

SECOND AMENDMENT TO EMPLOYMENT AGREEMENT

THIS SECOND AMENDMENT TO EMPLOYMENT AGREEMENT ("SECOND AMENDMENT"), made and entered into this 19th day of September, 2001, by and between the City Commission of the City of Gainesville, Florida, hereafter also called "EMPLOYER," and MICHAEL L. KURTZ, hereafter also called the "GENERAL MANAGER", both of whom understand as follows:

WITNESSETH:

WHEREAS, EMPLOYER has reviewed and evaluated the services of The City's Charter Officers, and desires to modify the benefits of GENERAL MANAGER as fully set forth below.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth in the Employment Agreement dated August 23, 1990, the First Amendment to Employment Agreement dated February 20, 1996 (hereinafter collectively referred to as the "Employment Agreement"), and the mutual covenants and agreements set forth in this SECOND Amendment, the City Commission and GENERAL MANAGER agree to amend the Employment Agreement as follows:

Section 1. Paragraphs 3D, 3E, and 3H of the Employment Agreement are amended in their entirety, to read:

3. Salary and Related Matters.

D. The following shall apply to GENERAL MANAGER's Annual Leave or Paid Time Off leave (PTO) and Personal Critical Leave Bank (PCLB) rights. The GENERAL MANAGER may elect at any time to change from the Annual Leave/Sick Leave System (Designated Leave/Old System) described in Personnel Policy 9,

effective 2/26/01 as modified in this subparagraph, to the PTO System (New System) described in Personnel Policy 8, effective 2/26/01 as modified in this subparagraph.

In the event that GENERAL MANAGER does not elect to change to the PTO system, GENERAL MANAGER shall be entitled to the rights described in said Personnel Policy 9 except as modified as follows. GENERAL MANAGER shall, effective the first pay period in October 2000, accrue annual leave at the rate of 6 hours and 46 minutes per pay period or the annual Accrual Rate applicable to GENERAL MANAGER'S leave progression date, whichever is greater. The maximum number of annual leave hours allowed to be accrued is 320 hours, adjusted as otherwise provided in Policy 9. The GENERAL MANAGER is not eligible for administrative leave.

In the event the GENERAL MANAGER elects to move to the PTO system, the GENERAL MANAGER shall be entitled to the rights described in said Personnel Policy 8 except as modified as follows. GENERAL MANAGER shall accrue PTO at the rate of 10 hours 28 minutes per pay period or the rate of accrual per pay period applicable to GENERAL MANAGER's leave progression date, whichever is greater. The maximum number of PTO hours that can be accrued (carryover cap) is 372 hours, adjusted as otherwise provided in Policy 8. The GENERAL MANAGER is not eligible for administrative leave.

E. Upon termination of employment, unused and accrued sick leave, or unused and accrued PCLB as applicable, is forfeited and not compensable under any circumstances, unless otherwise generally allowed for management employees of the City hired on GENERAL MANAGER'S leave progression date.

H. Effective December 1, 1995, the amount of Term Life Insurance provided for GENERAL MANAGER is two (2) times the salary of the GENERAL MANAGER to a maximum of \$100,000, unless a higher amount is generally provided for management

employees of the City hired on the GENERAL MANAGER'S leave progression date.

The parties understand that in accordance with law, a portion of said term life insurance may constitute a taxable benefit to the GENERAL MANAGER.

Section 2. Except as otherwise provided herein, this Amendment and the changes in terms and conditions of employment described herein shall become effective the payroll period next after the date hereof.

Section 3. Except as hereinabove expressly modified, amended and changed, the terms, conditions and covenants of the Employment Agreement shall remain in full force and effect and shall govern and control the terms, conditions and provisions of this SECOND Amendment.

IN WITNESS WHEREOF, the EMPLOYER has caused this SECOND Amendment to be signed and executed on its behalf by its Mayor, and duly attested to by its Clerk of the Commission, and the GENERAL MANAGER has signed and executed this SECOND Amendment, both in duplicate on the respective dates under each signature.

EMPLOYER:


THOMAS D. BUSSING, MAYOR

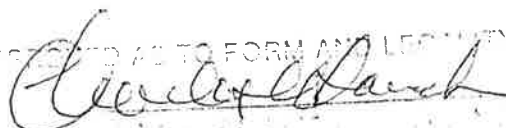
Date: Sept. 19, 2001

ATTEST:

By: 
KURT M. LANNON
CLERK OF THE COMMISSION


MICHAEL L. KURTZ,
GENERAL MANAGER FOR UTILITIES

Date: 9/18/01

APPROVED AS TO FORM AND LEGALITY

DATE: 9/16/01