

**EMPLOYMENT AGREEMENT
BETWEEN
DESERT HEALTHCARE DISTRICT
AND CONRADO E. BARZAGA, M.D.**

This Employment Agreement (hereinafter "Agreement") is entered into by and between the Desert Healthcare District, a California health care district organized and operating pursuant to Health & Safety Code section 32000 et seq. (hereinafter "District"), and Conrado E. Barzaga, M.D. ("Employee"). This Agreement shall be effective as of June 11, 2019 upon approval of the District Board of Directors and execution by the parties.

R-E-C-I-T-A-L-S

A. The District is the owner of the Desert Regional Medical Center and landlord of the facility and related businesses pursuant to a 30-year lease ("Lease") with Tenet HealthSystems Desert, Inc., which began on May 30, 1997. As Landlord, the District is responsible for overseeing the terms and condition of the Lease. In addition, the District has implemented an extensive community grants program which supports non-profits organization in addressing community health care needs throughout the Coachella Valley. The District also oversees the Desert Healthcare Foundation, which has provided fund raising and support to numerous health care related programs and services in the area served by the District.

B. The District desires to retain Employee to act as its Chief Executive Officer

C. During the term of this Agreement, Employee shall serve at the pleasure and direction of the District's Board of Directors in accordance with the terms and conditions of this Agreement.

C-O-V-E-N-A-N-T-S

1. **Employment.** Employee shall serve as the CEO of District during the term of this Agreement with full power and authority to manage and conduct the day-to-day business of the District, subject to the directions and policies of the District Board. Employee will perform such duties as outlined in Employee's job description, which is attached hereto as Exhibit "A," and such other duties as may be requested by the District Board from time to time. Employee shall be required to file a 700 Form as required as a "Designated Employee" pursuant to the District's Conflict of Interest Code. Employee also recognizes that the job is a salaried position that will

require more than forty (40) hours per week and may require Employee to travel temporarily to other locations.

2. Term. The term of this Agreement shall be for a two-year term beginning on July 31, 2019 and ending on July 31, 2021.

3. Annual Salary. Commencing July 31, 2019, Employee shall receive an annual salary of Two Hundred Fifteen Thousand Dollars (\$215,000) payable at the regular District pay periods during the term of this Agreement and subject to all applicable withholdings and deductions. Employee may receive such annual cost of living and merit increases in salary as may be determined by the Board of Directors in its sole discretion.

4. Relocation Expenses. Employee currently resides in Upland California and will need to relocate to the Coachella Valley, California. As part of this Agreement, District agrees to pay Six Thousand Dollars (\$6,000) for relocation expenses. Payment shall be made to Employee upon commencement of employment on July 31, 2019.

5. Health and Pension Benefits. Employee shall be entitled to receive health benefits on the same terms and conditions as are available to other District employees, including medical, dental, vision, life and disability insurance, and participation in the District's pension plan. In addition, Employee shall be included under the provisions of the directors and officer's liability policy covering the District and also under the provisions of the District's professional liability insurance for all services performed pursuant to this Agreement.

6. Vacation. During the term of this Agreement, Employee shall annually accrue the equivalent of four (4) weeks of paid leave vacation. With the exception of being entitled to four (4) weeks paid vacation per year, Employee shall be subject to the same terms and conditions as other District employees relating to Vacation as set forth in the Employee Handbook.

7. Sick Leave Leaves of Absence and Related Employment Terms. With the exception of four (4) weeks' vacation, Employee shall be subject to the same terms and conditions relating to Bereavement Leave, Extended Medical Leave, Personal Leave, Sick Leave, Kin Car, Required Use of Paid Sick Leave, Paid Sick Leave, Workers Compensation Benefits and Flex Scheduling as all District employees as set forth in the Employee Handbook.

8. Evaluation. The District Board shall provide a written evaluation of Employee after six months from the date Employee starts employment and annually thereafter on July 1, in

accordance with the Chief Executive Officer Annual Performance Evaluation Process set forth in the Board President's Guide.

9. Expenses. Provided the expenditure satisfies the criteria established by the Internal Revenue Code for deductibility, District shall reimburse Employee for reasonable business expenses, subject to approval by the District Board, including travel, entertainment, parking, and business meetings that are substantiated in accordance with the policies established from time to time by the District.

10. Restriction on Outside Activities. Employee shall devote his full business time, energy, and ability exclusively to the business and interests of District and shall not, without the prior written consent of District, render services of any kind for compensation or engage in other business activity.

11. Termination of Employment. Employee is an "At Will" employee who serves at the pleasure of the Board of Directors. Either the District or Employee may terminate this Agreement at any time, with or without cause, upon thirty (30) days' advance written notice.

a. In the event this Agreement is terminated by Employee's resignation or for cause, Employee shall not be entitled to any severance compensation or any other compensation from District, except for such salary and benefits as Employee may have earned prior to termination. Termination for "Cause" shall include, but may not be limited to, fraud, embezzlement, misappropriation of District property, or use of undue influence as a District official, conflicts of interest, criminal activities, whether or not prosecution or conviction occurs, or Employee's repeated failure to perform the essential functions of his job, including those circumstances where such failure is because of death or disability and use of illegal drugs or abuse of legal drugs, including alcohol, after a prior warning concerning such abuse of legal drugs.

b. In the event District terminates Employee "Without Cause" at any time during the term of this Agreement, District agrees to pay Employee a lump sum severance pay equal to the lesser of six (6) months base salary or the remaining term of this Employment Agreement. Employees' acceptance of severance pay shall be Employee's sole remedy for such termination, and Employee shall not be entitled to any other compensation or the continuance of any other benefits except as required by law.

c. If Employee elects to retire, he agrees to give the District three (3) months written notice of such retirement and Employee will not be eligible for severance pay.

12. Miscellaneous Provisions.

a. Modification. This Agreement may not be altered in whole or in part except by a modification, in writing, executed by all the parties to this Agreement.

b. Entire Agreement. This Agreement contains all representations and the entire understanding between the parties with respect to the subject matter of this Agreement. The parties acknowledge that there have not been any oral promises or understandings that are not contained in this Agreement. Any prior correspondence, memoranda, or agreements, whether or not such correspondence, memoranda, or agreements are in conflict with this Agreement, are intended to be replaced in total by this Agreement which represents the final and complete agreement between the parties.

c. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties and their respective successors, heirs, and assigns.

d. Unenforceable Provisions. The terms, conditions, and covenants of this Agreement shall be construed whenever possible as consistent with all applicable laws and regulations. To the extent that any provision of this Agreement, as so interpreted, is held to violate any applicable law or regulation, the remaining provisions shall nevertheless be carried into full force and effect and remain enforceable.

Dated: June 11, 2019

“District”:
DESERT HEALTHCARE DISTRICT

By 
Les Zendle, M.D., President

Dated: June 7, 2019

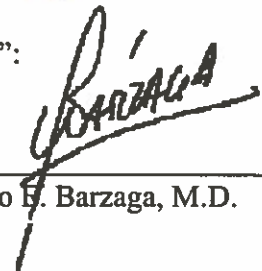
“Employee”:
By 
Conrado E. Barzaga, M.D.

Exhibit “A”
DESERT HEALTHCARE DISTRICT
CHIEF EXECUTIVE OFFICER
JOB DESCRIPTION

Job Summary

The District Chief Executive Officer (CEO) is responsible for the development of all operational policies, internal grant making procedures, research to support grant making initiatives, and directing of all administrative and program activities of the District which includes, but is not limited to, the effective use of financial resources, maintenance of financial record systems, direction and supervision of all communications with grantees and publics, some of which include newsletters, request for proposal applications, community education symposia, press releases, and annual reports.

Reporting Relationship

The CEO reports to the District Board of Directors.

Professional Responsibilities

In partnership with the Board of Directors, the major role of the CEO is to provide leadership and guidance in order to achieve the agency’s mission, strategy, and annual goals and objectives. The CEO is responsible for:

- Developing and maintaining an effective organizational structure and staffing plan
- Creating links with community constituents so the highest degree of impact can be achieved through the most effective use of resources
- Developing and maintaining a high level of awareness of the needs of the community through regular assessment and evaluation of the relative needs
- Establish and maintain a working relationship with the CEO of Desert Regional Medical Center to develop common initiatives to serve the District Community.
- Overall financial management of the organization – development of annual budget, prudent management of resources and regular reporting to the Board on the organization’s fiscal status
- Overseeing development of strategic planning process in partnership with the Board and overseeing implementation of the plan
- Ensuring that appropriate methods, systems and procedures are in place to review programs and monitor their effectiveness
- Maintaining and developing the organization’s external relations by communicating the organization’s mission and achievements effectively to stakeholders and policy makers
- Actively participating in community, state and national health grant making issues and activities to learn, understand and respond to the needs of those being served
- Orchestrating the various efforts so that a team orientation is developed and both Board members and staff feel involved, committed, and have appropriate access and input; and
- Ensuring that each member of the Board is well-informed with respect to the Board’s responsibilities and Foundation activities.