

**SIDE LETTER AGREEMENT BETWEEN  
THE MONTEREY BAY UNIFIED AIR POLLUTION CONTROL DISTRICT AND  
SERVICE EMPLOYEES INTERNATIONAL UNION LOCAL 521  
EFFECTIVE OCTOBER 1, 2012**

The Monterey Bay Unified Air Pollution Control District (District) and Service Employees International Union Local 521 (Union) agree to an amendment to the 7/1/11 – 6/30/13 Memorandum of Understanding with this side letter. The District and Union agree to the following revisions (underlined and highlighted) to Section 21.5 Cafeteria Allowance:

21.5 Cafeteria Allowance

- A. Effective July 1, 2011, each employee in this representation unit shall receive an amount of \$436 per pay period as a cafeteria allowance. Effective July 1, 2012, the cafeteria plan allowance will increase by the following:
- \$7 per pay period for employees without eligible dependents for a total of \$443 per pay period.
  - \$43.50 per pay period for employees with one or more eligible dependents for a total of \$479.50 per pay period.

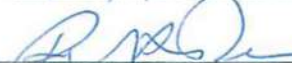
Effective with the first pay period in January 2013, the cafeteria plan allowance will increase by the following:

- \$90.50 per pay period for employees with one eligible dependent for a total of \$570.00 per pay period.
- \$119.00 per pay period for employees with two or more eligible dependents for a total of \$598.50 per pay period.


CalPERS health insurance eligibility rules will apply when determining the appropriate allowance for each employee. Eligibility must be verified, and employees will cooperate with the District in verifying eligibility, dependents, and the appropriate allowances.

Such allowance shall be paid in the first two pay periods of any month in which there are three pay periods. Such allowance may be used only for statutory nontaxable benefits, or the equivalent value in cash. The cash option is reportable as taxable income.

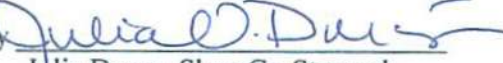
Date 10/11/12

By   
Richard A. Stedman, APCO

Date 10/4/12

By   
Joe Hill, SEIU Local 521

By   
Michael Sewell, Shop Steward

By   
Julia Duran, ~~Shop Co~~-Steward

Alternate

 RAS