

**COACHELLA VALLEY WATER DISTRICT  
FIRST AMENDMENT TO EMPLOYMENT AGREEMENT – GENERAL MANAGER**

This First Amendment to Employment Agreement (this “First Amendment”) between the COACHELLA VALLEY WATER DISTRICT (the “District”) and JAMES M. BARRETT (the “Employee”) is entered into this 26th day of January 2016.

Except as modified in this First Amendment, the Employment Agreement originally dated November 12, 2014 (“Agreement”) between the District and the Employee shall remain in full force and effect.

The parties to this First Amendment agree to the following changes:

Section 4 entitled “COMPENSATION” is hereby amended, in its entirety, to reflect the new ACVWDM Memorandum of Understanding and to incorporate a new set of performance criteria for the upcoming year:

“SECTION 4. COMPENSATION.

A. Base Salary. The District agrees to pay Employee for services rendered pursuant hereto at a rate of Two Hundred and Sixty Seven Thousand Eight Hundred Fifty-Two Dollars (\$267,852.00) annually, pursuant to the procedures regularly established and as they may be amended by the District in its sole discretion. The Employee may receive annual increases in salary as may be determined by the Board in its sole discretion. Any agreed salary increase must be expressly memorialized in a subsequent written and executed Amendment to this Agreement. All compensation and comparable payments to be paid to Employee shall be less withholdings required by law. Paydays and hourly rate calculation shall be as defined in the Association of Coachella Valley Water District Managers (ACVWDM) Memorandum of Understanding, January 1, 2016 to December 31, 2018 (MOU). The ACVWDM MOU is attached as Exhibit “B” and incorporated herein by this reference. This base salary is subject the terms of District Resolution No. 2014-27, incorporated herein by this reference, including the CalPERS retirement contribution and deduction requirements.

B. Incentive Compensation. Following Employee’s annual performance evaluation, as required under Section 6 of this Agreement, Employee shall be eligible for an annual discretionary bonus of between zero percent (0%) and ten percent (10%) of Employee’s base salary. The factors or criteria considered for the bonus are developed by the Board of Directors of the District following discussions and input from Employee on an annual basis. The District shall endeavor to provide the factors well before the scheduled annual performance evaluation.

Factors or criteria for 2016, as agreed by the District and Employee are attached as Exhibit “A” to this First Amendment and incorporated by reference.”

Section 7 entitled "OFFICE HOURS" is hereby amended to reflect provide greater flexibility as to Employee's office hours:

"SECTION 7. OFFICE HOURS.

Employee agrees and understands that he will report to work when necessary to District operations, regardless of regularly scheduled hours, scheduled leave, or holiday, to the extent such attendance is reasonably possible."

The District and the Employee have duly executed this First Amendment as of the date first written above.

**COACHELLA VALLEY  
WATER DISTRICT**

**JAMES M. BARRETT**

By:  .  
President, Board of Directors

By: 

EXHIBIT A  
COACHELLA VALLEY WATER DISTRICT  
GENERAL MANAGER PERFORMANCE GOALS FOR 2015-2016

1. Develop a compensation plan for the District's employees that rewards exceptional performance based on measurable goals and expectations.
  - a. Metric: Begin the discussion through the bargaining unit process with ACVWDM for implementation before the end of CY2016.
2. Finish the Cost of Service Study for Canal, Replenishment, Domestic and Sanitation.
  - a. Metric: Complete the 218 process and implement for budget year 2016-2017.
3. Develop a drought contingency plan for the Colorado River water.
  - a. Metric: Acceptance by the Board.
4. Obtain California state approval for Chromium-6 water treatment compliance plan.
  - a. Metric: Receipt of state notification.
5. Complete asset inventory and condition assessment and develop a preventive maintenance management program.
  - a. Metric: Hire a consultant to begin the inventory and assessment.
6. Update the CVWD Water Management Plan/Report Card.
  - a. Metric: Produce an updated WMP Report Card similar to the one produced in 2014.
7. Get Oasis Irrigation Expansion Project on track for completion by end of 2018.
  - a. Metric: with formation and approval of the Assessment District, award a construction project before end of 2016.
8. Develop a plan to provide for Mid-valley direct replenishment.
  - a. Metric: Identify site, acquire the property (if required), begin the permitting process.
9. Revise Canal "White Paper".
  - a. Metric: Revise and republish the "White Paper".
10. Create an advisory group to assist in exploring options for resolving water quality issues in the East Valley.
  - a. Metric: Form the group and hold a meeting.

**EXHIBIT “B”**

Please refer to the

**MEMORANDUM OF UNDERSTANDING:  
COACHELLA VALLEY WATER DISTRICT and ASSOCIATION OF  
COACHELLA VALLEY WATER DISTRICT MANAGERS**