



COUNCIL AGENDA: 6/6/23
FILE: 23-887
ITEM: 3.6

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

SUBJECT: SEE BELOW

FROM: Jennifer Schembri

DATE: May 30, 2023

Approved 

Date
6/1/23

SUBJECT: APPROVAL OF THE TERMS OF AN AGREEMENT WITH THE ASSOCIATION OF BUILDING, MECHANICAL AND ELECTRICAL INSPECTORS (ABMEI), FOR THE TERM OF JULY 1, 2023 THROUGH JUNE 30, 2026

RECOMMENDATION

Adopt a resolution approving the terms of a collective bargaining agreement between the City and the Association of Building, Mechanical and Electrical Inspectors for the term of July 1, 2023, through June 30, 2026, and authorizing the City Manager to execute an agreement with those terms.

SUMMARY AND OUTCOME

Adoption of the resolution would result in a collective bargaining agreement between the City and the Association of Building, Mechanical and Electrical Inspectors (ABMEI) and authorize the City Manager to execute an agreement with a term of July 1, 2023 through June 30, 2026, with those terms.

BACKGROUND

The City of San José's collective bargaining agreement with ABMEI will expire on June 30, 2023. ABMEI currently represents approximately 90 full-time equivalent positions. This unit includes employee job classifications such as Building Inspector Combination, Building Inspector Combination Certified I/II/III/Senior, and Building Inspector Supervisor I/II.

In March 2023, negotiations with ABMEI on a successor agreement commenced, and on or about May 24, 2023, the City and ABMEI reached an overall Tentative Agreement on the terms to be contained in the successor Memorandum of Agreement between the City and ABMEI.

The Tentative Agreement is pending ratification by the ABMEI membership. ABMEI will notify the City of the ratification results prior to the June 6, 2023 City Council meeting.

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ANALYSIS

A complete copy of the Tentative Agreement is attached. (**Attachment** - City of San José - ABMEI Negotiations Tentative Agreement). The following is a summary of the key provisions of the Tentative Agreement.

Term	July 1, 2023 through June 30, 2026
General Wage Increase	<p>Effective June 25, 2023, all salary ranges for employees holding positions in classifications assigned to ABMEI will receive a pensionable base pay increase of approximately 5.0%. This will result in both the top and bottom step of the pay range being increased by approximately 5.0%.</p> <p>Effective June 25, 2023, all salary ranges for employees holding positions in classifications assigned to ABMEI shall receive an additional 1.5% in recognition of the fact that ABMEI received a 3% general wage increase in FY 2022-2023 whereas most other City employees received a 4.5% general wage increase.</p> <p>Effective the first full pay period of Fiscal Year 2024-2025, all salary ranges for employees holding positions in classifications assigned to ABMEI will receive a pensionable base pay increase of approximately 4.0%. This will result in both the top and bottom step of the pay range being increased by approximately 4.0%.</p> <p>Effective the first full pay period of Fiscal Year 2025-2026, all salary ranges for employees holding positions in classifications assigned to ABMEI will receive a pensionable base pay increase of approximately 3.0%. This will result in both the top and bottom step of the pay range being increased by approximately 3.0%.</p>
COVID Bonus	<p>In recognition of work performed during the COVID-19 pandemic, a \$1,000 one-time, non-pensionable lump sum payment shall be made to full-time employees holding positions in classifications assigned to ABMEI effective June 11, 2023. To receive the one-time, non-pensionable lump sum payment, a full-time employee must have been employed in an ABMEI represented position on May 11, 2021, and still be employed in an ABMEI represented position effective June 25, 2023.</p>
Automatic Step Increase	<p>Effective as soon as practicable, eligible employees represented by ABMEI will receive automatic salary step increases.</p>

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

Shift Differential

Effective as soon as practicable, eligible employees represented by ABMEI in the Public Works Department regularly assigned to work a swing shift shall be paid a shift differential of \$2.00 per hour for each eligible hour worked after 2:00 p.m., if at least 4 hours of a regularly assigned schedule of continuous work hours are worked prior to 11:59 p.m.

Eligible employees regularly assigned to work a graveyard shift in the Public Works Department shall be paid a shift differential of \$2.35 per hour for each eligible hour worked after 12:00 p.m., if at least 4 hours of a regularly assigned schedule of continuous work hours are worked before 5:59 a.m.

**Professional
Achievement Incentive**

Effective as soon as practicable, employees are eligible to receive an additional professional achievement incentive of 1.5% (paid biweekly) in addition to their base salary for maintaining a CASp certification.

**Protective Clothing and
Equipment**

The City shall pay a cash protective clothing and equipment allowance to each employee in the amount of \$400 (currently \$300).

Health-In-Lieu

Effective as soon as practicable, employees who qualify for and participate in the payment-in-lieu of health and/or dental insurance program will receive \$102.00 per pay period for single rate (currently \$89.09).

Paid Family Leave

Effective June 25, 2023, the Paid Parental Leave Program will become permanent. For eligible births, adoptions, or foster care placements, full-time employees will receive a maximum total of one-hundred sixty (160) hours of continuous paid time off and shall be eligible to use a maximum total of one-hundred and twenty (120) hours of their available sick leave for City-Paid Parental Leave reasons.

**Education and
Professional Incentives**

Up to \$600 of the \$1,000 available for reimbursement for registration, tuition, fees, and textbooks for college accredited courses may be used for on-line subscription services.

**Side Letter - Special
Wage Adjustment**

Side letter agreement to provide an 8.6% pensionable wage increase to Senior Building Inspector Combination Certified and

a 4.0% pensionable wage increase to Building Inspector Supervisor Certified I/II, effective June 25, 2023, in recognition of recruitment and retention issues and to address bringing this classification up to market.

Side Letter – Lunar Holiday

As soon as practicable once implementable for all City employees:

- Lunar New Year shall be observed as a City-observed holiday and New Year's Eve Day shall no longer be a City-observed holiday.
- Employees shall be entitled to an additional eight (8) hours of personal leave in recognition that City employees may wish to observe a personal holiday that is not observed by the City.

EVALUATION AND FOLLOW-UP

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

COST SUMMARY/IMPLICATIONS

The cost of the 5.00% general wage increase effective June 25, 2023, and 1.50% general wage increase effective June 25, 2023, is approximately \$856,000 in all funds, of which \$7,500 is in the General Fund. The one-time \$1,000 lump sum non-pensionable COVID-19 payment will cost approximately \$63,000 based on actual employees currently represented by ABMEI. The ongoing costs related to shift differential, health-in-lieu, protective clothing and equipment, and the professional achievement incentive are approximately \$28,000 and will be absorbed within the department's existing budgets. In summary, for 2023-2024, the increased costs in all funds total \$947,000. The majority of the positions in ABMEI are funded by the various Development Fee Program Funds (Building, Planning, Fire, and Public Works), and these increased costs will be offset by a decrease in each respective fund's unrestricted Ending Fund Balance or an alternative funding source within the fund. These increases will likely result in a small future fee increase in the Development Fee Program Funds in order to stay full cost recovery. These ongoing increased costs will be factored into the annual development of the 2024-2025 Base Budget.

The ongoing increased cost of the 8.6% salary adjustment for the Senior Building Inspector Combination Certified classification and the 4.0% Building Inspector Supervisor I/II classification is approximately \$567,000 in all funds, of which \$16,000 is in the General Fund. The costs in 2023-2024 will be offset by a decrease in each respective fund's unrestricted Ending Fund Balance or an alternative funding source within each fund. These ongoing increased costs will be factored into the annual development of the 2024-2025 Base Budget and will result in small future fee increases in the Development Fee Program Funds as discussed above.

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The ongoing increased cost of the 4.0% general wage increase effective the first full pay period of Fiscal Year 2024-2025 is approximately \$553,000 in all funds, of which \$5,000 is in the General Fund. The ongoing increased cost of the 3.0% general wage increase effective the first full pay period of Fiscal Year 2025-2026 is approximately \$431,000 in all funds, which \$4,000 is in the General Fund. These ongoing costs will be factored into the annual development of the Base Budget and will result in small future fee increases in the Development Fee Program Funds as discussed above.

COORDINATION

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

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the June 6, 2023 City Council meeting.

COMMISSION RECOMMENDATION/INPUT


This agreement was not coordinated with any board or commission.

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.


JENNIFER SCHEMBRI
Director of Employee Relations
Director of Human Resources

For questions please contact Carolyn Gibson, Senior Executive Analyst, at (408) 535-8125.

Attachment – City of San José - ABMEI Negotiations Tentative Agreement

**2023 CITY OF SAN JOSE - ABMEI NEGOTIATIONS
TENTATIVE AGREEMENT**

TERM

- July 1, 2023 – June 30, 2026

WAGES

- Fiscal Year 2023-2024

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

5.0% general wage increase effective the first full pay period in Fiscal Year 2023-2024 following union ratification and Council approval in open session. Effective the first full pay period in Fiscal Year 2023-2024 following union ratification and Council approval in open session, all salary ranges for employees holding positions in classifications assigned to ABMEI shall be increased by approximately 5.0%.

In addition, effective the first full pay period in Fiscal Year 2023-2024 following union ratification and Council approval in open session, all salary ranges for employees holding positions in classifications assigned to ABMEI shall receive an additional 1.5% in recognition of the fact that ABMEI received a 3% general wage increase in FY 2022-2023 whereas most other City employees received a 4.5% general wage increase.

- Fiscal Year 2024-2025

4% general wage increase effective the first full pay period of Fiscal Year 2024-2025. Effective the first full pay period of Fiscal Year 2024-2025, all salary ranges for employees holding positions in classifications assigned to ABMEI shall be increased by approximately 4%.

- Fiscal Year 2025-2026

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

WAGES AND SPECIAL PAY

- Automatic Step Increases (See Attached)
- Shift Differential (See Attached)
- Professional Achievement Incentive (See Attached)
- Bilingual Pay (See Attached)
- Protective Clothing and Equipment (See Attached)

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BENEFITS

- Health-In-Lieu (See Attached)

LEAVES

- Paid Parental Leave (See Attached)

EDUCATIONAL AND PROFESSIONAL INCENTIVES

- Educational and Professional Incentives (See Attached)

OTHER

- Period of Memorandum of Agreement (See Attached)
- Overpayments of Compensation (See Attached)

HOUSEKEEPING

- City Healthcare Program (See Attached)
- Holidays (See Attached)

SIDE LETTER AGREEMENT

- Salary Adjustment – Senior Building Inspector and Building Inspector Supervisor (See Attached)
- Holidays - Lunar New Year (See Attached)

TENTATIVE AGREEMENTS

- Housekeeping – Bereavement Leave (See Attached)
- Housekeeping - Sick Leave (See Attached)

OTHER TERMS

**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:

 5/24/23
Jennifer Schembri Date
Director of Employee Relations
Director of Human Resources

FOR THE UNION:

 5/24/23
Mary Reed Date
President
ABMEI

 5/24/23
Shawn Moresco Date
ABMEI

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CITY COUNTER-PROPOSAL – AUTOMATIC STEP INCREASE

City Proposed Language:

ARTICLE 5 WAGES AND SPECIAL PAY

- ~~5.1.2 — Pursuant to the provisions of Resolution No. 51870 or subsequent amendments thereto, no employee in any classification listed in this Unit shall receive the next higher salary rate within their range unless the Department Director or designee wherein such employee is employed, files with the Director of Human Resources before the normal effective date of such increase a written statement that such employee's work merits an increase in salary. The parties understand and agree that the general state of the budget of the City and/or the Department will not be a factor in determining whether or not an employee's work merits an increase in salary.~~
- ~~5.1.3 — Prior to the normal effective date of an employee's salary rate increase, the Department Director or designee must file a statement with the Director of Human Resources that such employee's performance merits an increase in salary rate or a statement that the performance does not merit an increase and the reasons therefore.~~
- ~~5.1.4 — If an employee fails to receive authorization for a salary rate increase through error or inadvertence, the Director of Human Resources or designee shall authorize an increase retroactively to the normal effective date upon notification from Department Director or designee that the failure to file a written statement authorizing a salary increase was due to error or inadvertence, together with a statement that the employee's work merits a salary rate increase.~~
- ~~5.1.5 — If an employee fails to receive authorization for a salary rate increase, the Director of Human Resources or designee shall mail to the employee notice of the withholding of such salary rate increase, together with a copy of the statement that the employee's performance does not merit an increase. The notice shall be mailed to the address of the employee on file with the Director of Human Resources or designee within ten (10) calendar days after the normal effective date of the salary rate increase.~~
- ~~5.1.6 — Within twenty (20) calendar days after an employee receives notification that a salary rate increase will be withheld, such employee may file a written Notice of Appeal to the Director of Human Resources, together with a written statement showing cause, if any, why an increase in salary in accordance with the above provisions should not be withheld. Within fifteen (15) calendar days after receiving the appeal, the Director of Human Resources or designee shall determine whether or not said employee's work merits a raise in salary. If the Director of Human Resources or designee finds such employee's work does merit an increase in salary, such employee~~

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

~~5.1.25.1.7~~ The salary steps for all classifications represented by ABMEI shall be approximately 2.5%.

ARTICLE 28 PERFORMANCE EVALUATION

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

CITY COUNTER-PROPOSAL – SHIFT DIFFERENTIAL

City Proposed Language:

XX. Shift Differential

XX.1 A swing shift differential of two dollars (\$2.00) per hour shall be paid to employees in the Public Works Department for each regularly scheduled hour worked after 2:00 p.m. and prior to 11:59 p.m. if at least four (4) hours of a regularly assigned schedule of continuous work hours are worked after 2:00 p.m. and prior to 11:59 p.m.

XX.2 A night shift differential of two dollars and thirty-five cents (\$2.35) per hour shall be paid to employees in the Public Works Department for each regularly scheduled hour worked after 12:00 a.m. and prior to 5:59 a.m. if at least four (4) hours of regularly assigned schedule of continuous work hours are worked after 12:00 a.m. and before 5:59 a.m.

XX.3 Shift differential shall be paid to an employee for the hours worked when assigned to cover another employee's temporary absence and when the absent employee would have otherwise qualified for shift differential as defined above.

XX.4 Paid leave time does not qualify for payment of shift differential except when an employee uses a minimum of forty (40) consecutive hours of vacation, compensatory time or personal leave. The employee will continue to be paid shift differential as though they had worked their assigned shift during period of vacation. City observed holiday hours may be credited towards meeting the forty (40) consecutive vacation hours requirement, however, holiday leave hours do not qualify for payment of shift differential.

XX.5 Except as otherwise required by State or Federal law, shift differential shall not be included as regular compensation in computing other benefits.

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CITY COUNTER-PROPOSAL – PROFESSIONAL ACHIEVEMENT INCENTIVE

City Proposed Language:

5.16 Premium Pay

Employees shall receive a professional achievement incentive of 1.5% (paid biweekly) in addition to their base salary as follows. In order to receive the professional achievement incentive, the employee must hold commercial certifications in all four trade areas (Building, Plumbing, Mechanical and Electrical) or they must hold a Commercial Combination Inspector certificate which represents commercial certifications in Building, Plumbing, Mechanical and Electrical. This non-pensionable premium pay becomes effective the first full pay period after the date of an approved application is received by the Payroll Department.

Effective as soon as practicable following union ratification and Council approval in open session but no earlier than the first full pay period of Fiscal Year 2023-2024, employees are also eligible to receive an additional professional achievement incentive of 1.5% (paid biweekly) in addition to their base salary for maintaining a CASp certification. This non-pensionable premium pay becomes effective the full first pay period after the date of an approved application is received by the Payroll Department.

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CITY PROPOSAL – BILINGUAL PAY

City Proposed Language:

5.12 Bilingual Pay

Each full time employee who meets the eligibility requirements set forth herein shall be compensated as described below for each pay period actually worked.

5.12.1 The employee is or was selectively certified for a position which has been approved by the Director of Human Resources or designee for selective certification based on bilingual ability and is currently assigned to such position, or

5.12.2 The duties currently assigned to an employee and/or currently being performed by an employee require utilization of a non-English language on a regular basis.

5.12.3 Such employee must be certified as bilingual according to the current established procedure. Before changing the current procedure, the City agrees to discuss any proposed change with the organization.

Each department is responsible for ensuring that employees receiving a bilingual pay premium meet the requirements set forth herein.

5.12.4 Each employee who meets the above eligibility requirements shall be compensated for performing oral or written communication or sign language duties at the rate of sixty dollars (\$60) per biweekly pay period ~~or for performing written and oral translation duties at the rate of sixty eighty dollars (\$6080) per biweekly pay period~~ for each pay period actually worked.

5.12.5 If an eligible employee is on a paid or unpaid leave of absence, for a period of one (1) full pay period or more, the appropriate reduction in bilingual pay shall be made.

5.12.6 If an employee who receives bilingual pay refuses to provide interpretation or translation services for which they are certified, the employee shall no longer be eligible to receive bilingual pay

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CITY COUNTER-PROPOSAL – PROTECTIVE CLOTHING AND EQUIPMENT

City Proposed Language:

5.14 Protective Clothing and Equipment

- 5.14.1 The City shall furnish to each new full-time employee required safety shoes, coveralls, and other protective equipment in accordance with applicable State and Federal laws and regulations as required within a reasonable time of employment. In addition, rain cover shall be available for use by employees required to work outside in inclement weather. The Union agrees that where safety devices or protective equipment is required or furnished, its use shall be mandatory.
- 5.14.2 The City shall pay a cash protective clothing and equipment allowance to each eligible employee in the annual amount of ~~\$400~~\$300. Eligible employees will begin receiving the annual allowance in the calendar year following initial receipt of the protective clothing and equipment. The annual allowance will be paid as soon as practical after January 1 of each calendar year. Employees must be employed in an ABMEI represented position at the time of payment to receive the allowance.
- 5.14.3 The employee shall be responsible for the continued upkeep, cleaning, and maintenance of the initially issued protective clothing, including safety shoes and coveralls, from the cash allowance. The City will replace the protective equipment required by applicable State and Federal laws and regulations as needed except for safety shoes and coveralls.

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CITY PROPOSAL – HEALTH IN LIEU

City Proposed Language:

5.5 Payment-in-Lieu of Health and Dental Insurance

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

5.5.2 Employees who qualify for and participate in the payment-in-lieu of health and/or dental insurance program will receive the following per pay period:

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

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

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CITY COUNTER-PROPOSAL – CITY-PAID PARENTAL LEAVE

City Proposed Language:

ARTICLE XX

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

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

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CITY PROPOSAL – EDUCATIONAL AND PROFESSIONAL INCENTIVES

City Proposed Language:

5.9 Educational and Professional Incentives

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

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CITY PROPOSAL – PERIOD OF MEMORANDUM OF AGREEMENT

City Proposed Language:

ARTICLE 1 PERIOD OF MEMORANDUM OF AGREEMENT

This Agreement shall become effective July 1, ~~2023~~2018, except where otherwise provided, and shall remain in effect through June 30, ~~20XX~~2023. No amendment or change to the provisions of this Agreement shall be valid or binding unless reduced to writing and signed by duly authorized representative(s) of the parties.

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

CITY PROPOSAL – OVERPAYMENTS OF COMPENSATION

City Proposed Language:

ARTICLE XX OVERPAYMENTS OF COMPENSATION

When the City determines an overpayment has been made to an employee, it shall notify the employee of the overpayment and afford the employee an opportunity to respond prior to commencing recoupment actions. 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.

xxx 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.

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CITY PROPOSAL – HOUSEKEEPING ON HEALTHCARE PROGRAM

City Proposed Language:

5.3 Health Insurance

5.3.1 ~~Eligible employees may elect health insurance coverage under one of the available plans for employee only or employee and dependents. The City will provide health coverage for eligible full-time employees and their dependents in accordance with one of the available plans.~~ All available plans have a 4-tier rate structure (Employee, Employee plus spouse/domestic partner, Employee plus Child(ren), and Family).

5.3.1.1 An employee may not be simultaneously covered by City-provided medical benefits as a City employee and as a dependent of another City employee or retiree.

5.3.2 **Medical Insurance Provider with the Second Highest Overall Employee Enrollment.** The City pays ~~ninety eighty-five~~ percent (90~~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.~~ Co-Pay Plan of the medical insurance provider with the second highest overall employee enrollment for the employee or the employee and dependent coverage, and the employee pays ten percent (10%) of the full premium cost of the lowest priced Non-Deductible Co-Pay Plan of the medical insurance provider with the second highest overall employee enrollment.

5.3.3 ~~The Kaiser Permanente Deductible 1500 HMO Benefit Plan will be available to employees represented by ABMEI in addition to existing plan options. Any deductible plans offered by the medical insurance provider with the second highest overall employee enrollment and whose cost is below ninety percent (90%) of the full premium cost of the lowest priced Non-Deductible HMO Co-Pay Plan will be offered to full-time employees at no cost.~~

5.3.4 **Medical Insurance Provider with the Highest Overall Employee Enrollment.** The City will pay eighty-five percent (85%) of the full premium cost of the lowest priced Non-Deductible HMO Co-Pay Plan of the medical insurance provider with the highest overall employee enrollment for the employee or the employee and dependent coverage, and the employee pays fifteen percent (15%) of the full premium cost of the lowest priced Non-Deductible Co-Pay Plan of the medical insurance provider with the highest overall employee enrollment. ~~Co-pays for Non-Deductible HMO plans shall be as~~

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follows:

- a. ~~Office Visit Co-pay shall be \$25.~~
- b. ~~Prescription Co-pay shall be \$10 for generic and \$25-\$30 for brand name.~~
- c. ~~Emergency Room Co-pay shall be \$100.~~
- d. ~~Inpatient/Outpatient Procedure Co-pay shall be \$100.~~

5.3.5 If the employee selects a plan other than the lowest priced Non-Deductible HMO Co-Pay Plan, the employee pays the difference between the total cost of the selected plan and the City's contribution toward the lowest priced Non-Deductible HMO Co-Pay Plan.

5.3.6 **Default Healthcare Plan.** —New full-time employees and current employees not previously eligible to receive benefits who are hired into a full-time benefits eligible position and who do not sign up for a healthcare plan within thirty (30) calendar days from their hire date, will be automatically enrolled in the lowest cost HMO Deductible plan offered by the medical insurance provider with the second highest overall employee enrollment at the time the employee is automatically enrolled.

5.4 Dental Insurance

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

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

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

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eligible member per lifetime.

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

5.4.4 An employee may not be simultaneously covered by City-provided dental benefits as a City employee and as a dependent of another City employee or retiree.

~~5.4.2 Each eligible, full-time employee and dependents shall receive annual maximum coverage of \$1,500.00 in the Delta Dental Plan.~~

~~5.4.3 Each eligible, full-time employee and dependents shall receive a lifetime maximum of \$2,000.00 Orthodontia coverage in the Delta Dental Plan.~~

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

~~5.4.4~~

~~5.4.5 If the retiree who has selected the prepaid dental coverage option moves a significant distance away from a designated dental center, that employee may elect to be covered by the other available option(s).~~

5.5 Payment-in-Lieu of Health and Dental Insurance

5.5.1 The purpose of the payment-in-lieu of health and/or dental insurance program is to allow employees who have double health and/or dental insurance coverage to drop the City's insurance and receive a payment-in-lieu. Effective January 1, 2016, payment-in-lieu of health and/or dental insurance will have a 4-tier structure (Employee, Employee plus Spouse/Domestic Partner, Employee plus Child(ren) and Family). The payment-in-lieu amounts will be adjusted effective the first pay period in the payroll calendar year 2016, which starts December 20, 2015.

5.5.2 Employees who qualify for and participate in the payment-in-lieu of health and/or dental insurance program will receive the following per pay period:

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

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

2023 CITY OF SAN JOSÉ – ABMEI NEGOTIATIONS TENTATIVE AGREEMENT

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

5.5.7.2

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

CITY PROPOSAL TO ABMEI – HOUSEKEEPING FOR HOLIDAYS

City Proposed Language:

ARTICLE 16 HOLIDAYS

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

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

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

SIDE LETTER AGREEMENT

BETWEEN
THE CITY OF SAN JOSE
AND
THE ASSOCIATION OF BUILDING, MECHANICAL AND ELECTRICAL INSPECTORS
(ABMEI)

SPECIAL WAGE ADJUSTMENT

SENIOR BUILDING INSPECTOR COMBINATION CERTIFIED BUILDING INSPECTOR SUPERVISOR CERTIFIED I/II

In recognition of the recruitment and retention issues in this classification, as well as a salary survey that shows the Senior Building Inspector Combination Certified classification is under market with comparable jurisdictions, the following increase will be given to bring this classification to market. The increase for Building Inspector Supervisor Certified I/II will be done in order to address compaction due to the increase for the Senior Building Inspector.

Effective no earlier than the first full pay period of Fiscal Year 2023-2024 and after this agreement is signed by all parties below and approved by the City Council in open session, employees in the classifications listed below shall receive the following pensionable wage increase:

Classification	Pensionable Increase
Senior Building Inspector Combination Certified (3904)	8.6%
Building Inspector Supervisor Certified I/II (3912/3905)	4.0%

This will result in an increase to the top and bottom of the salary range of employees in the classifications noted above.

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

FOR THE CITY:

 5/24/23

Jennifer Schembri Date
Director of Human Resources
Director of Employee Relations

FOR THE UNION:

 5/24/23

Mary Reed Date
ABMEI President

SIDE LETTER AGREEMENT

BETWEEN
THE CITY OF SAN JOSE
AND
THE ASSOCIATION OF BUILDING, MECHANICAL AND ELECTRICAL INSPECTORS
(ABMEI)

LUNAR NEW YEAR

The City and ABMEI agree that the following will become effective as soon as practicable once this can be implemented for all City employees:

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. The following changes will also be implemented at the time the holiday change is implemented:

17.8 Personal Leave. Each full-time employee shall be entitled to an additional eight (8) hours of personal leave hours which is granted in recognition that City employees may wish to observe a personal holiday that is not observed by the City. Each full-time employee shall be entitled to a total of thirty-two~~twenty-four~~ (32~~24~~) hours per payroll calendar year. Such leave may be scheduled in one-half hour increments at any time, subject to approval of the supervisor. Personal Leave is not accrued. Any such leave not taken by the date of termination for employees terminating during the year, or by the end of the last pay period in the calendar year for other employees, shall not be paid out nor carried over to subsequent years.

17.8.1 Fulltime employees hired on or after July 1 of each payroll calendar year shall be entitled to only sixteen~~twelve~~ (16~~12~~) hours in the payroll calendar year in which they were hired.

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

FOR THE CITY:

FOR THE UNION:

 5/24/23

Jennifer Schembri Date
Director of Human Resources
Director of Employee Relations

 5/24/23

Mary Reed Date
ABMEI President

2023 CITY OF SAN JOSE – ABMEI NEGOTIATIONS TENTATIVE AGREEMENT

CITY PROPOSAL TO ABMEI – HOUSEKEEPING FOR BEREAVEMENT LEAVE

City Proposed Language:

ARTICLE 23 BEREAVEMENT LEAVE

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


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


**2023 CITY OF SAN JOSE – ABMEI NEGOTIATIONS
TENTATIVE AGREEMENT**

FOR THE CITY:

 4/5/23
Date
Jennifer Schembri
Director of Employee Relations
Director of Human Resources

FOR THE UNION:

 4/5/23
Date
Mary Reed
President
ABMEI

 04/05/23
Date
Shawn Moresco
ABMEI

**2023 CITY OF SAN JOSE – ABMEI NEGOTIATIONS
TENTATIVE AGREEMENT**

CITY PROPOSAL TO ABMEI – HOUSEKEEPING FOR SICK LEAVE

City Proposed Language:

ARTICLE 18 SICK LEAVE

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

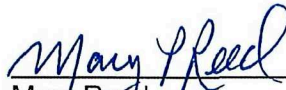
The provisions of this section related to the use of sick leave for the care related to the illness or injury of the employee's family members as defined above shall expire at the end of the term of this Agreement. In the negotiations for a successor Agreement, the parties shall review and evaluate the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

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

FOR THE CITY:

 4/5/23
Jennifer Schembri Date
Director of Employee Relations
Director of Human Resources

FOR THE UNION:

 4/5/23
Mary Reed Date
President
ABMEI

 4/5/23
Shawn Moresco Date
ABMEI