AMENDMENT (LETTER OF UNDERSTANDING) TO THE 2014-2017 MOU BETWEEN THE CITY OF CHULA VISTA AND LOCAL 2180 INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS AFL - CIO

WHERERAS, the City of Chula Vista (City) and the Local 2180 International Association of Fire Fighters AFL-CIO (IAFF) entered into a Memorandum of Understanding ("MOU") for the time period of December 2, 2014 to June 30, 2017; and

WHEREAS, City and IAFF engaged in formal good faith wage reopener negotiations (as required pursuant to MOU Article 2.01.I.D [Reopener]); and

WHEREAS, City and IAFF also engaged in informal good faith discussions to extend and amend the MOU; and

WHEREAS, City and IAFF desire to amend the MOU under the terms stated herein (and in satisfaction of the aforementioned reopener negotiations) subject to ratification by IAFF and approval by the City Council (in open session via resolution).

NOW THEREFORE, the City and IAFF agree as follows:

I. The MOU is hereby amended 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 December 31, 2019, 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 September 1, 2019 and the Parties will endeavor to begin negotiations not later than October 15, 2019."

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. 2.5% in the first full pay period after ratification by IAFF and approval by the City Council via resolution in open session
 - 5. 2.5% in the first full pay period of January 2018
 - 6. 2% in the first full pay period of January 2019

3. **[WAGES]** Article 2.14 [Education Incentive Pay] is amended to read as follows:

I. Employees represented by Local 2180 shall be entitled to education incentive pay as detailed below:

<u>A.</u> Upon verification that a represented employee has completed course work for and received an Associates degree, or completes 30 units of fire

science courses or any administrative or technical (i.e. computer, writing) courses in support of the fire service and has five (5) years experience, the employee shall receive \$200 per month in education incentive pay for employees hired prior to April 25, 2017.

Upon verification that a represented employee has completed course work for and received an Associates degree, or completes 60 units of fire science courses or any administrative or technical (i.e. computer, writing) courses in support of the fire service and has five (5) years experience, the employee shall receive \$200 per month in education incentive pay for employees hired on or after April 25, 2017.

<u>B.</u> Upon verification that a represented employee has completed course work for and received a Bachelors degree, or completes 30 units of fire science courses or any administrative or technical (i.e. computer, writing) courses in support of the fire service and has ten (10) years experience, the employee shall receive \$300 per month in education incentive pay for employees hired prior to April 25, 2017.

Upon verification that a represented employee has completed course work for and received a Bachelors degree, or completes 60 units of fire science courses or any administrative or technical (i.e. computer, writing) courses in support of the fire service and has ten (10) years experience, the employee shall receive \$300 per month in education incentive pay for employees hired on or after April 25, 2017.

- A.<u>C.</u> Upon verification that a represented employee has completed course work for and received a Masters degree, the employee shall receive \$400 per month in education incentive pay.
- B.D. The amount of educational incentive pay will not be cumulative.
- 4. **[WAGES]** Article 2.01 [WAGES] is amended to add the following:

V. [Field Training Officer Pay] IAFF represented employees who are in the Firefighter/Paramedic classification and who are designated as Field Training Officers (FTO's) by the City, for the purpose of training and certifying new Chula Vista Paramedic trainees (also referred to as "trainee") or as assigned by the Fire Chief . When trainees are assigned to a fire company, FTOs will receive 5% additional compensation to base pay when they are actually engaged as FTO's and training the Chula Vista Paramedic trainees assigned to a fire company.

Employees shall not be considered FTO's or receive FTO compensation when they are assigned to the training division or for time spent training other FTO's, non-probationary Chula Vista Firefighter/Paramedics (unless assigned by the Fire Chief), paramedic school interns, or non-Chula Vista Firefighter/Paramedics.

Any FTO assignment that exceeds eight (8) shifts for one trainee will require the Fire Chief's pre-approval.

5. [MEDICAL] Article 2.15 [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.

For all employees hired after on or after April 25, 2017 that enroll in any non-Kaiser plan are responsible to pay any amount greater than the cost of the Kaiser Plan.

Effective 12/31/2019 – All employees enrolled in any non-Kaiser plan are responsible to pay any amount greater than the cost of the Kaiser Plan.

III. [Federal Healthcare Reopener] The City provides medical benefits to IAFF 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 the ACA, including any "Cadillac" tax, or replacement Healthcare Legislation. The City shall provide notice to IAFF of the nature of the act or omission that forms the basis of noncompliance. Thereafter, City and IAFF shall thereafter promptly meet and confer to the extent required by the MMBA."

6. [EPMC] Article 2.17 [Retirement] is amended as follows:

EPMC will be removed effective after the first full pay period of March, 2019 and Article 2.17 shall read as stated below. However, should the IAFF wish for employees to continue with this benefit, all eligible Tier I employees must pay the full cost of this benefit as determined by the City's Actuary. This cost to maintain the benefit will be paid solely by employees. IAFF must notify the City and enter into a Letter of Understanding no later than February 15, 2019 to maintain this benefit. The EPMC shall thereafter continue for a 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 after first full pay period of March, 2019:

"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). IAFF 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:

One-Year Final Compensation A. Post-Retirement Survivor Allowance Β. Credit for Unused Sick Leave C. 4th Level 1959 Survivor Benefit. D. Military Service Credit as Prior Service E. Cost of Living Allowance (2%) <u>F.</u> Post-Retirement Survivor Allowance Continuance G. H. Pre-Retirement Death Benefit for Spouse Retired Death Benefit \$5,000 I. Prior Service Credit" J.

II. The City and IAFF agree that, except as expressly provided herein, all other terms and conditions of the 2014-2017 MOU shall otherwise remain in full force and effect.

FOR THE CITY OF CHULA VISTA:

FOR IAFF:

Courtney Chase Director of Human Resources Darrell Roberts President, Local 2180 IAFF AFL-CIO