SIDE LETTER OF AGREEMENT

BETWEEN

CITY OF SANTA MONICA

AND

MANAGEMENT TEAM ASSOCIATION

This Side Letter memorializes an agreement reached between the City of Santa Monica (the "City") and the Management Team Association ("MTA"), to reflect the agreed-upon amendment to the Memorandum of Understanding, Contract No. 10547 (CCS) ("MOU") entered into between the City and MTA for the term of July 1, 2017, through June 30, 2020. All other terms and conditions of the existing MOU shall remain in full force and effect. The amendment to the MOU is as follows:

Article 2. Compensation, Section 2.08, Signing Bonus. The second paragraph of this section is replaced with the following, to reflect a signing bonus of up to 10% of an employee's annual base salary:

Under this program, a new hire for the designated position will be entitled to receive a signing bonus upon being hired by the City. The signing bonus will be equal to a percentage of the employee's annual base salary, up to 10%. The recipient of a signing bonus shall be required to commit to at least 12 months of service with the City following the date on which the bonus is paid. If the recipient of the bonus separates from the City within less than 12 months following receipt of the bonus, he/she shall be required to reimburse the City for the full amount of the bonus. An employee is entitled to receive only one signing bonus during his/her tenure with the City. The one-time signing bonus limitation also applies in cases where an employee is reinstated into, or rehired to fill, a position that has been designated by the City as a hard-to-fill position and that employee already received a signing bonus.

IN WITNESS WHEREOF, the parties hereto have caused this Memorandum of Understanding to be executed this 12th day of February, 2018

ATTEST:

DENISE ANDERSON-WARREI

City Clerk

RICK COLE

CITY OF SANTA MONICA

a municipal corporation

City Manager

APPROVED AS TO FORM:

MANAGEMENT TEAM ASSOCIATION

City Attorney

MTA Representative