SECOND AMENDMENT TO THE
AT-WILL CITY MANAGER EMPLOYMENT AGREEMENT

This SECOND AMENDMENT TO THE AT-WILL CITY MANAGER EMPLOYMENT AGREEMENT (the "Second Amendment") is made and entered into the 21st day of October 2025, by and between the CITY OF CHINO, a general law city and municipal corporation (the "City") and Dr. Linda Reich, an individual ("Employee").

RECITALS

WHEREAS, on August 8, 2022, Employee commenced service as the City Manager pursuant to the terms and conditions of the City of Chino's At-Will City Manager Employment Agreement ("Agreement") between the City and Employee; and

WHEREAS, the term of the Agreement is for five years, from August 8, 2022, through August 7, 2027; and

WHEREAS, Section 9.2 of the Agreement provides that the "Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing, which amendment shall require approval by the affirmative vote of three (3) members of the Council [;]" and

WHEREAS, on September 17, 2024, the City and Employee entered into the First Amendment to the Agreement ("First Amendment") to: i) reflect that Employee generally receives a standard lunch break and reflect Employee's 9/80 work schedule; ii) increase Employee's salary by fifteen percent (15%) to $348,160 effective August 8, 2024; iii) revise the severance due to Employee from 6 months to 7.5 months in the event of termination without cause prior to August 8, 2025, and to 9 months in the event of termination without cause on or after August 8, 2025; and iv) provide for a "Holiday Leave Bank" of 155 hours each fiscal year in lieu of Employee being provided designated holidays and floating holidays; and

WHEREAS, the City's City Council recognizes that it has established a benchmark for Employee's total compensation to be at least 5% above the chief of police's total compensation, and as of the date of this Second Amendment, Employee's salary satisfies this benchmark; and

WHEREAS, the City and Employee now desire to enter into the Second Amendment to: i) increase Employee's automobile allowance from $533.33 per month to $600.00 per month; ii) provide that Employee's accrued and unused vacation leave that would otherwise exceed the maximum accrual limit of 400 hours will be cashed out in the pay period following accrual, such that accrued leave on the books does not exceed 400 hours; iii) allow Employee to cash out up to 90 hours of Management Leave per fiscal year (rather than up to 70 hours as provided in the "Summary of Benefits - Executive Management" and resolutions referenced therein); iv) provide

Employee a one-time addition of 30 hours to her Management Leave bank; and v) provide that the City will make $350 monthly contributions to Employee's 457(b) deferred compensation plan, with the monthly City contribution increasing by $175 per month each full year to a maximum of $700 per month.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, City and Employee hereby agree as follows:

AGREEMENT

SECTION 1. The above recitals are incorporated by reference as if set forth in full herein.

SECTION 2. The first section of Section 6.1 is hereby amended to read as follows (additions shown in ***bold italics***, deletions shown in ~~strikethrough~~):

> "6.1 Automobile Allowance. The City shall reimburse Employee ***$600.00*** ~~$533.33~~ per month for the use of her personal automobile for official City business, with such allowance paid out to Employee in a prorated amount each pay period."

SECTION 3. Section 6.2 of the Agreement is hereby amended to read, in its entirety as follows (additions in ***bold italics***):

> "6.2 Leaves. Upon appointment to the position of City Manager, Employee retained on the books all previously accrued Vacation, Sick, Management and Floating Holiday Leave. During the term of this Agreement, Employee shall accrue Vacation, Sick, and Management Leave at the same rates as provided to the City's Executive Management Employees other than the Chief of Police, as stated in the then-current "Summary of Benefits - Executive Management" and resolutions referenced therein, and subject to the same applicable terms and conditions ***except as modified by subsections (a), (b) and (c) below of this Section 6.2***.
>
> ***(a) In the event that in any given pay period Employee's accrued and unused Vacation Leave hours would exceed the maximum accrual limit of 400 hours, such hours that would otherwise exceed the Vacation Leave accrual limit will be paid out to Employee by the following pay period, such that Employee's accrued Vacation Leave on the books does not exceed 400 hours.***
>
> ***(b) Employee may cash out up to 90 hours of Management Leave per fiscal year at her current base rate of pay at any time throughout the fiscal year by making notification of request to cash out to the Finance Department. Any unused Management Leave on record at the ending date of the second payroll in June will be cashed out, up to 90 hours maximum.***

(c) Effective the first full pay period following October 21, 2025, Employee shall be provided a one-time addition of 30 hours to her Management Leave bank, which may be cashed out by making notification of request to cash out to the Finance Department. In subsequent fiscal years, the City Council will consider whether to provide Employee any additional Management Leave beyond the amount to which Employee is entitled for that fiscal year under the then-current "Summary of Benefits - Executive Management" and resolutions referenced therein."

SECTION 4. Section 6.5 of the Agreement (re-numbered from 6.4 to 6.5 pursuant to the First Amendment) is hereby amended, in its entirety, to read as follows (additions shown in ***bold italics***, deletions shown in ~~strikethrough~~):

"***6.5*** ~~6.4~~ <u>401(a) ***and 457(b)*** Account Contribution</u>. The City shall make contributions to a 401(a) account for Employee in the amount of seven percent (7%) of base salary each pay period. However, such contributions shall not exceed IRS annual contribution limits. ***Additionally, effective the first payroll period following October 21, 2025, the City shall make a $350 per month contribution to Employee's 457(b) deferred compensation plan. In the first full pay period following each full year thereafter beginning October 21, 2026, the City's monthly contribution to Employee's 457(b) deferred compensation plan shall be increased by $175 per month, not to exceed a maximum monthly contribution of $700 per month.***

Except as provided in ***this Section and the City's mandatory CalPERS employer contribution***, ~~Section 6.3 above,~~ Employee shall not be eligible for any other retirement account contributions or deferred compensation contributions from the City~~, including the $450 per month City contribution provided to Executive Management Employees~~."

SECTION 5. Except as expressly amended by this Second Amendment and the First Amendment, the underlying terms, conditions, and compensation of Employee by City as and for her employment as city manager shall be as set forth in the Agreement.

[SIGNATURES APPEAR ON NEXT PAGE]

IN WITNESS WHEREOF, the CITY OF CHINO has caused this Second Amendment to be signed and executed on its behalf by its Mayor, and duly attested by its officers thereunto duly authorized, and EMPLOYEE has signed and executed this Second Amendment, both in duplicate.

CITY OF CHINO

____
Eunice M. Ulloa, Mayor

ATTEST:

____
Natalie Gonzaga, City Clerk

APPROVED AS TO FORM:

____
Fred Galante, City Attorney

CITY MANAGER

____
Dr. Linda Reich

Dated:__________________________

[END OF SIGNATURES]