

**CITY OF SAN MATEO
RESOLUTION NO. __ (2021)**

**APPROVING AMENDMENTS TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE
CITY OF SAN MATEO AND THE SAN MATEO CITY EMPLOYEES ASSOCIATION**

WHEREAS, the amendments are related to salary, term, and other pays; and

WHEREAS, the parties have met and conferred, and have reached tentative agreement to amend the Unit's MOU; and

WHEREAS, the Unit has ratified the Tentative Agreement; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN MATEO, CALIFORNIA, HEREBY RESOLVES that:

1. The amendments to the Memorandum of Understanding for the San Mateo City Employees Association, set forth in the Tentative Agreements attached as Exhibit A, are approved and summarized as follows:

Term: The contract will be extended for 1 additional year, expiring on June 25, 2022.

Salary: The bargaining unit will receive a 1.0% salary increase effective January 9, 2022.

Vacation: Employees will begin accruing vacation with pay upon hire.

Retirement Health Savings: Effective July 11, 2021, the City's contribution will decrease from 1.0% to 0.50%. The City's contribution will return to 1.0% on June 26, 2022.

MOU Extension Option: SMCEA has the sole discretion to extend the terms and conditions of the MOU with the following provisions;

- Notify the City in writing on or before March 15, 2022 that they will exercise their right to extend the MOU
- Term: The Agreement shall be extended additional year, expiring on June 24, 2023
- Salary: The bargaining unit will receive a 1.0% salary increase effective January 13, 2023
- Retiree Health Savings: The City's contribution will remain at 0.5% through the term of the extension (June 24, 2023), The City's contribution with return to 1.0% on June 25, 2023.

Any term and condition of the May 18, 2019 – May 15, 2021 MOU not identified above shall remain in full force and effect through the term of this Agreement including the possible extension through June 24, 2023.

2. The budget impact for FY2022 will be a decrease of \$334,256. The budget impact for FY2023 will be a decrease of \$343,423. Updated salary and benefit amounts for these positions will be incorporated into the 2021-2022 and 2022-2023 budgets.

TENTATIVE AGREEMENT

Between the San Mateo City Employees' Association and the
City of San Mateo

The Memorandum of Understanding (MOU) between the San Mateo City Employees' Association ("Association") and the City of San Mateo ("City") is set to expire at the close of business at midnight, May 15, 2021.

The City and the Association have tentatively agreed to extend the expiration of the MOU to June 25, 2022 and revise the language of Articles 12.1, 19.0, 24.11, 42.0 and 43.0 as follows:

12.1 Compensation Increases During the Term of this Agreement**12.1.1 Base Salary Adjustments**

The Unit will be given a base salary adjustment as outlined below. The Unit will receive the following across the board increases during the term of this agreement:

June 16, 2019	3.0%
January 10, 2021	2.0%
<u>January 9, 2022</u>	<u>1.0%</u>

19.0 Vacation**19.1 City Policy**

Vacations are considered essential to the employee's welfare and they are granted by the City to allow employees relaxation and rest from their duties. Therefore, it shall be the policy of the City not to allow the excess accumulation of vacation leave.

Time off shall be taken at the discretion of the department head, with due regard for the desires of the employee and the workload of the department.

19.2 Vacation Allowance

~~Each employee shall be granted five (5) working days credit for vacation with pay on the day following completion of six (6) months of continuous service. Thereafter, for each additional biweekly pay period of service, the employee-Employees~~ shall accrue vacation with pay at the beginning of the following biweekly pay period as follows:

YRS OF SERVICE	DAYS PER YEAR	BIWEEKLY ACCRUAL
½-0 through 3 rd year	11 days	3.39 biweekly
4 th year through 9 th year	16 days	4.93 biweekly
10 th year	17 days	5.23 biweekly
11 th year	18 days	5.54 biweekly
12 th year	20 days	6.16 biweekly

13 th through 23 rd year	22.5 days	6.93 biweekly
24 years and beyond	25 days	7.69 biweekly

The above allowances shall be pro-rated for employees beginning employment or leaving employment with the City during a biweekly pay period.

24.11 Retirement Health Savings Account

All employees in the Unit will continue to be enrolled in the RHS Account (RHSA) in accordance with the Plan design. The administration costs of maintaining this RHSA will be borne by the City.

For calendar year 2019, separation pay contributions to each employee's RHSA shall be as specified in the side letter of agreement attached to this document and identified as Exhibit "D".

The Unit may elect to change the above conversion of separation pay arrangement for each successive calendar year of this Agreement. The Unit must notify the City's Human Resources Department in writing no later than November 30th of the change(s) to be made for the following calendar year. In the event notification is not received by the deadline, the separation pay arrangement in effect at the time will continue for the following calendar year.

During the term of this MOU, employees in this bargaining unit may elect to contribute a set amount of salary to the RHSA. The City shall be notified of any such election sixty (60) days prior to the effective date.

Beginning June 16, 2019, the City will contribute one percent (1.0%) of base salary per month for each employee into the RHSA plan. Effective July 11, 2021, the City's contribution shall be 0.5%. The City's contribution shall return to 1.0% on June 26, 2022 unless extended by the Unit in accordance with Article 43.0 MOU Extension Option.

Beginning June 16, 2019, the City shall contribute two percent (2.0%) of base salary per pay period to the Retirement Health Savings accounts of those employees aged 45 or over with 15 or more years of City service. Employees who become eligible for this contribution during the term of the agreement shall begin receiving contributions in the first full pay period following establishing eligibility. The continuation of this provision beyond the term of the contract would need to be made by mutual agreement between the parties.

42.0 Termination of Agreement

This Agreement shall terminate as of 11:59 p.m., ~~May 15, 2021~~ June 25, 2022.

The existing and unmodified rules, regulations, resolutions or ordinances relating to wages, hours, and conditions of employment not covered in this Agreement for employees in this

Unit shall remain unchanged for said period unless such changes are the result of meeting and conferring as required by law.

Notwithstanding the provisions of this section, the City Council may increase the benefits for the General Unit or may increase the wages of specific classifications in the General Unit.

43.0 MOU Extension Option

The Unit has the sole discretion to extend the terms and conditions of this MOU with the following provisions:

12.1.1. Base Salary Adjustments

The Unit will receive the following across the board increase:

<u>January 13, 2023</u>	<u>1%</u>
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24.11 Retirement Health Savings Account

The City's RHS contribution shall remain at 0.5% through the term of the extension (June 24, 2023). The City's RHS contribution shall return to 1.0% on June 25, 2023.

42.0 Termination of Agreement

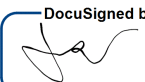
The Agreement shall terminate as of 11:59 p.m., June 24, 2023.

The Unit must notify the City in writing on or before March 15, 2022 that they will be exercising their right to extend the MOU under this Article.


Any term and condition of the May 18, 2019 – May 15, 2021 MOU not identified above shall remain in full force and effect through the term of this Agreement including the possible extension through June 24, 2023.

Dated: 1/11/2021

FOR THE SMCEA

DocuSigned by:

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John Noble

FOR THE CITY OF SAN MATEO

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Stacey Cue