

RESOLUTION NO

**A RESOLUTION OF THE COUNCIL OF THE CITY OF  
SAN JOSE APPROVING AN AGREEMENT BETWEEN THE  
CITY OF SAN JOSÉ AND THE ASSOCIATION OF BUILDING,  
MECHANICAL, AND ELECTRICAL INSPECTORS (ABMEI),  
WITH A TERM OF JULY 1, 2011 – JUNE 30, 2013**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN JOSE:

1. That the Agreement between the City of San José and the Association of Building, Mechanical, and electrical Inspectors (ABMEI), with a term of July 1, 2011 – June 30, 2013, is hereby approved. The City Manager is hereby authorized to execute an Agreement on behalf of the City of San José.
2. The general terms of the Agreement are set out and described in the Memorandum to the Mayor and City Council from the Director of Employee Relations, dated May 17, 2011, and attached hereto as Attachment A and incorporated in this Resolution.

ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2011, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

\_\_\_\_\_  
CHUCK REED  
Mayor

ATTEST:

\_\_\_\_\_  
DENNIS D. HAWKINS, CMC  
City Clerk



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Alex Gurza

**SUBJECT:** SEE BELOW

**DATE:** May 17, 2011

Approved

Date

5/17/11

**SUBJECT: APPROVAL OF THE TERMS OF AN AGREEMENT WITH THE ASSOCIATION OF BUILDING, MECHANICAL, AND ELECTRICAL INSPECTORS (ABMEI)**

**COUNCIL DISTRICT:** N/A  
**SNI AREA:** N/A

## RECOMMENDATION

Adoption of a resolution to approve the terms of a collective bargaining agreement between the City and the Association of Building, Mechanical, and Electrical Inspectors, and authorizing the City Manager to execute an agreement with a term of July 1, 2011, through June 30, 2013.

## OUTCOME

Adoption of the resolution and authorization to execute an agreement would result in a collective bargaining unit agreement between the City of San Jose and the Association of Building, Mechanical, and Electrical Inspectors (ABMEI) for the period of July 1, 2011, through June 30, 2013.

## BACKGROUND

In November 2010, the City Council in open session approved a goal of reducing the total ongoing employee compensation for all City employees by ten percent (10%). "Total compensation" is the total cost to the City of pay and benefits, including base pay, retirement contributions, health insurance, and other benefits. Total compensation is calculated using budgeted salary and fringe benefit costs for the bargaining unit.

In addition to the 10% ongoing total compensation reduction approved in November 2010, the City Council approved direction to achieve the following reforms: retirement reform, including 2<sup>nd</sup> tier

pension and retiree healthcare benefits for new hires; options for current employees; SRBR or “13<sup>th</sup> Check;” sick leave payout; disability leave supplement; and compensation structure.

The Association of Building, Mechanical, and Electrical Inspectors, hereafter referred to as “ABMEI,” represents approximately 52 full time budgeted positions in the Fiscal Year 2011-2012 Proposed Operating Budget. This bargaining unit includes employees in the classifications of Building Inspector/Combination, Building Inspector/Combination Certified, Building Inspector Supervisor, and Building Inspector Supervisor Certified.

In April 2010, the City imposed a 5% total compensation reduction on ABMEI effective June 27, 2010. The 5% reduction was ongoing and was achieved through a combination of a reduced base pay and healthcare changes.

The City commenced negotiations for a successor Memorandum of Agreement (MOA) with five (5) bargaining units (including ABMEI) in January 2011. ABMEI withdrew from this coalition in March 2011, and reached a Tentative Agreement with the City on April 29, 2011, that achieves a 10% ongoing total compensation reduction and includes agreements to continue negotiations on other reforms that is consistent with City Council direction as listed above. The Tentative Agreement was ratified by the ABMEI membership on May 11, 2011.

### ANALYSIS

A complete copy of the Tentative Agreements is attached. The following is a summary of the key provisions:

<b>Term</b>	July 1, 2011 – June 30, 2013
<b>Base Pay Reduction-Ongoing</b>	Effective June 26, 2011, all salary ranges for employees represented by ABMEI shall be decreased by approximately 5.45%. All employees represented by ABMEI shall receive a 5.45% base pay reduction.
<b>Healthcare Payment-In-Lieu</b>	A City employee who receives healthcare coverage as a dependent of a City retiree shall be deemed not eligible for family coverage.
<b>Healthcare Dual Coverage</b>	Effective pay date July 1, 2011, employees may no longer be simultaneously covered by City-provided medical and/or dental benefits as a City employee and as a dependent of another City retiree.
<b>Disability Leave</b>	Effective June 26, 2011, reduce the maximum disability supplemental pay benefit from nine (9) calendar months to three (3) calendar months (520 hours).  Effective June 24, 2012, disability leave supplement will be eliminated. Employees will be allowed to integrate accrued vacation, earned compensatory time, and accrued sick leave.

**Contracting Out** The City agrees to meet and confer with ABMEI prior to contracting out work currently performed by ABMEI represented employees whenever such contracting out would result in material reduction of work or would have significant adverse impact on bargaining unit work.

**Continued Professional Training** The Department of Planning, Building, and Code Enforcement shall endeavor to provide up to twenty-four (24) hours of continued professional training per fiscal year at the discretion of the Director of PBCE.

**Salary Step Structure** Effective June 26, 2011, salary steps for all classifications represented by ABMEI will change from approximately 5% to approximately 2.5% between each step. This will increase the number of steps in each pay range.

**Subsidy for Public Transit** After calendar year 2011, the City will no longer provide employees with an ECO-Pass. Upon exhaustion of the current supply of Commuter Check Vouchers, Vouchers will no longer be available for purchase from the City.

- Side Letters**
- Retirement Reform – The City and ABMEI agree to continue meeting and conferring on pension and retiree healthcare benefits for current and future employees. The negotiations may include modification of healthcare (medical and dental) plans available to current employees, including but not limited to plan design.
  - Sick Leave Payout – Effective June 26, 2011, shall be determined in accordance with the provisions contained in Article 18.3 of the 2007-2009 ABMEI MOA. The City and ABMEI agree to continue meeting and conferring on sick leave payout for current and future employees.
  - Layoff – Either the City or ABMEI may provide notice to the other of its request to meet and confer on modifications, if any, to the City's layoff process and procedures.
  - Supplemental Retiree Benefit Reserve (SRBR) – The City and ABMEI agree to discuss the SRBR program in the Federated City Employees' Retirement System.
  - Labor Management Committee – A Planning, Building, and Code Enforcement Department Labor Management Committee shall be formed to discuss scheduling and overtime assignments as well as to develop a Performance Management Policy.

#### **EVALUATION AND FOLLOW-UP**

None.

### PUBLIC OUTREACH/INTEREST

- Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criteria 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criteria 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This item meets Criterion 1. This memorandum will be posted on the City's website for the May 31, 2011, Council Agenda.

### COORDINATION

This memorandum was coordinated with the City Manager's Budget Office and the City Attorney's Office.

### COST IMPLICATIONS

For Fiscal Year 2010-2011, concessions that achieved a 5% ongoing total compensation reduction were imposed on ABMEI. These concessions included an ongoing base pay reduction of 4.65% and healthcare cost sharing changes. ABMEI agreed to an additional ongoing base pay reduction of 5.45% effective June 26, 2011, resulting in an overall 10.1% base pay reduction for Fiscal Year 2011-2012.

As directed in the Mayor's March 2011, Budget Message as approved by the City Council, the budgetary savings associated with this action are assumed in the 2011-2012 Proposed Operating Budget which was released on May 2, 2011, as well as the 2011-2012 Proposed Fees and Charges document released on May 7, 2011. The terms of the Tentative Agreement, which includes the additional ongoing base pay reduction (5.45%) in total compensation, generate additional ongoing savings of approximately \$387,000 in all funds and approximately \$343,000 in the General Fund (primarily in the Development Fee Programs) based on the positions included in the 2011-2012 Proposed Operating Budget. These savings do not include any adjustments necessary to maintain the annual required retirement contributions and the associated change in overhead reimbursement to the General Fund from other funds. These savings also do not include the currently unknown cost increases for healthcare for the second half of Fiscal Year 2011-2012.

HONORABLE MAYOR AND CITY COUNCIL  
May 17, 2011  
**Subject: Approval of an Agreement with ABMEI**  
Page 5 of 5

**CEQA**

CEQA: Not a Project, File No. PP10-069(b), Personnel Related Decisions.

A handwritten signature in black ink, appearing to read 'AG', is centered on the page.

Alex Gurza  
Director of Employee Relations

For questions please contact Alex Gurza, Director of Employee Relations, at (408) 535-8150.

Attachment

**CITY OF SAN JOSE  
AND  
ASSOCIATION OF BUILDING, MECHANICAL, AND ELECTRICAL INSPECTORS  
TENTATIVE AGREEMENT**

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**PERIOD OF MEMORANDUM OF AGREEMENT**

July 1, 2011 – June 30, 2013 (See attached)

**WAGES**

See attached

**HEALTH AND DENTAL IN LIEU**

See attached

**HEALTHCARE DUAL COVERAGE**

See attached

**DISABILITY LEAVE SUPPLEMENT**

See attached

**CONTRACTING OUT**

See attached

**CONTINUED PROFESSIONAL TRAINING**

See attached

**SALARY STEP STRUCTURE**

See attached

**SUBSIDY FOR PUBLIC TRANSIT**

See attached

**SIDE LETTERS**

- Retirement Benefits for current and new employees (See attached)
- Layoff (See attached)
- Supplemental Retiree Benefit Reserve (SRBR) (See attached)
- Sick Leave Payout (See attached)
- Labor Management Committee (See attached)

CITY OF SAN JOSE  
AND  
ASSOCIATION OF BUILDING, MECHANICAL, AND ELECTRICAL INSPECTORS  
TENTATIVE AGREEMENT

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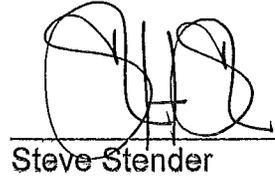
*This agreement is still considered tentative and shall not be considered final or binding until ratified by the membership and approved by the City Council. This document sets forth the full agreements of the parties reached during these negotiations. Anything not included in this document is not part of the Tentative Agreement.*

FOR THE CITY:

  
\_\_\_\_\_  
Gina Donnelly  
Deputy Director

04/29/11  
Date

FOR THE UNION:

  
\_\_\_\_\_  
Steve Stender  
Association of Building, Mechanical, and  
Electrical Inspectors (ABMEI)

4-29-11  
Date

**PERIOD OF MEMORANDUM OF AGREEMENT**

Proposed Language:

This Agreement shall become effective July 1, 2011, except where otherwise provided, and shall remain in effect through June 30, 2013. 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, 2013. It is mutually agreed that the first meeting of the parties will be 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 language is intended to replace the language in:*

- *Article 1 of the ABMEI Memorandum of Agreement*

**CITY PROPOSAL – WAGES**

Proposed Language:

Effective June 27, 2010, all salary ranges for employees holding positions in classifications assigned to ABMEI (Union Code 03/031) shall be decreased by approximately 4.65%.

Effective June 26, 2011, all salary ranges for employees holding positions in classifications assigned to ABMEI (Union Code 03/031) shall be decreased approximately by an additional 5.45%. This will result in the top and bottom of the range of all classifications represented by ABMEI (Union Code 03/031) being an additional 5.45% lower. All employees will receive an additional 5.45% base pay reduction.

*This language is intended to replace the language in:*

- *Article 5.1.1 of the ABMEI Memorandum of Agreement (replaces Section 5.1.1 as approved by the City Council on April 27, 2010, via the Pay proposal in the City's Last, Best, and Final Offer)*

**CITY PROPOSAL – HEALTH AND DENTAL IN LIEU**

Proposed Language:

A City employee who receives healthcare coverage as a dependent of another City employee or retiree shall be deemed not eligible for family coverage.

*This language shall be added under:*

- *Article 5.5.4 of the ABMEI Memorandum of Agreement (replaces Article 5.5.4 as approved by the City Council on April 27, 2010, via the Healthcare – Health in Lieu proposal in the City’s Last, Best, and Final Offer)*

**CITY PROPOSAL – HEALTHCARE DUAL COVERAGE**

Proposed Language:

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.

*This language shall be added under:*

- *Article 5.3.1 of the ABMEI Memorandum of Agreement (replaces Section 5.3.1)*

Proposed Language:

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.

*This language shall be added under:*

- *Article 5.4.1 of the ABMEI Memorandum of Agreement (replaces Section 5.4.1)*

**CITY PROPOSAL – DISABILITY LEAVE SUPPLEMENT**

Proposed Language:

**Article 19 Disability Leave**

- 19.1 Disability Leave Supplement Disability Leave Supplement (DLS) is the benefit provided pursuant to this Article, which, when added to Workers' Compensation Temporary Disability (WCTD) results in providing employees 85% of their regular base salary. Effective June 24, 2012, employees shall no longer be eligible to receive DLS.
- 19.2 Eligibility for Disability Leave Supplement A full-time employee who is required to be absent from work due to a job-related injury or industrial illness who receives WCTD payments pursuant to Division I or Division 4 of the California Labor Code is eligible for DLS, excluding ineligible causes listed in Section 19.4. In the event an employee is not eligible for WCTD payments because of the statutory waiting period, DLS shall not be paid for such a waiting period. The employee may use sick leave to cover the waiting period.
- 19.2.1 After the initial three day waiting period has been met, and the employee otherwise qualifies for DLS, the employee may utilize DLS for absences required for medical visits related to the injury after his/her return to work if he/she is unable to schedule such visits on non-work hours. DLS for such intermittent absences is subject to authorization by the Workers' Compensation Section. In no event may DLS exceed the limit specified in Section 19.6.
- 19.3 Eligibility for Disability Leave Supplement Linked to Temporary Disability If the Workers' Compensation Appeals Board of the State of California or any judicial court should determine that the employee is not entitled to Temporary Disability (WCTD) compensation, the employee shall not be entitled to Disability Leave Supplement (DLS) benefits. Under such circumstances, any DLS moneys paid to the employee by the City must be returned to the City within one year.
- 19.4 Ineligible Causes for Disability Leave An employee shall not be eligible for disability leave, and shall not receive DLS if the injury or illness that causes the absence results from:
- An act of gross negligence of such employee
  - Any work voluntarily undertaken by employee from which he/she has been prohibited from engaging in as determined by a City physician, prior to the date of injury.

- 19.5 Ineligibility if Offer and Decline of Modified Duty DLS shall not be provided if the City offers the employee employment at identical or similar salary, within the employee's medical limitations, and the employee refuses or fails to accept duty for which he/she is physically qualified.
- 19.6 Maximum Term of Disability Leave Supplement The employee will receive DLS benefits equal to the amount of money which, when added to the WCTD equals 85% of what the employee would have earned at the position from which he/she is disabled for one of the following time periods, whichever is shortest:
- The time the employee is medically required to be absent due to a work-related injury or illness, after the required three day waiting period.
  - The period of time WCTD is payable to the employee under the Workers' Compensation provisions of Division 1 or Division 4 of the Labor Code of the State of California.
  - Effective June 26, 2011, an employee will be eligible to receive DLS for a maximum of three (3) months (or 520 hours if not continually absent) for any current or future work-related injury or illness. Any employee who has exceeded three (3) months (or 520 hours if not continually absent) as of June 26, 2011, will no longer be eligible to receive DLS.
- 19.7 Time Limit for DLS Eligibility Effective June 26, 2011, after 520 hours of DLS, the employee is entitled to no additional compensation for the injury or illness. No employee shall be eligible for DLS five (5) years after the date of the onset of the injury or illness for which he/she is claiming DLS.
- 19.8 Disability Leave Supplement is in Lieu of Regular Compensation Employees who receive WCTD and DLS compensation do not receive their regular salary. DLS as described in this Article is in lieu of regular compensation.
- 19.9 Requirement of Evidence Proving Temporary Disability The Director of Finance is responsible for determining eligibility for DLS. In making this determination, the Director may require the employee to provide proof of injury or illness, proof that the injury or illness will last, and proof of other relevant matters as determined by the Director. The Director may require the employee to submit to a medical examination by a physician selected by the City.
- 19.10 Termination of Disability Leave An employee who is unable to return to full time regular duty following the expiration of any and all leave provided in this Article and the integration of accrued vacation and of Sick Leave as

provided in Article 18 and with Workers' Compensation may be separated from City service.

19.11 Integration After the maximum time limit specified in Article 19.6, the integration of an employee's available leave will occur in the following order: (1) accrued Vacation hours, (2) earned Compensatory Time once Vacation has been exhausted, and (3) accrued Sick Leave once Vacation and Compensatory Time have both been exhausted.

- In no event shall an employee receive an amount, including any Workers' Compensation Temporary Disability payments, in excess of the employee's regular base salary.

*This language is intended to:*

- *Replace Article 19 through Article 19.9.1, and eliminate Article 18.1.3.1 through Article 18.1.3.2, of the ABMEI Memorandum of Agreement, in addition to any other changes approved by City Council on April 27, 2010, via the Disability Leave Supplement proposal in the City's Last, Best and Final Offer.*

**CITY PROPOSAL – FULL UNDERSTANDING, MODIFICATION AND WAIVER**

Proposed Language:

The City agrees to meet and confer with the Union prior to contracting out work currently performed by bargaining unit members whenever such contracting out would result in material reduction of work done by bargaining unit members or would have significant adverse impact on bargaining unit work. It is agreed that position reductions, which result in lay-off of employees in the bargaining unit constitute significant impact on bargaining unit work.

*This language shall be added as Article 9.5 of the ABMEI Memorandum of Agreement.*

**CITY PROPOSAL – CONTINUED PROFESSIONAL TRAINING**

Proposed language: *6.5.*  
*Proposed by the City*

*D.P. (Signature) ABMEI member*

The Department of Planning, Building, and Code Enforcement shall endeavor to provide up to twenty-four (24) hours of training per fiscal year, as is relevant to each inspector employed in the Department of Planning, Building, and Code Enforcement. Such training shall be scheduled at the discretion of the Director of Planning, Building, and Code Enforcement and employees shall be compensated at the appropriate rate for attendance at the training.

ABMEI shall make recommendations regarding training needs and advise the Department Director and the training committee of specific training opportunities.

*This language shall be added as*

- *Article 31 of the ABMEI Memorandum of Agreement.*

**CITY PROPOSAL – SALARY STEP STRUCTURE**

Proposed Language:

Salary Steps

Effective June 26, 2011, the salary steps for all classifications represented by ABMEI will change from approximately 5% between each step to approximately 2.5%. This will result in an increase in the number of steps in the pay range.

*This language shall be added as:*

- *Article 5.1.8 of the ABMEI Memorandum of Agreement*

**CITY PROPOSAL – PUBLIC TRANSIT SUBSIDY (ECO-PASS AND SUBSIDIZED  
COMMUTER CHECK VOUCHER PROGRAM)**

**ECO-Pass**

*After calendar year 2011, the City will no longer provide employees an ECO-Pass. This means that any employee in possession of a 2011 ECO-Pass provided by the City may continue its use through calendar year 2011. Beginning calendar year 2012, the City will cease providing an ECO-Pass.*

**Commuter Check Program**

*Upon exhaustion of the current supply of Commuter Check Vouchers, the Vouchers will no longer be available to employees for purchase from the City. This means that the subsidized Commuter Check Voucher Program is eliminated after the current supply of Commuter Check Vouchers are exhausted.*

**Side Letter Agreement**

BETWEEN

THE CITY OF SAN JOSE

and

ASSOCIATION OF BUILDING, MECHANICAL, AND ELECTRICAL INSPECTORS  
(ABMEI)

**RETIREMENT REFORM**

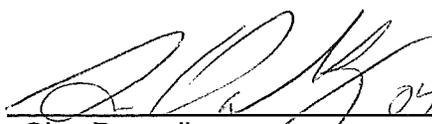
The City and the Association of Building, Mechanical, and Electrical Inspectors (ABMEI) agree to continue meeting and conferring on pension and retiree healthcare benefits for current and future employees, including but not limited to healthcare benefits. The negotiations may include modification of healthcare (medical and dental) plans available to current employees, including but not limited to plan design.

Either the City or ABMEI may provide notice to the other of its request to continue to meet and confer. Upon such notice, the parties shall continue these negotiations within ten (10) calendar days after the City or ABMEI receives notice from the other. The City and ABMEI shall continue to meet and confer in good faith in an effort to reach a mutual agreement.

If the parties are at impasse and no agreement is reached, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor Memorandum of Agreement, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures. In such event, neither party waives any legal rights including the Union's nor any member's right to assert that certain benefits are vested.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor agreement between the City and ABMEI.

FOR THE CITY:

  
\_\_\_\_\_  
Gina Donnelly  
Office of Employee Relations

04/29/11  
\_\_\_\_\_  
Date

FOR ABMEI:

  
\_\_\_\_\_  
Steve Stender  
Association of Building, Mechanical, and  
Electrical Inspectors (ABMEI)

4-29-11  
\_\_\_\_\_  
Date

# Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

and

ASSOCIATION OF BUILDING, MECHANICAL, AND ELECTRICAL INSPECTORS  
(ABMEI)

## LAYOFF

The City or the Association of Building, Mechanical, and Electrical Inspectors (ABMEI) may provide notice to the other of its request to meet and confer on modifications to the City's layoff process and procedure, including the provisions of the Layoff article in the Memorandum of Agreement. Upon such notice, the parties shall meet within ten (10) calendar days after the City or ABMEI receives notice from the other. The City and ABMEI shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor Memorandum of Agreement, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor Memorandum of Agreement.

FOR THE CITY:

FOR ABMEI:

  
\_\_\_\_\_  
Gina Donnelly  
Office of Employee Relations

04/29/11  
Date

  
\_\_\_\_\_  
Steve Stender  
Association of Building, Mechanical, and  
Electrical Inspectors (ABMEI)

4-29-11  
Date

# Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

and

ASSOCIATION OF BUILDING, MECHANICAL, AND ELECTRICAL INSPECTORS  
(ABMEI)

## SUPPLEMENTAL RETIREE BENEFIT RESERVE (SRBR)

The City and the Association of Building, Mechanical, and Electrical Inspectors (ABMEI) agree to discuss the Supplemental Retiree Benefit Reserve (SRBR) program in the Federated City Employees' Retirement System.

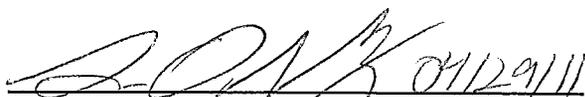
Either the City or ABMEI may provide notice to the other of its request to discuss the SRBR program. Upon such notice, the parties shall continue these discussions within ten (10) calendar days after the City or ABMEI receives notice from the other.

To the extent that any change to the SRBR program is a mandatory subject of bargaining, the City and ABMEI shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached on those issues that are a mandatory subject of bargaining, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor Memorandum of Agreement, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures. In such event, neither party waives any legal rights including the Union's nor any member's right to assert that certain benefits are vested.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor Memorandum of Agreement.

FOR THE CITY:

FOR ABMEI:

  
Gina Donnelly  
Office of Employee Relations  
Date 04/29/11

  
Steve Stender  
Association of Building, Mechanical, and  
Electrical Inspectors (ABMEI)  
Date 4-29-11

# Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

and

ASSOCIATION OF BUILDING, MECHANICAL AND ELECTRICAL INSPECTORS  
(ABMEI)

## SICK LEAVE PAYOUT

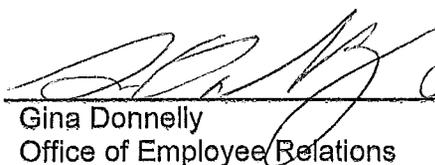
Effective June 26, 2011, sick leave payout shall be determined in accordance with the provisions contained in Article 18.3. of the 2007-2009 City/Association of Building, Mechanical and Electrical Inspectors (ABMEI) Memorandum of Agreement.

The City and ABMEI agree to continue meeting and conferring on sick leave payout (Article 18.2 through Article 18.4) for current and future employees.

Either the City or ABMEI may provide notice to the other of its request to meet and confer. Upon such notice, the parties shall continue these negotiations within ten (10) calendar days after the City or ABMEI receives notice from the other. The City and ABMEI shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor Memorandum of Agreement, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures. In such event, neither party waives any legal rights including the Union's nor any member's right to assert that certain benefits are vested.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor agreement between the City and ABMEI.

FOR THE CITY:

  
Gina Donnelly  
Office of Employee Relations

04/29/11  
Date

FOR ABMEI:

  
Steve Stender  
Association of Building, Mechanical and  
Electrical Inspectors (ABMEI)

4-29-11  
Date

# Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

and

ASSOCIATION OF BUILDING, MECHANICAL, AND ELECTRICAL INSPECTORS  
(ABMEI)

## PLANNING, BUILDING, AND CODE ENFORCEMENT LABOR MANAGEMENT COMMITTEE

A Labor Management Committee (LMC) shall be established for the purposes of (1) discussing scheduling and overtime assignments and (2) to develop a Performance Management Policy that provides criteria to determine the appropriate rate of pay upon appointment and criteria to receive step and merit increases. Meetings shall begin no later than June 1, 2011, to discuss scheduling and overtime assignments. Meetings shall begin no later than July 1, 2011, unless otherwise agreed to, to discuss the Performance Management Policy.

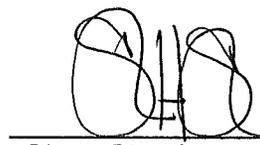
LMCs are not authorized to meet and confer to create contractual obligations nor are they to change the MOA to authorize any practice in conflict with existing contracts or rules. Management and the Union shall each select three (3) representatives to participate in this LMC. One (1) representative from the Office of Employee Relations will be involved in the LMC meetings to observe and act as a resource to the committee.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor Memorandum of Agreement.

FOR THE CITY:

FOR ABMEI:

 04/29/11  
\_\_\_\_\_  
Gina Donnelly Date  
Office of Employee Relations

 4-29-11  
\_\_\_\_\_  
Steve Stender Date  
Association of Building, Mechanical, and  
Electrical Inspectors (ABMEI)