FIRST AMENDMENT TO CONTRACT OF EMPLOYMENT

WHEREAS, the Town of Horizon City, Texas ("City") and Marco A. Vargas ("Employee") entered into a Contract of Employment ("Contract") on February 28, 2022, by which Employee was hired by the City to act as the Police Chief of the Town of Horizon City Police Department;

WHEREAS, the Contract expires on December 31, 2025, and the City desires to retain Employee as Police Chief; and

WHEREAS, the Employee has agreed to continue his employment in accordance with the terms of the Contract and the amendments contained herein.

In consideration of the mutual promises contained in the Contract and this First Amendment the parties agree that Employee will continue as duties and responsibilities as the Police Chief of the Town of Horizon City Police Department.

ARTICLE 1: Ratification

- 1.01 Unless expressing amended herein in writing, all other terms and conditions of the Contract remain in full force and effect and both parties agree to be bond by the terms and conditions contained in the Contract and this First Amendment.
- 1.02 In the event of any conflict between the terms and conditions of the Contract and this First Amendment, the terms of the First Amendment shall govern.

ARTICLE 2: Term

2.01 Term. Paragraph 1.01 in the Contract is deleted and replaced with the following:

"1.01 **Term.** The Employee will continue employment with the City, for a period beginning on January 1, 2026 and extending until December 31, 2029. However, this Agreement may be terminated earlier, as provided in Article 8 below."

ARTICLE 3: Compensation

3.01 Basic Compensation. Paragraph 2.01 in the Contract is deleted and replaced with the following:

"2.01 Basic Compensation. As compensation for all services rendered under this Agreement, the

Employee will continue to be paid a salary in the annual amount of \$152,053.49 during the period of employment from the Effective Date of this Agreement through September 31, 2026, plus longevity pay as required by Section 141.032, Texas Local Government Code, payable in equal bi-weekly installments.

Thereafter, effective each October 1 during the term of this Agreement, the Employee will receive a pay increase in his then current annual salary amount equal to the percentage Cost of Living Adjustment (COLA) increase that was paid to civilian (non-collective bargaining) employees at or near the start of the then current City fiscal year, if any."

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ARTICLE 4: Employee Benefits

4.01 Paragraph 4.04 of the Contract will be deleted and replaced with the following:

4.04 **Paid Time Off (PTO).** Upon the effective date of the First Amendment the Employee will be granted three hundred (300) hours of PTO in addition to the PTO accumulated annually in accordance with the City Employee Policy Manual.

ARTICLE 5: General Provisions

- 5.01 **Town of Horizon City Employee Policy Manual.** With respect to the provisions in this Agreement for which the provisions in the City Employee Policy Manual apply any changes to the City Employee Policy Manual approved by City Council, shall automatically apply to this Agreement.
- 5.02. **Notices.** All notices or other communications required under this Agreement must be in writing and may be delivered by personal delivery or by certified mail, return receipt requested. Notice is considered given when delivered or mailed to parties at their respective addresses on file or when mailed to the last address provided in writing to the other party by the addressee.
- 5.03 **Section Headings.** All section headings contained herein are for the convenience of reference only and are not intended to define or limit the scope of any provision of this First Amendment.
- 5.04 **Personnel Policies Generally**. Unless otherwise provided for in this Agreement, and to the extent consistent with this Agreement, Employee shall be subject to the policies set forth in the City Employee Policy Manual, as may be amended.
- 5.05 **Severability**. In the event any one or more of the sections, provisions, or clauses contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this First Amendment, and this First Amendment shall be construed as if such invalid, illegal, or unenforceable provision had not been contained herein.
- 5.06 **Entire Agreement**. The Contract and this First Amendment incorporate all the agreements, covenants, and understandings between the City and the Employee concerning the subject matter hereof, and all such covenants, agreements, and understandings have been merged into this written Contract and First Amendment No other prior agreements or understandings, verbal or otherwise, of the parties or their agents, shall be valid or enforceable unless embodied in either the Contract or this First Amendment.
- 5.07 **Selection of Remedies**. In the event a court of competent jurisdiction determines that either party is in breach of the Contract or this Amendment, the exclusive remedy available to the prevailing party in a legal action shall be limited to the amount reasonably calculated to satisfy

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the remaining contractual obligations under the Contact as amended by this First Am	nendment
for the contractual year in which the breach occurred.	

5.08 **Amendment.** This Agreement shall not be modified or amended except by a written instrument executed by the Employee and the duly authorized representative of the City Council.

Executed and effective the day	of December, 2025.
	CITY: TOWN OF HORIZON CITY
	By:Andres Renteria, Mayor
	EMPLOYEE: Marco A. Vargas