

**SIDE LETTER of AGREEMENT
BETWEEN
CITY OF SANTA CRUZ AND
SANTA CRUZ POLICE OFFICERS ASSOCIATION**

The City of Santa Cruz (hereinafter referred to as “City”) and the City of Santa Cruz Police Officers’ Association (hereinafter referred to as “Union”) are parties to a Memorandum of Understanding (“MOU”) with a term beginning on November 1, 2015 and terminating on March 6, 2020.

Pursuant to the provisions of the Meyers-Milias-Brown Act (“MMBA”), this Side Letter Agreement (“Agreement”) is entered into on this 15th day of May 2019 between the City and the Union to amend the MOU on Retiree Medical Incentive under Section 19.04, and Sick Leave Incentive Program under Section 17.04(3). The following revision of the language of Sections 19.04 and 17.04(3) was mutually agreed upon by the Chief of Police and the Santa Cruz Police Officers’ Association.

The parties further agree that the specific provisions in this Agreement shall supersede any previous agreements, whether oral or written, regarding the matters contained herein. Except as provided herein, all wages, hours and other terms and conditions of employment presently enjoyed by the affected employees and contained in the MOU shall remain in full force and effect.

The parties have met and conferred in good faith in accordance with the MMBA concerning the terms and conditions of this agreement and its implementation and now therefore agree the MOU shall allow the following amendment for the term as described above:

1. Amendment to Section 19.04:

19.04 Retiree Medical Incentive

Employees currently on the City’s retiree medical plan and future covered employees who receive a retirement from PERS and have at least five (5) years of continued service with the City and are at least fifty (50) years of age will receive a retiree medical incentive in the amount of \$139 per month in addition to the City’s contribution listed in Section 19.03 (Retiree Medical Plan). This incentive will continue as long as the employee continues PERS medical coverage through the City of Santa Cruz and until such time the retiree is eligible for Medicare (currently age 65) or other federal or state health programs, solely on account of age. Employees shall remain eligible for the retiree medical incentive even if their service retirement is classified or reclassified as a disability retirement.

Retirees eligible for the PERS retiree incentive listed above, with more than twenty (20) years of City service, will have their medical

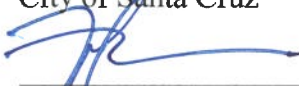
incentive increased to 75% the cost of the employee-only coverage of the second highest PERS HMO plans from only among those plans available in Santa Cruz County at the time of ratification of this agreement (less the contribution listed in 19.03 (Retiree Medical Plan)).

2. Amendment to Section 17.04(3):

17.04 Sick Leave Incentive Program

3. Employees who retire and are eligible for retiree health coverage, pursuant to Section 19.04-Retiree Medical Incentive of this agreement, shall also be eligible to receive the equivalent dollar credit for retiree health coverage at the rate of 33% of their current rate of pay for all unused sick leave hours. This amount will be maintained by the City for the reimbursement of retiree health coverage. (This section will not be available to employees who chose to utilize the PERS sick leave Service Credit option.)

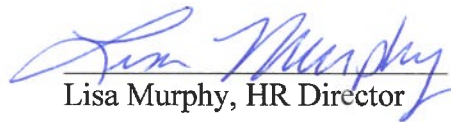
Police Officers Association of the
City of Santa Cruz



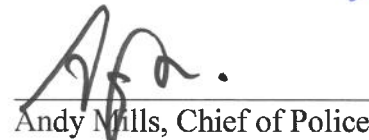
Mark Eveleth, POA President

5/17/19
Date

City of Santa Cruz



Lisa Murphy, HR Director



Andy Mills, Chief of Police

5/21/19
Date