RESOLUTION NO. 2019-5

A RESOLUTION OF THE ALBANY CITY COUNCIL APPROVING THE SIDE LETTER AGREEMENT BETWEEN THE CITY OF ALBANY AND ALBANY FIREFIGHTERS’ ASSOCIATION, I.A.F.F. LOCAL 5130

WHEREAS, the Memorandum of Understanding (MOU) is the collective bargaining agreement between the City of Albany and Albany Firefighters’ Association, I.A.F.F. Local 5130 (AFFA); and

WHEREAS, the City of Albany and AFFA ratified an MOU effective January 1, 2017; and

WHEREAS, section 12 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 AFFA 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. 2019-5

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
ALBANY FIRE FIGHTERS’ ASSOCIATION, I.A.F.F. LOCAL 5130
CONCERNING
IN-LIEU OF MEDICAL INSURANCE
January 22, 2019

This Side Letter reflects an agreement between the City of Albany ("City") and the Albany Fire Fighters’ Association, I.A.F.F. Local 4130 ("AFFA"), and collectively, “the Parties.”

The Parties agree to amend Section 12 of the Memorandum of Understanding ("MOU") between the City and AFFA, effective January 1, 2017. The revision to Section 12, as listed below, shall be made effective January 1, 2019.

12. **Insurance and Pension**

12.5 Alternate Benefit

An employee who is eligible for PERS Health and who also 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 opting out of PERS Health and shall provide proof of alternate health plan coverage and confirm such proof no later than 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.

a. 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.

b. The City intends to negotiate this change to in lieu benefits with all other employee groups. In the event the City reaches agreement with another bargaining unit for a benefit of greater value (i.e., more than the Kaiser Bay Area PEMHCA plan rounded to the nearest dollar), the City will provide AFFA notice and an opportunity to bargain over the greater benefit (and any offsets negotiated with the other unit).
IN WITNESS WHEREOF, the parties hereby have executed this Side Letter this 19th day of February, 2019.

ALBANY FIRE FIGHTERS ASSOCIATION, I.A.F.F., LOCAL 5130

By [Signature]
Desmond Smyth, AFFA

By [Signature]
Dustyn Wiggins, AFFA

By [Signature]
Tim Smyser, AFFA

By [Signature]
James Murphy, AFFA

CITY OF ALBANY

By [Signature]
Nicole Almaguer, City Manager

By [Signature]
Melissa Rojas, Human Resources Director

RATIFIED BY THE CITY COUNCIL

Dated: 1/22/2019

By [Signature]
City Clerk