Phillip W. London

EXHIBIT A

Effective November 16, 2026 through November 16, 2027, Employee's annual compensation shall be $195,000.00. Beginning on November 17, 2027, Employee's annual compensation shall increase to $210,000.00 contingent upon Employee's successful achievement of the mutually agreed upon performance goals that will be established following Employee's employment.

Performance goals, as they may be adjusted from time to time, shall be the basis for evaluating Employee's entitlement to any compensation increase during the Term of this Agreement.