2023 ABMEI NEGOTIATIONS PACKAGE PROPOSAL A

CH - Vnim 5.3.2023

TERM

• July 1, 2023 – June 30, 2026

WAGES

Fiscal Year 2023-2024

In recognition of work performed during the COVID-19 pandemic, a \$1,000 one-time non-pensionable lump sum payment shall be made to full-time employees holding positions in classifications assigned to ABMEI effective the first full pay period in Fiscal Year 2023-2024 following union ratification and Council approval in open session. To receive the one-time, non-pensionable lump sum payment, a full-time employee must have been employed in an ABMEI represented position on May 11, 2021, and still be employed in an ABMEI position effective the first full pay period in Fiscal Year 2023-2024.

3.0% general wage increase effective the first full pay period in Fiscal Year 2023-2024 following union ratification and Council approval in open session. Effective the first full pay period in Fiscal Year 2023-2024 following union ratification and Council approval in open session, all salary ranges for employees holding positions in classifications assigned to ABMEI shall be increased by approximately 3.0%.

• Fiscal Year 2024-2025

3% general wage increase effective the first full pay period of Fiscal Year 2024-2025. Effective the first full pay period of Fiscal Year 2024-2025, all salary ranges for employees holding positions in classifications assigned to ABMEI shall be increased by approximately 3%.

Fiscal Year 2025-2026

3% general wage increase effective the first full pay period of Fiscal Year 2025-2026. Effective the first full pay period of Fiscal Year 2025-2026, all salary ranges for employees holding positions in classifications assigned to ABME shall be increased by approximately 3%.

WAGES AND SPECIAL PAY

- Automatic Step Increases (See Attached)
- Shift Differential (See Attached)
- Premium Pay (Placeholder)

BENEFITS

Health-In-Lieu (See Attached)

LEAVES

Paid Family Leave (See Attached)

2023 ABMEI NEGOTIATIONS PACKAGE PROPOSAL A

EDUCATIONAL AND PROFESSIONAL INCENTIVES

Educational and Professional Incentives (As proposed on April 19, 2023)

DISCIPLINE

Discipline Appeals (Placeholder)

GRIEVANCE PROCEDURE

• Grievance Procedure (Placeholder)

PERFORMANCE APPRAISAL

Step Increase (Placeholder)

PROBATIONARY PERIODS

Probationary Periods (Placeholder)

LAYOFF

• Layoffs & Bumping and Layoff Reinstatement List (Placeholder)

OTHER

- Period of Memorandum of Agreement (As proposed on April 19, 2023)
- Overpayments of Compensation (See Attached)
- Definition of Market (Placeholder)

HOUSEKEEPING

- City Healthcare Program (As proposed on April 19, 2023)
- Holidays (See Attached)

TENTATIVE AGREEMENTS

- Housekeeping Bereavement Leave
- Housekeeping Sick Leave

OTHER TERMS

This package proposal is submitted in an attempt to reach a settlement. In the event the package proposal is not accepted in its entirety, the City reserves the right to modify, amend and/or add proposals.

CITY COUNTER-PROPOSAL - AUTOMATIC STEP INCREASE

City Proposed Language:

ARTICLE 5 WAGES AND SPECIAL PAY

- Pursuant to the provisions of Resolution No. 51870 or subsequent amendments thereto, no employee in any classification listed in this Unit shall receive the next higher salary rate within their range unless the Department Director or designee wherein such employee is employed, files with the Director of Human Resources before the normal effective date of such increase a written statement that such employee's work merits an increase in salary. The parties understand and agree that the general state of the budget of the City and/or the Department will not be a factor in determining whether or not an employee's work merits an increase in salary.
- 5.1.3 Prior to the normal effective date of an employee's salary rate increase, the Department Director or designee must file a statement with the Director of Human Resources that such employee's performance merits an increase in salary rate or a statement that the performance does not merit an increase and the reasons therefore.
- 5.1.4 If an employee fails to receive authorization for a salary rate increase through error or inadvertence, the Director of Human Resources or designee shall authorize an increase retroactively to the normal effective date upon notification from Department Director or designee that the failure to file a written statement authorizing a salary increase was due to error or inadvertence, together with a statement that the employee's work merits a salary rate increase.
- 5.1.5 If an employee fails to receive authorization for a salary rate increase, the Director of Human Resources or designee shall mail to the employee notice of the withholding of such salary rate increase, together with a copy of the statement that the employee's performance does not merit an increase. The notice shall be mailed to the address of the employee on file with the Director of Human Resources or designee within ten (10) calendar days after the normal effective date of the salary rate increase.
- 5.1.6 Within twenty (20) calendar days after an employee receives notification that a salary rate increase will be withheld, such employee may file a written Notice of Appeal to the Director of Human Resources, together with a written statement showing cause, if any, why an increase in salary in accordance with the above provisions should not be withheld. Within fifteen (15) calendar days after receiving the appeal, the Director of Human Resources or designee shall determine whether or not said employee's work merits a raise in salary. If the Director of Human Resources or designee finds such employee's work does merit an increase in salary, such employee

shall receive an increase as provided for herein above, retroactive to the date upon which such increase would normally take place under the provisions above.

<u>5.1.2</u>5.1.7 The salary steps for all classifications represented by ABMEI shall be approximately 2.5%.

ARTICLE 28 PERFORMANCE EVAULATION

28.4 Employees shall not receive an automatic salary step increase if they have an Annual Performance Appraisal with an overall rating below that of "Meets Standard" dated within twelve (12) months prior to the salary step increase.

CITY COUNTER-PROPOSAL - SHIFT DIFFERENTIAL

City Proposed Language:

XX. Shift Differential

- XX.1 A night shift differential of two dollars and thirty-five cents (\$2.35) per hour shall be paid to employees in the Public Works Department for each regularly scheduled hour worked after 12:00 a.m. and prior to 5:59 a.m. if at least four (4) hours of regularly assigned schedule of continuous work hours are worked after 12:00 a.m. and before 5:59 a.m.
- XX.2 Shift differential shall be paid to an employee for the hours worked when assigned to cover another employee's temporary absence and when the absent employee would have otherwise qualified for shift differential as defined above.
- XX.3 Paid leave time does not qualify for payment of shift differential except when an employee uses a minimum of forty (40) consecutive hours of vacation, compensatory time or personal leave. The employee will continue to be paid shift differential as though they had worked their assigned shift during period of vacation. City observed holiday hours may be credited towards meeting the forty (40) consecutive vacation hours requirement, however, holiday leave hours do not qualify for payment of shift differential.
- XX.4 Except as otherwise required by State or Federal law, shift differential shall not be included as regular compensation in computing other benefits.

CITY PROPOSAL - HEALTH IN LIEU

City Proposed Language:

- 5.5 Payment-in-Lieu of Health and Dental Insurance
- 5.5.1 The purpose of the payment-in-lieu of health and/or dental insurance program is to allow employees who have double health and/or dental insurance coverage to drop the City's insurance and receive a payment-in-lieu. Effective January 1, 2016, payment-in-lieu of health and/or dental insurance will have a 4-tier structure (Employee, Employee plus Spouse/Domestic Partner, Employee plus Child(ren) and Family). The payment-in-lieu amounts will be adjusted effective the first pay period in the payroll calendar year 2016, which starts December 20, 2015 Effective as soon as practicable in Fiscal Year 2023-2024, following union ratification and Council approval in open session, the payment in lieu amount for employee only will be adjusted as provided for in section 5.5.2.
 - 5.5.2 Employees who qualify for and participate in the payment-in-lieu of health and/or dental insurance program will receive the following per pay period:

Health Insurance Tier	Health-in-Lieu	Dental-in-Lieu
Employee	\$ <u>102.00</u> 89.09	\$6.65
Employee plus spouse/domestic partner	\$147.87	\$13.30
Employee plus Child(ren)	\$129.39	\$11.64
Family	\$221.84	\$19.95

5.5.3 A City employee who receives health and/or dental coverage as a dependent of another City employee or retiree shall be eligible for the employee only coverage for the payment-in-lieu of health and/or dental program.

CITY COUNTER-PROPOSAL - CITY-PAID PARENTAL LEAVE

City Proposed Language:

ARTICLE XX

City-Paid Parental Leave. Effective the first full pay period in Fiscal Year 2023-2024 following union ratification and Council approval in open session, employees will be eligible for the Paid-Parental Leave Program which will be incorporated into the City's Administrative Policy Manual.

Effective the first full pay period in Fiscal Year 2023-2024 following union ratification and Council approval in open session, for eligible births, adoptions, or foster care placements, full-time employees will receive a maximum total of one-hundred sixty (160) hours of continuous paid time off and shall be eligible to use up to a maximum total of one-hundred and twenty (120) hours of their available sick leave for City-Paid Parental Leave reasons.

CITY PROPOSAL - EDUCATIONAL AND PROFESSIONAL INCENTIVES

City Proposed Language:

- 5.9 Educational and Professional Incentives
 - 5.9.1 Educational and Professional Program: The City will reimburse each employee one-hundred percent (100%) of expenses incurred, up to \$1000.00 per fiscal year, for registration, tuition, fees, and textbooks for college accredited courses which are either related to or beneficial for the employee's current position or related to or beneficial for a lateral transfer, promotion or other career opportunity within the City service as approved by the Department Director or designee. Of the \$1000.00 amount, up to \$600.00 may be used for code books, code commentary, on-line subscription services, code related study guides, professional reference books, and professional reference standards. non-college accredited courses, Continuing Education Units, Adult Education Classes, workshops, membership dues in professional associations, professional licenses, and professional certificates which are either related to or beneficial for the employee's current position or related to or beneficial for a lateral transfer, promotion or other career opportunity within the City service, as approved by the Department Director or designee. City Policy Manual Section 4.3.1, Education Reimbursement, outlines additional details of the program.

CITY PROPOSAL - PERIOD OF MEMORANDUM OF AGREEMENT

City Proposed Language:

ARTICLE 1 PERIOD OF MEMORANDUM OF AGREEMENT

This Agreement shall become effective July 1, 20232018, except where otherwise provided, and shall remain in effect through June 30, 20XX2023. No amendment or change to the provisions of this Agreement shall be valid or binding unless reduced to writing and signed by duly authorized representative(s) of the parties.

This contract expires on June 30, 2023. It is mutually agreed that the first meeting of the parties will be scheduled held no later than fifteen (15) calendar days after the City or Association receives notice from the other, which may be any date after January 1 of the year in which the current contract terminates. This notice must be made in writing, must specifically include a request to commence bargaining, and must include proposed dates for the meeting.

CITY PROPOSAL - OVERPAYMENTS OF COMPENSATION

City Proposed Language:

ARTICLE XX OVERPAYMENTS OF COMPENSATION

When the City determines an overpayment has been made to an employee, it shall notify the employee of the overpayment and afford the employee an opportunity to respond prior to commencing recoupment actions. Thereafter, reimbursement shall be made to the City through one of the following methods mutually agreed to by the employee and the City:

- xx.1 Cash payment or payments.
- xx.2 Installments through payroll deduction to cover at least the same number of pay periods in which the error occurred. When overpayments have continued for more than one-year, full payment may be required by the City through payroll deductions over the period of one year. In no event shall amounts deducted from payment of salary or wages exceed 25% of the employee's net disposable earnings.
- xx.3 Absent mutual agreement on a method of reimbursement within 30 days, the City shall proceed with recoupment in the manner set forth in Article xx.2.
- xx.4 An employee who separates from employment prior to full repayment of the amount owed shall have withheld from any money owing the employee upon separation an amount sufficient to provide full repayment. If the amount of money owing upon separation is insufficient to provide full reimbursement to the City, the City shall have the right to exercise any and all other legal means to recover the additional amount owed.

CITY PROPOSAL - HOUSEKEEPING ON HEALTHCARE PROGRAM

City Proposed Language:

- 5.3 Health Insurance
 - Eligible employees may elect health insurance coverage under one of the available plans for employee only or employee and dependents. The City will provide health coverage for eligible full time employees and their dependents in accordance with one of the available plans. All available plans have a 4-tier rate structure (Employee, Employee plus spouse/domestic partner, Employee plus Child(ren), and Family).
 - 5.3.1.1 An employee may not be simultaneously covered by City-provided medical benefits as a City employee and as a dependent of another City employee or retiree.
 - 5.3.2 Medical insurance Provider with the Second Highest Overall Employee Enrollment. The City pays ninety eighty-five percent (9085%) of the cost of the lowest priced Non-Deductible HMO, plan for the employee or the employee and dependent coverage and the employee pays fifteen percent (15%) of the premium for the lowest priced Non-Deductible HMO plan. If the employee selects a plan other than the lowest priced Non-Deductible HMO plan, the employee pays the difference between the total cost of the selected plan and the City's contribution toward the lowest priced Non-Deductible HMO plan. Co-Pay Plan of the medical insurance provider with the second highest overall employee enrollment for the employee or the employee and dependent coverage, and the employee pays ten percent (10%) of the full premium cost of the lowest priced Non-Deductible Co-Pay Plan of the medical insurance provider with the second highest overall employee enrollment.
 - The Kaiser Permanente Deductible 1500 HMO Benefit Plan will be available to employees represented by ABMEI in addition to existing plan options. Any deductible plans offered by the medical insurance provider with the second highest overall employee enrollment and whose cost is below ninety percent (90%) of the full premium cost of the lowest priced Non-Deductible HMO Co-Pay Plan will be offered to full-time employees at no cost.
 - Medical Insurance Provider with the Highest Overall Employee Enrollment. The City will pay eighty-five percent (85%) of the full premium cost of the lowest priced Non-Deductible HMO Co-Pay Plan of the medical insurance provider with the highest overall employee enrollment for the employee or the employee and dependent coverage, and the employee pays fifteen percent (15%) of the full premium cost of the lowest priced Non-Deductible Co-Pay Plan of the medical insurance provider with the highest overall employee enrollment. Co-pays for Non-Deductible HMO plans shall be as

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follows:

- Office Visit Co-pay shall be \$25.
- b. Prescription Co-pay shall be \$10 for generic and \$25-\$30 for brand name.
- c. Emergency Room Co-pay shall be \$100.
- d. Inpatient/Outpatient Procedure Co-pay shall be \$100.
- 5.3.5 If the employee selects a plan other than the lowest priced Non-Deductible HMO Co-Pay Plan, the employee pays the difference between the total cost of the selected plan and the City's contribution toward the lowest priced Non-Deductible HMO Co-Pay Plan.
- <u>Default Healthcare Plan.</u>—New full-time employees and current employees not previously eligible to receive benefits who are hired into a full-time benefits eligible position and who do not sign up for a healthcare plan within thirty (30) calendar days from their hire date, will be automatically enrolled in the lowest cost HMO Deductible plan offered by the medical insurance provider with the second highest overall employee enrollment at the time the employee is automatically enrolled.

5.4 Dental Insurance

5.4.1 The City will offer_provide dental coverage for eligible full-time employees and their dependents. As of the date of this Agreement, the plans include a PPO an indemnity plan and a DHMO plan. -These plans programs are described in the City of San Jose Employee Benefits Handbook available on the City's website and in pamphlets available in the Human Resources Department._—All available plans__will_have a 4-tier rate structure (Employee, Employee plus spouse/domestic partner, Employee plus Child(ren) and Family).

The City will provide dental coverage in the lowest priced plan for eligible full_-time employees and their dependents. -If an employee selects a plan other than the lowest priced plan, the City will pay ninety-five percent (95%) of the full premium cost for the selected dental coverage for eligible full time employees and their dependents and the employee shall pay five percent (5%) of the full premium cost for the selected plan. As of the date of this Agreement the plans include an indemnity plan and a DHMO plan. These plans are described in the City of San Jose Employee Benefits Handbook and in pamphlets available in the Human Resources Department.

5.4.2 Each eligible full-time employee and dependents shall receive Orthodontia coverage in the Delta Dental Plans; the PPO plan must be medically necessary and has a lifetime maximum amount of \$2,000, the DHMO plan will include a copayment of \$1,000, and orthodontia coverage (both medically and non-medically necessary) is limited to once per

eligible member per lifetime.

- 5.4.3 Retirees who meet the eligibility requirements defined in Ordinance No.

 22261 amending Sections 3.24, Part 24, and 3.28, Part 17, Title 3 of the

 San Jose Municipal Code are entitled to dental insurance coverage as a benefit of the Federated Retirement System.
- 5.4.4 An employee may not be simultaneously covered by City-provided dental benefits as a City employee and as a dependent of another City employee or retiree.
- 5.4.2 Each eligible, full-time employee and dependents shall receive annual maximum coverage of \$1,500.00 in the Delta Dental Plan.
 - Each eligible, full-time employee and dependents shall receive a lifetime maximum of \$2,000.00 Orthodontia coverage in the Delta Dental Plan.

Retirees who meet the eligibility requirements defined in Ordinance No. 22261 amending Sections 3.24, Part 24, and 3.28 Part 17, Title 3 of the San Jose Municipal Code are entitled to dental insurance coverage as a benefit of the Federated Retirement System.

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- 5.4.5 If the retiree who has selected the prepaid dental coverage option moves a significant distance away from a designated dental center, that employee may elect to be covered by the other available option(s).
- 5.5 Payment-in-Lieu of Health and Dental Insurance
 - 5.5.1 The purpose of the payment-in-lieu of health and/or dental insurance program is to allow employees who have double health and/or dental insurance coverage to drop the City's insurance and receive a payment-in-lieu. Effective January 1, 2016, payment-in-lieu of health and/or dental insurance will have a 4-tier structure (Employee, Employee plus Spouse/Domestic Partner, Employee plus Child(ren) and Family). The payment-in-lieu amounts will be adjusted effective the first pay period in the payroll calendar year 2016, which starts December 20, 2015.
 - 5.5.2 Employees who qualify for and participate in the payment-in-lieu of health and/or dental insurance program will receive the following per pay period:

Health Insurance Tier	Health-in-Lieu	Dental-in-Lieu
Employee	\$89.09	\$6.65
Employeeplusspouse/domestic partner	\$147.87	\$13.30
Employee plus Child(ren)	\$129.39	\$11.64
Family	\$221.84	\$19.95

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- 5.5.3 A City employee who receives health and/or dental coverage as a dependent of another City employee or retiree shall be eligible for the employee only coverage for the payment-in-lieu of health and/or dental program.
- The payment-in-lieu of health and/or dental insurance program is available to full-time employees who are not on a reduced workweek of less than thirty-five (35) regular hours per week or unpaid leave and have alternate group health and/or dental coverage. -To qualify, a new an_employee must attest that the employee and all covered dependents have or will have minimum essential coverage under an alternate group medical/dental plan and an employee who has a life qualifying event must provide proof of alternate group coverage to Human Resources. Alternate coverage must be acceptable by the City.
- 5.5.5 Enrollment in the payment-in-lieu of health and/or dental insurance program can only be done during the first 30 days of employment, during the annual open enrollment period, or within 30 days of a qualifying event (defined in the Human Resources Benefits Handbook as a change in marital, dependent or work status of the employee or the employee's spouse) occurring anytime during the year. Employees who miss the 30-day time limit after a qualifying event must wait until the next open enrollment period to enroll in the payment-in-lieu of insurance program. Enrollment in the payment-in-lieu of insurance program may be canceled by the employee only during the annual open enrollment period unless the employee loses alternate group coverage. Enrollment or cancellation during the open enrollment period will become effective the first pay period of the following calendar year.
- Payments for the in-lieu insurance program will be discontinued if an employee becomes ineligible for the program. An employee's ineligible status would include but not be limited to the following situations: employment status changes from full to part time, employee is on an unpaid leave of absence, employee is on a reduced work week of less than thirty-five (35) regular hours per week, or employee loses or does not have alternate insurance coverage. An employee whose in-lieu payments are discontinued may enroll, if eligible, in a health and/or dental plan during the next annual open enrollment period.
- 5.5.7 If an employee loses alternate coverage, the employee may enroll in a City health and/or dental plan outside of the open enrollment period. To be eligible, the employee must provide verification that alternate coverage has been lost.
 - 5.5.7.1 <u>Health Insurance.</u> To enroll in a City health insurance plan following loss of alternate coverage, the employee must

pay all unpaid premiums (City and employee contributions) and refund any excess in-lieu payments required to make the coverage effective on the date when alternate coverage ceased. Re-enrollment in the plan shall be in accordance with the carriers' enrollment procedures.

Dental Insurance. Enrollment in a City dental insurance plan following loss of alternate coverage will become effective the first of the month following payment of two dental premiums through the City's payroll process. Reenrollment in the dental insurance plan shall not be retreactive. To enroll in a City dental insurance plan following the loss of alternate coverage, the employee must pay all unpaid premiums (City and employee contributions) and refund any excess in-lieu payments required to make the coverage effective on the date when alternate coverage ceased. Re-enrollment in the plan shall be in accordance with the carrier's enrollment procedures.

CITY PROPOSAL TO ABMEI - HOUSEKEEPING FOR HOLIDAYS

City Proposed Language:

ARTICLE 16 HOLIDAYS

16.1 Except as hereinafter otherwise provided, each full-time employee who is on paid status before and after the holidays specified below shall be entitled to paid holiday leave on each of the following holidays as observed, and on no other day, during the term of this Agreement:

New Years Day
Martin Luther King Day
President's Day
Memorial Day
Juneteenth
Independence Day
Labor Day
Cesar Chavez Day

Indigenous Peoples' Columbus Day Veterans Day Thanksgiving Day Day After Thanksgiving Christmas Eve Day Christmas Day New Year's Eves Day

CITY PROPOSAL TO ABMEI - HOUSEKEEPING FOR BEREAVEMENT LEAVE

City Proposed Language:

ARTICLE 23 BEREAVEMENT LEAVE

- Each full time employee shall be Employees shall be entitled to use 23.1 bereavement leave for up to five (5) days due to the death of a qualifying relative. The days of bereavement leave need not be consecutive. Each full time employee shall be granted bereavement leave with full pay for up to 40 work hours to attend to the customary obligations arising from the death of any of the following relatives of such employee or employee's spouse or employee's domestic partner. Due to the employees regular schedule, if the five (5) day entitlement exceeds forty hours, employees may supplement the remaining time off using their accrued leave balances, including, but not limited to sick leave. All leave must be used within 14 calendar daysthree (3) Under extreme months following the death of an eligible person. circumstances, the fourteen (14) day3-month requirement may be waived by the Director of Employee Relations. The decision of the Director of Employee Relations shall be final, with no process for further appeal.
 - a) Parents/Step-parents
 - b) Spouse
 - c) Child/Step-child
 - d) Brother/Sister/Step-brother/Step-sister/Half-brother/Half-sister
 - e) Grandparents/Step-grandparents
 - f) Great grandparents/Step-great grandparents
 - g) Grandchildren
 - h) Sister-in-law/Brother-in-law/Daughter-in-law/Son-in-law
 - i) Domestic Partner
- 23.1.1 A domestic partner, as referenced in Section 23.1, must be the domestic partner registered with the Department of Human Resources.
- Anything herein above to the contrary notwithstanding, no such employee shall be granted entitled to compensation for bereavement leave in the event of the death of any of the above relatives, if such employee is not scheduled to work when such bereavement leave is required.

^{*}This agreement is considered tentative and shall not be considered final or binding until a final agreement on all terms has been reach and both ratified by union members and approved by City Council.

2023 CITY OF SAN JOSE – ABMEI NEGOTIATIONS TENTATIVE AGREEMENT

FOR THE CITY:

Jennifer Schembri Date

Director of Employee Relations
Director of Human Resources

FOR THE UNION:

Mary Ree

President/ ABMEI

Shawn Moresco

ABMEI

2023 CITY OF SAN JOSE - ABMEI NEGOTIATIONS TENTATIVE AGREEMENT

CITY PROPOSAL TO ABMEI - HOUSEKEEPING FOR SICK LEAVE

City Proposed Language:

ARTICLE 18 SICK LEAVE

18.1.3 Up to forty-eight (48) hours of accrued sick leave per calendar year may be utilized if the employee is required to be absent for the care related to the illness or injury of the employee's grandparent, grandchild, brother, sister, father-in-law, mother-in-law, step-father, step-mother, step-child, or designated person as defined in the City Policy Manual 4.2.1 Leaves of Absence Policy.

> The provisions of this section related to the use of sick leave for the care related to the illness or injury of the employee's family members as defined above shall expire at the end of the term of this Agreement. negotiations for a successor Agreement, the parties shall review and evaluate the appropriateness of this benefit.

*This agreement is considered tentative and shall not be considered final or binding until a final agreement on all terms has been reach and both ratified by union members and approved by City Council.

FOR THE CITY:

Director of Employee Relations

Director of Human Resources

FOR THE UNION:

ABMEI

Shawn Moresco

ABMEI