

## SECOND AMENDMENT TO EMPLOYMENT AGREEMENT

This Second Amendment to Employment Agreement ("Second Amendment") is entered into this 7th day of January, 2014, by and between the City of Benicia ("Employer") and Brad L Kilger, City Manager ("Employee").

### RECITALS

A. On November 2, 2010, an Employment Agreement ("Agreement") was entered into between Employer and Employee for the services of Employee as the Benicia City Manager.

B. On June 7, 2011, an Amendment to the Agreement was entered into between Employer and Employee making certain changes to the Agreement.

C. As it is the desire of both the Employer and Employee that Employee is able to continue to remain in the employment of the City of Benicia as City Manager, it is mutually agreed to make further modifications to the Agreement, as more specifically set forth in this Second Amendment.

### TERMS AND CONDITIONS

Employer and Employee mutually agree as follows:

Section IX, Paragraph 12 of the Agreement is amended to read as follows:

#### 12. Housing Expenses

EMPLOYER recognizes that due to the current recession's impact on housing values, EMPLOYEE is unable to sell his current residence for an indeterminate period of time. EMPLOYER further recognizes that the cost of housing in Benicia and the surrounding region is substantially higher than the average cost of housing in other communities within the State. It is the desire of both the EMPLOYER and the EMPLOYEE that the EMPLOYEE resides in the City of Benicia. Therefore EMPLOYER agrees to pay EMPLOYEE an annual housing allowance in the amount of \$2,000 per month for up to six years from the original date of employment or until EMPLOYEE sells his residence in the Central Valley or unless EMPLOYEE is terminated pursuant to Section VI, whichever event (six years, sale or termination) comes first. Said payments shall begin on his first day of work. EMPLOYEE shall repay EMPLOYER in an amount and in a manner agreed to by both parties.

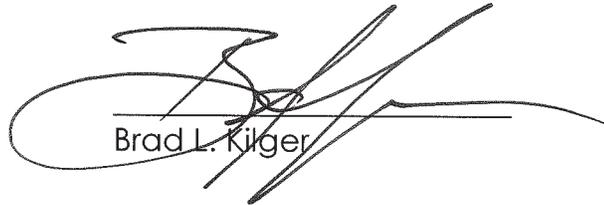
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IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to be executed as of the day and year first above written.

**CITY OF BENICIA, EMPLOYER:**

**EMPLOYEE:**

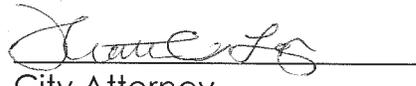
  
Elizabeth Patterson, Mayor  
City of Benicia

  
Brad L. Kilger

**ATTEST:**

**Approved as to Form:**

  
Lisa Wolfe, City Clerk

  
City Attorney