SECOND AMENDMENT TO AMENDMENT (LETTER OF UNDERSTANDING) TO THE 2014-2017 MOU BETWEEN THE CITY OF CHULA VISTA AND THE CHULA VISTA POLICE OFFICER SETTING FORTH TERMS TO CONTINUE THE EPMC BENEFIT

WHEREAS, the City ("City") and the Chula Vista Police Officer's Association ("CVPOA") entered into an Amendment (Letter of Understanding) dated February 28, 2017 to the 2014-2017 MOU between the City of Chula Vista and the Chula Vista Police Officer's Association (referred to herein as "MOU Extension"), including extending the 2014-2017 MOU to June 30, 2020 and terms regarding Employer Paid Member Contribution benefit ("EPMC") (Government Code section 20691); and

WHEREAS, the City and CVPOA entered into a first amendment ("First Amendment") dated June 28, 2017 to the MOU extension dated June 28, 2017, including terms regarding EPMC; and

WHEREAS, pursuant to the First Amendment, CVPOA seeks to retain the EPMC benefit for its eligible Tier I employees. The First Amendment requires that the City and CVPOA enter into a Letter of Understanding to set forth the terms to continue EPMC and this Second Amendment is such Letter of Understanding.

NOWTHEREFORE, the City and CVPOA agree as follows:

1. A. Eligible Tier I CVPOA represented employees shall retain the EPMC benefit as set forth in Article 2.18, Paragraph 1, of the 2014-2017 MOU. To continue the EPMC benefit, eligible Tier I CVPOA represented employees ("Tier I Employees") shall bear the full cost of the EPMC benefit and shall make the following payments to the City:

    i. For the remainder of FY 18-19 (effective the pay period beginning May 10, 2019): 2.615% of "PERsable" compensation per pay period.
    ii. For FY 19-20 (effective the pay period beginning July 5, 2019): 2.697% of "PERsable" compensation per pay period.

    B. To the extent permitted by law, the above payments shall be made on a pre-tax basis pursuant to Internal Revenue Code section 414(h)(2). The City shall not bear any responsibility for any tax liability arising out of this method of payment. Said, liability, if any, shall be borne solely by the Tier I Employees.

    C. To retain the EPMC benefit, Tier I Employees shall pay the full cost of the EPMC benefit (including increases) as determined by the City's Actuary. For FY 20-21 and beyond, the City shall provide notice of said cost and it shall be paid by Tier I Employees beginning the first full pay period of July per pay period for the attendant

Fiscal Year. Should the noticed amount be insufficient to pay the full cost of the EPMC benefit, the City may provide notice of the corrected amount and Tier I Employees shall pay the corrected amount. In the event that the noticed amount is in excess of the actual amount, Tier I Employees shall receive a credit for said excess amount against future costs. No City funds shall be used to pay for the EPMC benefit for Tier I employees.

2. The EPMC benefit shall continue until the last eligible Tier I Employee retires. The EPMC benefit shall continue until CVPOA elects to terminate the benefit or as otherwise agreed to by the parties.

3. The EPMC benefit shall be immediately terminated should the State or CalPERS end the benefit and Tier I employees shall, correspondingly, cease to pay as set forth above for the EPMC benefit . The City is not in any manner responsible for providing said benefit should it be terminated by, including, but not limited to, the State or CalPERS nor does the City warranty its continuation.

4. Except as expressly provided herein, all other terms and conditions of the 2014-2017 MOU, MOU extension, and First Amendment shall remain in full force and effect.

FOR THE CITY OF CHULA VISTA:

5/15/19

Courtney Chase
Director of Human Resources

FOR CVPOA:

05/15/19

David Oyos
President, CVPOA