Agreement terms entered into with one employee in June 2026; the employee is referred to as “EMPLOYEE“ in the agreement terms.

GENERAL RELEASE AND SEPARATION AGREEMENT

This General Release and Separation Agreement (“Agreement”) is made and entered into effective as of the date executed below (“Effective Date”) by and between the Parties identified herein.

RECITALS

CLEAR LAKE CITY WATER AUTHORITY employed EMPLOYEE as the Deputy Tax Collector;

Due to business necessity, CLEAR LAKE CITY WATER AUTHORITY outsourced the entire Tax Department in June 2026 and eliminated all job positions including the Deputy Tax Collector job position;

Because her Deputy Tax Collector job position was eliminated, CLEAR LAKE CITY WATER AUTHORITY permanently laid off EMPLOYEE and is offering her this Agreement; and

The parties have negotiated and agreed upon severance terms and wish to more fully set forth the terms of their Agreement; and

In consideration of the promises, the mutual covenants and agreements herein and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereto covenant and agree as follows:

AGREEMENT

1. **Parties.** The Parties to this Agreement are EMPLOYEE, her spouse, children, heirs, executors, administrators, representatives, successors, assigns, and all other persons and entities in privity with her or who may claim on her behalf (hereinafter referred to collectively as “EMPLOYEE”), and CLEAR LAKE CITY WATER AUTHORITY and any of its directors, managers, officers, employees, agents, or representatives (hereinafter referred to collectively as “AUTHORITY”).

2. **Separation Package.** Subject to EMPLOYEE’S execution of this Agreement, expiration of the Revocation Period herein, and compliance with the terms of this Agreement, AUTHORITY promises to provide EMPLOYEE the following Separation Package:

   a. Payment of a Severance Amount of Five Thousand Three Hundred Seventy-Five and 26/100 Dollars ($5,375.26) gross less applicable taxes and deductions which equals approximately six weeks of compensation at EMPLOYEE’S current hourly rate payable in a lump sum payment as set forth below; and

   b. Payment of Nine Hundred Twenty-Five and 00/100 Dollars ($925.00) gross less applicable taxes and deductions which equals 40.13 hours of accrued Paid Vacation in a lump sum payment as set forth below.

AUTHORITY will pay the Separation Package on the first regularly scheduled payday within fifteen days ***after*** (i) expiration of the Revocation Period; ***and*** (ii) AUTHORITY'S receipt of this Agreement properly executed by EMPLOYEE. The Separation Package is consideration in support of this Agreement to which EMPLOYEE is not otherwise entitled and EMPLOYEE agrees to accept it in full and final settlement of any and all of EMPLOYEE'S claims as of the Effective Date.

3. **Future Obligations**. It is expressly agreed and understood that AUTHORITY does not have and will not have any obligation to provide EMPLOYEE at any time in the future with any payments, benefits or considerations, other than those recited herein.

4. **Tax Consequences**. EMPLOYEE hereby releases AUTHORITY from, and agrees to assume full responsibility to any federal, state, or local taxing authorities for, any tax consequences arising from the Separation Package. EMPLOYEE COVENANTS AND AGREES TO INDEMNIFY AND HOLD HARMLESS AUTHORITY FROM AND AGAINST ANY TAXES, FINES, PENALTIES, INTEREST, SUITS, CLAIMS, DEMANDS, LIENS, PROCEEDINGS, AND ANY OTHER LIABILITY ARISING OUT OF SUCH TAX CONSEQUENCES. EMPLOYEE acknowledges and agrees that AUTHORITY and its legal counsel have made no representations regarding the proper tax treatment of the payments in the Separation Package.

5. **Release of Claims.** In consideration of the Separation Package and the promises contained in this Agreement, EMPLOYEE releases, discharges, and forever holds harmless AUTHORITY from any and all claims, demands or suits, whether civil or criminal, at law or in equity, known or unknown, fixed or contingent, liquidated or unliquidated, arising or existing on or at any time before the Effective Date of this Agreement. Such released claims include claims relating to or arising out of (i) EMPLOYEE'S recruitment, hiring or employment with AUTHORITY; (ii) EMPLOYEE'S separation from employment with AUTHORITY; and (iii) all claims, whether based in contract, tort, or alleged violations of any statute, known or unknown, that have been asserted, or that could be asserted, by EMPLOYEE against AUTHORITY, including but not limited to claims under any federal, state or local laws as amended including, but not limited to, Title VII of the Civil Rights Act of 1964; 42 U.S.C. §1981; the Equal Pay Act; the National Labor Relations Act; the Health Insurance Portability and Accountability Act (including the Privacy Rule); the Employee Retirement Income Security Act; the Uniformed Services Employment and Reemployment Rights Act; age discrimination claims under the Age Discrimination in Employment Act; the Older Workers Benefits Protection Act; the Americans with Disabilities Act; the Pregnant Workers Fairness Act; the Genetic Information Nondiscrimination Act; the Family Medical Leave Act; the Texas Labor Code (including claims arising under Chapter 21; the Texas Payday Act; and the Texas Workers' Compensation Act); any claims of retaliation in violation of any federal, state, county, city, or local law; any contract claims including breach of contract, promissory estoppel, quantum meruit; any common law personal injury or tort claims including defamation, business disparagement, breach of fiduciary duty, fraud, intentional infliction of emotional distress, gross negligence, negligence, false imprisonment, invasion of privacy, and other tort claims; and any other claims under any other federal, state, county, city, or local law or ordinance.

6. **Pending Claims.** EMPLOYEE warrants and agrees that she does not have any employment -related claims, charges, or lawsuits filed before the Effective Date of this Agreement and pending

against AUTHORITY with any governmental agency, court, or other adjudicatory body ("Pending Claims"). As a condition of this Agreement EMPLOYEE agrees to (i) notify AUTHORITY of any Pending Claims on or before the Effective Date of this Agreement; (ii) withdraw or request dismissal of Pending Claims; and (iii) waive her right to recover any remedial relief (including any monetary damages, penalties, interest, reinstatement, back pay, and front pay) awarded as a result of any Pending Claims.

7. **Claims Not Released.** This release and waiver is not intended to waive any claims that may not be waived by an employee under applicable law. Furthermore, nothing in this Agreement will be construed to prohibit EMPLOYEE from filing a charge with, participating in, or cooperating with, any investigation or proceeding conducted by the EEOC, NLRB, or a comparable state or local agency. Any claim by EMPLOYEE under this provision will not be considered a breach of the confidentiality provision in this Agreement. Notwithstanding the foregoing, EMPLOYEE agrees to waive her right to recover any remedial relief (including any monetary damages, penalties, interest, reinstatement, back pay, and front pay) awarded as a result of any charge, complaint, or lawsuit filed by EMPLOYEE or by any third party or governmental agency on EMPLOYEE'S behalf ***provided, however,*** that nothing in this Separation Agreement limits EMPLOYEE'S right to receive an award from a governmental agency (and not the AUTHORITY) for information provided to any governmental agency.

8. **EMPLOYEE'S Representations.** EMPLOYEE agrees AUTHORITY has paid, and she has received, all compensation due to her for all hours worked. EMPLOYEE agrees she has notified AUTHORITY of all employment-related complaints or injuries, if any. Furthermore, EMPLOYEE agrees AUTHORITY has permitted her to take all legally required leaves.

9. **No Admission of Liability.** This Agreement will not in any way be construed as an admission by AUTHORITY of any acts of wrongdoing or violation of any statute, law or legal right. Rather, AUTHORITY specifically denies and disclaims that it has any liability to EMPLOYEE, but is willing to provide the Separation Package at this time to definitively resolve once and forever any potential claims and to avoid the costs, expense and delay of litigation.

10. **Return of AUTHORITY Property.** As a condition of being provided the Separation Package, EMPLOYEE acknowledges and agrees that she has already returned to AUTHORITY, or will return before being provided the Separation Package, all AUTHORITY Property in good working condition including vehicles; documents; handbooks; electronically stored information (including all log-ins, usernames and passwords for any social media, websites, email, etc. EMPLOYEE used for AUTHORITY'S business); files; forms; keys; key fobs (including the Water Barn key fob); key cards; ID badge; computer; electronic devices; cell phones; and AUTHORITY credit cards.

11. **Return of Confidential Information**. As a condition of being provided the Separation Package, EMPLOYEE acknowledges and agrees that she has already returned to AUTHORITY, or will return before being provided the Separation Package, all copies of any AUTHORITY Confidential Information (as defined in the Employee Handbook) whether or not supplied by the AUTHORITY, and whether or not made, developed or conceived by EMPLOYEE or by others in the employ of AUTHORITY, including hard copies and electronically stored information, together

with any other documents, materials, data, and information belonging to or relating to AUTHORITY'S business and in her possession, custody or control. EMPLOYEE will not retain or deliver to any other person or entity any Confidential Information or any summary or memorandum thereof. EMPLOYEE acknowledges and agrees that AUTHORITY'S Confidential Information is protected as trade secrets under the Defend Trade Secrets Act (DTSA), 18 U.S.C. §1836 *et seq.;* and the Texas Uniform Trade Secrets Act (TUTSA), TEX. CIV. PRAC. & REM. CODE, Chapter 134A.

12. **Nondisclosure**. EMPLOYEE promises that she will not at any time use or disclose AUTHORITY'S Confidential Information (as defined in the Employee Handbook) including using or disclosing such Confidential Information (i) to any person or entity outside AUTHORITY; (ii) for her own benefit; or (iii) for the benefit of any other person or entity without AUTHORITY'S prior written consent. Violation of this nondisclosure provision is actionable as a breach of contract and a violation of the DTSA and TUTSA, and AUTHORITY will pursue all remedies available under these, and any other, applicable causes of action including injunctive relief, actual and exemplary damages, and attorney fees. Notwithstanding anything to the contrary set forth in this Agreement, (i) pursuant to the DTSA no individual will be held criminally or civilly liable under federal or state law for the disclosure of a trade secret that (1) is made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and solely for the purpose of reporting or investigating a suspected violation of law; or (2) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal, and (ii) EMPLOYEE will not be prohibited from (1) exercising her rights under federal, state, or local law (including in acting as or cooperating with a whistleblower), (2) cooperating in a government or administrative investigation, or (3) revealing alleged criminal wrongdoing to law enforcement.

13. **Agreement Confidentiality.** ***Until AUTHORITY posts this Agreement on its website in accordance with applicable law, EMPLOYEE agrees she will keep the terms, amount, and fact of this Agreement strictly confidential*** unless disclosure is (i) required by process of law; (ii) compelled or requested by governmental, regulatory or judicial authorities; or (iii) pursuant to her exercising her Section 7 rights under the NLRA. Additionally, EMPLOYEE may disclose the terms of this Agreement to her spouse, counsel, or financial advisor, but will instruct such individuals to keep the terms of the underlying agreement confidential. Any violation of this section will be considered a material breach of this Agreement subjecting the violating party to a claim for damages resulting from such breach. This Agreement may be used as evidence in any subsequent proceeding in which either of the parties alleges a breach of this Agreement.

14. **No Assignment of Claim.** EMPLOYEE represents she has not transferred or assigned, to any person or entity, any claim involving AUTHORITY or any portion thereof, or interest therein. Further, if on EMPLOYEE'S behalf any other party pursues any of the claims released by EMPLOYEE in this Agreement, EMPLOYEE agrees to INDEMNIFY, DEFEND, AND HOLD HARMLESS AUTHORITY FROM AND AGAINST ANY SUITS, CLAIMS, DEMANDS, PROCEEDINGS, LIABILITY, DAMAGES, COSTS, ATTORNEY FEES, AND ANY OTHER COSTS, FEES, OR EXPENSES ARISING OUT OF SUCH RELEASED CLAIMS.

15. **Binding Effect.** This Agreement will be binding upon AUTHORITY and EMPLOYEE and her spouse, children, heirs, executors, administrators, representatives, successors, assigns, and all other persons and entities in privity with her or who may claim on her behalf.

16. **Controlling Law and Venue.** Except to the extent preempted by federal law, and without regard to conflict of laws principles, the laws of the United States and the State of Texas will govern this Agreement in all respects, whether as to its validity, construction, capacity, performance or otherwise. Venue of any litigation to construe, declare or enforce any provision of this Agreement, or any other litigation with respect hereto will be in a court of competent jurisdiction in Harris County, Texas.

17. **Mediation, Jury Waiver & Arbitration.** AUTHORITY and EMPLOYEE agree to negotiate, or submit to formal mediation, any dispute regarding any provision of this Agreement, its interpretation, or enforcement in a good faith effort to resolve any such disputes ***before*** initiating any litigation or arbitration.

a. Arbitrable Disputes. AUTHORITY and EMPLOYEE agree that any dispute regarding this Agreement, its interpretation, or enforcement will be resolved through binding arbitration pursuant to the Federal Arbitration Act ("Arbitrable Dispute") ***provided, however***

(1) Claims of sexual assault or sexual harassment are not Arbitrable Disputes under this Agreement and are not subject to arbitration in accordance with the Ending Forced Arbitration of Sexual Assault and Sexual Harassment Act, 9 U.S.C. §§401-402; and

(2) Claims arising under Sections 10, 11, 12, & 13 herein are not Arbitrable Disputes if AUTHORITY chooses to forgo arbitration and instead seek injunctive relief in a court of competent jurisdiction and proper venue in Harris County, Texas to enforce EMPLOYEE'S obligations.

Additionally, AUTHORITY and EMPLOYEE agree to waive their respective rights to litigation, trial by jury, or bench trial of any Arbitrable Dispute.

b. Arbitration Procedure. Unless otherwise agreed by AUTHORITY and EMPLOYEE, the arbitration of Arbitrable Disputes will be conducted by, and under the applicable rules of, the American Arbitration Association in Houston, Texas. AUTHORITY and EMPLOYEE agree to select one arbitrator who will be empowered to resolve Arbitrable Disputes. For Arbitrable Disputes, the arbitrator is empowered to determine the enforceability of (i) this Agreement as a whole; and (ii) this arbitration provision.

18. **Severability.** Should any provision of this Agreement be declared or determined to be illegal or invalid by any government agency or court of competent jurisdiction, the validity of the remaining parts, terms or provisions of this Agreement will not be affected and such provisions will remain in full force and effect.

19. **Consultation with Attorney & 21-Day Period.** EMPLOYEE is aware of her right to consult with an attorney of her own choosing at her own expense before executing this Agreement and she agrees she was given twenty-one calendar days within which to review and consider this Agreement. EMPLOYEE knowingly and voluntarily waives the remainder of the 21-day consideration period, if any, after the date she executes this Agreement. Further, EMPLOYEE understands and agrees that any changes to this Agreement do not restart the running of the 21-day consideration period.

20. **Revocation Period.** EMPLOYEE understands she has seven (7) calendar days following the Effective Date to revoke her acceptance of this Agreement ("Revocation Period"). Notice of revocation must be in writing and addressed to, and received by, Ms. JoJo Finkeldei, HR Manager, no later than the end of business on the seventh calendar day following the Effective Date. If EMPLOYEE revokes this Agreement within the Revocation Period, this Agreement is null and void.

21. **Entire Agreement.** This Agreement sets forth the entire agreement between the Parties and supersedes any and all prior agreements, understandings, or representations between the Parties pertaining to the subject matter of this Agreement. EMPLOYEE represents and acknowledges that in executing this Agreement, EMPLOYEE does not rely, and had not relied, upon any representation(s) by AUTHORITY or its agents except as expressly contained in this Agreement.

22. **Offer Expiration.** AUTHORITY'S offer of this Agreement expires twenty-one days after EMPLOYEE receives this Agreement unless EMPLOYEE accepts the offer by executing and returning this Agreement to Ms. Finkeldei by 5:00 p.m. on or before the twenty-first day after her receipt of this Agreement.

MY SIGNATURE BELOW MEANS I HAVE READ THIS GENERAL RELEASE AND SEPARATION AGREEMENT, FULLY UNDERSTAND SAME, AND KNOWINGLY AND VOLUNTARILY CONSENT TO ALL THE TERMS AND CONDITIONS CONTAINED IN THIS AGREEMENT.

Effective Date: June 22, 2026

[redacted]
EMPLOYEE