



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Aram Kouyoumdjian

SUBJECT: See Below

DATE: June 5, 2026

Approved

Date:

6/5/2026

COUNCIL DISTRICT: Citywide

SUBJECT: Approval of the Terms of an Agreement with the Association of Legal Professionals (ALP), for the Term of July 1, 2026, through June 30, 2029

RECOMMENDATION

Adopt a resolution approving the terms of a collective bargaining agreement between the City and the Association of Legal Professionals (ALP) for the term of July 1, 2026, through June 30, 2029, and authorizing the City Manager to execute an agreement with those terms.

SUMMARY AND OUTCOME

Adoption of the resolution will result in a collective bargaining agreement between the City and ALP and authorize the City Manager to execute an agreement with a term of July 1, 2026, through June 30, 2029, with those terms.

BACKGROUND

ALP currently represents approximately 48 full-time equivalent (FTE) positions in the City Attorney's Office. This unit includes job classifications such as Deputy City Attorney, Senior Deputy City Attorney, Associate Deputy City Attorney, Senior Legal Analyst, and Legal Services Manager.

In May 2026, negotiations with ALP on a successor agreement commenced, and on June 4, 2026, the City and ALP reached an overall Tentative Agreement on the terms to be contained in the successor Memorandum of Agreement between the City and ALP.

The Tentative Agreement is pending ratification by ALP membership. ALP will notify the City of the ratification results prior to the June 16, 2026, City Council meeting.

ANALYSIS

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

Term	July 1, 2026, through June 30, 2029
One-Time Non-Pensionable Lump Sum Payment	Effective the second full pay period of Fiscal Year 2026-2027 following union ratification and Council approval in open session, all full-time employees holding positions assigned to ALP shall receive a one-time non-pensionable lump sum payment equivalent to 1.00% of their base annual wages. To receive this lump sum payment the employee (1) must have been employed by the City on June 21, 2026, and (2) must have been continuously employed through the date the payment is made.
Pensionable General Wage Increase	<u>Fiscal Year 2026-2027</u> Effective June 21, 2026, all salary ranges for employees holding positions in classifications assigned to ALP will receive a pensionable base pay increase of approximately 3.00%. This will result in both the top and bottom of the pay range being increased by approximately 3.00%. <u>Fiscal Year 2027-2028</u> Effective the first full pay period of Fiscal Year 2027-2028, all salary ranges for employees holding positions in classifications assigned to ALP will receive a pensionable base pay increase of approximately 3.00%. This will result in both the top and bottom of the pay range being increased by approximately 3.00%.

<p>Pensionable General Wage Increase (Continued)</p>	<p><u>Fiscal Year 2028-2029</u></p> <p>Effective the first full pay period of Fiscal Year 2028-2029, all salary ranges for employees holding positions in classifications assigned to ALP will receive a pensionable base pay increase of approximately 3.00%. This will result in both the top and bottom of the pay range being increased by approximately 3.00%.</p>
<p>Executive Leave</p>	<p>The City Attorney shall administer executive leave, including details related to the use of the four-hour rule, in accordance with the City’s Executive Leave and Absence Policy.</p>
<p>Vacation Sellback</p>	<p>Beginning calendar year 2027, employees may sell back up to a maximum of eighty (80) hours of accrued vacation per calendar year. This is an increase from the current maximum of seventy (70) hours of accrued vacation per calendar year.</p>
<p>Side Letter – Leaves of Absence</p>	<p>The parties agree to amend the City’s Leaves of Absence Policy to allow employees who are receiving Workers’ Compensation temporary disability benefits to elect to use any accrued leave balances during the period of receipt of wage replacement benefits. The current policy requires leave balances to be used in a specific order.</p>
<p>Side Letter – Voluntary Furlough</p>	<p>Full-time employees shall be eligible to voluntarily take up to 40 hours of unpaid leave each Fiscal Year, all of which must be used consecutively and in the same work week, subject to advance approval of the Department Director or their designee.</p>
<p>Side Letter – Flexibly Staffed Classes</p>	<p>The parties agree to amend the City’s Flexibly Staffed Classes Policy to allow employees to initiate the process for qualifying promotions and add a review process through the Human Resources Department if qualifying promotion assessments are delayed or denied.</p>
<p>Side Letter – Artificial Intelligence</p>	<p>The parties agree to amend the City’s Artificial Intelligence Policy to allow the use of AI as a tool that employees may use in the performance of their duties, while remaining ultimately responsible for the accuracy and caliber of their work; to expressly require human oversight of human</p>

Side Letter – Artificial Intelligence (Continued)	resources functions, such as hiring, evaluations, or discipline; and to consider training, upskilling, re-skilling, and reassignment options to mitigate AI impacts on jobs. The parties further agree to labor-management meetings with the Director of Information Technology (or designee) and with the Human Resources Department on the topics of AI and technology.
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EVALUATION AND FOLLOW-UP

No additional follow-up action with the City Council is expected at this time.

FISCAL IMPACTS

In Fiscal Year 2026-2027, the ongoing cost of the 3.00% pensionable general wage increase is approximately \$311,000 in all funds, of which approximately \$226,000 is in the General Fund. The ongoing cost of the increase in vacation sell back is approximately \$8,000, of which approximately \$7,800 is in the General Fund. The ongoing costs will be factored into the annual development of the Base Budget. The cost of the one-time non-pensionable lump sum payment is approximately \$95,000, of which approximately \$69,000 is in the General Fund. The costs in 2026-2027 will be offset by a recommended decrease to the Salaries and Benefits Reserve and other adjustments, as necessary, as part of budget actions that will be brought forward for City Council consideration as part of the 2025-2026 Annual Report. Costs associated with vacation sellback will continue to be absorbed by departmental personal services budgets to the extent possible.

In Fiscal Year 2027-2028, the ongoing cost of the 3.00% pensionable general wage increase is approximately \$321,000 in all funds, of which \$233,000 is in the General Fund. In Fiscal Year 2028-2029, the ongoing cost of the 3.00% general wage increase is approximately \$330,000 in all funds, of which \$240,000 is in the General Fund. These ongoing costs will be factored into the annual development of the Base Budget. Costs associated with vacation sellback for both of these years will continue to be absorbed by departmental personal services budgets to the extent possible.

COORDINATION

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

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PUBLIC OUTREACH

This memorandum will be posted on the City Council Agenda website for the June 16, 2026 City Council meeting.

BOARD, COMMISSION, COMMITTEE RECOMMENDATION AND INPUT

No board, commission, or committee recommendation or input is associated with this action.

CEQA

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.



Aram Kouyoumdjian
Director of City Manager's Office of Employee Relations
Director of Human Resources

For questions, please contact Hashona Braun, Senior Executive Analyst, City Manager's Office of Employee Relations, at (408) 535-8152.

ATTACHMENT:

City of San José – ALP Negotiations Tentative Agreement

2026 ALP NEGOTIATIONS TENTATIVE AGREEMENT

TERM

- July 1, 2026 – June 30, 2029

WAGES

- Fiscal Year 2026-2027

3.00% general wage increase effective the first full pay period following union ratification and Council approval in open session. Effective the first full pay period following union ratification and Council approval in open session, all salary ranges for employees holding positions in classifications assigned to ALP shall be increased by approximately 3.00%.

Effective the second full pay period of Fiscal Year 2026-2027 following union ratification and Council approval in open session, all full-time employees holding positions assigned to ALP shall receive a one-time non-pensionable lump sum payment equivalent to 1.00% of their base annual wages. To receive this lump sum payment the employee (1) must have been employed by the City on June 21, 2026, and (2) must have been continuously employed through the date the payment is made.

- Fiscal Year 2027-2028

3.00% general wage increase effective the first full pay period of Fiscal Year 2027-2028. Effective the first full pay period of Fiscal Year 2027-2028, all salary ranges for employees holding positions in classifications assigned to ALP shall be increased by approximately 3.00%.

- Fiscal Year 2028-2029

3.00% general wage increase effective the first full pay period of Fiscal Year 2028-2029. Effective the first full pay period of Fiscal Year 2028-2029, all salary ranges for employees holding positions in classifications assigned to ALP shall be increased by approximately 3.00%.

VACATION SELLBACK

- Vacation Sellback

EXECUTIVE LEAVE AND ABSENCE POLICY

- Executive Leave and Absence Policy

LEAVES OF ABSENCE SIDE LETTER

- Leaves of Absence Side Letter

ARTIFICIAL INTELLIGENCE SIDE LETTER

- Artificial Intelligence Side Letter

VOLUNTARY FURLOUGH PROGRAM SIDE LETTER

- Voluntary Furlough Program Side Letter

**2026 ALP NEGOTIATIONS
TENTATIVE AGREEMENT**

FLEXIBLY STAFFED CLASSES POLICY

- Flexibly Staffed Classes Side Letter

HOUSEKEEPING

- Housekeeping – Holidays
- Housekeeping – Overpayments


CONTINUANCE OF EXISTING SIDE LETTERS


- Classification Structure and Minimum Qualifications of the Deputy City Attorney Series Side Letter


OTHER

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


FOR THE CITY:


 06/05/2026
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Aram Kouyoumdjian Date
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Association of Legal Professionals

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Date: 06/05/2026 PDT
Brian Kimball Date
Negotiations Team Member
Association of Legal Professionals

**2026 CITY OF SAN JOSÉ – ALP NEGOTIATIONS
TENTATIVE AGREEMENT**

CITY COUNTERPROPOSAL TO ALP PROPOSAL #1 - WAGES

Contextual Background:

In our previous round of bargaining, the City and ALP reached an agreement that resulted in General Wage Increases of 6.0%, 5.0%, and 3.5% during the three years of the 2023-2026 contract.

Over the life of that contract and in addition to the wage increases, the City supported Federated employees by absorbing \$33.0 million in increased retirement costs, \$14.15 million citywide in increased health benefit costs, and increases in salary-driven costs for ALP members, including premium pays and merit increases commensurate with the 14.5% general wage increases.

During this bargaining cycle, the City is facing projected budget shortfalls of nearly \$100 million over the next three fiscal years, as set forth in the 2027-31 Five-Year Forecast, beginning with a \$56.0 million projected shortfall in the General Fund for FY 2026-27.

	2026-27	2027-28	2028-29	Total
Incremental Surplus/(Shortfall)	(\$56.0 M)	(\$26.8 M)	(\$11.8 M)	(\$94.6 M)

Despite the City’s unmistakably challenging fiscal situation, the City is proposing general wage increases in recognition of, and out of appreciation for, the important work of City staff.

The City’s current wage offer invests more than \$962,000 in ALP’s membership.

	FY 2026-2027	FY 2027-2028	FY 2028-2029
All Funds	\$311,000	\$321,000	\$330,000

City Proposed Language:

ARTICLE 9 WAGES AND SPECIAL PAYS

9.1 Fiscal Year 2018-2019. Effective July 1, 2018, all employees holding positions in classifications assigned to ALP shall receive an approximate 5% ongoing non-pensionable compensation increase.

9.1.1 Fiscal Year 2026-2027. Effective the first full pay period of Fiscal Year 2026-2027 following union ratification and Council approval in open session, all salary ranges for employees holding positions in classifications assigned to ALP shall be increased by approximately 3.00%.

9.1.1.1 Effective the second full pay period of Fiscal Year 2026-2027 following union ratification and Council approval in open session, all full-time employees holding positions assigned to ALP shall receive a one-time non-pensionable lump sum payment equivalent to 1.00% of their base annual wages. To receive this lump sum payment the employee (1) must have

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been employed by the City on June 21, 2026, and (2) must have been continuously employed through the date the payment is made.

9.1.2 Fiscal Year 2027-2028. Effective the first full pay period of Fiscal Year 2027-2028, all salary ranges for employees holding positions in classifications assigned to ALP shall be increased by approximately 3.00%.

9.1.3 Fiscal Year 2028-2029. Effective the first full pay period of Fiscal Year 2028-2029, all salary ranges for employees holding positions in classifications assigned to ALP shall be increased by approximately 3.00%.

~~9.1.1 Fiscal Year 2023-2024. Effective June 25, 2023, all salary ranges for employees holding positions in classifications assigned to ALP shall be increased by approximately 2.00%. This is in addition to the 3.00% general wage increase that was approved by Council on June 29, 2021, for a total of 5.00%.~~

~~Effective September 17, 2023, all salary ranges for employees holding positions in classifications assigned to ALP shall be increased by 1.00% for a total pensionable general wage increase of 6.00%. The 1.00% increase shall be based on the rate of pay as of June 24, 2023.~~

~~9.1.2 Fiscal Year 2024-2025.~~

~~Effective the first pay period in Fiscal Year 2024-2025, all salary ranges for employees holding positions in classifications assigned to ALP shall be increased by approximately 4.00%.~~

~~Effective the first full pay period in January 2025, all salary ranges for employees holding positions in classifications assigned to ALP shall be increased by approximately 1.00%.~~

~~9.1.3 Fiscal Year 2025-2026.~~

~~Effective the first full pay period of Fiscal Year 2025-2026, all salary ranges for employees holding positions in classifications assigned to ALP shall be increased by approximately 3.50%.~~

~~9.1.3.1 If the revised 5 Year Forecast included as part of the 2025-2026 Proposed Operating Budget includes a \$10 million dollar surplus or more in Fiscal Year 2025-2026, the general wage increase effective the first full pay period of Fiscal Year 2025-2026, for employees holding positions in classifications assigned to ALP shall be 4.00%.~~

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~~effective the first full pay period of Fiscal Year 2025-2026, for employees holding positions in classifications assigned to ALP shall be 4.00%.~~

CITY COUNTERPROPOSAL TO ALP PROPOSAL #10 – VACATION SELLBACK

City Proposed Language:

ARTICLE 28 VACATION

28.1 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

28.2 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, or until they have sold back an amount that brings them below their maximum accrual amount.

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

28.2.1 Beginning calendar year ~~2027~~2024, employees may sell back up to a maximum of ~~eighty (80)~~seventy (70) hours of accrued vacation.

28.2.2 Internal Revenue Service (IRS) regulations require the City to report and withhold taxes on the value of the vacation time an employee is eligible to sell back. In order to ensure compliance with the IRS requirements and to avoid unanticipated tax consequences:

28.2.3 Employees must elect the number of vacation hours they will sell back during a calendar year, up to a maximum of ~~eighty (80)~~seventy (70) hours, by the end of November of the prior year. If the employee does not submit an irrevocable election form to Payroll on or before the end of November, the employee will not be eligible to sell back any vacation hours during the next calendar year.

28.2.4 The election to sell back vacation hours in any year is irrevocable. This means that employees must sell back the elected number of accrued vacation hours during that year. If the accrued vacation hours are not sold back within the designated calendar year the employee will be

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deemed to have received the value of the vacation hours elected in that calendar year and will be taxed by the IRS accordingly.

- 28.2.5** Employees can elect to sell back only vacation hours accrued during any given year, and any vacation hours accrued and carried over prior to that year are not eligible for sell back during that year.

- 28.2.6** Any vacation hours accrued during that year will not be available for use until the employee's accrued vacation hours in that year equal the number of hours the employee has elected to sell back. Those vacation hours accrued in the given year over the number of hours the employee elected to sell back in the given year will be available for use by the employee. This means that hours elected for sell back may only be used for sell back purposes and cannot be used for vacation time off purposes.

- 28.2.7** Employees may use any vacation hours accrued and carried over prior to the given year, subject to the normal rules of requesting use of vacation.

CITY COUNTERPROPOSAL TO ALP PROPOSAL #3 – EXECUTIVE LEAVE

City Proposed Language:

ARTICLE 29 EXECUTIVE LEAVE

29.1 Employees will receive forty-eight (48) 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.

29.2 When an employee is hired or promoted into a position eligible for Executive Leave, the leave will be prorated during the first year dependent upon the hire date.

Start Date in Position	Hours of Executive Leave
January 1 – February 28 (February 29 on a Leap Year)	48 hours
March 1 – April 30	40 hours
May 1 – June 30	32 hours
July 1 – August 31	24 hours
September 1 – October 31	16 hours
November 1 – End of Payroll Calendar Year	8 hours

29.2.1 An employee who is promoted or demoted into an ALP-represented classification will have the number of Executive Leave hours they receive upon promotion or demotion reduced on an hour-for-hour basis based on their usage of Personal Leave and/or Executive Leave within the same payroll calendar year.

29.3 An employee on a reduced work week schedule will receive executive leave as indicated in the chart below, even if the actual hours worked exceed that amount.

Scheduled Work Hours per Week	Benefit Level	Hours of Executive Leave
35-39.9 hours per week	100%	48 hours
30-34.9 hours per week	75%	36 hours
25-29.9 hours per week	62.5%	30 hours
20-24.9 hours per week	50%	24 hours
Less than 20 hours per week	Unbenefited	None

29.4 Executive leave is not an accrued benefit and unused leave does not carry over from year-to-year.

**2026 CITY OF SAN JOSÉ – ALP NEGOTIATIONS
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29.5 The City Attorney shall administer executive leave, including details related to the use of the four-hour rule, in accordance with the City's Executive Leave and Absence policy, as set forth in Section 4.2.4 of the City Policy Manual in effect on the Effective Date. ~~Further details related to Executive Leave, including details related to tracking absences less than four hours, are contained in that policy. Notwithstanding any provision in Section 4.2.4 of the City Policy Manual to the contrary, work schedule flexibility as well as the ability to avoid tracking or charging absences less than four hours to an employee's paid leave balance are subject to supervisory approval.~~

29.6 Reimbursement/contribution is prorated for part-time employees based on hours scheduled as follows:

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

Leaves of Absence

4.2.1

leave schedule is medically necessary as determined by the health care provider of the person with the serious health condition.

If intermittent leave is taken for the birth of the employee's child or the placement of a child with the employee for adoption or foster care, the minimum duration of leave is two (2) weeks, except that the City will grant a request for FMLA/CFRA leave of less than two (2) weeks' duration on any two (2) occasions. Any FMLA/CFRA leave taken must be concluded within one (1) year of the birth or placement of the child with the employee.

If an employee needs leave intermittently or on a reduced leave schedule for planned medical treatment, then the employee must make a reasonable effort to schedule the treatment so as not to disrupt unduly the City's operations. If leave is taken intermittently or on a reduced schedule, the City retains the discretion to transfer the employee temporarily to an alternative position with equivalent pay and benefits which better accommodates the employee's leave schedule.

2. Use of Paid Leave During FMLA/CFRA Leave

Generally, FMLA/CFRA leave is unpaid leave. The FMLA/CFRA, however, allows the City to require that employees use accrued paid leave during FMLA/CFRA leave, i.e., have the accrued paid leave run currently with unpaid FMLA/CFRA leave, pursuant to the City's sick, vacation, personal and/or executive paid leave policies. Depending on the reason for the FMLA/CFRA, the substitution of accrued paid leave occurs as follows:

a) For the employee's own serious health condition paid leave must be used in the following order:

- 1) An employee MUST use and exhaust all accrued sick leave and then use and exhaust all accrued vacation leave at the beginning of any otherwise unpaid FMLA/CFRA leave. This requirement is waived during the period the employee is on FMLA/CFRA leave for his or her own serious health condition and is receiving wage replacement benefits, including voluntary Long Term Disability Insurance benefits.
- 2) An employee MAY elect to use accrued sick leave and vacation leave during the period of receipt of wage replacement benefits, including voluntary Long Term Disability Insurance benefits, unless otherwise prohibited by law.
- 3) An employee MAY elect to use executive leave, personal leave, or compensatory time during any portion of otherwise unpaid FMLA/CFRA leave.
- 4) An employee on FMLA/CFRA and receiving Workers Compensation temporary disability benefits ~~MUST integrate any accrued leave balances in the following order: (1) accrued vacation, (2) accrued compensatory time, (3) accrued sick leave. MAY elect to use any accrued leave balance during the period of receipt of wage replacement benefits.~~

b) For the non-medical care of employee's newborn child or child placed with employee for adoption or foster care (commonly for the purpose of bonding with the child) paid leave must be used in the following order:

- 1) An employee MUST use and exhaust all accrued vacation leave at the beginning of any otherwise unpaid FMLA/CFRA leave.

Artificial Intelligence (AI) Policy

1.7.12

PURPOSE

This policy establishes a governance structure that allows the City of San José (hereafter referred to as "City") to utilize Artificial Intelligence (AI) and AI systems (systems) while providing the necessary safeguards for purposeful and responsible use.

The key objectives of the AI Policy are to:

- Provide guidance that is clear, easy to follow, and supports decision-making for the staff, interns, consultants, contractors, partners, and volunteers who may be purchasing, configuring, developing, using, maintaining, or leveraging AI to provide services to the City;
- Ensure that the use of AI systems adheres to the Guiding Principles with regard to how systems are purchased, configured, developed, operated, or maintained;
- Define roles and responsibilities related to the usage of AI;
- Establish and maintain processes to assess and manage risks presented by AI;
- Align the governance of AI with existing data governance, security, and privacy measures in accordance with the City's [Information and Systems Security Policy](#) and City Council's [Digital Privacy Policy](#);
- Define prohibited uses of AI systems;
- Establish "sunset" procedures to safely retire systems that no longer meet the needs of the City; and
- Define how AI may be used for legitimate purposes in accordance with applicable local, state, and federal laws, and existing agency policies.

AI systems and the data contained therein will be purchased, configured, developed, operated, and maintained using the [City's AI Handbook](#), which will be managed by the Chief Information Officer (CIO).

SCOPE

This policy applies to:

1. All systems deployed by the City; and
2. Staff, interns, consultants, contractors, partners, and volunteers who may be purchasing, configuring, developing, using, or maintaining the AI or who may be leveraging systems to provide services to the City (collectively referred to as "users").

GUIDING PRINCIPLES FOR RESPONSIBLE AI SYSTEMS

These principles describe the City's values with regard to how AI systems are purchased, configured, developed, used, or maintained.

1. **Effectiveness:** Systems are reliable, meet their objectives, and deliver precise and dependable outcomes for the utility and contexts in which they are deployed;
2. **Transparency:** The purpose and use of systems is proactively communicated and disclosed to the public. A system, its data sources, operational model, and policies that govern its use are understandable and documented;
3. **Equity:** Systems deliberately support equitable outcomes for everyone. Bias in systems is

Artificial Intelligence (AI) Policy

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effectively managed with the intention of reducing harm for anyone impacted by the system's use;

4. **Accountability:** Roles and responsibilities govern the deployment and maintenance of systems, and human oversight ensures adherence to relevant laws and regulations. AI is a tool that employees may use in the performance of their duties, but employees shall remain ultimately responsible for the accuracy and caliber of their work;
5. **Human-Centered Design:** Systems are developed and deployed with a human-centered approach that evaluates AI powered services for their impact on the public;
6. **Privacy:** Privacy is preserved in all AI systems by safeguarding personally identifiable information (PII) and sensitive data from unauthorized access, disclosure, and manipulation in accordance with the City Council's [Digital Privacy Policy](#);
7. **Security & Safety:** Systems maintain confidentiality, integrity, and availability through safeguards in accordance with the City's [Information and Systems Security Policy](#). The integrity of information into and out of the City is maintained in light of fake AI-generated content. Implementation of systems is reliable and safe, minimizing risks to individuals, society, and the environment; and
8. **Workforce Empowerment:** Staff are empowered to use AI in their roles through education, training, and collaborations that promote participation and opportunity.

RESPONSIBILITIES

Several roles are responsible for enforcing this Policy, outlined below.

- The Information Technology Department Director / Chief Information Officer (CIO) is responsible for directing technology resources, policies, projects, services, and coordinating the same with other departments. The CIO shall designate the City Information Security Officer (CISO) and City Digital Privacy Officer (CDPO) to actively ensure the security, resilience, privacy, and policy compliance of the systems used by the City.
- The CISO and CDPO are responsible for recommending updates to this policy and the [AI Handbook](#).

POLICY

When purchasing, configuring, developing, using, or maintaining AI systems, users will:

1. Uphold the Guiding Principles for AI systems outlined above;
2. Conduct an AI Review to assess the potential risk of the AI system. The CDPO or designee is responsible for coordinating review of AI systems used by the City as detailed in the [AI Handbook](#);
3. Obtain technical documentation about AI systems. The Finance Department, or other department overseeing the purchase of an AI system, is responsible for requiring vendors to disclose AI usage and to provide technical documentation (e.g., via the AI FactSheet as defined in the Terms and Definitions section, below) at the request of the CDPO; and
4. In the event of an incident involving the use of the AI system, follow the City's [AI Incident Response Plan](#) in accordance with the [Information and Systems Security Policy](#). The CISO is responsible for overseeing the security practices of AI systems used by or on behalf the City.

Additionally, Finance is required to ask vendors to disclose the use of AI in procurement solicitations and to comply with the Requirements for AI Systems upon the request of the CDPO or designee.

Artificial Intelligence (AI) Policy

1.7.12

Prohibited Uses

The use of certain AI systems is prohibited due to the sensitive nature of the information processed and severe potential risk. This includes, but is not limited to, the following prohibited purposes:

- Real-time and covert biometric identification;
- Emotion analysis, or the use of computer vision techniques to classify human facial and body movements into certain emotions or sentiment (e.g., positive, negative, neutral, happy, angry, nervous);
- Fully automated decisions that substantially impact the rights or safety of individuals with no meaningful human oversight;
- Sole determining factor in hiring, promotion, discipline, or evaluation of employees;
- Social scoring, or the use of AI systems to track and classify individuals based on their behaviors, socioeconomic status, or personal characteristics; and
- Cognitive behavioral manipulation of people or specific vulnerable groups.

If staff become aware of an instance where an AI has caused harm, staff must report the instance to their supervisor, the CDPO, and the Office of Employee Relations no later than 24 hours after discovery.

Sunset Procedures

If an AI system operated by the City or on its behalf ceases to provide a positive outcome to the City as determined by the staff or CDPO, then the City must halt the use of that system unless express exception is provided by the CIO. If the abrupt cessation of the use of that AI system would significantly disrupt the delivery of services, a gradual phased out approach must be approved by the CIO before sunseting. All measures to minimize the impact and recovery must be considered in the termination or phase out protocol, including but not limited to:

- Ownership and future access of data;
- Portability of the AI model, algorithm, and/or data; and
- Impact to services, users, and residents.

Public Records

The City must consider applicable public records laws before implementing an AI system and must comply with the City's Open Government and Ethics Provisions and the California Public Records Act. More information can be found in City's [Administration Policy Manual 6.1.4 Open Government Policy](#).

Policy Enforcement

All employees and agents of the City, whether permanent or temporary, interns, volunteers, contractors, consultants, vendors, and other third parties operating AI systems on behalf of the City are required to abide by this Policy and the associated [AI Handbook](#).

Artificial Intelligence (AI) Policy

1.7.12

VIOLATIONS OF THE AI POLICY

Violations of any section of the AI Policy, including failure to comply with the [AI Handbook](#), may be subject to disciplinary action, up to and including termination. Violations made by a third party while operating an AI system on behalf of the City may result in a breach of contract and/or pursuit of damages. Infractions that violate local, state, federal or international law may be remanded to the proper authorities.

TERMS AND DEFINITIONS

Artificial Intelligence: “Artificial intelligence” or “AI” is a machine-based system that can, for a given set of human-defined objectives, make predictions, recommendations, or decisions influencing real or virtual environments. Artificial intelligence systems use machine and human-based inputs to perceive real and virtual environments; abstract such perceptions into models through analysis in an automated manner; and use model inference to formulate options for information or action.

Algorithm: A series of logical steps through which an agent (typically a computer or software program) turns particular inputs into particular outputs.

System: Any software, sensor, or process that uses AI to automatically generate outputs including, but not limited to, predictions, recommendations, or decisions that augment or replace human decision-making. This extends to software, hardware, algorithms, and data generated by these systems used to automate large-scale processes or analyze large data sets.

AI Fact Sheet: A template that captures the “nutrition facts,” or essential technical details, of an AI system. Vendors are expected to complete the AI Fact Sheet during the procurement process. The AI Fact Sheet is a critical document that provides technical information needed to adequately understand, evaluate, and use AI systems. [Maintained by the Information Technology Department.](#)

Approved:

/s/

Khaled Tawfik
Information Technology Department
Director / Chief Information Officer

Month Day,
2026/28/2024

Date

Approved for posting:

/s/

Jennifer A. Maguire
City Manager

Month Day,
2026/28/2024

Date

SIDE LETTER AGREEMENT
BETWEEN
THE CITY OF SAN JOSE
AND
ASSOCIATION OF LEGAL PROFESSIONALS (ALP)

Voluntary Furlough Program

Effective as soon as practicable in Fiscal Year 2026-2027, the City agrees to provide a voluntary furlough program, which will be implemented as a Citywide policy, outside the scope of any memorandum of agreement, and not be subject to grievance provisions.

- Salaried City employees will be eligible to **voluntarily** take **forty (40) hours** of unpaid leave during the Fiscal Year, all of which must be used consecutively and in the same work week. Salaried employees cannot take single days of unpaid furlough time off.
- Use of voluntary furlough time off is subject to the advance approval of the Department Director or designee. Approvals shall be granted at such time or times as will not reduce the number of employees below that which is reasonably necessary for the efficient conduct of the public business of such department.
- Employees shall submit written requests to their immediate supervisor or designee for all voluntary furlough time off in advance and as early as practical.
- **Benefits-** City contributions for health, dental, and life insurance for employees will continue in the same amounts while employees are taking voluntary furlough time off.
- **Vacation & Sick Leave-** Vacation and sick leave will not accrue while employees take unpaid voluntary furlough time off.
- **Overtime-** Voluntary furlough time off does not count as time worked for the purposes of calculating overtime.
- **Retirement-** Retirement contributions are paid by employees and the City at the established rates as a percentage of base salary. Both the City and the employees participating in the Voluntary Furlough Program will continue to make contributions to the retirement system for all paid hours and all regular hours that employees would have worked but did not work as a result of participating in this program.
- **Seniority-** Employees will continue to accrue seniority while taking furlough time off as though they were at work.

- **Timecard Reporting-** Furlough time off must be coded with a designated payroll code, which will be made available to employees upon program implementation.

This Agreement is considered part of the tentative agreement for a successor MOA between the parties and shall become effective only as part of the overall tentative agreement for a successor MOA, and when signed by all parties below and approved by the City Council.

FOR THE CITY:

FOR THE UNION:

Aram Kouyoumdjian 06/04/2026
 Email: Aram.Kouyoumdjian@sanjoseca.gov
 Date: 06/04/2026 PDF

Aram Kouyoumdjian Date
 Director of Employee Relations
 Director of Human Resources

Terra Chaffee 06/03/2026
 Email: terra.chaffee@sanjoseca.gov
 Date: 06/03/2026 PDF

Terra Chaffee Date
 President
 Association of Legal Professionals

Flexibly Staffed Classes

3.2.2

PURPOSE

This section describes the uniform Citywide policy for flexibly staffed classifications, and the process for promoting incumbents of these classifications.

AUTHORITIES

San José Municipal Code (Civil Service Rules), Section 3.04.340: Qualifying examination.

Qualifying examination means an examination that need not be competitively administered to determine fitness for appointment pursuant to the provisions of this chapter.

"Flexible staffing" is the alternate use of either of two or more classes in a designated series for filling a vacant position. When the vacancy is filled with an employee in the lower of the classes, that employee may be promoted to the higher class while staying in the same position.

"Underfilling" is filling a vacant position using a class lower than that authorized, such as using the lower class in a series designated for flexible staffing (e.g. filling a vacancy with Account Clerk I when Account Clerk II is authorized).

POLICY

1. Objectives of flexible staffing.

- To place the City of San José, as an employer, in a more competitive position to recruit and retain well-qualified employees;
- To increase the capability of City Department Directors or their designee to effectively use the positions and employees within their departments;
- To reward employees who have succeeded in their entry-level jobs;
- To reduce the interdepartmental movement of employees within specified series, and thereby reduce the retraining of employees involved; and
- To keep employee turnover rate at minimal levels.

2. Responsibility for designating classes.

The Director of Human Resources is responsible for designating those classifications that are flexibly staffed classes, consistent with the concept of flexible staffing defined above.

3. Effective dates.

The effective date of flexible staffing applicable to any specified series shall be the date of action taken by the Director of Human Resources. No retroactive promotions will be made prior to the date that the Director of Human Resources received and approved the promotion request.

Flexibly Staffed Classes

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4. Responsibility for using.

Primary responsibility for the most effective use of the designated flexibly staffed classes, including the alternative for flexibly staffed promotions, shall rest with the Department Director or their designee of the operating department.

5. Number of classes in designated series.

The span of flexible staffing within a designated series may be as few as the first two (2) classes of the series, starting with the lowest paid class, ~~or as many as four (4) classes in a series.~~ A list of the City's flexibly staffed classifications can be found at the end of this policy.

6. Differences in levels.

The lower classes in designated series usually do not require professional experience. The higher classes are characterized by assignments that are typically performed with independence.

7. Eligibility for qualifying promotion to the next higher class.

- a. The employees must be currently occupying a lower level of a flexibly staffed class and must have completed probation in that class.
- b. The employees must possess the minimum qualifications, including the required experience for the higher ~~level~~ class.
- c. The employees must be recommended for a flexibly ~~staffed~~ qualifying promotion by his/her/their Department Director or the Department Director's designee to the Director of Human Resources.

Completion of the qualifying promotion results in the movement of both the employee and the position he/she is occupying to the higher class; it does not require a vacancy in the next higher class.

8. Qualifying promotion evaluations.

In most cases and at the determination of the Director of Human Resources, the qualifying promotion process consists of a written supervisor's evaluation on a Qualifying Promotional (QP) Form. The ~~Qualifying Promotional Form~~ QP Form is used by the employee's supervisor and the Department Director or their designee to recommend the employee's promotability to the higher level. The qualifying promotion process may be initiated by either the employee or the employee's supervisor.

PROCEDURES

1. Employee-Initiated Process: Within 30 days of a written request by an employee to commence the qualifying promotion evaluation process.

Flexibly Staffed Classes**3.2.2**

- a. The department will confirm with the Department of Human Resources that the employee has completed probation in the lower level of the flexibly staffed class and possesses the minimum qualifications for the higher-level class, including but not limited to, the requisite years of experience.
 - i. If the employee does not meet the requisite criteria for a qualifying promotion, the supervisor will inform the employee in writing that their request is denied and provide a reason for such denial.
 - ii. If the employee meets the requisite criteria for a qualifying promotion, the supervisor will consult with the Department Director or their designee to determine whether the department will recommend that the employee receive a QP.
 1. If the department recommends that the employee receive the QP, the employee's supervisor will facilitate the completion of the QP form, including ensuring the employee has completed all relevant sections of the QP Form, obtaining the Department Director or designee's signature on the QP form and ensuring that it is promptly submitted to the Department of Human Resources for processing.
 2. If the department does not recommend the qualifying promotion, the supervisor will inform the employee in writing that their request is denied and provide a reason for such denial.
 - a. An employee who is not recommended for a QP may request another evaluation no sooner than six (6) months from the date that they are informed of the response to the most recent request they have initiated under this section.
 - b. If the employee does not receive a response from the department within 30 days of their written request, or if their request is denied, they may forward the request, including any relevant supporting documentation, to the Department of Human Resources for review.
 - i. Within 21 days of receipt of the request, the Department of Human Resources will review the employee's eligibility, along with the materials they have submitted, and will provide a recommendation to the employee's Department Director or designee.
 - ii. The Department Director or designee will render a final decision within 14 days of receiving the recommendation from Human Resources.
2. **Department-Initiated Process:** If the QP process is initiated by the department, the employee's supervisor will inform the employee that a review is underway and will conduct the process outlined in 1(a) within 30 days.

Flexibly Staffed Classes

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~~Supervisor~~

- ~~1. Determines that an employee in a flexibly staffed class will be recommended for promotion to the higher level. If necessary, confirms the employee's eligibility for qualifying promotion with the Department of Human Resources.~~
- ~~2. Informs employee of the process for qualifying promotions. Obtains the Qualifying Promotional (QP) Form and requests the employee to complete the "Employee Eligibility Summary" section of the form.~~
- ~~3. Reviews the request for the qualifying promotion and approves the qualifying promotion by signing the form.~~

~~Department
Director~~

- ~~4. Approves of the request for the qualifying promotion by signing the form. Signs, dates, and sends completed form to the Human Resources Department.~~

~~Human Resources~~

- ~~5. Reviews the QP Form to verify that the nominated employee has completed probation in the lower class and meets the minimum qualifications for the higher class.~~
- ~~6. Appoint the employee to the higher class effective at the beginning of the next pay period.~~

Approved:

~~/s/ Jennifer SchembriAram
Kouyoumdjian
Director of Human Resources/— and
the City Manager's Office of Director of
Employee Relations~~

~~February 13, 2019Month
Day, 2026
Date~~

Approved for posting:

~~/s/ Jennifer A. Maguire
Assistant City Manager~~

~~February 13, 2019Month
Day, 2026
Date~~

Flexibly - Staffed Classes

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FLEXIBLY STAFFED CLASSES

Lower Level	Higher Level	Higher Level	Higher Level
Account Clerk I PT/FT	Account Clerk II PT/FT		
Accountant I	Accountant II		
Airport Operations Manager I	Airport Operations Manager II		
Airport Operations Superintendent I	Airport Operations Superintendent II		
Airport Operations Supervisor I	Airport Operations Supervisor II	Airport Operations Supervisor III	
Analyst I PT/FT	Analyst II PT/FT		
Analyst I, Independent Police Auditor U	Analyst II, Independent Police Auditor U		
Animal Care Attendant I PT/FT	Animal Care Attendant II PT/FT		
Animal Health Assistant	Animal Health Technician		
Apprentice Mechanic	Mechanic I	Mechanic II	
Apprentice Wastewater Mechanic	Wastewater Mechanic I	Wastewater Mechanic II	
Architect/Landscape Architect I	Architect/Landscape Architect II		
Assistant Environmental Services Specialist	Associate Environmental Services Specialist	Environmental Services Specialist	
Automation Engineer I	Automation Engineer II	Automation Engineer III	
Building Inspector Combo FT/PT	Building Inspector Combo Cert I FT/PT	Building Inspector Combo Cert II	Building Inspector Combo Cert III
Building Inspector Supervisor Cert I	Building Inspector Supervisor Cert II		
Building Rehabilitation Inspector I	Building Rehabilitation Inspector II		
Buyer I	Buyer II	Buyer III	
Chemist I	Chemist II		

Flexibly - Staffed Classes

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Lower Level	Higher Level	Higher Level	Higher Level	Higher Level
Code Enforcement Inspector I	Code Enforcement Inspector II			
Community Service Officer I	Community Service Officer II			
Construction Inspector I	Construction Inspector II	Associate Construction Inspector		
Council Community Relations Aide U	Council Community Relations Representative U	Council Community Relations Coordinator U	Council Community Relations Director U	
Council Policy & Legislative Aide U	Council Policy & Legislative Analyst U	Council Policy & Legislative Advisor U	Council Policy & Legislative Director U	
Deputy City Attorney I (U)	Deputy City Attorney II (U)	Deputy City Attorney III (U)	Deputy City Attorney IV (U)	
Electrician I	Electrician II			
Engineer I	Engineer II			
Engineering Technician I	Engineering Technician II			
Enterprise Information Technology Engineer I	Enterprise Information Technology Engineer II			
Environmental Inspector I	Environmental Inspector II			
Equipment Maintenance Supervisor I	Equipment Maintenance Supervisor II			
Equipment Mechanic Assistant I	Equipment Mechanic Assistant II			
Events Coordinator I	Events Coordinator II			
Executive Analyst I (U)	Executive Analyst II (U)			
Geographic Information Systems Specialist I	Geographic Information Systems Specialist II			
Hazardous Materials Inspector I	Hazardous Materials Inspector II			
Instrument Control Technician I	Instrument Control Technician II	Instrument Control Technician III	Instrument Control Technician IV	
Instrument Control Supervisor I	Instrument Control Supervisor II			
Investigator Collector I	Investigator Collector II			

Flexibly - Staffed Classes**3.2.2**

Lower Level	Higher Level	Higher Level	Higher Level
Laboratory Technician I	Laboratory Technician II		
Latent Fingerprint Examiner I	Latent Fingerprint Examiner II	Latent Fingerprint Examiner III	
Legal Administrative Assistant I	Legal Administrative Assistant II	Legal Administrative Assistant III	
Legal Analyst I	Legal Analyst II	Legal Analyst III	
Librarian I	Librarian II		
Maintenance Assistant FT/PT	Maintenance Worker I FT/PT		
Microbiologist I	Microbiologist II		
Network Technician I FT/PT	Network Technician II FT/PT	Network Technician III FT/PT	
Office Specialist I FT/PT	Office Specialist II FT/PT		
Park Maintenance Repair Worker I	Park Maintenance Repair Worker II		
Parking Manager I	Parking Manager II		
Permit Specialist	Permit Specialist, Senior		
Planner I	Planner II	Planner III	
Police Data Specialist I	Police Data Specialist II		
Police Forensic Analyst I	Police Forensic Analyst II		
Police Property Specialist I	Police Property Specialist II		
Power Resources Specialist I	Power Resources Specialist II		
Program Performance Auditor I (U)	Program Performance Auditor II (U)		
Property Manager I	Property Manager II		
Public Information Representative I	Public Information Representative II		
Public Safety Radio Dispatcher Trainee	Public Safety Radio Dispatcher		
Real Property Agent I	Real Property Agent II		

Flexibly - Staffed Classes**3.2.2**

Lower Level	Higher Level	Higher Level	Higher Level	Higher Level
Retirement Investment Analyst I	Retirement Investment Analyst II			
Senior Airport Operations Specialist I	Senior Airport Operations Specialist II	Senior Airport Operations Specialist III		
Senior Automation Engineer I	Senior Automation Engineer II			
Senior Deputy City Attorney I (U)	Senior Deputy City Attorney II (U)	Senior Deputy City Attorney III (U)	Senior Deputy City Attorney IV (U)	
Senior Mechanic I	Senior Mechanic II			
Senior Property Manager I	Senior Property Manager II			
Structure/Landscape Designer I	Structure/Landscape Designer II			
Systems Applications Programmer I	Systems Applications Programmer II			
Urban Forestry Inspector I	Urban Forestry Inspector II			
Warehouse Worker I	Warehouse Worker II			
Wastewater Operator Trainee	Wastewater Operator I	Wastewater Operator II	Wastewater Operator III	
Wastewater Operations Foreperson I	Wastewater Operations Foreperson II			
Wastewater Operations Superintendent I	Wastewater Operations Superintendent II			
Wastewater Senior Mechanic I	Wastewater Senior Mechanic II			
Wastewater Mechanical Supervisor I	Wastewater Mechanical Supervisor II			
Water Systems Assistant Operator I	Water Systems Assistant Operator II			
Water Systems Operations Foreperson I	Water Systems Operations Foreperson II			
Water Systems Operator I	Water Systems Operator II	Water Systems Operator III		

Flexibly - Staffed Classes

3.2.2

Lower Level	Higher Level	Higher Level	Higher Level	Higher Level
Water Systems Operations Superintendent I	Water Systems Operations Superintendent II			
Youth Outreach Worker I	Youth Outreach Worker II			

**2026 CITY OF SAN JOSÉ – ALP NEGOTIATIONS
TENTATIVE AGREEMENT**

CITY PROPOSAL # 1 – HOUSEKEEPING - HOLIDAYS

City Proposed Language:

ARTICLE 27 HOLIDAYS

27.1 Each calendar year full-time employees who are on paid status before and after the holidays specified below shall receive (15) paid holidays, which include:

New Years Day	Labor Day
Martin Luther King Day	Indigenous Peoples' Day
Lunar New Year	Veterans Day
Presidents' Day	Thanksgiving Day
Cesar Chavez Day <u>Farmworkers Day</u>	Day After Thanksgiving
Memorial Day	Christmas Eve Day
Juneteenth	Christmas Day
Independence Day	

~~Effective January 1, 2024, Lunar New Year shall be observed in accordance with the State of California's holiday schedule and New Year's Eve Day shall no longer be a City-observed holiday.~~

27.2 Reimbursement/contribution for holidays is prorated for part-time employees based on hours scheduled as follows:

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

**2026 CITY OF SAN JOSÉ – ALP NEGOTIATIONS
TENTATIVE AGREEMENT**

CITY PROPOSAL # 2 – HOUSEKEEPING - OVERPAYMENT OF COMPENSATION

**Note, Overpayments of Compensation is already covered in Section 9.4 of the MOA.*

City Proposed Language:

ARTICLE 43 — OVERPAYMENTS OF COMPENSATION

~~When the City determines an overpayment has been made to an employee, it shall notify the employee of the overpayment and afford the employee an opportunity to respond prior to commencing recoupment actions. The City will endeavor to reach mutual agreement with the employee regarding repayment terms, which may be in lump sum cash payment(s) or installment(s) through payroll deduction(s). Absent mutual agreement on a method of reimbursement within 30 days, the City shall proceed with recoupment via Payroll deductions over a number of pay periods equivalent to the term of overpayment, unless the maximum deduction per pay period is insufficient to repay the balance of the overpayment. In this case, the payments shall continue for as many pay periods is necessary to repay the balance of the overpayment. In no event shall amounts deducted from payment of salary or wages exceed 15% of the employee's net disposable earnings.~~

~~**43.1**—An employee who separates from City employment prior to full repayment of the amount owed to the City shall have any money owed to the City withheld from their final paycheck(s). If the amount of money owed upon separation is insufficient to provide full reimbursement to the City, the City shall have the right to exercise any and all other legal means to recover the additional amount owed.~~