

**SIDE LETTER AGREEMENT
BETWEEN THE
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 1245
AND
THE CITY OF ROSEVILLE
RELATED TO THE MODIFICATION OF THE RETIREE HEALTH SAVINGS
ACCOUNT PLAN**

The City of Roseville (hereinafter referred to as "City") and the International Brotherhood of Electrical Workers, Local 1245 (hereinafter referred to as "Local 1245") entered into a Memorandum of Understanding ("MOU") with a term beginning on May 1, 2022, and terminating on April 30, 2026. The City and Local 1245 are collectively referred to herein as the "Parties."

Background and Overview

The Parties agreed to a Side Letter Agreement ("SLA"), which was presented to City Council on December 20, 2023, to authorize the City Manager to approve removal of the vesting requirement for the City contributions in the Retiree Health Savings Account (RHSA) plan document and allow participant access to the account upon retirement or separation. The intent was to ensure the benefit has value for employees, so that the City contributions to the RHSA may continue to be considered in total compensation. That agreement was executed and those updates are in effect in the plan document. Subsequently, the City would like to address an administrative concern with the plan document to begin City benefits after five (5) years of cumulative service, instead of continuous service. This will provide incentive for the return of experienced employees who separated and correct the administrative concerns. Finally, the plan document needs to confirm the City administrative practice for rehired employees to start back at a one percent (1%) employee contribution upon their return, treating that as year 1.

Additionally, the City received a CalPERS inquiry related to uniform allowance, rental and/or maintenance costs previously reported under prior LOCAL 1245 MOUs to CalPERS as special compensation because the MOUs prior to the current MOU did not specify actual or potential amounts. CalPERS staff indicated concern that the prior MOU language was potentially not in alignment with its recent interpretations of the applicable regulation. The Parties agree that the special compensation reported for Classic employees prior to the current MOU was reported in good faith and were subject to retirement contributions for Classic employees. The City and LOCAL 1245 do not want retirees to be harmed. As such, it was discussed that the amounts agreed to in the current MOU should be applied to the special compensation reported under prior MOUs. The intent of this agreement is not to add any additional cost to the City or adjustments to the special compensation reported for retired LOCAL 1245 members, but confirms the agreement between the City and LOCAL 1245 that uniform special compensation reported prior to May 1, 2022, for Classic employees was reported for allowable uniform costs of up to \$500 per fiscal year to CalPERS, upon which Classic employees paid retirement contributions.

The specific provisions contained in this SLA are intended to supersede any previous agreements, whether oral or written, regarding the matters contained in this SLA.

The Parties have satisfied their obligations to meet and confer in good faith in accordance with the Meyers-Milias-Brown Act ("MMBA").

Except as provided here, all wages, hours, and other terms and conditions of employment presently in the City's MOU and SLAs with the LOCAL 1245 remain in full force and effect.

The Parties agree to the following:

- A. Effective January 1, 2024, and going forward, the Parties agree that the City will update the City sponsored RHSA plan document for the City contribution to begin after five (5) years of cumulative service and rehired employees will start over at contributing a one percent (1%) employee contribution upon their return to the City, treating that as year 1.
- B. The Parties agree that the amounts specified in the current MOU for uniform allowance, rental and/or maintenance costs, up to \$500, and reported as special compensation, is inclusive of prior City costs related to allowable uniform costs for Classic members under all prior MOUs in compliance with CalPERS requirements, effective at least as early as January 1, 2013, (or earlier, including as far back as 1994) on the belief and understanding that CalPERS regulations did not require specified amounts be delineated in publicly approved MOUs prior to this date.

This SLA will remain in effect unless it is modified through further negotiations in accordance with the MMBA. This Agreement is executed by the following authorized representatives of each Party:

THESE ARE TENTATIVE TERMS SUBJECT TO APPROVAL OF THE CITY COUNCIL.

Date:

6/7/24



Charley Souders, Business Representative,
International Brotherhood of Electrical Workers,
Local 1245

Date:

6.19.2024



Dominick Casey, City Manager
City of Roseville

RESOLUTION NO. 24-240

APPROVING AN ADDENDUM TO THE TERMS, CONDITIONS, AND UNDERSTANDINGS OF COMPENSATION AND EMPLOYMENT FOR MANAGEMENT AND CONFIDENTIAL EMPLOYEES, AND AUTHORIZING THE CITY MANAGER TO EXECUTE IT ON BEHALF OF THE CITY OF ROSEVILLE

WHEREAS, an Addendum to the Terms, Conditions, and Understandings of Compensation and Employment for Management and Confidential Employees, has been reviewed by the City Council;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Roseville that said Addendum is approved and that the City Manager is authorized to execute it and any other documents necessary to effectuate the purposes hereof as determined necessary by the City Manager.

PASSED AND ADOPTED by the Council of the City of Roseville, this 19th day of June 2024, by the following vote on roll call:

AYES COUNCILMEMBERS: Houdesheldt, Bernasconi, Alvord, Roccucci, Mendonsa

NOES COUNCILMEMBERS: None

ABSENT COUNCILMEMBERS: None



MAYOR

ATTEST:



City Clerk