



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Department of Housing



**Date:** September 30, 2014  
**Board Meeting Date:** October 21, 2014  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors (sitting as the Board of Commissioners of the Housing Authority of the County of San Mateo)

**From:** William Lowell, Executive Director, Housing Authority

**Subject:** Memorandum of Understanding with the American Federation of State, County and Municipal Employees Council 57

**RECOMMENDATION:**

Acting as the Governing Board of Commissioners of the Housing Authority of the County of San Mateo, adopt a Resolution authorizing the Executive Director of the Housing Authority to execute a Memorandum of Understanding with the American Federation of State, County and Municipal Employees Council 57 for the period of October 1, 2014, through September 30, 2017.

**BACKGROUND:**

The previous Memorandum of Understanding (MOU) between the American Federation of State, County and Municipal Employees Council 57 (AFSCME) and the Housing Authority of the County of San Mateo expired on September 30, 2014. Collective bargaining for the new MOU was completed on September 29, 2014 and the membership of the union ratified the Housing Authority's offer on October 2, 2014.

As a distinct business entity, the Housing Authority is a separate employer from the County. The Housing Authority's labor management consultant, IEDA, acted as the consultants to management and served as the chief negotiator on behalf of the Housing Authority.

**DISCUSSION:**

The Housing Authority administers its medical and dental benefits through the Teamsters Managed Trust Fund. A major component of the negotiations was revising the employee share of cost for health care premiums. In 2010, the Housing Authority implemented a plan in which employees absorbed 5% of the health care premiums; this amount increased to 8% in 2012 for both Kaiser and United Healthcare benefit recipients.

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The following summarizes the major elements in the MOU:

Term:

October 1, 2014 through September 30, 2017 (three years)

Salary Increases:

- 1.5% increase effective 10/12/2014;
- 2.5% increase effective 10/11/2015;
- 3% increase effective 10/9/2016

Employee Contribution to Medical:

The employee contribution to monthly premiums will remain at 8% during the first year of the agreement. Starting in October 2015 and through the end of the agreement, employees under the Kaiser plan will contribute 12% towards premiums, and employees under United Healthcare will contribute 14% towards premiums.

Sick Leave Conversion at Retirement/Retiree Medical:

HACSM revised its language to provide reimbursement for a Medicare supplement plan after retirement and to provide a minimum number of guaranteed hours toward sick leave at the time of retirement.

On-call pay:

Employees shall be paid an hourly rate of \$4.40 for time in which they are required to be in an on-call status.

Floating Holiday:

Employees in paid status can take one additional day off between December 25, 2014, and January 2, 2015.

Other Terms:

The MOU contains a number of “housekeeping” items that clarify or revise contract language which have no associated costs or impact on personnel rules.

County Counsel has reviewed and approved the Resolution as to form.

Approval of this Resolution contributes to the Shared Vision 2025 outcome of a Livable Community by ensuring cost-effective compensation structures for HACSM employees that serve low-income residents living in affordable housing.

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**FISCAL IMPACT:**

There is no Net County Cost associated with this action. The Housing Authority is funded 100% by the U.S. Department of Housing and Urban Development. The three-year cost of negotiated salary increases applied to all Housing Authority employees will be approximately \$293,000. This cost is partially offset by the increased employee share of health care coverage in the second and third years which will save approximately \$70,000.