

**AMENDMENT (LETTER OF UNDERSTANDING) TO THE 2014-2017 MOU
BETWEEN THE CITY OF CHULA VISTA AND CHULA VISTA POLICE
OFFICER'S ASSOCIATION**

WHEREAS, the City of Chula Vista (City) and the Chula Vista Police Officer's Association (CVPOA or POA) entered into a Memorandum of Understanding ("MOU") for the time period of November 4, 2014 to June 30, 2017; and

WHEREAS, City and CVPOA engaged in informal discussions to extend and amend the MOU; and

WHEREAS, City and CVPOA desire to amend under the terms stated herein subject to ratification by CVPOA and City Council (in open session via resolution).

NOW THEREFORE, the City and CVPOA agree as follows:

1. **[TERM]** Article 1.07 [Term and Effect of Memorandum of Understanding] Paragraph I is amended to add the following:

"The Memorandum of Understanding hereby extended from the current expiration date of June 30, 2017 to June 30, 2020, at which time the MOU shall expire. The periods set forth above to submit proposals and to endeavor to begin negotiations are reset as follows: (1) the Parties will endeavor to submit written proposals to each other by March 1, 2020 and the Parties will endeavor to begin negotiations not later than April 14, 2020."

2. **[WAGES]** Article 2.01 [Wages] is amended to read as follows:

"ARTICLE 2.01 WAGES

I. A. [Salary Adjustments] Salary adjustments shall be made as follows:

4. 2% in the first full pay period of July 2017
5. 2% in the first full pay period of July 2018
6. 2% in the first full pay period of July 2019

V. Longevity Pay - ~~Commencing July 1, 2012,~~ Employees shall receive longevity pay in the form of a 3% increase in their base pay when they have served fifteen (15) or more complete years of full time service with the Chula Vista Police Department in a classification represented by CVPOA. Employees shall receive longevity pay in the form of a 5% increase in their base pay when they have served twenty (20) or more complete years of full time service with the Chula Vista Police Department in a classification represented by CVPOA. The longevity pay shall increase base pay by 3% for eligible employees, calculated in the same manner as a COLA. Only one of the longevity pay amounts may be paid and they may not be combined with each other. This will be effective the first full pay period after ratification by Council in open session via resolution. For employees with fifteen (15) or more years of service as of July 1, 2012, the base pay used to calculate the longevity pay shall be the base pay they are making on that date, and for Employees not eligible for longevity pay on July 1, 2012, it shall be the base pay on the date they become eligible.

3. ARTICLE 2.06 [OUT-OF-CLASS ASSIGNMENT]

I. Sworn personnel who are assigned duty as an Acting Agent, Acting Sergeant, or Acting Lieutenant in the Patrol Division for a period of at least more than one half of their ~~one full~~ regularly scheduled continuous work shift (excluding shift overlap(s)) shall receive compensation at a rate of five percent (5%) above his or her base pay. Payment will be retroactive to the time the out-of-classification assignment commenced and will continue until the out-of-classification assignment ends, provided the above greater than one half of one full-shift minimum is met. Personnel assigned duty as an Acting Agent, Acting Sergeant or Acting Lieutenant in the Patrol Division during any shift overlap period will receive out-of-classification compensation for that overlap period provided the above greater than one half of one full-shift minimum is met.

4. [EDUCATION/POST PAY] Article 2.14 [Education/P.O.S.T Incentive Pay] is amended to read as follows:

“ARTICLE 2.14 EDUCATION/P.O.S.T. INCENTIVE PAY

I. Employees represented by the Association shall be entitled to between \$200 and \$400 per month if they meet the educational/P.O.S.T. incentive pay requirements detailed below. The amount of educational incentive pay will not be cumulative.

- \$200 for an Associates Degree
(only for employees hired prior to 7/1/17)
- \$300 for a Bachelors Degree or an Advanced/Supervisory POST
(only for employees hired prior to 7/1/17)
- \$350 for a Bachelors Degree and an Advanced/Supervisory POST
- \$400 for a Masters Degree or higher”

5. [MEDICAL] Article 2.16 [Employee benefits] is amended to read as follows:

“I. Health and Dental Insurance

A. ENROLLMENT:

1. Health – Each eligible employee will be covered under the City offered health plan of his or her choice effective from employee’s date of hire in that eligible position. For employees enrolling in Kaiser, the City will pay the full cost of the premium. For employees enrolling in a non-Kaiser HMO, the City will pay the cost of the premium less \$50 per month. For employees enrolled in a non-Kaiser PPO, the City will pay an amount equal to the City’s share of the non-Kaiser HMO premium. Any difference between the City’s share of the health premium and the full premium cost will be paid by the employee through payroll deductions. Employees who fail to submit required benefit election forms within 30 days of the date of eligibility or during open enrollment will automatically be enrolled in the Kaiser-Employee Only plan.

Effective 1/1/2018 - For employees enrolling in a non-Kaiser HMO, the City will pay 2/3 of the premium difference less \$50 per month. For employees enrolled in a non-Kaiser PPO, the City will pay an amount equal to the City’s share of the non-Kaiser HMO premium.

Effective 1/1/2019 - For employees enrolling in a non-Kaiser HMO, the City will pay 1/3 of the premium difference less \$50 per month. For employees enrolled in a non-Kaiser PPO, the City will pay an amount equal to the City's share of the non-Kaiser HMO premium.

Effective 1/1/2020 - Employees enrolled in any non-Kaiser plan are responsible to pay any amount greater than the cost of the Kaiser Plan.

8. [Federal Healthcare Reopener] The City provides medical benefits to CVPOA represented employees. These benefits are subject to the Federal Affordable Care Act ("ACA"). The City, upon notice to the bargaining unit, may reopen this MOU when the City has been informed of or is aware of non-compliance with any ACA, including a "Cadillac" tax, or replacement Healthcare Legislation. The City shall provide notice to CVPOA of the nature of the act or omission that forms the basis of non-compliance. The City and CVPOA shall thereafter promptly meet and confer to the extent required by the MMBA."

6. [EPMC] Article 2.18 [Retirement] is amended as follows:

EPMC will be removed effective at the end of the last full pay period of June, 2020 and Article 2.16 shall read as stated below. However, should the POA wish for employees to continue with this benefit all eligible Tier I employees must pay the full cost of this benefit as determined by CalPERS. This cost will be paid solely by employees. POA must notify the City and enter into a Letter of Understanding no later than June 1, 2020 to maintain this benefit. The EPMC shall thereafter continue for the mutually agreed upon term. Thereafter, its removal, shall be subject to the meet and confer requirements of the MMBA, including impasse requirements, to the extent required by the MMBA.

Terms Regarding Tier I to be effective the last full pay period of June, 2020:

" 1. TIER I. For employees hired on or before the effective date of the January 14, 2011 MOA, the City will provide the 3% at 50 Retirement Plan for Local Safety Members as provided for under the California Public Employees' Retirement System (CalPERS). CVPOA represented employees in Tier I shall make contributions, which shall be applied to the Employee's (member's) contribution, in the total amount of 9%. Correspondingly, the 9% contributed by employees to the City's contributions to CalPERS for optional benefits (under Government Code section 20516) shall cease. There shall be no EPMC. The aforementioned contributions will be made on a pre-tax basis to the extent permitted by Internal Revenue Code section 414(h)(2).

The City will provide the following CalPERS contract options:

- A. One-Year Final Compensation
- B. Post-Retirement Survivor Allowance
- C. Credit for Unused Sick Leave

- D. 4th Level 1959 Survivor Benefit.
- E. Military Service Credit as Prior Service
- F. Cost of Living Allowance (2%)
- G. Post-Retirement Survivor Allowance Continuance
- H. Pre-Retirement Death Benefit for Spouse
- I. Retired Death Benefit \$5,000
- J. Prior Service Credit*

7. Article 2.20 [Retiree Medical Trust] is amended to read as follows:

“ARTICLE 2.20 RETIREE MEDICAL TRUST

All employees covered by this Agreement shall participate in a retiree medical expense reimbursement plan administered by the PORAC Retiree Medical Trust or such other entity that later may be selected by the Association. This Plan is designed to permit organizations representing employees to designate on a pre-tax basis salary and/or leave payouts which occur upon termination of employment to be used to help pay for health insurance costs when the employee is no longer working for the City. No City contributions shall be made to this Plan. The trust shall be and remain separate and apart from any Employer health insurance funding program. Effective January 1, 2009, employees covered by this Agreement shall contribute to the plan \$150 per month, which the employer shall automatically deduct from the salary of each employee and remit monthly [in one aggregate check], to the Plan’s administrator, accompanied by a list of contributing employees. The employer shall contribute the monies on a pre-tax basis. These contributions shall be included as salary for the purpose of calculating retirement benefits. There shall be no employee election to take the amount in cash.

Upon retirement of an employee covered by this Agreement, the employer shall transfer into the PORAC Retiree Medical Trust, an amount equal to 100% of the cash value of the employee’s vacation and floating holiday leave balance for which they would receive payment. The employer shall contribute the monies on a pre-tax basis. There shall be no employee election to take the amount in cash, The Association has the right to alter the amount of salary deduction or the percentage of leave balance contribution at separation from service during the course of this Agreement, on a uniform basis, for all employees covered by the Agreement, subject to approval of its members according to the Association’s internal rules.

The City of Chula Vista hereby acknowledges receipt of the Trust Agreement governing the Trust and will comply with rules set by the Trust Office in regard to reporting and depositing the required contributions set forth above.

Exceptions: Employees entitled to full military medical benefits may make a one time election not to participate in the plan. Employees entitled to this exemption must notify human resources of their refusal to participate within 60 days of January 1, 2009, or within 60 days of joining the bargaining unit. The provisions of this agreement do not reply to anyone hired on or before February 1st 1982.

City Contribution: Commencing March 2009, the City will contribute \$100 per member per month into the Retiree Medical Trust (“RMT”).

All City Contribution: Commencing March 2009, the City will contribute \$100 per member per month into the Retiree Medical Trust ("RMT") for employees hired prior to July 1, 2017.

As of February 9, 2017 any employees hired on, or after, July 1, 2017 shall contribute to the plan \$100 per month, which the employer shall automatically deduct from the salary of each employee and remit monthly [in one aggregate check], to the Plan's administrator, accompanied by a list of contributing employees. The employer shall contribute the monies on a pre-tax basis. These contributions shall be included as salary for the purpose of calculating retirement benefits. There shall be no employee election to take the amount in cash."

8. **[OTHER MOU TERMS REMAIN THE SAME]** Except as expressly provided herein, all other terms and conditions of the 2014-2017 MOU shall remain in full force and effect.

FOR THE CITY OF CHULA VISTA:

Courtney Chase 2/25/17

Courtney Chase
Director of Human Resources

FOR CVPOA:

David Oyos 02/28/17

David Oyos
President, Police Officer's Association