

**CITY OF SAN JOSE AND ALP
CITY PACKAGE PROPOSAL "C"**

THIS PROPOSAL IS SUBMITTED IN AN ATTEMPT TO REACH A SETTLEMENT. IT IS A PACKAGE PROPOSAL OF A MEMORANDUM OF UNDERSTANDING. IN THE EVENT THE PROPOSAL, OR ANY PART OF THE PROPOSAL, IS NOT ACCEPTED, THE CITY RESERVES THE RIGHT TO MODIFY, AMEND AND/OR ADD PROPOSALS.

Memorandum of Agreement

City of San Jose

and

**The Association of Legal Professionals
(ALP)**

The Association of Legal Professionals
(ALP)

Memorandum of Agreement

July 1, 2012 through June 30, 2013

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This Memorandum of Understanding (“Agreement”) is entered into at San Jose, California, on this ____ day of _____, 2012, between the City of San Jose (“City”) and the Association of Legal Professionals (“Association”).

ARTICLE 1 PURPOSE

The parties agree that the purposes of this Agreement are:

- 1.1** To promote and provide harmonious relations, cooperation and understanding between the City and the employees covered herein,
- 1.2** To provide an orderly and equitable means of resolving differences which may arise under this Agreement, and
- 1.3** To set forth the full agreements of the parties reached as a result of meeting and conferring in good faith regarding matters within the scope of representation for employees represented by the Association.

ARTICLE 2 PERIOD OF MEMORANDUM OF AGREEMENT

- 2.1 **Term:** Except where a specific provision of this Agreement expressly provides otherwise, the Agreement shall become effective on July 1, 2012 (“Effective Date”), and shall remain in effect through June 30, 2013.
- 2.2 **First Meeting:** This Agreement 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 Agreement terminates.

ARTICLE 3 AGREEMENT CONDITIONS

- 3.1 Amendments:** No amendment or change to the provisions of this Agreement shall be valid or binding unless reduced to writing and signed by duly authorized representatives of the parties.
- 3.2 Separability:** Notwithstanding any other provision of this Agreement to the contrary, in the event that any Article, or subsections thereof, of this Agreement shall be declared invalid by any court of competent jurisdiction, or by any applicable State or Federal law or regulation, or should a decision by any court of competent jurisdiction or any applicable State or Federal law or regulation diminish the benefits provided by this Agreement, or impose additional obligations on the City, the parties shall meet and confer on the affected provision upon written notice by either party. In such event, all other provisions of this Agreement not affected shall continue in full force and effect.
- 3.3 Concerted Activity:** It is understood and agreed that:
- 3.3.1** Participation by any employee represented by the Association in picketing with respect to any issue concerning matters within the scope of representation provided or proposed to be provided by the City of San Jose for employees in this unit, or participation in a strike, work stoppage or slowdown, or any other concerted activity which diminishes services provided by an employee in this unit, or the failure to perform lawfully required work shall subject the employee to disciplinary action up to and including discharge.
- 3.3.2** If the Association, its officers or its authorized representatives violate provision 3.3.1 above or tolerate the violation of provision 3.3.1 above and after notice to responsible officers or business representatives of the Association, such officers or other representatives fail to take such prompt affirmative action as is within their power to correct and terminate the conduct described in provision 3.3.1 above, in addition to any other law, remedy or disciplinary action to which it or its officers or representatives may be subject, said Association shall, by action of the Municipal Employee Relations Officer, also be subject to suspension or revocation of the recognition granted to such Association and the Municipal Employee Relations Officer may suspend or cancel any or all payroll deductions payable to or in behalf of members of such Association, and prohibit or restrict the use of any City facility of any nature whatsoever and prohibit or restrict access by said officers or representatives to work or duty stations of employees in the representation unit.
- 3.4 Nondiscrimination:** The parties agree that they, and each of them, shall not discriminate against any employee on the basis of race, religion, color, creed, age, marital status, national origin, ancestry, sex, sexual orientation, physical or mental disability, pregnancy, actual or perceived gender identity and political affiliation. The parties further agree that they, and each of them, shall not discriminate against any employee because of membership or lack of membership in the Association, or because of any authorized activity on behalf of the Association.
- 3.5** All the terms contained in this Agreement shall be subject to negotiations.

ARTICLE 4 RECOGNITION

- 4.1 Recognition of Association:** Pursuant to Resolution No. 39367 of the City Council of the City of San Jose and the provisions of applicable state law, the Association is recognized as the exclusive representative for the purpose of meeting and conferring on matters within the scope of representation for employees assigned to the classifications listed in Exhibit A, attached and incorporated by reference into this Agreement.
- 4.2 Appropriate Unit:** The Classifications, and any subsequent additions thereto or deletions therefrom, constitute an appropriate unit.
- 4.3** For the purpose of this Agreement, words, phrases and terms used herein shall be deemed to have the meanings specified in Section 2- Definitions of Resolution No. 39367 of the Council of the City of San Jose and in Part 2- Definitions of Chapter 3.04 of Title III, of the San Jose Municipal Code unless it is apparent from the context or from the specific language that a different meaning is intended.

ARTICLE 5 MANAGEMENT RIGHTS

5.1 Authority: Except to the extent that the rights are specifically limited by the provisions of this Agreement, the City retains all rights, powers and authority granted to it pursuant to any law or the City Charter, including, but not limited to: The right to direct the work force; increase, decrease or re-assign the work force; hire, promote, demote; discharge or discipline for cause; transfer or reclassify employees; provide merit increases; assign employees special work requirements, and to determine the necessity, merits, mission and organization of any service or activity of the City or of any City Department, Agency or Unit. The City’s failure to exercise a management right does not preclude the City from exercising it at some time in the future.

5.1.1 The City has the sole and absolute right to determine the nature and type of, assign, re-assign, revoke assignments of or withdraw assignments of, City equipment, including motor vehicles, to or from employees during, after or before hours of duty, without consultation or meeting and conferring with the employees affected or the Association representing such employee.

5.2 City’s Principal Authorized Agent: For purposes of administering the terms and provisions of the various ordinances, resolutions, rules and regulations adopted pursuant to this Agreement, the City’s principal authorized agent shall be the Municipal Employee Relations Officer, or his/her duly authorized representative, except where a particular City representative is otherwise designated.

ARTICLE 6 ASSOCIATION RIGHTS

- 6.1 Principle Authorized Agent:** The Association’s elected President, or his/her duly authorized representative, is the Association’s principal authorized agent.
- 6.2 Authorized Representatives:** The City shall recognize up to three (3) Association representatives who are properly designated by the Association. The Association agrees to properly notify the Municipal Employee Relations Officer of any changes of employees designated as representatives.
- 6.3 Release Time - Training:** The parties agree that they have a mutual interest in well-trained representatives. Toward this end, up to three (3) designated representatives shall be granted a maximum of eight (8) hours paid release time during each year of this Agreement to participate in training sessions related to the provisions of this Agreement, jointly conducted by the Union and the Office of Employee Relations, according to an outline of such training activities to be submitted by the Union and approved by the Office of Employee Relations prior to conducting any such training sessions.
- 6.4 Release Time – Other:** The City grants up to one (1) designated Association representatives sufficient release time from regular City duties as reasonably needed to do the following:
- To attend City Council meetings regarding matters when matters affecting the Association are considered;
 - To attend Federated Retirement Board meetings;
 - To attend Benefit Review Forum meetings; and
 - To attend meetings scheduled by Administration when attendance is requested.
- 6.5 Deputy City Attorney or Senior Deputy City Attorney – Unrepresented:**
- 6.5.1** The City Attorney may designate up to one (1) Deputy City Attorney or Senior Deputy City Attorney represented by the Association to perform legal services on labor relations and employment matters where the employee will be privy to decisions of City management.
- 6.5.2** Any employee so designated will become an unrepresented employee in the Executive Management and Professional Employees unit (Unit 99).
- 6.5.3** The designation of the Deputy City Attorney or Senior Deputy City Attorney shall be at the discretion of the City Attorney with the express prior written consent of the selected employee.
- 6.5.4** The designated employee shall become exempt upon receipt of written notification to the Association by the City of the name and classification of the employee so exempted.
- 6.5.5** The job specification will not change for this position.

- 6.5.6 The designated employee will be unrepresented and subject to the benefits and compensation for Unit 99.
- 6.5.7 The City Attorney may change the employee designated for the exempt position at any time pursuant to the notice and consent provisions above.
- 6.5.8 Immediately upon such designation, the newly designated employee shall be transferred to Unit 99 and the employee who no longer performs such legal services for the City shall be represented by the Association and subject to the benefits and compensation for the Association.

6.6 Agency Shop:

6.6.1 The City and the Association agreed to implement an Agency Shop agreement pursuant to California Government Code section 3502.5 and other applicable rules or law, including Section 14 entitled “Payroll Deductions” of Resolution No. 39367 which is incorporated as though set forth in its entirety herein.

6.6.2 Definitions:

- a. "Agency Shop," as used in this section, means "an arrangement that requires an employee, as a condition of employment, either to join the recognized employee organization or to pay the organization a service fee in an amount not to exceed the standard initiation fee, periodic dues and general assessments of the organization, as may be amended from time to time by the Association." The "service fee" may also be referred to as an "Agency Fee" or "Agency Shop Fee" under the applicable rules and law and in this section.
- b. “Agency Fee” collected from non-member bargaining unit employees pursuant to this section shall be limited to the Association’s annual costs for representing such employees. Such amount shall be those amounts for full-time and part-time employees as are certified to the City’s Municipal Employee Relations Officer or designee, from time to time, by the designated officer of the Association as the Agency Fee.

The Agency Fee does not include the amounts used for the Association’s political activity or other categories of expenses deemed as non-chargeable to Association members by applicable law.

6.6.3 Unless otherwise agreed, all applicable dues deductions, Agency Fee, or charitable contributions (if eligible), for the month shall be deducted by the City from wages earned by the employee while in a classification represented by the Association from the first two (2) bi-weekly pay periods each month. All deductions shall be in the bi-weekly amount certified to the City's Municipal Employee Relations Officer or designee, from time to time by the designated officer of the Association as the regular bi-weekly dues and Agency Fee.

a. Dues Deductions:

- (1) The City will deduct from the wages of each employee covered by this Agreement, while such employee is assigned to a classification represented by the Association, dues uniformly required as a condition of membership, pursuant to the Association’s constitution and by-laws provided that the employee has signed an appropriate dues deduction card.
- (2) Within thirty (30) calendar days of hire, covered employees will execute written authorization for either Association dues deductions, Agency Fee, or, if eligible, the charitable contribution. In the absence of written authorization, the employee will be deemed an Agency Fee payer and City will deduct the Agency Fee from the employee's paycheck pursuant to this section
- (3) Once initiated, dues deductions shall continue until the authorization is revoked in writing by the employee. An employee may only revoke a dues authorization by delivering the written notice of revocation to the City’s Municipal Employee Relations Officer or designee, with a copy to the Association. The written notice of revocation shall be delivered to the Municipal Employee Relations Officer or designee either in person at the Office of Employee Relations or by regular U.S. Mail, with a copy to the Association.

6.6.4 All applicable dues deductions and/or Agency Fee withheld by the City will be transmitted by the City to the treasurer of the Association, or its other designated officer, at the address specified by the Association in writing and accompanied by a list of the employees for whom the deduction was made. The Association agrees that such information and lists will be treated in a confidential manner. The deductions and the list will be remitted to the Association not later than twenty-one (21) calendar days following the pay period in which the deductions were made.

6.6.5 Employee Rights:

- a. The parties recognize that employees in a classification represented by the Association have the right to join and/or participate, or, alternatively, the equal right to refuse to join and/or participate, in the Association or its lawful activities. Neither party shall discriminate against an employee in the exercise of these alternative rights.
- b. Pursuant to an Agency Shop agreement, as provided under State law and this section, employees must either voluntarily join the Association or must pay the Agency Fee; membership in the Association shall not be compulsory. An employee has the right to choose either to:

- (1) Become a member of the Association; or

- (2) To pay the Association a fee for representation services as described in Section 6.5.2(b) above. The amount of the Agency Fee will be a uniform amount established by the Association and limited as provided by law. The amount of the Agency Fee and any changes in the fee will be certified in writing to the City’s Municipal Employee Relations Officer or designee by the President of the Association; or
- (3) To refrain from either of the above courses of action upon the grounds set forth in Section 6.5.6 below.

6.6.6 Employees Exempted from Obligation to Pay Association:

Any employee who is a member of a bona fide religion, body, or sect that has historically held conscientious objections to joining or financially supporting public employee organizations shall not be required to join or financially support any public employee organization as a condition of employment; however:

- a. The employee will be required, in lieu of periodic dues, initiation fees, or agency fees, to pay sums equal to dues, initiation fees, or agency fees to a non-religious and non-labor charitable fund exempt from taxation under Section 501 (c)(3) of the Internal Revenue Code, as follows:

- (1) The employee may choose the organization from the following list of qualifying organizations designated by the City and Association:

- (a) Legal Aid Society of Santa Clara County
- (b) Any charity jointly agreed upon by the City and the Association, which charity cannot be affiliated in any manner with the Association or be related to an established religious organization.

- (2) If the employee refuses to choose a qualified charity, the employee will be deemed to have selected the Legal Aid Society of Santa Clara County.

- (3) Charitable contributions, if applicable, will be transmitted to the applicable charity by the Association.

- b. Employees requesting an exemption from paying an agency fee pursuant to this section must submit a request in writing and provide verification of such membership in a qualifying bona fide religion, body or sect to the City's Municipal Employee Relations Officer or designee. The Municipal Employee Relations Officer or designee shall provide notification to the Association of the determination within five (5) calendar days.

6.6.7 The Association will keep an adequate itemized record of its financial transactions and shall make available annually, upon request, to the City and to employees in classifications represented by the Association, within sixty (60) calendar days after the end of its fiscal year, a detailed financial report thereof in the form of a balance sheet and an operating statement, certified as to

accuracy by its president and treasurer or corresponding principal officer, or a certified public accountant, as provided in Government Code section 3502.5(f).

6.6.8 Notice of Objection to Association Expenditures:

The Association shall provide an annual written notice to each employee in a classification represented by the Association who is required to pay the Agency Fee. The notice shall include:

- a. The amount of the Association dues (if applicable) and the Agency Fee; and
- b. The percentage of the Agency Fee amount that is attributable to chargeable expenditures and the basis for this calculation.

Any employee who is required to pay an Agency Fee may object to the payment of an Agency Fee amount that includes non-chargeable expenditures, and challenge the calculation of the non-chargeable expenditures. An Agency Fee objection must be filed with the Association within thirty (30) calendar days following distribution of the annual written notice.

6.6.9 The City and the Association may agree upon a process for the collection and remittance of voluntary dues deductions from represented employees that are in addition to those specified in this Agreement.

6.6.10 Rescission of Agency Shop Agreement / Agency Fee:

Pursuant to Government Code Section 3502.5, following implementation, this section (including the Agency Shop) may be rescinded by a majority of all votes cast by the employees in the bargaining unit. Rescission will be subject to all of the following conditions:

- a. A request for such a vote must be supported by a petition, filed with the City's Municipal Employee Relations Officer or designee, containing the signatures of at least thirty (30) percent of the employees in the bargaining unit;
- b. The vote is by secret ballot; and
- c. The vote may be taken at any time during the term of the effective City-ALP Agreement, but, in no event, shall there be more than one (1) vote taken during such term.

6.6.11 Indemnification, Defense, and Hold Harmless:

- a. The Association shall indemnify, defend, and hold the City harmless against any and all suits, claims, demands and any other liabilities that may arise out of or by reason of any action that shall be taken or not taken by the City in connection with the City's interpretation, application, administration, or enforcement of any section in this Agreement pertaining to dues deductions and/or Agency Fee. The existence of or extent of any indemnification obligation under this Section shall be subject to the City's grievance procedure or, upon adoption of an agreed-upon grievance procedure in the

effective City-ALP Agreement, in accordance with such agreement’s grievance procedure, if any.

- b. If, through inadvertence or error, the City fails to make the authorized deduction, or any part thereof, the City shall assume no responsibility to correct such omission or error retroactively. It is expressly understood and agreed that the Association will refund to the employee any Association dues deductions and/or Agency Fee erroneously withheld from an employee’s wages by the City and paid to the Association. In the event the Association fails to refund the dues deductions or Agency Fee erroneously withheld within a reasonable period of time following notification, the City will make such refund and deduct the amount from the amount due to the Association.

ARTICLE 7 BILINGUAL PAY

An employee who is required to use a non-English language on a regular basis may be eligible to receive a bi-weekly payment of \$29 for oral only bilingual or \$40 per pay period for oral/written translation. Employee must be certified as bilingual by the Human Resources Department.

ARTICLE 8 MANAGEMENT PERFORMANCE PROGRAM (MPP)

The Management Performance Program (MPP) is an annual employee evaluation system that provides eligible employees performance based wage increases. Each employee who is not already at the top of the salary range may be eligible to receive a performance based increase for the rating period. The MPP also provides that employees may receive up to forty (40) hours of additional executive leave. Please refer to City Policy Manual Section 3.3.2 for additional information.

ARTICLE 9 PROFESSIONAL DEVELOPMENT PROGRAM (PDP)

9.1 Reimbursement: Each eligible employee may be reimbursed for up to \$1000 per fiscal year (July 1 – June 30) for the purchase of textbooks required for an approved course, college accredited courses, non-college accredited courses, continuing education units, adult education classes, workshops, seminars, travel expenses, memberships in professional associations, professional licenses and professional certificates which are either related to and is beneficial for the work of the employee’s current City position or occupation, must satisfy a continuing education requirement of the employee’s current City position or occupation or must prepare the employee for advancement/promotion to positions of greater responsibility in the City that is within the employee’s current trade or business.

9.1.2 A total of \$300 (of the \$1,000 annual maximum) may be reimbursed for professional materials that include professional books and professional magazine subscriptions, professional books to prepare for certifications or licensing, and other learning materials (learning/training software, videos, etc.) for educational purposes provided that the materials relate to and are beneficial for the work of the employee’s current City position or occupation or are required of the employee’s current City position or occupation.

9.2 Temporary Employees: Temporary employees ***are not eligible*** for this benefit.

9.3 Please refer to City Policy Manual Section 4.3.6 for additional information.

ARTICLE 10 PROFESSIONAL MEMBERSHIPS

- 10.1 Each employee is eligible for reimbursement for membership fees or dues paid for the maintenance of a license required to perform employee's job and for dues paid for membership in one (1) additional job-related professional association.
- 10.2 **Temporary Employees:** Temporary employees *are not eligible for this benefit.*

ARTICLE 11 RETIREMENT

11.1 Full-time eligible employees are members of the Federated City Employees’ Retirement System. For more information regarding retirement benefits, please refer to the Federated City Employees’ Retirement System Handbook, which summarizes the information from the San Jose Municipal Code.

11.2 Employees Hired On or Before September 29, 2012:

The Federated Retirement System provides eligible employees with a monthly allowance as well as medical and dental benefits dependent upon years of service. To be eligible to receive a monthly allowance, the employee must have a minimum of five (5) years of service in the Retirement System and be at least fifty-five (55) years of age. The Federated Retirement System provides eligible employees with medical benefits after fifteen (15) years of service and dental benefits after five (5) years of service; however, employees should refer to the Federated Handbook for specific rules and benefits. The monthly retirement allowance is based on the following formula:

Years of Service X 2.5% X Final Compensation = Monthly Retirement Allowance.

The maximum retirement benefit a retiree may receive is 75% of their final compensation.

Note: Final Compensation is the highest average monthly salary during 12 consecutive months.

11.3 Employees Hired On or After September 30, 2012:

The Federated Retirement System provides eligible employees with a monthly allowance as well as medical and dental benefits dependent upon years of service. To be eligible to receive a monthly allowance, the employee must have a minimum of five (5) years of service in the Retirement System and be at least sixty-five (65) years of age. The Federated Retirement System provides eligible employees with medical benefits after fifteen (15) years of service and dental benefits after five (5) years of service; however, employees should refer to the Federated Handbook for specific rules and benefits. The monthly retirement allowance is based on the following formula:

Years of Service X 2.0% X Final Compensation = Monthly Retirement Allowance.

The maximum retirement benefit a retiree may receive is 65% of their final compensation.

Note: Final Compensation is the highest average monthly salary during 36 consecutive months.

- 11.4 In addition, Measure B, approved by the voters on June 5, 2012, will make changes to retirement benefits when put into effect.
- 11.5 **Part-time Employees:** Part-time and temporary employees ***are not eligible*** for membership in the City's retirement system, but participate in the "PTC" plan in lieu of Social Security wherein the City and the employee each contribute 3.75% of gross income to a defined contribution retirement account.
- 11.6 Please refer to the City's Municipal Code and/or City Charter for additional information.

ARTICLE 12 RETIREE HEALTHCARE

Employees may be eligible to receive retiree healthcare benefits, in accordance with the City’s Municipal Code.

Effective June 28, 2009, the City and employees in the Federated City Employees’ Retirement System began transitioning from the current partial pre-funding of retiree healthcare benefits to full pre-funding of the Annual Required Contribution (ARC) over a period of five years. The Federated Plan’s initial unfunded retiree healthcare liability shall be fully amortized over a thirty-year period so that it shall be paid by June 30, 2039 (closed amortization).

The cash contribution rate for plan members shall not have an incremental increase of more than 0.75% of pensionable pay in each fiscal year and the City cash contribution rate shall not have an incremental increase of more than 0.75% of pensionable pay in each fiscal year. Notwithstanding the limitations on the incremental increases, by the end of the five year phase-in, the City and plan members shall be contributing the full Annual Required Contribution in the ratio currently provided under Section 3.28.380 (C) (1) and (3) of the San Jose Municipal Code.

The City and Association will continue negotiations on Retiree Healthcare during the term of this Agreement.

ARTICLE 13 HEALTH INSURANCE

- 13.1 The City will provide health coverage for eligible employees and their dependents in accordance with one of the available plans.
- 13.2 For full-time employees, the City shall pay eighty-five percent (85%) of the full premium cost of the lowest priced Non-Deductible HMO plan for employee or employee and dependent coverage, and the employee will pay fifteen percent (15%) of the premium for the lowest priced Non-Deductible HMO plan for employee or for employee and dependent coverage.¹ If an employee selects a plan other than the lowest priced Non-Deductible HMO plan, the employee shall pay the difference between the total cost of the selected plan and the City’s contribution towards the lowest priced Non-Deductible HMO plan.
- 13.3 The \$25 Co-pay plan shall include the following:
- a. Office Visit Co-pay shall be increased to \$25
 - b. Prescription Co-pay shall be increased to \$10 for generic and \$25 for brand name
 - c. Emergency Room Co-pay shall be increased to \$100
 - d. Inpatient/Outpatient procedure Co-pay shall be increased to \$100
- 13.4 Effective December 23, 2012, the City pays eighty-five percent (85%) 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.
- 13.5 Effective January 1, 2013, the Kaiser 1500 Deductible Plan shall be available to employees, in addition to the existing plan options.
- 13.6 **Dual Coverage:** 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.

¹ The City’s contribution is prorated as follows for part-time employees based on hours scheduled:

- 30 – 39 hours = 75%
- 25 – 29 hours = 62.5%
- 20 – 24 hours = 50%
- Less than 20 hours = none

ARTICLE 14 DENTAL INSURANCE

- 14.1 Plans Provided:** The City will provide dental insurance for eligible employees and their dependents in accordance with one of the two available plans. Both of these plans are described in detail in the City of San Jose Employee Benefits Handbook and in pamphlets available in the Human Resources Department.
- 14.2 Premium:** For full-time employees, the City will pay 100% of the lowest priced plan for the employee or the employee and dependent coverage.² For any other plan, the City will pay 95% for the employee or the employee and dependent coverage.
- 14.3 Dual Coverage:** 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.

² *The City's contribution is prorated as follows for part-time employees based on hours scheduled:*

- 30 – 39 hours = 75%
- 25 – 29 hours = 62.5%
- 20 – 24 hours = 50%
- Less than 20 hours = none

ARTICLE 15 HEALTH AND DENTAL IN LIEU

15.1 Purpose: The purpose of the payment-in-lieu of health and/or dental insurance program is to allow employees who have alternative health and/or dental insurance coverage to drop the City’s insurance and receive a payment in lieu.

15.2 Election: An employee may choose, during open enrollment or within thirty (30) days of a qualifying event, to drop health and/or dental coverage and receive a payment in-lieu equal to the amounts described in Section 15.3 below.

15.3 Amount of In-Lieu Payment: Employees who qualify for and participate in the payment in-lieu of health and/or dental insurance program will receive the following payments per pay period:

	Health in-lieu	Dental in-lieu
If eligible for family coverage	\$221.84	\$19.95
If NOT eligible for family coverage	\$89.09	\$19.95

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

15.4 Loss of Alternate Coverage:

15.4.1 Health Insurance: If the alternative health coverage is lost prior to the annual open enrollment period, the employee must notify the City immediately. The City must receive the required enrollment form and written verification of lost coverage from the former provider (employer, group or insurer) **within 30 days of the loss of coverage. Also within this 30-day period the employee must pay all unpaid premiums and refund any excess in-lieu payments which were received** to be restored to a City health insurance plan of his or her choice on the date when alternate coverage terminated. Proof of eligibility will be required for any dependent that was not previously covered by a City health or dental insurance plan. Re-enrollment in the plan shall be in accordance with the carriers’ enrollment procedures.

15.4.2 Dental Insurance: If the alternative dental coverage is lost prior to the annual open enrollment period, the employee must notify the City immediately. The City must receive the required enrollment form and written verification of lost coverage from the former provider (employer, group or insurer) **within 30 days of the loss of coverage. Also within this 30-day period the employee must pay all unpaid premiums and refund any excess in-lieu payments which were received** to be restored to a City dental insurance plan of his or her choice on the date when alternate coverage terminated. Proof of eligibility will be required for any dependent that was not previously covered by a City health or dental insurance plan. Re-enrollment in the dental insurance plan shall not be retroactive.

ARTICLE 16 LIFE INSURANCE

- 16.1 **Benefit:** The City shall pay the full premium for employee coverage equal to two (2) times the employee’s annual salary.
- 16.2 **Part-Time and Temporary Employees:** Part-time and temporary employees *are not eligible* for this benefit.

ARTICLE 17 EMPLOYEE ASSISTANCE PROGRAM

- 17.1 During the term of this agreement, the City will continue to provide an Employee Assistance Program (EAP) at the level of benefit provided on the effective date of this agreement.
- 17.2 **Part-Time and Temporary Employees:** Part-time and temporary employees *are not eligible* for this benefit.

ARTICLE 18 SUBSTANCE ABUSE PROGRAM

- 18.1 The Substance Abuse Policy prohibits employees from reporting to work under the influence of alcohol or drugs, exhibiting symptoms of alcohol or drug use, using, possessing, selling or providing drugs or alcohol while on duty, and employees shall not have the ability to work or be on paid standby when impaired as a result of the use of alcohol or drugs. Additionally, employees are required to notify their supervisor when any medication or drug they are taking could create an unsafe and dangerous situation. Employees may be requested to submit to a drug and/or alcohol analysis when there is reasonable suspicion that an employee is intoxicated or under the influence of drugs or alcohol.
- 18.2 Please refer to City Policy Manual Section 1.4.2 for the complete Substance Abuse Policy.

ARTICLE 19 HOLIDAYS³

Each calendar year full-time employees shall receive (14) paid holidays, which include:

- | | |
|------------------------|------------------------|
| New Years Day | Columbus Day |
| Martin Luther King Day | Veterans Day |
| Presidents’ Day | Thanksgiving Day |
| Cesar Chavez Day | Day After Thanksgiving |
| Memorial Day | Christmas Eve Day |
| Independence Day | Christmas Day |
| Labor Day | New Years Eve Day |

³ *Reimbursement/contribution is prorated for part-time employees based on hours scheduled:*

- 30 – 39 hours = 75%
- 25 – 29 hours = 62.5%
- 20 – 24 hours = 50%
- Less than 20 hours = none

ARTICLE 20 VACATION

20.1 Accrual Rate: Vacation accrues at the following rates for each paid hour (either worked or paid absence):

Years of Service	Annual Hourly Accrual (Full Time)
1 – 5	120 hours
6 – 14	160 hours
15+	200 hours

20.2 Accrual Rate Limits: Employees may only accrue vacation up to a maximum of two (2) times their annual accrual rate. Once an employee reaches their maximum accrued vacation limit, the employee will not accrue vacation until their vacation balance falls below the maximum limit.

Years of Service	Maximum Accrued Vacation
1 – 5	240 hours
6 – 14	320 hours
15+	400 hours

ARTICLE 21 VACATION SELLBACK

Effective December 23, 2012 (the first pay period of payroll calendar year 2013), the Vacation Sellback program will be eliminated and no employee will be eligible to sellback any accrued vacation hours.

ARTICLE 22 EXECUTIVE LEAVE⁴

- 22.1 Executive Leave:** Employees will receive forty (40) hours of executive leave per payroll calendar year with supervisor approval. Forty (40) additional hours may be available, upon City Attorney approval, for recognition of outstanding performance as part of the Management Performance Program. Executive leave that is not used by the end of the payroll calendar year does not accrue or carry over to the following year.
- 22.2 Proration:** When an employee is hired into a position eligible for executive leave, the leave may be prorated during the first year dependent upon the hire date.
- 22.3 No Accrual:** Executive leave is not an accrued benefit and unused leave does not carry over from year-to-year.
- 22.4** Please refer to City Policy Manual Section 4.2.4 and City Policy Manual Section 3.3.2 for complete policy guidelines and additional information.

⁴ *Reimbursement/contribution is prorated for part-time employees based on hours scheduled:*

- 30 – 39 hours = 75%
- 25 – 29 hours = 62.5%
- 20 – 24 hours = 50%
- Less than 20 hours = none

ARTICLE 23 SICK LEAVE

Each full-time employee shall be entitled to sick leave with pay in accordance with the following provisions:

- 23.1 Accrual:** Sick leave shall accrue in an amount equal to the number of hours worked, excluding overtime, multiplied by a factor of 0.04616. Paid leave for holidays, vacation, disability, or other paid leave shall be considered as time worked for purposes of this section.
- 23.2 Accrued sick leave may be utilized if the employee is required to be absent from work on account of non-job related illness or injury; routine medical or dental appointments, or for the care related to the illness or injury of a child for which the employee is legally responsible, mother, father, spouse or domestic partner registered with the Human Resources Department. Up to 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 grandchild, brother, sister, father-in-law, mother-in-law, stepfather, stepmother or stepchild.
- 23.3 Accrued sick leave not to exceed three (3) working days may be granted in circumstances where an alleged job-related illness or injury is involved, but the employee fails to provide medical verification of such job-related illness or injury.
- 23.4 Accrued sick leave also may be used in accordance with the Catastrophic Illness Time Donation Program.
- 23.5 Except as otherwise provided by resolution of the City Council, paid sick leave shall not be allowed for any absence from work occasioned by intoxication, or use of narcotics not prescribed by a licensed physician.
- 23.6 If approved by the City, an employee who is enrolled and participating in a substance abuse treatment program may use sick leave for absences resulting from participation in such program. The City may require appropriate verification.
- 23.7 No employee shall be entitled to or be granted sick leave, either with or without pay, unless he or she, or someone on his or her behalf notifies his or her immediate superior or the City Attorney, of his or her intent to take such sick leave due to a personal or family illness prior to the commencement of the sick leave where such notice is possible; provided, however, that the City Attorney may waive the requirement of such notice upon presentation of a reasonable excuse by such employee.
- 23.8 An employee may be required to furnish substantiation for any absence for which sick leave payment is requested.
- 23.9 Any such part-time employee shall be entitled to paid sick leave only for those days and number of hours the employee is in fact regularly assigned to work or would have

been required to work, notwithstanding the designation, scheduling and indefinite assignment made pursuant to this Article.

- 23.11 No eligible part-time employee shall be entitled to sick leave with pay for any day or portion of a day during which the employee is absent, if in fact the employee is not regularly assigned to work or would not have been required to work on that day, inclusive of any hours an employee elects to work in addition to their indefinite assignment, notwithstanding the designation, scheduling and indefinite assignment made pursuant to this Article.

ARTICLE 24 SICK LEAVE PAYOUT

24.1 Payout: Members of the Federated City Employees’ Retirement System who retire with at least fifteen (15) years of service are eligible to receive, upon retirement, payout for a portion of their unused earned sick leave at the rate of:

Accrued Sick Leave Hours	Sick Leave Payout
0 – 399 Hours	50% of final hourly rate
400 – 799 Hours	60% of final hourly rate
800 – 1,200 Hours	75% of final hourly rate

24.1.1 If employee's balance is greater than 1,200 hours, employee is also eligible for a payout of 75% of the value of sick leave in excess of 1,200 hours that is earned but unused during the two (2) years prior to retirement.

24.2 Employees hired on or after September 30, 2012, shall not be eligible for any sick leave payout.

24.3 Part-Time and Temporary Employees: Part-time and temporary employees *are not eligible* for this benefit.

ARTICLE 25 MILITARY LEAVE

Persons employed by the City engaging in active military duty for training or other purposes may be provided paid military leave for up to thirty (30) calendar days per fiscal year. In addition, under certain circumstances the City may provide Supplemental Salary and benefits for eligible employees. Please refer to City Policy Manual Section 4.2.2 for additional information.

ARTICLE 26 DISABILITY LEAVE SUPPLEMENT

Effective June 24, 2012, the disability leave supplement is eliminated. Employees will be allowed to integrate accrued vacation leave and then accrued sick once vacation leave has been exhausted.

ARTICLE 27 LEAVES OF ABSENCE

- 27.1** All requests for leaves of absence without pay shall be made in writing. The City Attorney, or his/her designated representative, may grant an employee a leave of absence without pay for good and sufficient reason, not to exceed twelve (12) months. Such leaves may, however, be extended, not to exceed an additional six (6) months, upon written request of the employee, subject to approval of the City Attorney, or his/her designated representative. Written requests for an extension of a leave shall be submitted prior to the expiration of the leave.
- 27.3** Please see City Policy Manual Section 4.2.1 for additional information.

ARTICLE 28 BEREAVEMENT LEAVE

28.1 Bereavement Leave: Each full-time or benefited part-time employee shall be granted bereavement leave with full pay for up to forty (40) 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.

- Parent/Step parent
- Spouse/Domestic partner
- Child/Step child
- Brother/Sister
- Step Brother/Step Sister
- Half Brother/Half Sister
- Grandparent/Step-grandparent
- Grandchild
- Great grandparent
- Son/daughter in-law
- Brother/sister in-law
- Step-great grandparents

28.1.1 A domestic partner, as referenced in sections above, must be the domestic partner registered with the Human Resources Department

28.2 All leave must be used within fourteen (14) calendar days following the death of an eligible person as described in Section 28.1. Under extreme circumstances, the fourteen (14) day requirement may be waived by the City Attorney. The decision of the City Attorney shall be final with no process for further appeal.

ARTICLE 29 TIME DONATION PROGRAMS

Association employees are entitled to participate in the City’s Time Donation Programs, which allow employees to donate accrued vacation to fellow employees under special circumstances. An employee must meet the criteria established under the Time Donation Policy to receive time donations. Please refer to City Policy Manual Section 4.2.10 for additional information.

ARTICLE 30 JURY DUTY

Each full-time employee, or each part-time employee who is eligible for benefits, who is required to take time off from duty to serve as a juror in any Court of this State, or of the United States of America, shall receive the regular base compensation less all jury fees received, excluding mileage. Each employee receiving a notice to report for jury service shall immediately notify his/her immediate supervisor.

ARTICLE 31 WITNESS LEAVE

- 31.1** Each full-time employee of the City who is required, under subpoena, to take time off duty with the City, to appear as a witness, by reason of his/her employment with the City, in any case or proceeding in any Court of this State, or of the United States of America, shall receive his/her regular salary during the terms of his/her service as a witness under subpoena, less any and all witness fees which he/she may receive therefore. Compensation will not be paid if the employee is a party to the action and/or was not acting in the course and scope of his/her employment.
- 31.2** Upon service of a subpoena, an employee shall immediately advise his/her supervisor and of the time when he/she is required to appear in Court.

ARTICLE 32 EMPLOYEE TRAVEL/MILEAGE

Association members eligible for payment and/or reimbursement for travel and mileage shall be provided payment and/or reimbursement pursuant to City Policy Manual Section 1.8.1, City Policy Manual Section 1.8.2, and City Policy Manual Section 1.8.3.

ARTICLE 33 CONTRACTING OUT

The City agrees to provide the Association notice and the opportunity to meet and confer prior to contracting out work currently performed by bargaining unit members whenever such contracting out would result in the lay-off of employees in the bargaining unit. Where the contracting out will not result in the layoff of bargaining unit members, the City agrees to provide the Association notice and the opportunity to meet and confer over the impacts of contracting out work currently performed by bargaining unit members. However, the meeting and conferring over impacts will not interfere with the City’s right to contract out such work or the timing thereof.