

**SIDE LETTER AGREEMENT
BETWEEN
THE CITY OF SAN BRUNO
AND TEAMSTERS LOCAL 350
(MID MANAGEMENT UNIT)**

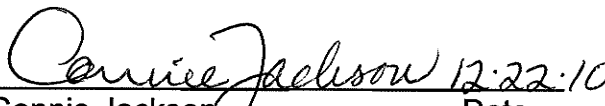
This Side Letter of Agreement provides for the Voluntary Employee Beneficiary Association (VEBA) Plan that was agreed to by the City of San Bruno and the Mid Management Unit represented by the Teamsters Union Local 350 for the term of February 1, 2010 to June 30, 2012.

All employees covered by this collective bargaining agreement (Teamsters Local 350 side letter of agreement) are required to participate in this VEBA plan in accordance with the affirmative vote of the membership.

All participants in this VEBA plan are required to contribute at retirement the following:

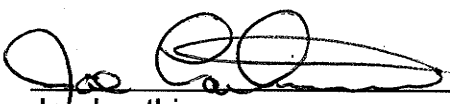
Payout of 50% of unused sick leave or 800 hours, whichever is less for those employees who have completed 20 or more years of City service as a full-time employee, or payout of 50% of unused sick leave or 600 hours, whichever is less, for all other employees

Participants will pay participant fees (currently \$7.50/month) and 0.1% of the individual account balance annually, paid quarterly.



Connie Jackson
City Manager
City of San Bruno

Date



Joe Lanthier
Teamsters, Local 350
Mid Management Unit

Date