ADDENDUM #2 TO CITY MANAGER EMPLOYMENT AGREEMENT

This Addendum #2 to City Manager Employment Agreement ("Addendum #2") is entered into this _____ day of October, 2025, by and between the City of San Marcos, a chartered municipal corporation ("City"), and Michelle Bender, an individual ("Bender"), with respect to that certain City Manager Employment Agreement dated the 15th of September, 2023 ("Agreement"), as amended by that certain Addendum #1 to City Manager Employment Agreement dated the 26th of November, 2024 ("Addendum #1"). City and Bender may hereafter be referred to individually as "Party" and collectively as the "Parties."

NOW, THEREFORE, the Parties agree as follows:

- 1. The terms and definitions used herein are those set forth in the Agreement.
- 2. The Parties hereby agree to a further one (1) year extension of the initial contract term as set forth in Section 1 of the Agreement. As the initial Agreement term was four (4) years, which term was extended by Addendum #1 for an additional two (2) years, this Addendum #2 operates to extend the initial term to seven (7) years. The initial term will now expire September 14, 2030, provided the Agreement, as further amended by this Addendum #2, is not terminated by either Party under Section 6 of the Agreement.
- 3. The Parties hereby further agree that in addition to the one percent (1%) base salary contribution to the City's Retiree Health Savings (RHS) account as the group selection of the City Manager group previously approved by way of Addendum #1 to the Agreement, the CITY will add an additional three percent (3%) base salary contribution per pay period, for a total contribution of four percent (4%) per pay period, effective as of September 15, 2025.
- 4. The Agreement, Addendum #1, and this Addendum #2 collectively contain the entire agreement between the Parties with respect to the subject matter hereof, and they supersede all prior or contemporaneous agreements in connection with the subject matter. No amendment or modification of the Agreement, Addendum #1, and/or Addendum #2, shall be binding unless memorialized in writing and executed by the Parties hereto. Except as expressly modified herein the terms and provisions of the Agreement and Addendum #1 remain in full force and effect.

IN WITNESS WHEREOF, the Parties have caused this Addendum to be entered into as of the date first set forth above.

CITY:	BENDER:
THE CITY OF SAN MARCOS, a chartered municipal corporation	MICHELLE BENDER, an individual
By: Rebecca D. Jones, Mayor	By: Michelle Bender