



Office of the City Manager

CONSENT CALENDAR

July 26, 2022

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, Interim City Manager

Submitted by: Don E. Ellison, Interim Director of Human Resources

Subject: Side Letter of Agreement – SEIU Local 1021 Maintenance and Clerical Chapters

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute and implement a Side Letter of Agreement with Service Employees International Union Local 1021 Maintenance and Clerical Chapters to modify Section 31.3 of the Memorandum Agreement regarding the Pre-Age 65 Retiree Health Insurance. Effective 7/1/2022 through 6/30/2023, the City shall contribute an additional \$200.00 toward both single and two-party rate for active employees who retire from city service and file such retirement within thirty (30) days of separation from the city with CalPERS. This enhanced retiree incentive shall continue until Section 31.4 become applicable.

FISCAL IMPACTS OF RECOMMENDATION

The Side Letter of Agreement will result in an expenditure of approximately \$139,294. The cost of the additional contribution can be absorbed in the current general fund.

CURRENT SITUATION AND ITS EFFECTS

As of July 19, 2022, there were approximately 447 employees in the SEIU Local 1021MC chapters in four (4) separate representational units (Unit D-Manual Operations; Unit J-Para-professional Employees – Police Department; Unit K1-Career Non-confidential Office and Clerical Employees; and K2-Supervisory Clerical Employees).

The SEIU Local 1021 MC Memorandum Agreement includes a provision that requires the City to pay on the employee's behalf no more than \$181.56 per month for an employee electing single party health coverage and no more than \$363.12 per month for an employee electing two-party coverage.

BACKGROUND

On July 21, 2021, Council approved Resolution No. 69,963-N.S. authorizing the City Manager to execute a new Memorandum Agreement for the period June 27, 2021 through June 26, 2024 with the SEIU Local 1021MC. The current Memorandum of Understanding SEIU Local 1021MC and the City of Berkeley includes a reopener stating the parties

agree that within 45 days of the implementation of the successor MOU, the City will request an actuarial analysis proposal as follows on July 1, 2022:

Effective 7/1/2022 through the end of the contract, the City shall contribute an additional \$200.00 toward both single and two-party rate. This enhanced incentive shall continue until Section 31.4 become applicable.

Upon receipt of the actuary, the parties agree to meet and confer over the Unions proposal to impasse.

The City met with representatives of the Union and reached tentative agreement on a Side Letter of Agreement.

#### ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no identifiable environmental effects, climate impacts, or sustainability opportunities associated with the subject of this report.

#### RATIONALE FOR RECOMMENDATION

The City and the Union have developed a good working relationship over the years and both parties strive to resolve issues fairly and amicably to meet each other's mutual interest. The modifications set forth in this Side Letter of Agreement resolve issues important to the Union and the City, including treating employees fairly and equitably.

#### ALTERNATIVE ACTIONS CONSIDERED

None

#### CONTACT PERSON

Don E. Ellison, Interim Director of Human Resources, 510-981-6807

Dawud Brewer, Employee Relations Manager, 510-981-6821

#### Attachments:

1: Resolution

Exhibit A: Side Letter of Agreement between the City of Berkeley and Service Employees International Union Local 1021 Maintenance and Clerical Chapters

RESOLUTION NO. ##,###-N.S.

SIDE LETTER OF AGREEMENT – SERVICE EMPLOYEES INTERNATIONAL UNION  
LOCAL 1021 MAINTENANCE AND CLERICAL CHAPTERS

WHEREAS, on July 26, 2022, the City Council adopted Resolution No. 69,963-N.S. that authorized the City Manager to execute and implement a three-year Memorandum Agreement with the Service Employees International Union Local 1021 Maintenance and Clerical Chapters that set forth the wages, hours and other terms and conditions of employment for employees represented by the Union; and

WHEREAS, Section 31.3.1 Effective 7/1/2022 through 6/30/2023, the City shall contribute an additional \$200.00 toward both single and two-party rate for active employees who retire from city service and file such retirement within thirty (30) days of separation from the city with CalPERS; and

WHEREAS, representatives of the City and representative of SEIU Local 1021 Maintenance and Clerical Chapters have met and conferred in good faith and have reached a tentative agreement on a Side Letter of Agreement to the Memorandum Agreement attached hereto as Exhibit A and made a part hereof.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute and implement the Side Letter of Agreement (Exhibit A), which is attached hereto and made a part of hereof with the SEIU Local 1021 Maintenance and Clerical Chapters pertaining to the specific sections set forth in the Side Letter of Agreement.

BE IT FURTHER RESOLVED that a copy of the executed Side Letter of Agreement will be filed in the Office of the City Clerk.

Exhibit A: Side Letter of Agreement between the City of Berkeley and SEIU Local 1021 Maintenance and Clerical Chapters



Human Resources Dept.

July 8, 2022

Sandra Lewis  
Vice President of Representation  
SEIU Local 1021  
100 Oak Street  
Oakland, CA 94607

**Re: Letter of Understanding – Pre-65 Retiree Healthcare Contribution**

Dear Ms. Lewis:

This is to confirm the agreement reached between the City of Berkeley (the “City”) and Service Employees International Union, Local 1021 Maintenance & Clerical Chapters (the “Union”), regarding the above referenced matter. In accordance with Section 31.3.1 of the current memorandum of understanding (MOU) the parties met and conferred concerning the union’s proposal as follows:

SEIU Local 1021 Maintenance and Clerical Chapters Effective 7/1/2022 through the end of the contract, the City shall contribute an additional \$200.00 toward both single and two-party rate. This enhanced retiree incentive shall continue until Section 31.4 become applicable. Upon receipt of the actuary, the parties agree to meet and confer over the Union’s proposal to impasse.

The City and Union agrees as follows:

1. Effective 7/1/2022 through 6/30/2023, the City shall contribute an additional \$200.00 toward both single and two-party rate for active employees who retire from city service, and file such retirement within thirty (30) days of separation from the city with CalPERS. This enhanced retiree incentive shall continue for those who retired in accordance with this enhanced benefit until Section 31.4 becomes applicable for that individual.

This Agreement does not establish a precedent, nor does it interpret any employee rights under the language of the Labor Agreements, the Personnel Rules and Regulations, or any applicable policies and procedures of City departments or the City of Berkeley, except as expressly stated herein.

This Agreement memorializes and constitutes the entire understanding between the parties as to all matters referred to or included herein and supersedes and replaces all prior negotiations, proposed discussion, whether written or oral.

If this is your understanding of the agreement reached, please sign as indicated below.

Sincerely,

Dawud Brewer  
Employee Relations Manager

WHEREFORE, the parties by and through their authorized agents and representatives agree to the terms of this Side Letter Agreement.

**AGREED TO FOR THE CITY:**

\_\_\_\_\_  
Dee Williams-Ridley  
City Manager

\_\_\_\_\_  
Dawud Brewer  
Employee Relations Manager

**APPROVED AS TO FORM:**

\_\_\_\_\_  
James Chang  
Deputy City Attorney

**AGREED TO FOR THE UNION:**

\_\_\_\_\_  
Sandra Lewis  
Vice President of Representation

\_\_\_\_\_  
Peter Masiak  
East Bay Field Director

\_\_\_\_\_  
Jenny Seay  
Clerical Chapter President

\_\_\_\_\_  
Danny Walker  
Maintenance Chapter President

