

**SECOND AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT**

This Second Amendment to the City Manager Employment Agreement dated September 29, 2005 (101324), as amended by the First Amendment dated December 6, 2007 (2007-12-06-1265), is entered into by the City of San Antonio and Sheryl Sculley, City Manager, and is authorized by Ordinance No. 2008-12-11-1177, approved December 11, 2008 (collectively, the "Agreement"). All defined terms in the Agreement have the same meanings herein.

1. Paragraph 2. Compensation is amended by adding the following provisions inserted before the last sentence of the paragraph:

"Effective May 1, 2009, the Manager's annual base salary shall be \$315,000; effective May 1, 2010, the Manager's annual base salary shall be \$335,000 (provided, however, the salary shall be \$325,000 if no cost of living increase is approved by the Council for the non-uniformed employees at the beginning of the fiscal year 2009-2010); effective May 1, 2011, the Manager's annual base salary shall be \$355,000 (provided, however, the salary shall be \$345,000 if no cost of living increase is approved by the Council for the non-uniformed employees at the beginning of the fiscal year 2010-2011)."

2. Paragraph 3. Professional Development and Membership Expenses is amended by adding the following sentence to the end of the paragraph:

"The Manager may teach part-time at an institution of higher education provided same does not materially affect the performance of Manager's duties under the Agreement."

2007-12-06-1265 Item 26 An ordinance amending  
the City Manager Employment Agreement.

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3. Paragraph 5. Termination – Severance Pay is amended by deleting the first subsection (a) and replacing it with the following subsection (a):

"(a) If involuntary termination occurs during the calendar year 2009, there shall be paid fifteen (15) months of her then current base salary; if involuntary termination occurs during the calendar year 2010, there shall be paid eighteen (18) months of her then current base salary; if involuntary termination occurs during the calendar year 2011, there shall be paid twenty-one (21) months of her then current base salary. Payments under this paragraph may be made in one lump sum or over time, whichever Manager elects; and "

4. Paragraph 7(d). Leave is amended by changing the number "one hundred twenty (120)" in the second sentence to "one hundred eighty-three (183)" and the number "one hundred forty-five (145)" in the last sentence to "one hundred eighty-three (183)."

5. Paragraph 10. Participation in Texas Municipal Retirement System and Deferred Compensation Plan is revised by deleting Paragraph b and inserting instead:

"b. Effective January 1, 2009, the City shall annually contribute to a deferred compensation plan of the Manager's choice the maximum sum allowed by law as an additional employment benefit, but in no event to exceed \$35,000 in 2009, \$40,000 in 2010 and \$45,000 in 2011. On December 31, 2009, the City shall pay to the Manager retention incentive pay in the sum of \$35,000, less the total contribution paid by the City to the deferred compensation plan in that year. On December 31, 2010, the City shall pay to the Manager retention incentive pay in the sum of \$40,000, less the total contribution paid by the City to the deferred compensation plan in that year. Likewise, on December 31, 2011, the City shall

pay to the Manager retention incentive pay in the sum of \$45,000.00, less the total contribution paid by the City to the deferred compensation plan in that year.”

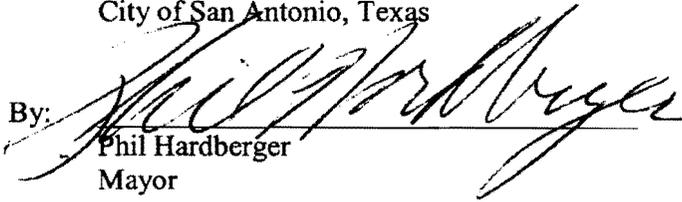
6. All other provisions of the Agreement shall remain in full force and effect, except as amended by this Second Amendment pursuant to Ordinance No. 2008-12-11-1177 approved December 11, 2008.

Executed this 17<sup>th</sup> day of December, 2008.

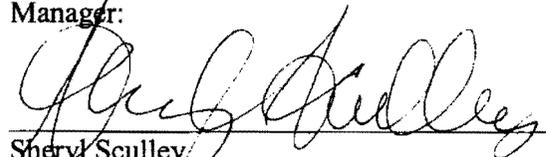


Employer:  
City of San Antonio, Texas

By:

  
Phil Hardberger  
Mayor

Manager:

  
Sheryl Sculley  
City Manager

Approved as to form:

  
Michael D. Bernard  
City Attorney