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.

[Signature]
ROCHELLE NASON, MAYOR
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

Eileen Harrington
DEPUTY CITY CLERK

The City of Albany is dedicated to maintaining its small town ambiance, responding to the needs of a diverse community, and providing a safe, healthy and sustainable community.
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;
  - 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
  - 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 executed this Side Letter this 24th day of January, 2019.

SERVICE EMPLOYEES’ INTERNATIONAL UNION, LOCAL 1021 (SEIU)

By
Jose Martinez, Field Representative

By
Jasmine Turner, SEIU

By
AJ Silva, SEIU

CITY OF ALBANY

By
Nicole Almaguer, City Manager

By
Melissa Rojas, Human Resources Director

RATIFIED BY THE CITY COUNCIL

Dated: 1/22/2019

By
City Clerk