

GENERAL MANAGER EMPLOYMENT AGREEMENT

This General Manager Employment Agreement ("**Agreement**") is effective as of February 13, 2025 ("**Effective Date**"), and is between the Bear Valley Community Services District ("**District**"), a California community services district, and Beverli Marshall ("**Marshall**"), an individual. The parties agree as follows:

RECITALS

District desires to appoint and hire Marshall as its General Manager and Marshall desires to accept the appointment and the employment as the District's General Manager pursuant to the terms and conditions of this Agreement.

AGREEMENT

1. Position; Duties; Hours; Direction; Activities; And Period Of Employment.

1.1 Position and Duties. District hereby appoints Marshall as its General Manager ("**GM**") and Marshall accepts employment with the District as its GM and agrees to perform all services and duties appropriate to that position, as well as such other services and duties consistent with the GM position as may be assigned by District's Board of Directors. Marshall shall begin performance of services and duties under this Agreement on March 17, 2025. These services and duties include, but are not limited to: (i) those set forth in the District's Code, including Chapter 2 of Title 2 [General Manager], and all applicable District ordinances, resolutions, rules and policies; (ii) all duties required under California law, including the Community Services District Law (Government Code section 61000 and following); and (iii) all obligations imposed under this Agreement. Marshall agrees to devote her best efforts and full-time attention to the performance of these services and duties. Marshall acknowledges and agrees not to assign or subcontract to any party the performance of any services or duties required under this Agreement.

1.2 Hours and location of Work. Marshall must devote the time necessary to adequately perform the duties of GM. The parties expect that a minimum of 40 hours per week, including additional time outside of normal business hours, will be required to satisfy this requirement. To the maximum extent possible (and excepting time necessary for District business such as meetings outside the District with other local and state agencies and organizations and to make inspections within the District of District property and facilities), Marshall will be available at the District's office during regular business hours, Monday through Friday, in order to provide adequate availability to the Board of Directors, District staff, and members of the community. In addition, Marshall acknowledges and agrees that she will report to work when necessary for District operations, regardless of regularly scheduled hours, scheduled leave, or holiday, to the extent such presence is reasonably possible. The position of GM is an exempt position under California wage and hour law, and Marshall acknowledges that she will not be entitled to any compensation for overtime.

1.3 Direction from Board. In accordance with District Code section 2-2-4, Marshall will take direction as to matters of District business only from the Board of Directors as a whole, or from any duly authorized Board Committee, which has been granted the power by the Board to give direction to the GM. Individual Board members must refrain from providing direction to the GM and to District staff and Marshall shall refrain from acting on or carrying out direction received from individual Board members.

1.4 Professional Activity. The Board of Directors desires Marshall to be reasonably active in statewide, regional and professional organizations that will contribute to Marshall's professional development and standing and that will contribute to the advancement of the District's interests and standing. Toward that end, Marshall may, upon advance notice to the Board of Directors and subject to budgetary approval by the Board, undertake such activities as are directly related to Marshall's professional development and that advance the interests and standing of the District. These activities may include, without limitation, participation in the California Special Districts Association, or other similar statewide, regional or professional organizations. District also agrees to pay directly or reimburse, as provided in Section 2.2 [Reimbursement], Marshall's reasonable and necessary travel, business and subsistence expenses for the activities described in this section.

1.5 Other Activity. In accordance with Government Code section 1126, during the period of Marshall's employment, Marshall may not accept, without the express prior written consent of the Board of Directors, any other employment or engage, directly or indirectly, in any other business, commercial, or professional activity (except as permitted under Section 1.4 [Professional Activity]), whether or not to pecuniary advantage, that is or may be competitive with the District, that might cause a conflict-of-interest with the District, or that otherwise might interfere with the business or operation of the District or the satisfactory performance of Marshall's duties as GM.

1.6 Period of Agreement. Subject to Section 3 [Termination], this Agreement will have an initial term of 2 years from the Effective Date. Upon the Effective Date, Marshall shall be the District's General Manager and shall assume all duties and responsibilities required by this Agreement and shall be entitled to all benefits contained herein. Marshall acknowledges and agrees that if this Agreement is not extended or renewed at the end of the 2-year term, then she will have no right to receive any Severance Payment under Section 3.2. If the District does not extend or renew the agreement beyond the initial 2 year term, the District must provide notice of intent to terminate in accordance with Section 3.2.

2. Compensation; Reimbursement; And Benefits.

2.1 Base Salary. Marshall will receive an annual base salary in the amount of \$220,000 (which is \$18,333.33 per month). The base salary will be paid according to the payroll schedule in place for District employees, which is currently paid on a bi-weekly basis. Marshall's base salary will be reviewed annually by the Board of Directors and Marshall, and may be increased in the sole discretion of the Board. The base salary amount may not be decreased except by the mutual written agreement of the parties. **Reimbursement; Allowances.** District will pay directly or reimburse Marshall for reasonable and necessary travel, subsistence and other business expenses incurred by Marshall in the performance of Marshall's duties. All reimbursements are subject to California law and the District's adopted employee reimbursement policies. In addition, the District will provide the following:

2.1.1 Vehicle Allowance. Marshall will receive a vehicle allowance of \$6,000 per year (which is \$500 per month or \$230.76 per pay period (currently 26 pay periods per year)) for use of her personal vehicle for routine local area travel. Marshall will be reimbursed for actual mileage incurred in traveling in excess of a 75-mile radius, or 150-mile round trip, from the District's principal office to perform her employment duties at the then current IRS mileage rate. This motor vehicle allowance and reimbursement of travel expenses does not preclude Marshall's

use of District vehicles, fuel, or equipment for District business purposes, and to ensure safe travel during emergencies or inclement weather.

2.1.2 Technology. Marshall will be provided with use of a District laptop computer and various software and will receive a District-issued cellular phone with the cost of service for business use covered by District.

2.1.3 Relocation Stipend. Marshall shall receive a one-time relocation stipend of \$10,000 to be paid to Marshall upon execution of this agreement. Marshall shall be required to reimburse the District the full amount of \$10,000 if she does not complete the term of this agreement, unless terminated without cause, in which instance, no reimbursement shall be required.

2.2 Benefits.

2.2.1 Group Health Insurance. District agrees that during the period of her employment Marshall and Marshall's eligible dependents will be eligible to receive the District's group health, dental, vision, life and other group insurance offered to the District's exempt employees. A list of such current group insurance and the percentage of the District's level of contribution towards such insurance is attached as Exhibit A to this Agreement. Marshall may, in her discretion, receive the cash payment that the District would otherwise make in-lieu of any of the group insurance benefits provided at the full value of the then current District paid employer contributions/premiums for Marshall. District further agrees to provide and pay the full cost of term life and accidental death and dismemberment insurance in an amount equal to \$75,000.

2.2.2 Holidays. Paid holidays will be in accordance with the District's current practice for exempt employees and is subject to change. Paid holidays will be those deemed authorized by the District. The District currently provides 11 paid holidays plus two personal holidays.

2.2.3 Leave. Marshall is entitled to and will accrue leave in accordance with District's current leave policies and practices for exempt employees as set forth in the District's Employee Handbook, including all caps on applicable leave. The parties acknowledge and agree that the District's leave policies for exempt employees are subject to change and may be reduced or revised at the discretion of the Board of Directors and that any such future reduction or revision to the District's leave policies, provided that it is done in accordance with applicable law, will not be considered an adverse employment action or a breach of this Agreement by District.

The parties agree that Marshall shall begin employment accruing vacation days at a rate of 200 hours annually. Vacation days shall be prorated based on the Effective Date of this Agreement.

The parties further agree that under the District's current sick leave policy that Marshall is entitled to receive 14 days of sick leave per year, which shall be prorated based on the Effective Date of this Agreement.

Upon termination of employment, all forms of accrued and unused leave will be paid to Marshall based upon the hourly rate of the base salary. The hourly rate will be calculated by dividing the then current annual base salary (monthly rate multiplied by 12) by 2080 hours.

2.2.4 Retirement Plan. Marshall will be entitled to participate in the District's retirement plan, which is currently with the State of California's Public Employees Retirement System ("CalPERS"). District will pay all applicable employer contributions required for Marshall; provided, however, that Marshall acknowledges and agrees that she must make such contributions to the retirement plan as may be required by CalPERS or any subsequent plan provider for eligible employees.

2.2.5 Deferred Compensation Plan. District agrees to pay an amount equal to 50% of the IRS specified maximum annual limit on behalf of Marshall into the District's CalPERS 457 Deferred Compensation Plan. District further agrees to pay an amount equal to 50% of the IRS specified maximum annual limit on "catch up" payments for participants who are age 50 and older on behalf of Marshall into the District's CalPERS 457 Deferred Compensation Plan. The contributions will be made at the beginning of each quarter of the calendar year and will be deemed earned for that quarter upon payment.

2.2.6 Longevity Pay. District agrees that if Marshall receives a standard or better annual performance evaluation for the year of service in which longevity pay may be due, she will be eligible for longevity pay as follows: (1) 5% of base pay after completing 10 years of service with the District; (2) 10% of base pay after completing 15 years of service with the District; (3) 15% of base pay after completing 20 years of service with the District; and (4) 20% of base pay after completing 25 years of service with the District.

2.2.7. Administrative Leave. District agrees that Marshall shall be entitled to paid Administrative Leave, which shall accrue at a rate of eight (8) hours per month and shall be capped at fifty-six (56) hours per year.

2.2.8. Personal/Safety Day. District agrees that Marshall shall be credited with twenty-four (24) Personal Leave hours on July 1 of each year. As a newly appointed employee, Marshall will be credited, on a pro-rated basis, two hours per month for each full month remaining in the fiscal year at the time of hire. Marshall will also be granted an additional eight (8) hours of Personal Leave upon completion of a full year of employment without any safety violations or discipline.

2.2.9. Educational Reimbursement. District agrees that upon proof of successful completion, the District will reimburse Marshall for one-half the cost of tuition and required textbooks under the following circumstances: (1) the course of study is approved in advance by the Board of Directors; and (2) the course of study is directly relevant to Marshall's current job responsibilities or planned career progression and is undertaken at an accredited institution. For purposes of this section, "Successful Completion" shall mean receiving a final course grade of C or better, or B or better if the program is a post-graduate level.

3. At-Will Employment; Termination.

3.1 At-Will Employment. Marshall acknowledges that she is an at-will employee of District who will serve at the pleasure of the Board of Directors at all times during the period of service under this Agreement. With respect to the manner in which Marshall's employment with

the District may be terminated, the terms of the District's personnel rules, policies, procedures, ordinances, resolutions, memorandums of understanding, or collective bargaining agreements (collectively "**Personnel Policies**"), do not apply to Marshall's term of employment, and nothing in this Agreement is intended to, or does, confer upon Marshall any right to any property interest in continued employment, or any due process right to a hearing before or after a decision by the Board of Directors to terminate her employment, except as is expressly provided in Section 3. Nothing contained in this Agreement will in any way prevent, limit or otherwise interfere with the right of the District to terminate the services of Marshall as provided in Section 3. And nothing in this Agreement will prevent, limit or otherwise interfere with the right of Marshall to resign at any time from this position with District, subject only to the provisions set forth in Section 3. The parties further acknowledge and agree that Marshall is not subject to a probationary period.

3.2 By District Not for Cause. District may terminate Marshall for any reason, and at any time, with or without cause, by: (1) providing Marshall with her then current base salary ("**Severance Payment**") for the applicable time period ("**Severance Period**"), less applicable deductions, plus applicable accrued vacation and leave provided in this Agreement together with any extension of benefits required under this Agreement. The parties acknowledge and agree that the Severance Period is six (6) months; or (2) District providing Marshall at least sixty (60) day advance written notice of the intent to terminate. In the event that the District provides Marshall at least sixty (60) day notice of intent to terminate, Marshall shall be entitled to no Severance Payment. As a condition to accepting Severance Payment, Marshall must agree to waive all claims against the District related to her employment or termination pursuant to a form prepared by District counsel. Given the at-will status of the GM position, the parties agree that if Marshall's service and this Agreement are terminated under this Section 3.2 or Section 3.3, that the parties will meet and confer and use reasonable efforts to prepare a joint press release regarding Marshall's separation that is mutually acceptable.

3.3 By Employee Not for Cause. Marshall may terminate her employment for any reason, and at any time, with or without cause, by providing District with at least 30 calendar days' advance written notice. District will have the option, in its complete discretion, to make Marshall's termination effective at any time prior to the end of such period, provided District pays Marshall all compensation due and owing through the last day actually worked, plus an amount equal to the base salary, group insurance and benefits Marshall would have earned through the balance of the above notice period. If Marshall exercises this option to terminate this Agreement, Marshall acknowledges and agrees that she is not entitled to receive any severance payment, although the Board may in its sole discretion elect to provide some form of severance compensation.

3.4 By District for Cause. District may immediately terminate this Agreement at any time by providing Marshall written notice of cause for termination; provided, however, that Marshall will have the right to address the Board of Directors in a closed session regarding the grounds for such termination within 10 days of receipt of the notice of termination. This right to meet and confer with the Board will not alter the effective date of termination set forth in the notice of termination unless the Board elects to do so following its closed session meeting with Marshall. In the event of a termination for cause, the District is not required to provide any further salary to Marshall.

For purposes of this Agreement, cause for termination is defined as demonstrable, or otherwise proven or admitted conduct that is materially prejudicial to the District. This may include, but is not limited to the following: conviction of a felony, conviction of a misdemeanor involving moral turpitude, or the entry of a plea of nolo contendere or a plea bargain to either such offense;

material dishonesty; willful or persistent material breach of duties; engaging in unlawful discrimination or harassment of employees or any third party while on District premises, time, or participating in any activity or performing any services under this Agreement; significant unauthorized absences under applicable District Personnel Policies and this Agreement; continued breach of this Agreement after receipt of written notification regarding such breach; unauthorized disclosure of confidential information relating to the District; failure to make reasonable improvements with respect to goals or other performance items mutually agreed upon by Marshall and the Board as specified in written performance evaluations; or a serious violation of any of the other examples of misconduct included in District's Personnel Policies. Except as provided in this Section 3.4 or except when Marshall has a California or federal constitutional right to a name clearing hearing, Marshall otherwise expressly waives any rights provided for exempt employees under the District's Personnel Policies, or under state or federal law to any form of pre- or post-termination hearing, appeal, or other administrative process pertaining to termination.

3.5 Upon Death. This Agreement will immediately terminate upon the death of Marshall and all accrued salary, leave, compensation and other benefits will be paid to Marshall's estate as required by applicable law.

3.6 Termination Obligations. Marshall agrees that all property, including, without limitation, all equipment, tangible Proprietary Information (as defined below), documents, records, notes, contracts, and computer or other electronically-generated materials furnished to or prepared by Marshall incident to Marshall's employment belongs to District and must be returned to District within 7 days of termination of Marshall's employment. Marshall's obligations under this section will survive the termination of Marshall's employment and this Agreement.

3.7 Benefits Upon Termination. All benefits to which Marshall is entitled under this Agreement will cease upon Marshall's termination in accordance with Section 3, unless expressly continued either under this Agreement, under any specific written policy or benefit plan applicable to Marshall, or unless otherwise required by law.

4. Evaluation.

The Board of Directors will at least annually review and evaluate the performance of Marshall as GM with a default date to conclude such evaluation 12-18 months from the date of hire, unless the parties mutually agree to another date. Review and evaluation will be in accordance with such criteria and procedures as the parties may jointly agree upon, but which the parties contemplate will include mutually defined goals and performance objectives for the GM that the parties determine to be necessary for the proper operation of District and the attainment of the District's policy objectives. The Board of Directors will conduct a closed session meeting with Marshall to discuss the performance evaluation. Marshall will have the right to make both written and oral responses to the performance evaluation before the full membership of the Board. Failure of the District to provide a performance evaluation will not limit the District's ability to terminate this Agreement pursuant to Section 3 [Termination]. The parties acknowledge and agree that the GM's written performance evaluation is considered a personnel matter and is not subject to public disclosure except as expressly provided by law.

5. Proprietary And Confidential Information.

"**Proprietary Information**" is all information and any idea pertaining in any manner to the business and operations of District, which was produced by any employee or contractor of District

in the course of his or her employment or otherwise produced or acquired by or on behalf of District. Proprietary Information includes, without limitation, trade secrets, product ideas, inventions, processes, formulae, data, know-how, software and other computer programs, copyrightable material, strategies, budgets and other financial reports and forecasts, and personnel information. All Proprietary Information not generally known outside of District's organization or otherwise in the public domain, and all Proprietary Information so known only through improper means, will be deemed "**Confidential Information.**" During employment by District, Marshall may use Proprietary Information, and may disclose Confidential Information, only for the benefit of District and as is or may be necessary to perform Marshall's job responsibilities under this Agreement. Following termination, Marshall may not disclose any Confidential Information, except with the express written consent of District, except as otherwise required or compelled by applicable law. Marshall's obligations under this Section 5 will survive the termination of Marshall's employment and the expiration of this Agreement.

6. Conflict Of Interest.

Marshall represents and warrants to District that Marshall presently has no interest, and represents that Marshall will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or interfere in any way with performance of Marshall's services under this Agreement. Marshall acknowledges and agrees that public employment, especially the position of GM, carries with it great public trust and responsibility. Marshall agrees to perform her duties in accordance with the laws and rules governing public employment and will undertake those duties in a manner that avoids acts of an inappropriate or illegal nature and reasonably avoids those acts which may give rise to even the appearance of impropriety. In accordance with that goal, Marshall may not directly engage in any business or transaction or have a financial or other interest or association which is in conflict with the proper discharge of official duties or would tend to impair independence of judgment or action in the performance of official duties. Personal as distinguished from financial interest includes an interest arising from blood or marriage relationships or close business, personal, or political associations. Marshall shall also be subject to the conflict of interest provisions of the California Government Code and any conflict of interest code applicable to her District employment. The GM is responsible for submitting to the Human Resources Director the appropriate Conflict of Interest Statements at the time of appointment, annually thereafter, and at the time of separation from the position.

7. General Provisions.

7.1 Notices. All notices, requests, demands and other communications under this Agreement must be in writing and will be effective upon personal delivery by hand or three business days after deposit in the United States mail, postage prepaid, certified or registered, and addressed to District at the address below, and to Marshall at the most recent address maintained in Marshall's personnel file.

District's Address:

Bear Valley Community Services District
28999 South Lower Valley Road
Tehachapi, CA 93561
ATTN: Board President

7.2 Indemnification. In accordance with and subject to California's Government Claims Act, the District shall defend and indemnify the GM against and for all losses sustained by the GM in direct consequences of the discharge of his duties on the District's behalf for the period of his employment. District shall defend, hold harmless and indemnify the GM against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of her duties as the GM. The District will compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered thereon, as appropriate and determined by the Board of Directors. In the event the GM is sued for damages arising out of the performance of his duties, the District shall provide defense counsel for the GM in such suit and indemnify her from any judgment rendered against her; provided that such indemnity shall not extend to any judgment for damages arising out of any willful wrongdoing. Said indemnification shall extend beyond termination of employment and the otherwise expiration of this Agreement to provide protection for any such acts undertaken or committed in her capacity as GM, regardless of whether the notice of filing of a lawsuit occurs during or following employment with the District.

7.3 Bonding. The District will bear the full cost of any fidelity or other bonds required of the GM under any law or ordinance.

7.4 Integration. This Agreement is intended to be the final, complete, and exclusive statement of the terms of Marshall's employment by District. This Agreement supersedes all other prior and contemporaneous agreements and statements, whether written or oral, express or implied, pertaining in any manner to the employment of Marshall, and it may not be contradicted by evidence of any prior or contemporaneous statements or agreements. To the extent that the District Code, ordinances, resolutions, practices, policies, or procedures of District, now or in the future, apply to Marshall and are inconsistent with the terms of this Agreement, the provisions of this Agreement will control.

7.5 Amendments. This Agreement may not be amended except in a written document signed by Marshall, and approved by the Board of Directors at a regular meeting.

7.6 Waiver. Failure to exercise any right under this Agreement does not constitute a waiver of such right.

7.7 Severability. If a court or arbitrator holds any provision of this Agreement to be invalid, unenforceable, or void, the remainder of this Agreement will remain in full force and effect.

7.8 Disputes; Attorneys' Fees. Any disputes arising under this Agreement must first be submitted to non-binding mediation with each party bearing its own costs and legal expenses. In any legal action, arbitration, or other proceeding brought to enforce or interpret the terms of this Agreement as a result of any unresolved dispute, the prevailing party will be entitled to recover reasonable attorneys' fees and costs. In the event either party to this Agreement believes that the other party has violated this Agreement, the party alleging breach shall notify the other party in writing at least fourteen (14) days prior to filing any legal action, arbitration or other proceeding relating thereto.

7.9 Governing Law; Venue. This Agreement is governed by and will be construed in accordance with the laws of the State of California, with venue for any litigation proper only in Kern County, State of California.

7.10 Interpretation. This Agreement will be construed as a whole, according to its fair meaning, and not in favor of or against any party. Captions are used for reference purposes only and should be ignored in the interpretation of the Agreement.

7.11 Successors. This Agreement is personal to Marshall and may not be transferred or assigned without the prior written consent of District, which it may withhold in its sole discretion. Subject to this restriction on transfer and assignment, this Agreement is binding upon, and will inure to the benefit of the successors, assigns, heirs, and legal representatives of the parties, including any successor public agency of the District.

7.12 Acknowledgment. Marshall acknowledges that she has had the opportunity to consult legal counsel in regard to this Agreement, that Marshall has read and understands this Agreement, that Marshall is fully aware of its legal effect, and that Marshall has entered into it freely and voluntarily and based on Marshall's own judgment and not on any representations or promises other than those contained in this Agreement.

7.13 Final Agreement. This Agreement will be executed in two identical originals, each of which will constitute one and the same instrument.

7.14 Public Record. The parties acknowledge that this Agreement is a public record as such term is defined under the California Public Records Act [commencing at Government Code section 7920 and following] and must be made available for inspection and copying to members of the public upon request in accordance with the provisions of the Act.

[Signatures on the following page.]

The Bear Valley Community Services District has caused this Agreement to be executed on its behalf by its President of the Board of Directors and duly attested by its Secretary of the Board of Directors, and Marshall has executed this Agreement on her behalf, each as of the Effective Date.

BEAR VALLEY COMMUNITY SERVICES DISTRICT



Geva Frevert, President of the Board of Directors

ATTEST:



Denise Jelleschitz, Secretary of the Board of Directors

APPROVED AS TO FORM:



Palmer Hilton, Interim District General Counsel

GENERAL MANAGER

Signed by:



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Beverli Marshall

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