

ORDINANCE NO. 2018-04

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON AUTHORIZING AN AMENDMENT TO THE CONTRACT BETWEEN THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON AND THE BOARD OF ADMINISTRATION OF THE CALIFORNIA PUBLIC EMPLOYEE'S RETIREMENT SYSTEM THAT WILL IMPLEMENT COST SHARING PER THE NEGOTIATED CONTRACTS FOR ALL CLASSIC LOCAL MISCELLANEOUS MEMBERS IN THE TEAMSTERS LOCAL 315- GENERAL UNIT, TEAMSTERS LOCAL 315- MID-MANAGEMENT UNIT AND UNREPRESENTED COMPENSATION PROGRAM UNIT

WHEREAS, an amendment to the contract between the City Council of the City of American Canyon and the Board of Administration is hereby authorized, a copy of said amendment being attached hereto marked Exhibit A, and by such reference made a part thereof set out in full.

WHEREAS, the Mayor of the City Council is hereby authorized, empowered, and directed to execute said amendment for and on behalf of the City Council of the City of American Canyon.

WHEREAS, This ordinance shall take effect 30 days after the date of its adoption and prior to the expiration of 15 days from the passage thereof shall be published once in the Vallejo Times Herald, a newspaper of general circulation, published and circulated in the City of Vallejo, Solano County and thenceforth and thereafter the same shall be in full force and effect.

NOW, THEREFORE THE CITY COUNCIL OF THE CITY OF AMERICAN CANYON DOES HEREBY ORDAIN AS FOLLOWS:

The foregoing Ordinance was introduced at a regular meeting of the City Council of the City of American Canyon, State of California, held on the 20th day of February 2018, and adopted at a regular meeting of the City Council of the City of American Canyon, State of California, held on the 20th day of March, 2018 by the following vote:

AYES: Council Members Aboudamous, Joseph, Oro, Vice Chair Leary and Mayor Garcia
NOES: None
ABSTAIN: None
ABSENT: None

Leon Garcia
Leon Garcia, Mayor

ATTEST:

Suellen Johnston
Suellen Johnston, CMC, City Clerk

APPROVED AS TO FORM:

William D. Ross
William D. Ross, City Attorney



Exhibit

California
Public Employees' Retirement System

AMENDMENT TO CONTRACT

Between the
Board of Administration
California Public Employees' Retirement System
and the
City Council
City of American Canyon

The Board of Administration, California Public Employees' Retirement System, hereinafter referred to as Board, and the governing body of the above public agency, hereinafter referred to as Public Agency, having entered into a contract effective September 16, 1992, and witnessed August 21, 1992, and as amended effective January 2, 1993, June 19, 1993, January 1, 1999, March 18, 2001, November 20, 2004, June 18, 2005, December 17, 2010 and July 15, 2017 which provides for participation of Public Agency in said System, Board and Public Agency hereby agree as follows:

- A. Paragraphs 1 through 13 are hereby stricken from said contract as executed effective July 15, 2017, and hereby replaced by the following paragraphs numbered 1 through 13 inclusive:
 1. All words and terms used herein which are defined in the Public Employees' Retirement Law shall have the meaning as defined therein unless otherwise specifically provided. "Normal retirement age" shall mean age 55 for classic local miscellaneous members and age 62 for new local miscellaneous members.
 2. Public Agency shall participate in the Public Employees' Retirement System from and after September 16, 1992 making its employees as hereinafter provided, members of said System subject to all provisions of the Public Employees' Retirement Law except such as apply only on election of a contracting agency and are not provided for herein and to all amendments to said Law hereafter enacted except those, which by express provisions thereof, apply only on the election of a contracting agency.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

3. Public Agency agrees to indemnify, defend and hold harmless the California Public Employees' Retirement System (CalPERS) and its trustees, agents and employees, the CalPERS Board of Administration, and the California Public Employees' Retirement Fund from any claims, demands, actions, losses, liabilities, damages, judgments, expenses and costs, including but not limited to interest, penalties and attorney fees that may arise as a result of any of the following:
 - (a) Public Agency's election to provide retirement benefits, provisions or formulas under this Contract that are different than the retirement benefits, provisions or formulas provided under the Public Agency's prior non-CalPERS retirement program.
 - (b) Any dispute, disagreement, claim, or proceeding (including without limitation arbitration, administrative hearing, or litigation) between Public Agency and its employees (or their representatives) which relates to Public Agency's election to amend this Contract to provide retirement benefits, provisions or formulas that are different than such employees' existing retirement benefits, provisions or formulas.
 - (c) Public Agency's agreement with a third party other than CalPERS to provide retirement benefits, provisions, or formulas that are different than the retirement benefits, provisions or formulas provided under this Contract and provided for under the California Public Employees' Retirement Law.
4. Employees of Public Agency in the following classes shall become members of said Retirement System except such in each such class as are excluded by law or this agreement:
 - a. Employees other than local safety members (herein referred to as local miscellaneous members).
5. In addition to the classes of employees excluded from membership by said Retirement Law, the following classes of employees shall not become members of said Retirement System:
 - a. **SAFETY EMPLOYEES.**
6. This contract shall be a continuation of the contract of the American Canyon County Water District, hereinafter referred to as "Former Agency". The accumulated contributions, assets and liability for prior and current service under the Former Agency's contract shall be merged pursuant to Section 20508 of the Government Code. Such merger occurred January 1, 1992.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

- a. All benefits provided under this contract shall apply to all past service for former employees of the American Canyon County Water District.
7. The percentage of final compensation to be provided for each year of credited prior and current service as a classic local miscellaneous member shall be determined in accordance with Section 21354 of said Retirement Law (2% at age 55 Full).
8. The percentage of final compensation to be provided for each year of credited prior and current service as a new local miscellaneous member shall be determined in accordance with Section 7522.20 of said Retirement Law (2% at age 62 Full).
9. Public Agency elected and elects to be subject to the following optional provisions:
 - a. Section 21024 (Military Service Credit as Public Service).
 - b. Section 20965 (Credit for Unused Sick Leave).
 - c. Section 20042 (One-Year Final Compensation) for classic members only.
 - d. Section 21574.5 (Indexed Level of 1959 Survivor Benefits).
 - e. Sections 21624, 21626 and 21628 (Post-Retirement Survivor Allowance).
 - f. Section 21118 (Partial Service Retirement).
 - g. Section 20516 (Employees Sharing Additional Cost):

From and after July 15, 2107 and until the effective date of this amendment to contract, 1.210% for classic local miscellaneous members in the Teamsters Local 315-General Unit, Teamsters Local 315-Mid Management Unit and Unrepresented Compensation Program Group.

From and after the effective date of this amendment to contract, 1.813% for classic local miscellaneous members in the Teamsters Local 315-General Unit, Teamsters Local 315-Mid Management Unit and Unrepresented Compensation Program Group.

PLEASE DO NOT SIGN "EXHIBIT ONLY"

The portion of the employer's contribution that the member agrees to contribute from his or her compensation, over and above the member's normal contribution ("Cost Sharing Percentage"), shall not exceed the Employer Normal Cost Rate, as that rate is defined in the CalPERS Actuarial Valuation for the relevant fiscal year. If the Cost Sharing Percentage will exceed the relevant Employer Normal Cost Rate, the Cost Sharing Percentage shall automatically be reduced to an amount equal to, and not to exceed, the Employer Normal Cost Rate for the relevant fiscal year.

10. Public Agency shall contribute to said Retirement System the contributions determined by actuarial valuations of prior and future service liability with respect to local miscellaneous members of said Retirement System.
11. Public Agency shall also contribute to said Retirement System as follows:
 - a. Contributions required per covered member on account of the 1959 Survivor Benefits provided under Section 21574.5 of said Retirement Law. (Subject to annual change.) In addition, all assets and liabilities of Public Agency and its employees shall be pooled in a single account, based on term insurance rates, for survivors of all local miscellaneous members.
 - b. A reasonable amount, as fixed by the Board, payable in one installment within 60 days of date of contract to cover the costs of administering said System as it affects the employees of Public Agency, not including the costs of special valuations or of the periodic investigation and valuations required by law.
 - c. A reasonable amount, as fixed by the Board, payable in one installment as the occasions arise, to cover the costs of special valuations on account of employees of Public Agency, and costs of the periodic investigation and valuations required by law.
12. Contributions required of Public Agency and its employees shall be subject to adjustment by Board on account of amendments to the Public Employees' Retirement Law, and on account of the experience under the Retirement System as determined by the periodic investigation and valuation required by said Retirement Law.

13. Contributions required of Public Agency and its employees shall be paid by Public Agency to the Retirement System within fifteen days after the end of the period to which said contributions refer or as may be prescribed by Board regulation. If more or less than the correct amount of contributions is paid for any period, proper adjustment shall be made in connection with subsequent remittances. Adjustments on account of errors in contributions required of any employee may be made by direct payments between the employee and the Board.

B. This amendment shall be effective on the _____ day of _____.

BOARD OF ADMINISTRATION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

BY _____
ARNITA PAIGE, CHIEF
PENSION CONTRACTS AND PREFUNDING
PROGRAMS DIVISION
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

CITY COUNCIL
CITY OF AMERICAN CANYON

BY _____
PRESIDING OFFICER

Witness Date _____

Attest: _____

Clerk _____

PLEASE DO NOT SIGN "Exhibit Only"



City of American Canyon
And
Teamsters Local 315
Mid-Management Unit

Side Letter Agreement #2

Pursuant to **RETIREMENT, Section 21.C**, the parties have agreed that if the City's PERS contribution rate exceeds sixteen percent (16%), the employee and City shall share equally such excess rate, provided, however, that the additional employee maximum contribution under this formula shall not exceed five percent (5%).

Beginning July 1, 2018 the employee contribution will be 1.813% (an additional 0.603%) and Side Letter Agreement #2 replaces Side Letter Agreement #1.

Jason Holley
Interim City Manager
City of American Canyon

Date

Dustin Baumbach
Business Representative
Teamsters Local 315

Date



Unrepresented Compensation Program Unit

Modification

Pursuant to **RETIREMENT BENEFITS, Section 4.4.2**, the parties have agreed that if the City's PERS contribution rate exceeds sixteen percent (16%), the employee and City shall share equally such excess rate, provided, however, that the additional employee maximum contribution under this formula shall not exceed five percent (5%).

Beginning July 1, 2018 the employee contribution will be 1.813% (an additional 0.603%).



City of American Canyon
And
Teamsters Local 315
General Unit

Side Letter Agreement #2

Pursuant to **RETIREMENT, Section 24.C**, the parties have agreed that if the City's PERS contribution rate exceeds sixteen percent (16%), the employee and City shall share equally such excess rate, provided, however, that the additional employee maximum contribution under this formula shall not exceed five percent (5%).

Beginning July 1, 2018 the employee contribution will be 1.813% (an additional 0.603%) and Side Letter Agreement #2 replaces Side Letter Agreement #1.

Jason Holley
Interim City Manager
City of American Canyon

Date

Dustin Baumbach
Business Representative
Teamsters Local 315

Date