

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

This Second Amendment to Employment Agreement (this “Second Amendment”) between the COACHELLA VALLEY WATER DISTRICT (the “District”) and JAMES M. BARRETT (the “Employee”) is entered into this 10th day of January 2017.

Except as modified in this Second Amendment and the prior First Amendment where not superseded by this Second Amendment, the Employment Agreement originally dated November 12, 2014 (“Agreement”) between the District and the Employee shall remain in full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 Second Amendment agree to the following changes:

Section 4 entitled “COMPENSATION” is hereby amended, in its entirety, to reflect Employee’s annual salary increase 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 Seventy Three Thousand Seven Hundred and Forty Five Dollars (\$273,745.00) 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, 2019 (MOU). The ACVWDM MOU is attached as Exhibit “B” and incorporated herein by this reference. This base salary is further subject to the terms of applicable pre-existing District Resolutions, including Resolution 2014-230, and other 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 2017, as agreed and subsequently approved by the District and Employee are attached as Exhibit “A” to this First Amendment and are agreed to be expressly incorporated by reference.”

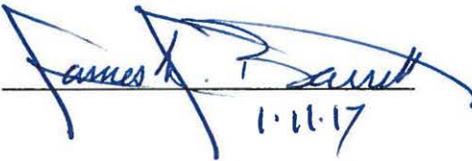
The District and the Employee have duly executed this Second Amendment as of the date first written above.

**COACHELLA VALLEY
WATER DISTRICT**

JAMES M. BARRETT

By: 

President, Board of Directors

By: 

1.16.17

EXHIBIT A
COACHELLA VALLEY WATER DISTRICT
GENERAL MANAGER PERFORMANCE GOALS FOR FY2017

1. Develop a CVWD Colorado River Water priority of service plan for continuity during periods of reduced supply. *(carryover)*
 - a. Metric: Acceptance by the Board.
2. Update the 2017 CVWD Water Management Plan/Report Card. *(carryover)*
 - a. Metric: Produce an updated WMP Report Card similar to the one produced in 2014.
3. Develop a plan to provide for Mid-valley direct replenishment. *(carryover)*
 - a. Metric: Identify site, acquire the property (if required), and begin the permitting process.
4. Revise Canal “White Paper” to more accurately reflect the contributions of agriculture. *(carryover)*
 - a. Metric: Revise and republish the “White Paper”.
5. Resolve the property/irrigation dispute with Gagnon and Gutierrez. *(new)*
 - a. Metric: Resolution
6. Improve the District’s Capital Improvement Plan project Execution rate. *(new)*
 - a. Metric: Achieve a 40% or better execution against budget after removal of the initially anticipated hexavalent chromium facilities.
7. Understand and improve the lease relationship between CVWD and the Living Desert. *(new)*
 - a. Metric: Facilitate meetings between both Boards and staff.
8. Work with the City of Coachella to explore the feasibility of using existing CVWD agricultural drains for municipal purposes and ultimate conveyance to the Coachella Valley Stormwater Channel. *(new)*
 - a. Metric: Develop a pilot project along Avenue 50.
9. Provide a detailed timeline for accomplishment of Regional Stormwater Master Plans which include milestones for design, bond financing, rate increases and construction. *(new)*
 - a. Metric: Presentation of the timeline to the Board.
10. Develop and deliver a Non-Potable Master Plan.
 - a. Metric: Acceptance by the Board.