

AMENDMENT NO. 1 TO TOWN MANAGER EMPLOYMENT AGREEMENT

THIS AMENDMENT NO. 1 ("Amendment") is made and entered into this 3rd day of February 2026, by and between the TOWN OF LOS GATOS, a municipal corporation in the State of California ("TOWN"), and CHRIS CONSTANTIN ("MANAGER").

RECITALS

- A. WHEREAS**, the TOWN and MANAGER entered into an Employment Agreement dated August 22, 2024 ("Agreement"), appointing MANAGER as Town Manager effective November 4, 2024; and
- B. WHEREAS**, MANAGER has completed his first year of service to the TOWN; and
- C. WHEREAS**, the Town Council has conducted a performance evaluation of the MANAGER and has deemed that MANAGER has performed well and exceeded the Town Council's expectations; and
- D. WHEREAS**, the parties desire to amend the Agreement to reflect changes regarding duties, compensation, benefits contributions, and termination protocols, pursuant to Section 8.F of the Agreement.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

SECTION 1. AMENDMENT TO SECTION 1 (DUTIES AND RESPONSIBILITIES)

Section 1.E ("Other Activities") of the Agreement is hereby amended to add the following provision to the end of the section providing additional clarity to the definition of Other Activities:

"Notwithstanding the foregoing, TOWN explicitly consents to MANAGER engaging in authorship, publishing, and public speaking activities related to MANAGER's personal literary works, provided such activities are conducted outside of normal TOWN business hours."

SECTION 2. AMENDMENT TO SECTION 2 (SALARY) Section 2.A of the Agreement is hereby amended in its entirety to read as follows:

"A. Salary. TOWN agrees to pay MANAGER for services rendered in the amount of Three Hundred Sixty-Six Thousand Dollars (\$366,000.00) annually, payable in installments at the same time as other employees of TOWN are paid. This salary adjustment shall become effective February 15, 2026.

Waiver of Retroactivity. In consideration of the benefit enhancements contained within this Amendment, MANAGER explicitly waives any claim to retroactive salary

compensation for the period between November 4, 2025, anniversary date, and February 15, 2026.

SECTION 3. AMENDMENT TO SECTION 4 (HOURS OF WORK AND LEAVE BENEFITS)

A. Section 4.B ("Management Leave") of the Agreement is hereby amended in its entirety to read as follows:

"B. Management Leave. It is recognized that MANAGER must devote a great deal of their time outside normal office hours without benefit of paid overtime in the conduct of TOWN business, and, to that end, MANAGER shall be entitled to management leave in an equivalent amount to ten (10) days per calendar year, granted in December of each year for the following year and beginning retroactively for December 2025. MANAGER shall be entitled to accrue, use or redeem management leave in whatever manner is permitted pursuant to Town policy, as same may be amended from time to time by action of the Town Council."

B. Section 4.G ("Medical, Dental, and Vision Insurance") of the Agreement is hereby amended in its entirety to read as follows:

"G. Medical, Dental, and Vision Insurance. The Town shall continue to provide MANAGER medical, dental, and vision insurance. Notwithstanding any other provision or Town policy, the MANAGER's employee contribution rate for said medical, dental, and vision insurance shall be set and fixed as specified on January 1, 2026. Any future adjustments to these contribution rates or benefit levels shall only be made through mutual negotiation and written agreement between the TOWN and MANAGER."

SECTION 4. AMENDMENT TO SECTION 7 (TERMINATION)

A. The definition of "Financial mismanagement" found in Section 7.D ("Termination With Cause") of the Agreement is hereby amended to correct a clerical error and shall read as follows:

"b. Financial mismanagement. Management that involves deliberate mishandling in a manner that can be characterized as grossly negligent or incompetent and that will materially reflect negatively upon the financial standing of the Town."

SECTION 5. RATIFICATION OF AGREEMENT Except as expressly amended by this Amendment No. 1, all other terms, conditions, and provisions of the Agreement dated August 22, 2024, shall remain in full force and effect.

SECTION 6. EFFECTIVE DATE This Amendment shall be effective upon execution by both parties.

IN WITNESS WHEREOF, the parties have executed this Amendment No. 1 as of the date first written above.

TOWN OF LOS GATOS

Mayor

MANAGER

Chris Constantin

APPROVED AS TO FORM:

Town Attorney