

THIRD AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT

The City of Sanger (“City”) and Eutimio “Tim” Chapa (“Chapa”) agree to enter a Second Amendment to Employment Agreement as follows:

RECITALS

- A. City and Chapa entered into an Employment Agreement (“Agreement”) effective December 17, 2015, and with a term of three years commencing January 19, 2016; and
- B. City and Chapa amended the Agreement with a First Amendment effective September 22, 2017; and
- C. City and Chapa amended the Agreement with a Second Amendment effective August 17, 2018.
- D. City and Chapa have negotiated modifications to the term of the Agreement and to the severance provisions.

AGREEMENT

SECTION 1. Section 2 of the Agreement, as amended by First Amendment and Second Amendment, titled “Term” is amended to read as follows:

- 2. Term. This Agreement shall be extended for three (3) years beginning on January 21, 2020, thereby extending the Agreement to January 20, 2023, unless terminated by either party in accordance with Section 6 of the Agreement or extended by mutual written agreement of both parties.

SECTION 2. Section 6a of the Agreement, as amended by First Amendment and Second Amendment, titled “Termination Without Cause” is amended to read as follows:

6a. Termination without Cause. The majority of the City Council may terminate this Agreement at any time (subject to the limitation in Section 8 of the Agreement) without cause by providing at least thirty (30) days written notice to Chapa. In the event of termination without cause, Chapa will be entitled to severance compensation as follows:

- 1) Twelve (12) months’ salary and health benefits if this Agreement is terminated without cause by the City Council during the first year of the extended Agreement (January 21, 2020 – January 20, 2021).
- 2) Nine (9) months’ salary and health benefits if this Agreement is terminated without cause by the City Council during the second year of the extended Agreement (January 21, 2021 – January 20, 2022) Term.

3) Six (6) months' salary and health benefits if this Agreement is terminated without cause by the City Council during the third year of the extended Agreement (January 21, 2022 – January 20, 2023) Term.


Severance and health benefits compensation shall be paid in one lump sum and in the same manner as the customary payout of earned salary.

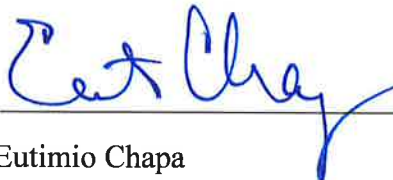
SECTION 3. Except as amended by the First Amendment, Second Amendment, and this Third Amendment all terms and conditions of the Employment Agreement shall continue in full force and effect.

SECTION 4. This Third Amendment to the Employment Agreement shall be effective on March 19, 2020.

CITY OF SANGER

CITY MANAGER


By: 
Frank Gonzalez, Mayor

By: 
Eutimio Chapa

ATTEST


Rebeca Padron, City Clerk

APPROVED AS TO FORM


Hilda Cantu Montoy, City Attorney