

**CITY OF SAN MATEO**  
**RESOLUTION NO. \_\_\_\_ (2022)**

**APPROVING AMENDMENTS TO THE MEMORANDUM OF UNDERSTANDING BETWEEN THE  
CITY OF SAN MATEO AND SERVICE EMPLOYEES INTERNATIONAL UNION LOCAL 521 MAINTENANCE UNIT**

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

WHEREAS, the parties have met and conferred, and have tentatively agreed to amend the Memorandum of Understanding (MOU) of the Service Employees International Union Local 521 Maintenance Unit (Unit); and

WHEREAS, the Unit has ratified the amendments to the MOU (Tentative Agreement); and

WHEREAS, no appropriation of additional funds to the Fiscal Year 2021-22 Budget is necessary.

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

1. The Tentative Agreement is not a project subject to CEQA, because it is a government fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment. (CEQA Guidelines Section 15378(b)(4).)
2. The amendments to the Memorandum of Understanding for the Service Employees International Union Local 521 Maintenance Unit, set forth in the Tentative Agreement attached as Exhibit A, is approved and summarized as follows:

Term: The contract will be extended for one additional year, expiring on June 22, 2024.

Salary: The bargaining unit will receive a 4.0% salary increase effective April 17, 2022, and a 4.0% increase effective June 25, 2023.

Retirement Health Savings Account:

- a. The City's contribution for all employees will return to 0.75% on May 1, 2022.
- b. The City's contribution for employees aged 45 or over with 15 or more years of service will return to 0.75% on May 1, 2022.

Deferred Compensation:

- a. The City's match will return to 0.5% on May 1, 2022.
  - b. The City's contribution will return to 1.0% on May 1, 2022.
3. There is no budget impact in the current fiscal year for these recommended changes, as any increases can be absorbed within existing operating budgets. Updated salary and benefit amounts for these positions will be incorporated into the Fiscal Year 2022-23 budget.

## Exhibit A

### City of San Mateo and SEIU Maintenance Unit - 2021 Negotiations – Follow Up

#### Tentative Agreement

#### **Section 14.1 Compensation Increases During the Term of Agreement**

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:

<del>August 7</del> <u>April 17</u> , 2022	4.0%
<u>June 25, 2023</u>	<u>4.0%</u>

#### **15.12 Retirement Health Savings Account**

Effective November 1, 2008, the existing RHSA plan will be modified to be compliant with recent IRS rulings covering individual contributions and separation pay and shall provide for, upon separation, all eligible accrued leave balances, to be contributed to the RHSA.

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

The Union may elect to change the above conversion of separation pay arrangement for each successive calendar year of this Agreement. The Union 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.

Effective with the City's change to the calculation of the FLSA overtime rate to exclude pool money in the calculation, for employees hired on or before the effective date of the change, the City shall pay biweekly contributions of an amount equal to 0.5% of the employee's base salary into his/her Retiree Health Savings Account in recognition that pool money will no longer be included in calculation of the FLSA overtime rate. This contribution ceases when the employee leaves the bargaining unit or moves into an exempt classification.

Effective October 20, 2019, the City shall contribute zero-point seventy-five percent (0.75%) of base salary to all employees' RHS accounts.

Upon ratification (~~September 28, 2021~~), the City's contribution shall be reduced to zero percent (0.0%). The City's contribution shall return to zero-point seventy-five percent (0.75%) on ~~June 11, 2023~~ May 1, 2022.

Effective July 12, 2020, the City shall contribute zero-point seventy-five percent (0.75%) 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.

Upon ratification (September 28, 2021), the City's contribution shall be reduced to zero- percent (0.0%). The City's contribution shall return to zero-point seventy-five percent (0.75%) on ~~June 11, 2023~~May 1, 2022.

### 16.1 Deferred Compensation

Employees are eligible to participate in the City-offered 457 deferred compensation plans. All contributions to deferred compensation plans and retirement health savings accounts are contingent upon compliance with state and federal rules and regulations. The City shall provide an Employee / City match up to zero point five percent (0.5%) of base salary to deferred compensation.

Upon ratification (September 28, 2021), the City's match shall be reduced to zero percent (0.0%). The City's match shall return to zero-point five percent (0.5%) on ~~June 11, 2023~~May 1, 2022.

Effective July 12, 2020 the City shall provide a contribution of one percent (1.0%) of base salary to all employees in the unit.

Upon ratification (September 28, 2021), the City's contribution shall be reduced to zero- percent (0.0%). The City's contribution shall return to one percent (1.0%) on ~~June 11, 2023~~May 1, 2022.

### 43.0 TERMINATION OF AGREEMENT

This Agreement shall terminate as of 11:59 p.m., June ~~1022, 2023~~2024

In the event that this Agreement is terminated or expires the salaries and benefits paid on the date of termination shall remain in effect. Negotiations shall establish any changes from the last existing salary and benefits, as well as other conditions of employment. The use of a formula to establish salaries and benefits shall not establish past practice.

The existing and unmodified rules, regulations, resolutions, or ordinances relating to wages, hours and conditions of employment not covered in this Agreement for workers in this Unit shall remain unchanged unless the changes are the result of meeting and conferring as required by law.

Notice of Union ratification needs to be received by the City no later than 5:00 pm March 24, 2022, in order for the above provisions to occur.

For the SEIU:



Date: 3/2/2022

For the City:



Date: 3/2/2022