



DATE: March 21, 2017

TO: Mayor and City Council

FROM: Director of Human Resources

SUBJECT Adoption of a Resolution Approving the Side Letter Agreements between the City of Hayward and the Service Employees International Union, Local 1021 (SEIU), Maintenance and Operations Unit and the SEIU Clerical and Related Unit

RECOMMENDATION

That the City Council adopts the attached Resolution (Attachment II) approving the Side Letter Agreements between the City of Hayward and the Service Employees International Union (SEIU), Local 1021, Maintenance and Operations Unit, and the SEIU Clerical and Related Unit, which will go into effect following City Council approval of the Resolution through June 30, 2018, the expiration of the current Memoranda of Understanding (MOU) between the City of Hayward and the SEIU Maintenance and Operations Unit, and the SEIU Clerical and Related Unit.

BACKGROUND/DISCUSSION

On June 10, 2015, the City of Hayward and SEIU reached a tentative agreement on successor MOUs for both the Maintenance and Clerical Units for a three-year term beginning July 1, 2015 through June 30, 2018. The SEIU membership ratified this tentative agreement on June 23, 2015, and City Council approved the agreement on July 7, 2015.

The current MOUs between the City of Hayward and SEIU Bargaining Units does not reflect recent legislative changes regarding sick leave, such as changes associated with the Healthy Families, Healthy Workplaces Act of 2014 (AB 1522). Additionally, in ongoing labor management meetings, the City and SEIU have continued to discuss areas of concern for the SEIU membership, which has in turn led to the City and SEIU reaching tentative agreements to modify certain contract provisions. Finally, the City and SEIU have begun the process of cleaning up language and making minor, non-substantive changes that the parties were unable to discuss during full contract negotiations. Table 1 on the following page summarizes the proposed changes to the SEIU MOUs as outlined in the Side Letters, to which the City and SEIU have tentatively agreed.

Table 1: Proposed Side Letter

Provision	Proposed Side Letter Changes
Overtime Work	The 2015-2018 SEIU MOUs incorrectly state that all hours paid shall count towards the 40-hour threshold for purposes of determining an employee's overtime eligibility, "with the exception of sick leave." The quoted portion has been removed, as this is inconsistent with current City practice.
Bilingual Pay (Maintenance)	The 2015-2018 SEIU MOU (Maintenance) states that "full-time" employees determine eligibility for bilingual pay, where it should state that "Department Directors" determine eligibility for bilingual pay. This proposed change is consistent with City practice and the SEIU Clerical and Related MOU.
Dental Insurance	The City offers both a Delta Dental and United Concordia dental plan. The proposed Side Letter adds United Concordia to the listed dental plans.
Holidays Observed	The proposed change adds the New Year's Eve half-day holiday to the list of holidays observed, which is consistent with current City practice.
Sick Leave	The proposed change adds "grandparent, grandchild, or sibling" to the list of family members for which an employee can take sick leave, pursuant to AB 1522. This change has been implemented effective July 1, 2015, as required by AB 1522.
Sick Leave Accruals for Part-Time Employees	The proposed changes ensure compliance with AB 1522, specifically the requirement that the City provide twenty-four (24) hours of paid sick leave annually to part-time employees who work thirty (30) or more days per year. This change has been implemented effective July 1, 2015, as required by AB 1522.
Health and Wellness	In order to receive the health and wellness reimbursement benefit, the 2015-2018 SEIU MOUs currently require employees to submit receipts on a monthly basis for reimbursement of health and wellness related fees associated with monthly memberships (for example, a gym membership). The proposed change will allow employees with monthly fees associated with ongoing health and wellness related programs to receive the reimbursement on a monthly basis without the requirement of providing a monthly receipt. Employees will be required to show proof of membership, and the City may request monthly receipts at any time to verify monthly payments have been continuous and the employee remains eligible to receive the health and wellness benefit in accordance with this provision.
Sick Leave Benefits for Pages (Clerical)	The modifications to this provision of the SEIU MOU (Clerical) are to comply with the legislative changes under AB 1522. This change has been implemented effective July 1, 2015, as required by AB 1522.

FISCAL IMPACT

The proposed changes outlined in the Side Letters between the City of Hayward and the SEIU Units are changes to the language of the SEIU MOUs to reflect current City practices. In addition, the changes to paid sick leave for part-time employees and Library Pages, which are required under the Healthy Workplaces, Healthy Families Act of 2014 (or AB 1522), have already been implemented effective July 1, 2015 in accordance with the law. As a result, there is minimal fiscal impact associated with the proposed Side Letters.

NEXT STEPS

Following Council approval, the Side Letters will go into effect and correctly memorialize current City practices and legal requirements. The Side Letter language will be implemented into the SEIU MOUs during subsequent contract negotiations on successor MOUs.

Prepared by: Kakshi Master, Human Resources Analyst II

Recommended by: Nina S. Collins, Director of Human Resources

Approved by:



Kelly McAdoo, City Manager