# CITY OF SAN JOSE AND CAMP
# CITY PACKAGE PROPOSAL "C"

## TERM

July 1, 2011 – June 30, 2013

## WAGES

See attached

## HEALTHCARE COST SHARING

See attached

## HEALTHCARE CO-PAYS

See attached

## HEALTH AND DENTAL IN LIEU

See attached

## HEALTHCARE DUAL COVERAGE

See attached

## SIDE LETTERS

- Retirement Benefits for current and new employees (See attached)
- Layoff (See attached)
- Supplemental Retiree Benefit Reserve (SRBR) (See attached)
- Subsidy for Public Transit (See attached)
- Sick Leave Payout (See attached)
- Contracting Out (See attached)
- Grievance – Fiscal Year 2010-2011 Additional Retirement Contributions (See attached)

## DISABILITY LEAVE SUPPLEMENT

See attached

## VACATION SELLBACK

See attached

## REOPENER

In the event that the City reaches a settlement with any other employee unit covering the time period of this Agreement that has an ongoing total compensation reduction of less than ten percent (10%), in any form or manner, this agreement will reopen on the subject of total compensation and the parties will meet and confer to determine how the difference between a 10% ongoing total compensation reduction and the lesser amount agreed to with any other employee unit will be provided.

This provision will also apply in the event the City reaches a settlement which does not include the roll back of any general wage increase (not including any step and/or merit increases), as authorized by the City Council on November 25, 2010, received by any employee unit in Fiscal Year 2010-2011.

This provision will not apply to any changes made to any employee unit which occurs as the result of an interest arbitration award that is the result of contested issues resolved only via a full evidentiary hearing and substantive briefing.

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

## CITY PROPOSAL – WAGES

Proposed Language:

Effective June 26, 2011, all salary ranges for employees holding positions in classifications assigned to **[Union]** shall be decreased by approximately 10.1%. This will result in the top and bottom of the range of all classifications represented by **[Union]** being 10.1% lower. All employees will receive a 10.1% base pay reduction.

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

- *Article 10.1 through Article 10.1.6 of the AEA (Unit 41/42) Memorandum of Agreement.*
- *Article 10.1 through Article 10.1.6 of the AEA (Unit 43) Memorandum of Agreement.*
- *The section entitled "Salary/Additional Retirement Contributions" in the AMSP Benefit & Compensation Summary*
- *The section entitled "Salary/Additional Retirement Contributions" in the CAMP Benefit & Compensation Summary*

*Note:*

*The City will "undo" one-time and ongoing additional employee retirement contributions that offset the City's retirement contribution rates and stop "one-time" base rate concessions made in Fiscal Year 2010-2011 effective June 25, 2011.*

## CITY PROPOSAL – HEALTHCARE COST SHARING

Proposed Language:

Effective pay date July 1, 2011, the City pays eighty-five percent (85%) of the cost of the lowest priced plan for the employee or the employee and dependent coverage and the employee pays fifteen percent (15%) of the premium for the lowest priced plan. If the employee selects a plan other than the lowest priced plan, the employee pays the difference between the total cost of the selected plan and the City's contribution towards the lowest priced plan.

*This language shall be added under:*

- *Article 11.1.2 of the AEA Memorandum of Agreement, Units 41/42 (replaces current Articles 11.1.2, 11.1.3 and 11.1.4)*
- *Article 11.1.2 of the AEA Memorandum of Agreement, Unit 43 (replaces current Articles 11.1.2, 11.1.3 and 11.1.4)*
- *Health Insurance Section of the CAMP Compensation Summary (previous references to cost sharing will be deleted)*
- *Health Insurance Section of the AMSP Compensation Summary (previous references to cost sharing will be deleted)*

## CITY PROPOSAL – HEALTHCARE CO-PAYS

Proposed Language:

Effective pay date July 1, 2011, a $25 Co-pay plan shall be implemented for all HMO plans, including the following changes:

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

*This language shall be added under:*

- *Article 11.1.5 of the AEA Memorandum of Agreement, Units 41/42 (replaces current Article 11.1.5)*
- *Article 11.1.5 of the AEA Memorandum of Agreement, Unit 43 (replaces current Article 11.1.5)*
- *Health Insurance Section of the CAMP Compensation Summary (previous references to co-pays will be deleted)*
- *Health Insurance Section of the AMSP Compensation Summary (previous references to co-pays will be deleted)*

## CITY PROPOSAL – HEALTH AND DENTAL IN LIEU

Proposed Language:

Effective pay date July 1, 2011, 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 in-lieu | Dental in-lieu |
|---|---|---|
| If eligible for family coverage | $221.84 | $19.95 |
| If NOT eligible for family coverage | $89.09 | $19.95 |

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 11.3.2 of the AEA Memorandum of Agreement, Units 41/42 (replaces current Article 11.3.2)*
- *Article 11.3.2 of the AEA Memorandum of Agreement, Unit 43 (replaces current Article 11.3.2)*
- *Health and Dental In Lieu Section of the CAMP Compensation Summary*
- *Health and Dental In Lieu Section of the AMSP Compensation Summary*

## 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 11.1.6 of the AEA Memorandum of Agreement (Units 41/42) as a new Section*
- *Article 11.1.6 of the AEA Memorandum of Agreement (Unit 43) as a new Section*
- *Health Insurance Section of the CAMP Compensation Summary*
- *Health Insurance Section of the AMSP Compensation Summary*

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 11.2.3 of the AEA Memorandum of Agreement (Units 41/42) as a new Section*
- *Article 11.2.3 of the AEA Memorandum of Agreement (Unit 43) as a new Section*
- *Dental Insurance Section of the CAMP Compensation Summary*
- *Dental Insurance Section of the AMSP Compensation Summary*

# Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

and

CITY ASSOCIATION OF MANAGEMENT PERSONNEL, IFPTE LOCAL 21 (CAMP)

## RETIREMENT REFORM

The City and City Association of Management Personnel, IFPTE Local 21 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 CAMP 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 CAMP receives notice from the other. The City and CAMP 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.

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 CAMP.

FOR THE CITY:

Aracely Rodriguez Date
Office of Employee Relations

FOR CAMP:

Nancy Ostrowski Date
City Association of Management
Personnel, IFPTE Local 21 (CAMP)

# Side Letter Agreement

BETWEEN

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and

CITY ASSOCIATION OF MANAGEMENT PERSONNEL, IFPTE LOCAL 21 (CAMP)

## LAYOFF

The City or the City Association of Management Personnel, IFPTE Local 21 (CAMP) may provide notice to the other of its request to meet and confer on modifications to the City's layoff process and procedure. Upon such notice, the parties shall meet within ten (10) calendar days after the City or CAMP receives notice from the other. The City and CAMP 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 agreement between the City and CAMP, 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 agreement between the City and CAMP.

FOR THE CITY:

Aracely Rodriguez Date
Office of Employee Relations

FOR CAMP:

Nancy Ostrowski Date
City Association of Management
Personnel, IFPTE Local 21 (CAMP)

# Side Letter Agreement

BETWEEN

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and

CITY ASSOCIATION OF MANAGEMENT PERSONNEL, IFPTE LOCAL 21 (CAMP)

## SUPPLEMENTAL RETIREE BENEFIT RESERVE (SRBR)

The City and the City Association of Management Personnel, IFPTE Local 21 (CAMP) agree to discuss the Supplemental Retiree Benefit Reserve (SRBR) program in the Federated City Employees' Retirement System.

Either the City or CAMP 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 CAMP receives notice from the other.

To the extent that any change to the SRBR program is a mandatory subject of bargaining, the City and CAMP 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 agreement between the City and CAMP, 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 agreement between the City and CAMP.

FOR THE CITY:

Aracely Rodriguez Date
Office of Employee Relations

FOR CAMP:

Nancy Ostrowski Date
City Association of Management
Personnel, IFPTE Local 21 (CAMP)

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## SUBSIDY FOR PUBLIC TRANSIT

The City and the City Association of Management Personnel, IFPTE Local 21 (CAMP) agree to discuss the programs available to employees that provide subsidy for public transit. Discussions shall include, but not be limited to, modifications to the programs, voucher amounts and elimination of the programs.

Either the City or CAMP may provide notice to the other of its request to discuss the programs available to employees that provide subsidies for public transit. Upon such notice, the parties shall continue these discussions within ten (10) calendar days after the City or CAMP receives notice from the other.

To the extent that any change to the programs may be a mandatory subject of bargaining, the City and CAMP 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 agreement between the City and CAMP, 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 agreement between the City and CAMP.

FOR THE CITY:

Aracely Rodriguez — Date
Office of Employee Relations

FOR CAMP:

Nancy Ostrowski — Date
City Association of Management
Personnel, IFPTE Local 21 (CAMP)

# Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

and

THE CITY ASSOCIATION OF MANAGEMENT PERSONNEL, IFPTE LOCAL 21 (CAMP)

## SICK LEAVE PAYOUT

The City and the City Association of Management Personnel, IFPTE Local 21 (CAMP) agree to continue meeting and conferring on sick leave payout (the section entitled "Sick Leave Payout") for current and future employees.

Either the City or CAMP 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 CAMP receives notice from the other. The City and CAMP 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 agreement between the City and CAMP, 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 agreement between the City and CAMP.

FOR THE CITY:

Aracely Rodriguez Date
Office of Employee Relations

FOR CAMP:

Nancy Ostrowski Date
City Association of Management
Personnel, IFPTE Local 21 (CAMP)

# Side Letter Agreement

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## CONTRACTING OUT

The City agrees to meet and confer with CAMP 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 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 CAMP.

FOR THE CITY:

Aracely Rodriguez Date
Office of Employee Relations

FOR CAMP:

Nancy Ostrowski Date
City Association of Management Personnel, IFPTE Local 21 (CAMP)

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## GRIEVANCE

On September 15, 2010, the City Association of Management Personnel, IFPTE Local 21 (CAMP), filed an administrative grievance related to the additional retirement contributions being made by employees represented by CAMP. Per the agreement for Fiscal Year 2010-2011 between the City and CAMP, employees represented by CAMP were to make additional retirement contributions to reduce the City's required retirement contributions as part of a total compensation reduction. As the additional retirement contributions to be made by employees represented by CAMP could not be immediately implemented, CAMP subsequently challenged the additional retirement contributions as calculated by the City.

As part of the overall agreement on a successor agreement between the City and CAMP, CAMP agrees to withdraw the administrative grievance with regard to the additional retirement contributions with prejudice and forego any other remedy, including, but not limited to, litigation regarding the additional retirement contributions as calculated by the City.

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

FOR THE CITY:

Aracely Rodriguez Date
Office of Employee Relations

FOR CAMP:

Nancy Ostrowski Date
City Association of Management
Personnel, IFPTE Local 21 (CAMP)

## CITY PROPOSAL – DISABILITY LEAVE SUPPLEMENT

Proposed Language:

Effective June 26, 2011, if required to be absent from work due to a work related illness or injury, employees may receive a supplement which, when added to the Workers' Compensation Temporary Disability, equals 85% of the employees' base salary, up to a maximum of three (3) months (520 hours if used intermittently) 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.

After the maximum time limit specified above, the integration of an employee's available leave will occur in the following order: (1) accrued Vacation hours, and (2) accrued Sick Leave once Vacation has 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.

Effective June 24, 2012, employees shall no longer be eligible to receive DLS.

*Part-time and temporary employees* ***are not eligible*** *for this benefit.*

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

- *The section entitled "Disability Leave" in the CAMP Benefit and Compensation Summary*

## CITY PROPOSAL – VACATION SELLBACK

*The City proposes to eliminate the Vacation Sellback Section of the AMSP Benefit and Compensation Summary and the CAMP Benefit and Compensation Summary. Effective December 24, 2011, the Vacation Sellback program is eliminated.*