

**Side Letter of Agreement
Between
Chula Vista Police Officer's Association
And
The City of Chula Vista**

The City of Chula Vista ("the City") and the Chula Vista Police Officer's Association ("POA") hereby enter into this Side Letter of Agreement ("Agreement") on the date this Agreement is executed by both parties.

Recitals

- A. The City and POA are signatory to a Memorandum of Understanding ("MOU") for the period of July 1, 2005 through June 30, 2010.
- B. The MOU provides for salary increases to the base wages for POA members of 3% effective January 1, 2009, and 4% effective January 1, 2010.
- C. The City has a budget deficit for Fiscal Year ("FY") 2009 and anticipates a larger budget deficit for FY 2010. As a result of these budget deficits, the City plans to implement a layoff that may impact POA members.
- D. In order to minimize the number of POA members to be laid off or to avoid layoffs all together due to the budget deficit, the City has proposed that POA agree to forego the wage increases scheduled for January 1, 2009 and January 1, 2010.
- E. POA is considering the City's proposal and alternatives to it, and the City and POA need additional time to consider and discuss this matter.
- F. POA and the City have entered into another "Side Letter of Agreement for Retiree Medical Trust Participation" pursuant to which effective January 1, 2009, the City is to deduct from the salary of each employee at the designated amount and remit those amounts monthly to the Plan's administrator.

Wherefore, the parties agree as follows:

- 1. POA agrees that the City shall not provide the 3% wage increase effective January 1, 2009 for POA members. POA is not waiving this wage increase, but only agreeing that this wage increase can be deferred and is not due and payable as of January 1, 2009, in order to give POA and the City more time to consider the alternative that POA agree to a further deferral of this wage increase in order to minimize the number of layoffs in its bargaining unit.


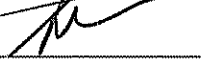
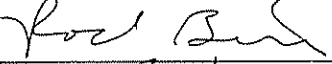
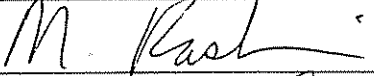
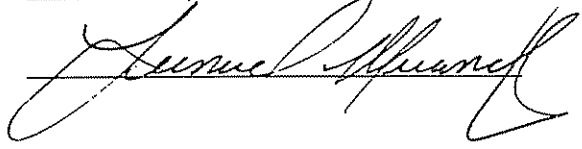
2. On or before February 1, 2009, POA shall notify the City, by providing a letter to the City Manager (with a copy to the Director of Human Resources and the City Attorney), as to whether POA will agree to further defer the 3% wage increase that was due on January 1, 2009.
3. If POA notifies the City on or before February 1, 2009 that it is not agreeing to further defer the 3% wage increase that was due on January 1, 2009, or upon written notice of termination of these negotiations by either party, then the City shall pay the 3% wage increase to POA members retroactive to January 1, 2009, and said payments shall be considered salary and compensation earnable for purposes of calculating the PERS rate of retirement. Such retroactive payments will be made by the end of the second full pay period after the earlier of (1) POA providing written notice to the City that it is not agreeing to further defer the 3% wage increase, or (2) either party providing written notice of termination of these negotiations.
4. The parties agree that in light of this Side Letter, the prior "Side Letter of Agreement for Retiree Medical Trust Participation" pursuant to which effective January 1, 2009, the City is to deduct from the salary of each employee at the designated amount and remit those amounts monthly to the Plan's administrator, shall not be put into place at this time. As such, the City will not withhold any employee contributions for the PORAC Retiree Medical Trust until further written agreement between these parties to do so or these negotiations terminate unsuccessfully in which case the City shall commence withholding and submission of said wages to the PORAC Retiree Medical Trust concurrent with payment of the deferred 3% payment referred to in paragraph 3 above.
5. As consideration for the POA's entering into this Side Letter, the City agrees that it will attempt to negotiate a resolution to these negotiations that will include a two-year extension of the current MOU, and the possibility of deferring rather than foregoing the wage increases under the current MOU. The POA agrees that it will discuss the possibility of a single reopener to discuss salary only during the two-year extension period referred to above. Neither party is making a binding commitment in this paragraph (other than to meet and confer), but rather is agreeing to a framework for further discussions.
6. It is further agreed that if the negotiations referred to in paragraph 5 fail and layoffs occur within the POA bargaining unit, these negotiations shall not fulfill any obligations to meet on the impact of the layoffs.
7. This Agreement shall not change any other terms or conditions in the MOU currently in existence between POA and the City.

8. Except as to the representations made in the Memorandum from the Interim City Manager to POA President Frederick Rowbotham dated December 4, 2008, this Agreement is the entire agreement between the parties on this subject. Any and all prior agreements or understandings on this subject that are not embodied in this Agreement are of no force and effect. Moreover, the terms of this Agreement may not be modified, except by written agreement signed by the party against whom enforcement of any such modification is sought.

The parties have executed this Side Letter of Agreement on December 17, 2008.

The City of Chula Vista

**Chula Vista Police Officer's
Association**

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