

**THIRD AMENDMENT TO EMPLOYMENT AGREEMENT
BETWEEN THE CITY OF MILPITAS AND THOMAS C. WILLIAMS**

THIS THIRD AMENDMENT TO THE EMPLOYMENT AGREEMENT is between the City of Milpitas ("City") and Thomas C. Williams ("Employee"), (jointly referred to herein as the "Parties"). It is effective on November 15, 2016 (the "Effective Date").

This Third Amendment is entered into on the basis of the following facts, among others:

- A. The City approved the Employment Agreement (the "Agreement") for Employee to serve as the City Manager on December 19, 2006; and
- B. On January 3, 2012, the City and Employee entered into a First Amendment ("First Amendment") to address termination, severance, medical retiree benefits, and a salary increase; and
- C. On November 18, 2014, the City and Employee entered into a Second Amendment ("Second Amendment") to address a salary increase; and
- D. The City now desires to further amend the Employment Agreement to address longevity pay for providing the City 10 years of service.

BASED UPON THE FOREGOING, THE CITY AND EMPLOYEE AGREE AS FOLLOWS:

1. Subsection "a." of Section 5, "Compensation" is hereby amended based on the following:
 - a. Employee shall receive a 2% salary increase beginning the first full pay period after City Council approval of this Third Amendment as a longevity pay increase for providing the City 10 years of service.
2. Except as amended by this Third Amendment, and the First and Second Amendment, all terms and conditions of the Employment Agreement shall remain unchanged and in full force and effect.

In Witness thereof, the parties hereto have signed this Third Amendment on the respective dates shown below. This Third Amendment, along with the First and Second Amendment, and the Employment Agreement, constitutes the entire Agreement between the Parties.

[SIGNATURES ON FOLLOWING PAGE]

**THIRD AMENDMENT TO EMPLOYMENT AGREEMENT
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APPROVED:

DATED: _____

Thomas C. Williams, City Manager

DATED: _____

Jose S. Esteves, Mayor

DATED: _____

Carmen Montano, Vice Mayor

DATED: _____

Debbie Indihar Giordano, Councilmember

DATED: _____

Garry Barbadillo, Councilmember

DATED: _____

Marsha Grilli, Councilmember

APPROVED AS TO FORM:

DATED: _____

Christopher J. Diaz, City Attorney