

AN ORDINANCE 2011-12-15-1055

ADJUSTING THE SALARIES OF THE INTERIM CITY AUDITOR, CITY CLERK, MUNICIPAL COURT JUDGES AND CITY MANAGER, TO PROVIDE ADJUSTMENTS SIMILAR TO THOSE PROVIDED TO CIVILIAN EXECUTIVE TEAM MEMBERS IN THE FY2012 BUDGET.

* * * * *

WHEREAS, appropriations to provide pay adjustments for City Council appointees including the City Auditor, City Clerk, Municipal Court Judges and the City Manager were included in the FY2012 Budget Ordinance; and

WHEREAS, it was anticipated that such pay adjustments would include Cost of Living Adjustments ("COLA"), performance pay and deferred compensation matching contributions similar to those provided for the civilian members of the Executive Team; and

WHEREAS, it is now necessary to provide for and approve the specific pay adjustments for the City Council Appointees; **NOW THEREFORE**:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. Interim City Auditor. The Interim City Auditor shall receive a deferred compensation matching contribution of 1% of base salary. The deferred compensation match by the City is contingent upon the Interim City Auditor contributing 1% to an eligible deferred compensation plan. The Interim City Auditor shall receive performance pay in a lump sum of \$5000.

SECTION 2. City Clerk. The City Clerk shall receive a 1% COLA increase, effective October 1, 2011. The City Clerk shall also receive a deferred compensation matching contribution of 1% of base salary. The deferred compensation match by the City is contingent upon the City Clerk contributing 1% to an eligible deferred compensation plan. The City Clerk shall receive performance pay in a lump sum of \$5000.

SECTION 3. Municipal Court Judges. All full-time Municipal Court Judges, including the Presiding Judge, shall receive a 1% COLA increase, effective October 1, 2011. The Municipal Court Judges shall also receive a deferred compensation matching contribution of 1% of base salary. The deferred compensation match by the City is contingent upon the individual Municipal Court Judges each contributing 1% to an eligible deferred compensation plan.

The Presiding Judge shall also receive performance pay in a lump sum of \$5000.

SECTION 4. City Manager. The City shall pay the City Manager \$10,000.00 annually to cover additional voluntary benefits including, but not limited to, supplemental life insurance,

disability insurance and long term care insurance, such amount to be payable on December 31st of each year. The Mayor is authorized to sign an amendment to the City Manager's contract to reflect this change. All other provisions of the City Manager Employment Agreement shall be extended and remain in full force and effect.

SECTION 5. Appropriations. Appropriations for the salary adjustments provided in this Ordinance were included in the FY2012 Budget Ordinance, approved September 15, 2011. The Director of Finance is directed to identify the source of funds and to perform the actions necessary to carry out the purpose and obligations of this Ordinance.

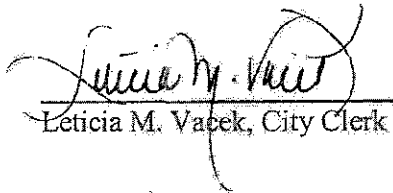
SECTION 6. Effective Date. This ordinance is effective immediately upon passage by eight affirmative votes; otherwise it is effective on the tenth day after passage.

PASSED AND APPROVED this 15th day of December, 2011.

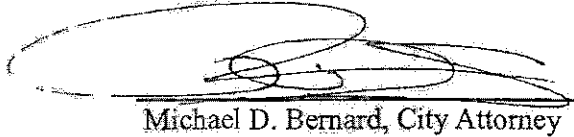


M A Y O R
Julián Castro

ATTEST:


Leticia M. Vacek, City Clerk

APPROVED AS TO FORM:


Michael D. Bernard, City Attorney

THIRD AMENDMENT TO CITY MANAGER EMPLOYMENT AGREEMENT

This Third 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) and the Second Amendment dated December 11, 2008 (2008-12-11-1177) is entered into by the City of San Antonio and Sheryl Sculley, City Manager, and is authorized by Ordinance No. ~~2011-12-15-2011~~ approved December 15th, 2011 (collectively, the "Agreement"). All defined terms in the Agreement have the same meanings herein.

1. Paragraph 9. Insurance is amended by adding the following sentence to the end of the paragraph:

"Effective December 31, 2011, the City shall pay Manager \$10,000.00 annually to cover additional insurance benefits, including but not limited to supplemental life insurance, disability insurance, and long term care insurance."

2. All other provisions of the Agreement shall be extended and remain in full force and effect.

3. It is the intention of the parties to negotiate additional terms of this contract on or before December 31, 2013.

Executed this 15th day of December, 2011

Employer, City of San Antonio, Texas:

By: _____

Julian Castro
Mayor

ATTEST:
City Clerk

Leticia M. Vane

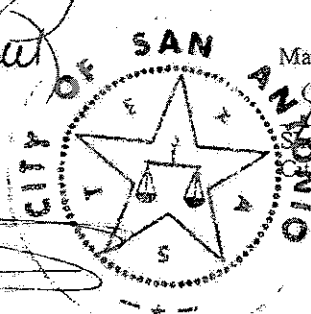
Manager

Sheryl Sculley
City Manager

Sheryl Sculley

Approved as to form:

Michael D. Bernard
City Attorney



AN ORDINANCE

AMENDING THE CITY MANAGER EMPLOYMENT AGREEMENT

* * * * *

WHEREAS, the City Council members have evaluated the City Manager's performance; and,

WHEREAS, the City Council has determined that the City Manager should receive a merit increase in her annual base salary and other adjustments; **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager's Employment Agreement is hereby amended to incorporate the terms set out herein.

SECTION 2. Effective May 1, 2009, the City 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).

SECTION 3. Effective January 1, 2009, the City of San Antonio shall contribute the maximum sum allowed by law to a deferred compensation plan of the City Manager's choice, 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. On December 31, 2011, the City shall pay to the Manager retention incentive pay in the sum of \$45,000, less the total contribution paid by the City to the deferred compensation plan in that year.

SECTION 4. The City Manager will be allowed to serve as an instructor at an institution of higher education.

SECTION 5. Severance pay under the Agreement shall be revised to reflect that if involuntary termination occurs during 2009, the City shall pay 15 months, of her then current base salary; if it occurs during 2010, the City shall pay 18 months of her then current base salary; if involuntary termination occurs during the calendar year 2011, the City shall pay 21 months of the Manager's then current base salary.

MS/rg
12/11/08
#48

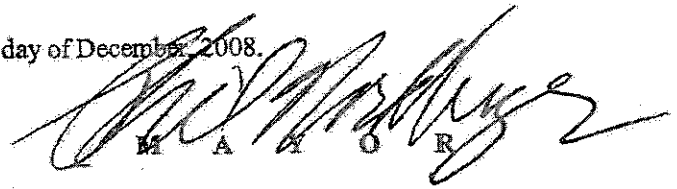
SECTION 6. The City Manager shall be allowed to "carry forward" 183 days of annual leave accumulated from year to year.

SECTION 7. The Mayor is authorized to execute an amendment to the City Manager Employment Agreement executed on September 29, 2005, and amended on December 6, 2007, to evidence these changes.


SECTION 8. The Director of Finance is directed to identify the source of funds and to perform the actions necessary to carry out the purpose and obligations of this Ordinance.

SECTION 9. This ordinance shall take effect immediately upon passage by eight affirmative votes.

PASSED AND APPROVED this 11th day of December, 2008.


M A Y O R

ATTEST: 
City Clerk

APPROVED AS TO FORM: 
City Attorney

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."

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 11th day of December, 2008.



[Signature]

Employer:
City of San Antonio, Texas

By: *[Signature]*
Phil Hardberger
Mayor

Manager:

[Signature]
Sheryl Sculley
City Manager

Approved as to form:

[Signature]
Michael D. Bernard
City Attorney

MS/rg
12/6/07
#26

AN ORDINANCE 2007-12-06-1265

AMENDING THE CITY MANAGER EMPLOYMENT AGREEMENT
AND PROVIDING FOR AN IMMEDIATE EFFECTIVE DATE

* * * * *

WHEREAS, the City Council has met with and evaluated the City Manager's performance since her appointment on November 7, 2005; and,

WHEREAS, the City Council has determined that the City Manager should receive a merit increase in her annual base salary; NOW THEREFORE:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. The City Manager Employment Agreement is revised as shown on attached Exhibit A - First Amendment to City Manager Employment Agreement.

SECTION 2. The City Manager and Mayor are authorized to execute the amendment to the City Manager Employment Agreement dated September 29, 2005.

SECTION 3. The director of Finance is directed to identify the source of funds and to perform the actions necessary to carry out the purpose and obligations of this ordinance.

SECTION 4. This ordinance shall take effect immediately upon passage by eight affirmative votes.

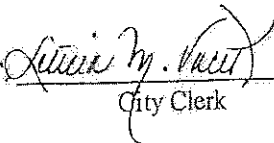
PASSED AND APPROVED this 6th day of December 2007.




M A Y O R

PHIL HARDBERGER

ATTEST


City Clerk

APPROVED AS TO FORM:


City Attorney

First Amendment to City Manager Employment Agreement

This First Amendment to the City Manager Employment Agreement dated September 29, 2005, is entered into by the City of San Antonio and Sheryl Sculley, City Manager, and is authorized by Ordinance No. 2007-12-06-1265, approved December 6, 2007.

1. Paragraph 2. Compensation is revised as follows: The following statement is inserted before the last sentence of the paragraph:

Effective on November 7, 2007, the Manager's annual base salary shall be \$275,000 and thereafter, effective on November 8, 2008, the annual base salary shall be \$295,000.

2. Paragraph 4. Other Expenses is revised as follows: The following statement replaces the last sentence:

Changes to these allowances and other benefits made available to non-uniformed executive employees and included in the annual budget process shall be extended to Manager.

3. Paragraph 9. Insurance is revised as follows: The following sentence is inserted before the last sentence of the paragraph:

Effective January 1, 2008, the Manager will pay medical health insurance premiums for herself and her dependents at the same rates as those available to non-uniformed employees.

EXHIBIT A

4. Paragraph 10. Participation in Texas Municipal Retirement System is revised as follows: The title of the paragraph is changed by adding the following after Texas Municipal Retirement System:

and Deferred Compensation Plan

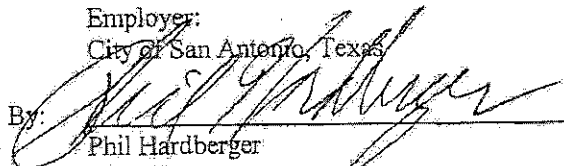
The existing paragraph is renumbered as *a.* and the following is added as a paragraph *b.*:

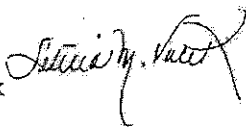
b. Effective January 1, 2008, the City shall annually contribute \$20,000 to a deferred compensation plan of the Manager's choice, as an additional employment benefit.

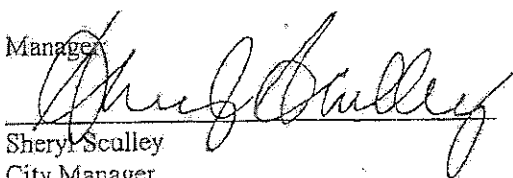
5. All other provisions of the City Manager Employment Agreement shall remain in full force and effect, except as amended by this First Amendment and pursuant to Ordinance No. 2007-12-06-1265 approved December 6, 2007.

Executed this 6th day of December, 2007.

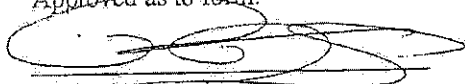
Employer:
City of San Antonio, Texas

By: 
Phil Hardberger
MAYOR

ATTEST: 
City Clerk

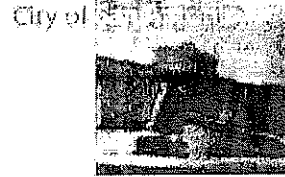
Manager: 
Sheryl Sculley
City Manager

Approved as to form:


Michael Bernard
City Attorney



CITY OF SAN ANTONIO
COUNCIL



Agenda Voting Results - 26

Name:	10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 21, 22, 23, 24, 25, 26, 27, 28A, 28B, 28C, 28D, 29						
Date:	12/06/2007						
Time:	03:23:16 PM						
Vote Type:	Motion to Approve						
Description:	An Ordinance amending the City Manager Employment Agreement. [Michael Bernard, City Attorney]						
Result:	Passed						
Voter	Group	Not Present	Yea	Nay	Abstain	Motion	Second
Phil Hardberger	Mayor		x				
Mary Alice P. Cisneros	District 1		x				x
Sheila D. McNeil	District 2		x			x	
Roland Gutierrez	District 3		x				
Philip A. Cortez	District 4	x					
Lourdes Galvan	District 5		x				
Delicia Herrera	District 6		x				
Justin Rodriguez	District 7		x				
Diane G. Cibrian	District 8		x				
Kevin A. Wolff	District 9	x					
John G. Clamp	District 10		x				

AN ORDINANCE 101324

APPOINTING A CITY MANAGER; ESTABLISHING AN EFFECTIVE DATE TO ASSUME THE OFFICE; AND AUTHORIZING THE EXECUTION OF AN EMPLOYMENT AGREEMENT, AS REQUESTED BY MAYOR PHIL HARDBERGER.

* * * * *

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

SECTION 1. After a nation-wide search, interviews of candidates, and careful consideration, the City Council finds that Sheryl Sculley has all the qualifications required by the City Charter for service as City Manager. Pursuant to the provisions of Article V, Section 45 of the Charter of the City of San Antonio, the City Council appoints Sheryl Sculley to the office of City Manager of the City of San Antonio for an indefinite term, effective November 7, 2005.

SECTION 2. The salary of the City Manager is hereby fixed at \$250,000.00 for the first year, effective November 7, 2005. Thereafter, the salary of the City Manager is fixed at \$260,000.00 per year. In addition, the City Manager shall be paid \$35,000 in incentive pay at the end of her second year of employment. The annual base salary shall be paid to the City Manager in bi-weekly payments, each of which shall be, as nearly as practicable, equal to one twenty-sixth (1/26) of said annual salary.

SECTION 3. The City Council authorizes City staff to prepare a detailed employment agreement incorporating the basic terms and conditions set out in the letter dated August 29, 2005 from Mayor Phil Hardberger to Ms. Sheryl Sculley, attached hereto as "Attachment A".

SECTION 4. The Mayor is authorized to execute the employment agreement on behalf of the City of San Antonio.

SECTION 5. In order to facilitate an orderly transfer of duties and the transition from J. Rolando Bono to Sheryl Sculley, the City Council hereby directs that effective November 7, 2005, J. Rolando Bono shall be designated in a position titled Former City Manager in accordance with his employment agreement approved by City Council on June 30, 2005. J. Rolando Bono shall continue his employment with the City of San Antonio in accordance with the terms and conditions of his employment agreement until the effective date of his retirement. All payroll codes and necessary personnel records shall be amended to provide for the exchange of authorized positions to accomplish the intent of this section.

SECTION 6. The Director of Finance is hereby directed to identify the source of funds and to perform the actions necessary to carry out the purpose and obligations of this Ordinance.

MSimer (09/01/05)
Item #4

SECTION 7. This ordinance shall take effect immediately upon passage by eight affirmative votes.

PASSED AND APPROVED this 1st day of September, 2005.

Phil Hardberger
M A Y O R

PHIL HARDBERGER

ATTEST:

Leticia J. Vico
City Clerk

APPROVED AS TO FORM:

Martin G. Sique
City Attorney

STATE OF TEXAS
COUNTY OF BEXAR
CITY OF SAN ANTONIO

}

SS.

CERTIFIED COPY

The undersigned, the City Clerk of the City of San Antonio in the State and County aforesaid, does by these presents certify that the attached and foregoing is a true and exemplified copy of a part of the records, papers and books in the Office of the City Clerk, and, that I am the custodian of such papers, books and records as an officer of the City of San Antonio.

GIVEN under my hand and the official seal of the City of San Antonio, this 21st day of September, A. D. 2005.



Leticia J. Vico
City Clerk, City of San Antonio.

CITY MANAGER AGREEMENT OF EMPLOYMENT

THIS AGREEMENT is made and entered into by and between the City of San Antonio, Texas ("City") and Sheryl Sculley, ("Manager") to establish and set forth the terms and conditions of the Manager's employment as the City Manager of the City.

WHEREAS, the City Council of the City of San Antonio ("Council") on September 1, 2005, appointed Sheryl Sculley as the City Manager of the City, effective November 7, 2005 ; and

WHEREAS, Sheryl Sculley has accepted an offer of employment as City Manager of the City of San Antonio; and

WHEREAS, the Council desires to provide compensation and benefits and establish the terms and conditions of Manager's employment;

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the parties agree as follows:

AGREEMENT

1. General

City hereby agrees to engage Sheryl Sculley as City Manager of the City of San Antonio, Texas, to perform the functions and duties of that position as specified in the City Charter of the City of San Antonio, Article V, Section 45, which is incorporated by reference for all purposes and by applicable provisions of the City Code or ordinance, and to perform such other legally permissible and proper duties and functions as the Council shall from time to time assign. Council has appointed Sheryl Sculley as City Manager for an indefinite term and may remove her at any time subject only to applicable provisions of the City Charter and the provisions titled "Termination - Severance Pay" of this

Agreement. Nothing in this Agreement is intended, nor shall same be construed to in any way create a definite term for the Manager's appointment as City Manager of the City or to in any way abridge or limit the right of the Council to terminate the Manager at any time at the will of the Council.

The Manager shall report for work and the duties and employment of the Manager shall commence on the 7th day of November, 2005 (the "Commencement Date").

2. Compensation

Starting from the Commencement Date, City agrees to pay Sheryl Sculley an annual base salary, which salary shall initially be \$250,000, payable in installments at the same time as other employees of the City are paid. The annual base salary shall be increased to \$260,000 after the first year of employment. The City shall pay an additional one-time payment of \$35,000 to Manager as retention incentive pay at the end of the second year of employment. In addition, City agrees to review the base salary and other benefits of the Manager at least annually.

3. Professional Development and Membership Expenses

The City Manager is required as a condition of this employment to incur ordinary, necessary and reasonable expenses in order to fulfill official and other duties for the City in the nature of professional dues, subscriptions and fees, educational expenses and similar items. The City agrees to budget and to pay reasonable expenses such as professional dues and memberships, subscriptions and fees, educational expenses, official travel and subsistence expenses of Manager for professional development and costs associated with attendance at meetings, including but not limited to the Annual

Conference of the International City Management Association, "Big City" meetings, the Texas City Management Association, the National League of Cities, the Texas Municipal League, and other national, regional, state, and local governmental groups, association, or committees in which Manager serves as a member, or officer and which are necessary and desirable for her continued professional participation, growth, and advancement, and for the good of the City. The City also agrees to budget and to pay the reasonable travel and subsistence expenses of Manager for short courses, institutes, and seminars for her professional development and for the good of the City.

4. Other Expenses

The City Manager is required as a condition of her employment to provide an automobile and the upkeep and maintenance therefore, which is necessary to perform her duties. The City shall provide a \$400.00 monthly car allowance. In addition, the City shall provide a cell phone allowance, which is currently \$70.00 per month. The City Manager also is required as a condition of her employment to incur ordinary, necessary and reasonable expenses for the promotion of the business of the City, including expenses for private and civic club dues, home entertaining and other promotional entertainment, travel and similar items. The City shall provide a \$6,000 annual expense allowance, payable in equal bi-weekly installments beginning on the Commencement Date, for expenses described in this section. All expenses described in this section shall be borne by the Manager using the expense allowance established by this section unless full reimbursement or some expense sharing arrangement is authorized either specifically or by policy of the City. Other benefits available to non-uniformed executive employees and included in the annual budget process shall be extended to Manager.

5. Termination - Severance Pay

In the event Manager is involuntarily terminated, in addition to all other payments to which she is entitled under this Agreement, she will be entitled to the following severance pay:

- a. Twelve (12) months of her then current base salary in a lump sum payment or over twelve (12) months, whichever she elects; and
- b. Twelve (12) months of continued health benefits for herself and her dependents through COBRA or such other program in which Manager and/or her dependents may be enrolled.

For purposes of this paragraph, "involuntary termination" means:

- a. Manager's discharge or dismissal by the Council upon the expression of majority (presently six votes) of the Council;
- b. Manager's resignation based upon a reduction in Manager's salary or benefits by the Council;
- c. Manager's resignation following written notice informing the Council of its failure to comply with any provisions of this Agreement;
- d. Manager's resignation following a formal or informal suggestion for her to resign or other expression of no confidence by a majority of the Council at a meeting; or
- e. Manager's resignation following any other act suggesting that Manager's services are no longer wanted by a majority of the City Council.

For purposes of this paragraph, "involuntary termination" shall not include Manager's termination for conviction of a crime involving moral turpitude.

6. Performance Evaluation

The Council shall review and evaluate the performance of Manager at least annually and preferably every six months during a properly posted executive session in order to provide the Manager feedback on her performance.

7. Leave

Manager shall be entitled to receive Annual Leave in the amount of twenty-two (22) days for each year of her employment, accumulated as follows:

- a. On November 7, 2005, Manager will be credited with 14 hours of annual leave which will be reflected on Manager's subsequent pay stub receipt.
- b. For the following 10 months, on her hire date anniversary (December 7, January 7, etc) Manager will be credited with additional increments of 14 hours of annual leave.
- c. In the 12th month (October 7, 2006), Manager will receive 22 hours of annual leave.
- d. This accumulation totals 22 days (176 hours). Manager may accumulate her Annual Leave without limitation, but shall not carry forward more than one hundred-twenty (120) days, on December 31st of any year. Upon termination of her employment for any reason whatsoever, Manager shall be reimbursed her actual Annual Leave balance, in the same manner of payment as other non-uniformed employees of the City but in an amount as provided for in this paragraph. The maximum reimbursement presently allowed under this provision is 145 days.

Manager shall be entitled to receive 10 days per year of personal leave and shall be eligible to participate in the City's annual personal leave buy back program. Manager will be credited with 80 hours of personal leave on her first day, November 7, 2005. Manager can sell up to eighty hours of unused personal leave back to the City beginning December, 2005 and every December thereafter. Manager's accumulation shall occur as follows: On January 1, 2006 and the start of every quarter thereafter (April 1, July 1, October 1, etc.) Manager will be credited with 20 hours of personal leave, for a total 80 hours annually which she can sell back in December of each year. Payments under this section are calculated at the rate of employee's current hourly rate multiplied by the number of eligible unused personal leave hours.

8. Indemnification

To the extent permitted under state and local law, the Manager shall have all rights and privileges under the City's Employee Liability Plan adopted by Council in accordance with Ordinance 83927 as amended.

9. Insurance

The City will pay the premiums for basic health, dental, and vision insurance for Manager and her dependents. Coverage under the City's plan will start on November 1, 2005. The City will reimburse Manager for up to 15 months for the costs of COBRA payments for Manager's dependents' current insurance coverage with the City of Phoenix (or comparable coverage), if Manager elects to continue that coverage. Any additional and optional benefits available or which may become available to non-uniformed

executive employees in the unclassified civil service will also be available to Manager, including the extended sick leave plan and employer-provided life insurance.

10. Participation in Texas Municipal Retirement System

Manager shall participate in the Texas Municipal Retirement System to the extent provided for in the Texas Municipal Retirement System Act, Texas Government Code, SUBTITLE G. TEXAS MUNICIPAL RETIREMENT SYSTEM, Chapter 851, as amended.

11. Relocation and Transition Expenses

The City shall pay the following relocation expenses and transition expenses incurred by the Manager:

- a. reasonable and customary moving expenses for two moves by movers selected by the Manager and approved by the City,
- b. reimbursement of actual lodging, meals, and travel expenses (airfare, mileage) incurred for two house hunting trips for Manager and family,
- c. reimbursement for actual temporary housing and storage expenses in a maximum amount of \$1,500 per month, for a maximum of eight months from Commencement Date.

12. Tax Treatment of Benefits and Expenses

To the extent that payments in Sections 4, 9, and 11 are taxable income under the applicable provisions of the Internal Revenue Code of 1986, as amended ("Code"), the City shall indemnify Manager and hold Manager harmless against all Federal wage and

income taxes, interest and penalties relating thereto. To effect this indemnification, the City shall pay Manager an additional amount that is sufficient to pay any Federal wage and income taxes under the Code on the payments and benefits to which Manager is entitled without the additional amount plus another additional amount sufficient to pay all the income and wage taxes on the additional amounts. The determination of any additional amount that must be paid under this section at any time shall be made in good faith by the independent auditors then employed by the City in consultation with Manager.

13. Appropriations

The City shall appropriate, set aside and encumber funds of the City in an amount sufficient to fund and pay all financial obligations of the City pursuant to this Agreement, including, but not limited to, the severance pay, salary, adjustments, and benefits set forth and described in this Agreement.

14. Notice

Before voluntarily resigning her position, Manager agrees to give the Council at least sixty (60) days notice in writing of her intention to resign, stating the reasons therefore.

15. General Provisions

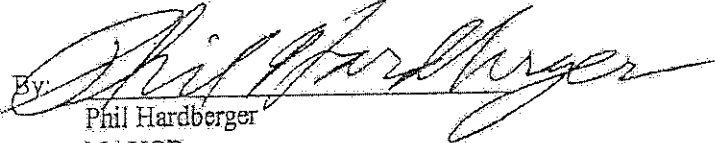
- a. Governing Law. This agreement shall be construed in accordance with and governed by the laws of the State of Texas. Venue shall lie exclusively in Bexar County, Texas.
- b. In the event any one or more of the sections or provisions of this agreement

are held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained.

c. This agreement is intended as a full complete expression of, and constitutes the entire agreement between the parties with respect to the subject matter. All prior agreements, promises, representations, terms and conditions, both oral and written, are merged and incorporated into this agreement, and no such oral or written understandings, agreements, promises, representations, terms or conditions not specifically set forth in this agreement shall be binding upon the City and Manager.

EXECUTED on this ^{29th} day of Sept. 2005.

Employer:
City of San Antonio, Texas

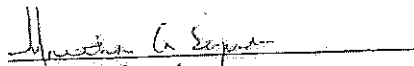
By: 
Phil Hardberger
MAYOR

ATTEST: 
City Clerk

Manager:


Sheryl Sculley
City Manager

Approved as to Form and Content:


Martha G. Sepeda
Acting City Attorney

STATE OF TEXAS
COUNTY OF BEXAR
CITY OF SAN ANTONIO

} 89.

CERTIFIED COPY

The undersigned, the City Clerk of the City of San Antonio in the State and County afore said, does by these presents certify that the attached and foregoing is a true and exemplified copy of a part of the records, papers and books in the Office of the City Clerk; and, that I am the custodian of such papers, books and records as an officer of the City of San Antonio.

Given under my hand and the official seal of the City of San Antonio, this 29th
day of September A.D. 2005
(SEAL) Debra M. Pace
City Clerk, City of San Antonio.

