

RESOLUTION NO. 2019-7

A RESOLUTION OF THE ALBANY CITY COUNCIL APPROVING THE SIDE LETTER AGREEMENT BETWEEN THE CITY OF ALBANY AND THE SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 1021

WHEREAS, the Memorandum of Understanding (MOU) is the collective bargaining agreement between the City of Albany and the Service Employees International Union, Local 1021 (SEIU); and

WHEREAS, the City of Albany and SEIU ratified an MOU effective October 1, 2018; and

WHEREAS, section 10 of the MOU allows an employee to waive participation in the City's group health plan if she/he has health plan coverage as a result of being an eligible dependent; and

WHEREAS, eligible employees receive a City contribution in an amount equal to the CalPERS Kaiser Bay Area employee only rate to their deferred compensation account; and

WHEREAS, after a thorough analysis and evaluation of the benefit structure, it has been determined that contributing "in lieu" payments to the deferred compensation plan can be detrimental to the tax qualification of the plan; and

WHEREAS, the City of Albany and SEIU have met and conferred in good faith; and

WHEREAS, an "Alternate Benefit" outlined in the attached side letter provides employees with a benefit consistent with the current deferred compensation contribution without creating new liability for the City.

NOW, THEREFORE, BE IT RESOLVED, that the Albany City Council hereby authorizes the execution of the Side Letter attached hereto as Exhibit A.

OCHELLE NASON, MAYOR



City of Albany

1000 San Pablo Avenue • Albany, California 94706 (510) 528-5710 • www.albanyca.org

RESOLUTION NO. 2019-7

PASSED AND APPROVED BY THE COUNCIL OF THE CITY OF ALBANY,

The 22nd day of January, 2019, by the following votes:

AYES: Council Members Maass, McQuaid, Pilch and Mayor Nason

NOES: None

ABSENT: Council Member Barnes

ABSTAINED: none

RECUSED: none

WITNESS MY HAND AND THE SEAL OF THE CITY OF ALBANY, this

23rd Day of January, 2019.

Eilen Harrington

Eileen Harrington

DEPUTY CITY CLERK

SIDE LETTER

BETWEEN

THE CITY OF ALBANY

AND

SERVICE EMPLOYEES' INTERNATIONAL UNION, LOCAL 1021 CONCERNING

IN-LIEU OF MEDICAL INSURANCE

January 22, 2019

This Side Letter reflects an agreement between the City of Albany ("City") and the Service Employees' International Union, Local 1021 ("SEIU"), and collectively, "the Parties."

The Parties agree to amend Section 10 of the Memorandum of Understanding ("MOU") between the City and SEIU, effective October 1, 2018. The revision to Section 10, as listed below, shall be made effective January 1, 2019.

Section 10. Insurance and Pension

10.6 Alternate Benefit

An employee eligible for PERS Health who opts to waive participation because the employee has health plan coverage as a result of being an eligible dependent can waive his/her participation in the City's medical plan and elect the City's alternate benefit. To participate in this program, the employee shall sign a waiver, provided by the City, of health plan coverage and shall provide proof of health plan coverage for him/herself which shall be confirmed annually before January 1 of each year. Proof of other coverage must show that the employee and all individuals in the employee's expected tax return have (or will have) minimum essential coverage.

Employees who elect the "alternate benefit" shall receive "elective paid leave" as follows:

- Each month, the employee will be credited with the number of hours of elective paid leave equivalent to the single rate for the Kaiser Bay Area PEMHCA plan rounded to the nearest dollar;
 - o For example: If the Kaiser Bay Area PEMHCA single party rate is \$750 and the employee's hourly rate is \$25/hour, the employee will be credited with 30 hours per month of elective paid leave.
- Elective paid leave may be used as normal discretionary leave however, all other discretionary leave (i.e., vacation and compensatory time off) must be used first;
- All accrued but unused elective paid leave will be paid out in the calendar year in which it is earned
 - o Each quarter, the City will cash out all accrued but unused elective paid leave at the rate at which it was earned (in the example above, payout would be at \$25/hour), as follows:

- January, February, and March leave balances will be cashed out the last pay day in March.
- April, May, and June leave balances will be cashed out the last pay day in June.
- July, August, and September leave balances will be cashed out the last pay day in September.
- Any accrued but unused elective paid leave remaining at the end of the calendar year will be paid out at the rate it was earned in the last pay period of the calendar year.

IN WITNESS WHEREOF, the parties hereby have e January , 2019.	executed this Side Letter this 24th day of
SERVICE EMPLOYEES' INTERNATIONAL UNION, LOCAL 1021 (SEIU)	CITY OF ALBANY
Jose Martinez, Field Representative	By Mell Alganic Nicole Almaguer, City Manager
By <i>Galerman Muyhol</i> Jasmine Turner, SEIU	By Melissa Rojas, Human Resources Director
By AJ Silva, SEIU	
Ву	
	RATIFIED BY THE CITY COUNCIL
	Dated: 1/22/2019
	By City Clerk