

Mayor of Providence

Jorge O. Elorza

December 3, 2018

HAND-DELIVERED

Honorable Council President David A. Salvatore Providence City Council Providence City Hall Providence, RI 02903

RE: City Local 1033 Agreements

Dear Council President Salvatore:

Enclosed with this correspondence please find two tentative agreements by and between the City of Providence, Rhode Island and the Rhode Island Laborers' District Council on behalf of Public Employees' Local Union 1033 of the Laborers' International Union of North America, AFL-CIO for the period of July 1, 2018 through June 30, 2019 and July 1, 2019 through June 30, 2022.

I hereby submit the enclosed tentative agreements to the Providence City Council for ratification.

Sincerely,

Jorge O. Elorza

Mayor

Enclosures

TENTATIVE AGREEMENT

ENTERED into this <u>3</u> day of December 2018, by and between the CITY OF PROVIDENCE and the RHODE ISLAND LABORERS' DISTRICT COUNCIL on behalf of LOCAL UNION 1033 pursuant to Article XXV and Article XXVII of the parties' Agreement effective July 1, 2015 to June 30, 2018;

WHEREAS, the parties hereto have conducted good-faith negotiations pursuant to Title 28, Chapters 7 and 9.4 of the Rhode Island General Laws, as amended; and

WHEREAS, the parties' negotiations have resulted in Agreement for a Collective Bargaining Agreement, effective July 1, 2018 to June 30, 2019; and

WHEREAS, the parties hereto desire to codify their AGREEMENT and be bound by the same.

THE PARTIES HEREBY AGREE

- 1. The document titled "Agreement between the City of Providence, Rhode Island, and the Rhode Island Laborers' District Council on behalf of Public Employees' Local Union 1033 of the Laborers' International Union of North America, effective July 1, 2015 to June 30, 2018" is herein incorporated by reference as if fully reproduced. The terms and conditions of this Agreement shall continue and remain in effect for the period of July 1, 2018 to June 30, 2019 except as expressly modified herein.
- 2. <u>Article IV Hours of Work and Overtime</u>,

Section 4(D)

Effective upon ratification of this agreement by all parties, overtime will be offered equally to employees by classification in each department, on the basis of seniority based on the work the employee customarily and ordinarily performed during that week. In departments separated by functional divisions, overtime will be offered first to employees in the division where the overtime takes place, on the basis of seniority based on the work the employee customarily and ordinarily performed during that week, and then will be offered department wide, if a need continues to exist. A list of eligible employees of each department shall be posted and maintained by the superintendent and the steward of each department. Should a dispute arise under the application of this clause, and upon request, the Employer shall furnish the Union with a record of overtime.

(New)

Effective upon ratification of this agreement by all parties, employees who discharge sick leave are not eligible for overtime assignments for twenty-four (24) hours, except in extenuating circumstances where the City determines it necessary, such as to maintain

roadways during a severe weather event. For the purpose of this section, the 24 hour waiting period commences at the start of the shift wherein the employee discharged sick leave. In the event the employee discharges more than one day of sick leave, the 24 hour waiting period commences at the start of the shift, on the last day in which sick leave was used.

3. Article VI – Salaries and Hourly Rate Schedule

<u>Section 1</u>: The economic increases shall be as follows and as provided for in the below paragraphs:

a. There shall be no increase in wages for the period of July 1, 2018 to June 30, 2019.

4. Article IX – Seniority and Promotions

<u>Section 1 – Definition</u> (Add new sentence at the end of the first paragraph)

"Effective upon ratification of this agreement by all parties, for the purpose of defining seniority preference within a department, the Board of Licenses and the Department of Vital Statistics will be treated as a single department."

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- A. The employee will be given a prompt hearing. When necessary, at the discretion of the City, and depending on the nature of the charges, the employee will be placed on administrative leave with pay for a maximum of five (5) working days within which time the City will conduct a hearing.
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- 5. <u>Article X Filling of Vacancies, Section 3(C)</u>
 Recognizing the continuing requirement to provide the most effective and efficient public

services, the parties agree to revise and update all job descriptions.

Section 6: (Revised)

Effective upon ratification of this agreement by all parties, unless otherwise agreed to by the parties, any posted vacancy shall be filled no later than forty-five (45) days from the date of posting when filled by a bargaining unit bidder and no later than sixty (60) days when filled by an external applicant, or upon expiration of the retiring employee's vacation leave, whichever is greater.

6. Article XII – Vacation Leave & Article XIII – Sick Leave/Personal Days

Recognizing the continuing requirement to provide the most effective and efficient public services, the parties hereto are committed to meet and confer in good faith to address consolidating sick leave, vacation days, and personal days as employee benefits and converting such with a paid time off (PTO) plan.

7. Article XVIII – Health and Welfare

(A) Health Reimbursement Account (HRA).

(i.) Establishment of Account.

The parties agree that effective January 1, 2019, the City shall establish and fund a new and distinct Healthcare Reimbursement Account (HRA) which shall be administered by the City's health insurer's CDH (Consumer Driven Health) Administrator for the benefit of the parties, for the purpose of offsetting the cost of the deductible for the new healthcare plan outlined herein. On a quarterly basis, the CDH Administrator shall provide monthly reports to the parties regarding the funding level of the HRA account, and, on a quarterly basis, the CDH Administrator shall provide to the parties a report detailing the number of claims filed for reimbursement, the amounts reimbursed for each claim, and information concerning the percentage of the annual allowance utilized by each member covered by the plan.

Effective January 1, 2019, the City shall provide an initial allocation of \$100,000 to the HRA for the purpose of funding the HRA Account for benefit of employees hired on or after January 1, 2019 outlined in this Article.

(ii.) Benefit Levels

No employee shall be able to utilize, on an annual basis, any more than his or her Pro Rata share of the HRA benefit. "Pro Rata share of the HRA benefit" as used in this agreement shall mean:

For employees hired on or after January 1, 2019, shall mean \$300 for employees with individual plan coverage and \$600 for employees with family plan coverage.

(B) <u>Healthcare Plan Changes.</u>

(i.) New Deductible Plan. (New Employees)

Health plan benefits for all employees hired on or after January 1, 2019, shall include an annual deductible of \$750 per individual - \$1500 per family. The network allowance is based upon the U.S. Blue Cross PPO Regional allowance.

(ii) <u>Health Fund Contributions.</u>

To offset the rising cost of prescription drug, Vision and dental benefits, the City shall increase its contribution to the RI Public Employees' Health Services Fund as follows:

Effective January 1, 2019, two cents per hour.

8. Article XXI – Grievance and Arbitration Procedure

Section 5:

Appendix B: Effective upon ratification of this agreement by all parties, the August 1, 1996 agreement allowing for the continuation of health insurance benefits for employees terminated for misconduct is amended. In its stead, the following language will be added to Article XVIII, Health and Welfare, (New) Section 5.

The City will maintain the continuation of medical insurance until a decision is rendered by an arbitrator for terminated employees; however, with respect to employees with one (1) year or less of City service, said continuation of care shall not exceed the actual amount of City service, not inclusive of the six (6) month probationary period. Additionally, no purchases of service of any type may be added or included in the actual City service.

10. Article XXVII - Duration of Agreement

The terms and conditions of this Agreement shall be effective for the period of July 1, 2018 to June 30, 2019 and from year to year thereafter unless either party at least one hundred and twenty (120) days prior to June 30, 2019, gives notice in writing to the other party of its intention to terminate this Agreement, in which event this Agreement shall terminate at the end of the contract year in which said notice is given. In the event that such notice is given, negotiations shall begin immediately, no later than sixty (60) days

prior to the termination of the Agreement.

JEFFREY DANA, City Solicitor

11. This Agreement is subject to ratification by the Providence City Council and the Union.

FOR THE LANDA

RONALD R. COIA, ESQ.
Business Manager
Local Union 1033

Afril Bally
WITNESS

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Approved as to form and correctness:

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- 2. <u>Article VI Salaries and Hourly Rate Schedule</u>

<u>Section 1</u>: The economic increases shall be as follows and as provided for in the below paragraphs:

- a. Effective July 1, 2019, an amount equal to an across-the-board wage increase for all bargaining unit employees of two percent (2.0%), over the June 30, 2019 rate.
- b. Effective July 1, 2020, an amount equal to an across-the-board wage increase for all bargaining unit employees of two percent (2.0%), over the June 30, 2020 rate.
- c. Effective July 1, 2021, an amount equal to an across-the-board wage increase for all bargaining unit employees of three percent (3.0%), over the June 30, 2021 rate.
- d. Commencing on July 1, 2019 and terminating on June 30, 2022 all new employees shall be compensated at a wage rate of fifteen percent (15%) below the applicable wages. Wages for said employees shall be increased in five percent (5%) increments annually. The parties acknowledge that this provision shall sunset and become null and void on June 30, 2022, and on said date, any member receiving wages at a rate below the applicable union wage rate shall have his/her wages increased to the

applicable union wage rate.

3. <u>Article XVIII – Health and Welfare</u>

A) New Co-Share

Effective July 1, 2019, Employees with annual base wages of \$51,501.00 or more shall co-share in the cost of healthcare insurance benefits provided in this Article through pretax weekly payroll deduction by the payment of 20% of the negotiated working rate. Employees with annual base wages that are less than \$51,501.00 but more than \$43,501 shall co-share in the cost of healthcare insurance benefits provided in this Article through pre-tax weekly payroll deduction by the payment of 16.5% of the negotiated working rate. Employees with annual base wages that are less than \$43,501 shall co-share in the cost of healthcare insurance benefits provided in this Article through pre-tax weekly payroll deduction by the payment of 15% of the negotiated working rate. These rates shall be indexed to reflect the salary increases over the life of the agreement.

(B) New Wellness Benefit

Effective July 1, 2019, the parties agree to implement a new wellness benefit, which shall incentivize healthy behavior and shall be developed by the parties. Any employee who participates in the wellness program will be eligible to have his or her co-share obligation decreased by up to \$300 annually for an individual plan and \$600 annually for a family plan.

Further, effective July 1, 2019, any employee who fails to receive an Annual Preventative Medicine Exam during a contract year shall have his or her co-share obligation increased by an additional one percentage point (1%) (e.g. 21%, 17.5% or 16%) for the following contract year unless exempted by both the Administrator of the RI Public Employees Health Services Fund and the City's Director of Employee Benefits.

(C) <u>Health Reimbursement Account (HRA).</u>

(i.) Establishment of Account.

The parties agree that the City shall continue to fund the Healthcare Reimbursement Account (HRA) previously established and administered by the City's health insurer's CDH (Consumer Driven Health) Administrator for the benefit of the parties for the purpose of offsetting the cost of the deductible for the new healthcare plan outlined herein. On a quarterly basis, the CDH Administrator shall provide monthly reports to the parties regarding the funding level of the HRA account, and, on a quarterly basis, the CDH Administrator shall provide to the parties a report detailing the number of claims filed for reimbursement, the amounts reimbursed for each claim, and information concerning the percentage of the annual allowance utilized by each member covered by the plan.

Effective, July 1, 2019, the City shall fund the Full Corpus of the HRA benefit. As used in this Agreement, the "Full Corpus of the HRA benefit" as provided for below (Benefit Levels)

The City shall thereafter, no later than July 1 of each succeeding year, or such earlier date should the Corpus of the Fund decrease to 20% or less of the original funding level, replenish the HRA to ensure that the Full Corpus of the HRA benefit is provided for in the account.

(ii.) Benefit Levels

No employee shall be able to utilize, on an annual basis, any more than his or her Pro Rata share of the HRA benefit. "Pro Rata share of the HRA benefit" as used in this agreement shall mean:

For employees hired before January 1, 2019 shall mean \$750 for employees with individual plan coverage and \$1,500 for employees with family plan coverage.

For employees hired on or after January 1, 2019, shall mean \$300 for employees with individual plan coverage and \$600 for employees with family plan coverage.

(D) <u>Healthcare Plan Changes.</u>

(i.) New Deductible Plan.

Effective July 1, 2019, health plan benefits for all employees shall include an annual deductible of \$750 per individual - \$1500 per family. The network allowance is based upon the U.S. Blue Cross PPO Regional allowance.

(ii.) Plan Design Changes

PRE-AUTHORIZATION: Authorization is obtained by participating (In Network) providers. Members are responsible only when using non-participating providers and for certain diagnostic testing, including MRI.

Hospital Inpatient, Outpatient and free standing ambulatory Surgi Center covered in full for unlimited days of care with all necessary medical services after meeting the annual deductible.

In Network – Coverage in full after meeting the annual deductible.

Out of Network- Coverage at 80% of the In Network allowance after meeting the annual deductible.

ANNUAL MAXIMUM EXPENSE:

Benefits increased to full coverage after an annual maximum expense of \$1,000 per individual; \$3,000 per family for all Health Care Plan out of pocket expenses. The out-of-pocket limits are separate for in-network and out-of-network.

Benefits increased to full coverage after maximum expense of \$1,300 per individual; \$2,600 per family for all non-oral RX out of pocket expenses.

Benefits increased to full coverage after maximum expense of \$1,300 per individual; \$2,600 per family for all oral RX out of pocket expenses.

All deductibles, co-pays, and co-insurance applies to the Out of Pocket Maximum.

LIFETIME MAXIMUMS: Unlimited.

DEPENDENT COVERAGE: Spouse and children (Children through the end of the month in which the child turns age 26).

OUTPATIENT SERVICES:

PREVENTIVE & EARLY DETECTION CARE: Including Well-baby visits, Adult Annual, Pediatric Office visits, Preventive counseling/education, Immunizations administered by a Healthcare Professional and Preventative Screenings- In Network covered in full, Out of Network-\$15 copay, then coverage at 80% of the In Network allowance after meeting the annual deductible.

OFFICE VISITS: In Network-\$0. Co-payment at In Network PCMH, \$15 co-payment at Primary Care Physician, \$30. copayment for Specialist, except Preventative & Early Detection Care as defined above. Out of Network-Above stated copayment then coverage at 80% of the In Network allowance after meeting the annual deductible.

EYE EXAMS: In Network-\$15 co-payment for one routine exam per year. Out of Network-\$15 copay, then coverage at 80% of the In Network- allowance after meeting the annual deductible.

OUTPATIENT SURGERY: In Network- Covered in full, after meeting the annual deductible.

Out of Network- Coverage at 80% of the In Network- allowance, after meeting the annual deductible.

DIAGNOSTIC LAB & X-RAY: In Network- Covered in full subject to Pre-authorization after meeting the annual deductible (except preventative and early detection care), at Blue Cross participating lab, diagnostic and x-ray facilities. Out of Network- Plan pays 80% of the In Network- allowance after an annual deductible, also subject to Pre authorization.

CHIROPRACTIC CARE (15 per year total visits In and Out of Network): In Network- Office visits \$30. co-payment; lab tests & x-rays covered in full, after meeting the annual deductible.

Out of Network- Office visits \$30. Co-payment then coverage at 80% of the In Network allowance after an annual deductible; lab tests & x-rays Plan pays 80% of the In Network allowance after an annual deductible.

INPATIENT SERVICES (includes MATERNITY):

HOSPITAL ROOM & BOARD including SURGICAL-MEDICAL: In Network-Covered in full for unlimited days of care in a semiprivate room with all necessary medical services, after meeting the annual deductible.

Out of Network- Co pay then coverage at 80% of the In Network allowance for unlimited days of care in a semiprivate room with all necessary medical services, after meeting the annual deductible.

ORGAN TRANSPLANT: In Network- Covered in full for unlimited days of care for eligible services to the recipient and the donor associated with kidney, liver, lung, heart, cornea and homologous bone marrow transplants, after meeting the annual deductible.

Out of Network- Co pay then coverage at 80% of the In Network allowance for eligible services to the recipient and the donor, after meeting the annual deductible.

Free Standing Surg Center In Network- Covered in full after meeting the annual deductible. Out of Network- Coverage at 80% of the In Network allowance, after meeting the annual deductible.

EMERGENCY ROOM: \$125 co-payment for treatment of accident or life threatening medical emergency within 24 hours of onset of symptoms (co-payment waived if admitted to Hospital within 24 hours. including being held for observation in excess of 8 hours.

URGENT CENTER: "Walk In" In Network- \$45. Co Pay. Out of Network- \$45. Co Pay then coverage at 80% of the In Network allowance.

TELEMEDICINE - \$7.50 co-copay at designated Telemedicine Network. No coverage outside of network.

DIALYSIS SERVICES: in patient, outpatient, In Network - covered in full after the meeting annual deductible. In-home dialysis is covered in full. Out of Network-coverage at 80% of the In Network allowance, after meeting the annual deductible.

RADIATION THERAPY/CHEMOTHERAPY SERVICES: outpatient & physician's office, In Network- covered in full. Out of Network- coverage at 80% of the In Network allowance, after meeting the annual deductible.

RESPIRATORY THERAPY: outpatient & physician's office, In Network- coverage at 80% of the In Network allowance, after meeting the annual deductible.

BEHAVIORAL HEALTH, MENTAL HEALTH & SUBSTANCE ABUSE INPATIENT: In Network- Covered in full for an unlimited days of care after meeting the annual deductible. Out of Network- Coverage at 80% of the In Network- allowance, after meeting the annual deductible.

OUTPATIENT: In Network- Covered in full for an unlimited days of care after meeting the annual deductible. Out of Network- Coverage at 80% of the In Network- allowance, after meeting the annual deductible.

PHYSICAL, SPEECH & OCCUPATIONAL THERAPY OUTPATIENT: In Network- 80% coverage after meeting the annual deductible. Covered in full if within 30 days of hospital admission. Out of Network- 80% of the In Network allowance, after meeting the annual deductible.

PRIVATE DUTY NURSING: In Network- 80% coverage. Covered in full if within 30 days of hospital admission. Out of Network- 80% of the In Network allowance, after meeting the annual deductible.

HOME HEALTHCARE: In Network- \$20. per day co pay then cover in full. Out of Network- \$20. per day co pay then 80% of the In Network allowance, after meeting the annual deductible.

AMBULANCE: - \$50. Co pay per occurrence. Does not include Air Ambulance.

DURABLE MEDICAL EQUIPMENT, MEDICAL & DIABETIC SUPPLIES, ENTERNAL FORMULA & FOOD, PROSTHETIC DEVICES: In Network-80% coverage after meeting the annual deductible. Out of Network-80% of the In Network allowance, after meeting the annual deductible.

SKILLED NURSING FACILITY CARE (skilled or sub-acute care) In Network- \$20. per admission co pay then covered in full. Out of Network- \$20. per admission co pay then 80% of the In Network allowance, after meeting the annual deductible.

AUTISM SERVICES: Behavioral analysis, PT, OT, ST and Autism diagnosis: In Network- covered in full. Out of Network- 80% of the In Network allowance, after meeting the annual deductible.

* Intermitted Home care services and Home Hospice, Cardiac Rehab, Gender Affirmation Services, Hearing exam, diagnostic testing and Hearing aids, Leukocyte Antigen testing, Infusion Therapy Administration and Infertility Treatment are covered by RI Law, greatest level of coverage is always received In Network.

(iii) Health Fund Contributions.

To offset the rising cost of prescription drug, vision and dental benefits, the City shall increase its contribution to the RI Public Employees' Health Services Fund as follows:

Effective January 1, 2021 two cents per hour Effective January 1, 2022 two cents per hour.

4. <u>Article XXVII – Duration of Agreement</u>

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5. This Agreement is subject to ratification by the Providence City Council and the Union.

FOR THE UNION	FOR THE EMPLOYER
Konlight.	
RONALD R. COIA, ESQ.	JORGE O. LLORZA
Business Manager	Mayor of Providence
Local Union 1033	
Seful Barly	Defel) Barley
WITNESS	WITNESS
Vilallizila	
VICKI A. VIRGILIO	
President	
Local Union 1033	
Seful Barley	
WITNESS	
Approved as to form and correctness:	

City of 39robidence state of rhode island and providence plantations

RESOLUTION OF THE CITY COUNCIL

No. 29

Approved Janaury 22, 2019

RESOLVED, That the accompanying copy of the Tentative Agreements by and between the City of Providence, Rhode Island and the Rhode Island Laborers' District Council on behalf of Public Employees' Local Union 1033 of the Laborers' International Union of North America, AFL-CIO for the period of July 1, 2018 through June 30, 2019 and July 1, 2019 through June 30, 2022, is hereby approved and ratified by the Providence City Council. (City Local 1033 Agreements)

IN CITY COUNCIL

JAN 17 2019

READ AND PASSED

CLERK

I HEREBY APPROVE.

William I

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To	
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Mayor of Providence

Jorge O. Elorza

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12-13-2018 Schedule Public Hearing

THE COMMITTEE ON

DEPT. OF CITY CLERK 5018 DEC -3 b #: 51

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Section 5:

Appendix B: Effective upon ratification of this agreement by all parties, the August 1, 1996 agreement allowing for the continuation of health insurance benefits for employees terminated for misconduct is amended. In its stead, the following language will be added to Article XVIII, Health and Welfare, (New) Section 5.

The City will maintain the continuation of medical insurance until a decision is rendered by an arbitrator for terminated employees; however, with respect to employees with one (1) year or less of City service, said continuation of care shall not exceed the actual amount of City service, not inclusive of the six (6) month probationary period. Additionally, no purchases of service of any type may be added or included in the actual City service.

10. Article XXVII – Duration of Agreement

The terms and conditions of this Agreement shall be effective for the period of July 1, 2018 to June 30, 2019 and from year to year thereafter unless either party at least one hundred and twenty (120) days prior to June 30, 2019, gives notice in writing to the other party of its intention to terminate this Agreement, in which event this Agreement shall terminate at the end of the contract year in which said notice is given. In the event that such notice is given, negotiations shall begin immediately, no later than sixty (60) days

prior to the termination of the Agreement.

11. This Agreement is subject to ratification by the Providence City Council and the Union.

FOR THE EMPLOYER
JORGE O, ELØRZA Mayor of Providence
Myl Buly WITNESS

TENTATIVE AGREEMENT

ENTERED into this <u>3</u> day of December 2018, by and between the CITY OF PROVIDENCE and the RHODE ISLAND LABORERS' DISTRICT COUNCIL on behalf of LOCAL UNION 1033 pursuant to Article XXV and Article XXVII of the parties' Agreement effective July 1, 2018 to June 30, 2019;

WHEREAS, the parties hereto have conducted good-faith negotiations pursuant to Title 28, Chapters 7 and 9.4 of the Rhode Island General Laws, as amended; and

WHEREAS, the parties' negotiations have resulted in Agreement for a Collective Bargaining Agreement, effective July 1, 2019 to June 30, 2022; and

WHEREAS, the parties hereto desire to codify their AGREEMENT and be bound by the same.

THE PARTIES HEREBY AGREE

- 1. The document titled "Agreement between the City of Providence, Rhode Island, and the Rhode Island Laborers' District Council on behalf of Public Employees' Local Union 1033 of the Laborers' International Union of North America, effective July 1, 2018 to June 30, 2019" is herein incorporated by reference as if fully reproduced. The terms and conditions of this Agreement shall continue and remain in effect for the period of July 1, 2019 to June 30, 2022 except as expressly modified herein.
- 2. Article VI Salaries and Hourly Rate Schedule

<u>Section 1</u>: The economic increases shall be as follows and as provided for in the below paragraphs:

- a. Effective July 1, 2019, an amount equal to an across-the-board wage increase for all bargaining unit employees of two percent (2.0%), over the June 30, 2019 rate.
- b. Effective July 1, 2020, an amount equal to an across-the-board wage increase for all bargaining unit employees of two percent (2.0%), over the June 30, 2020 rate.
- c. Effective July 1, 2021, an amount equal to an across-the-board wage increase for all bargaining unit employees of three percent (3.0%), over the June 30, 2021 rate.
- d. Commencing on July 1, 2019 and terminating on June 30, 2022 all new employees shall be compensated at a wage rate of fifteen percent (15%) below the applicable wages. Wages for said employees shall be increased in five percent (5%) increments annually. The parties acknowledge that this provision shall sunset and become null and void on June 30, 2022, and on said date, any member receiving wages at a rate below the applicable union wage rate shall have his/her wages increased to the

applicable union wage rate.

3. Article XVIII – Health and Welfare

A) New Co-Share

Effective July 1, 2019, Employees with annual base wages of \$51,501.00 or more shall co-share in the cost of healthcare insurance benefits provided in this Article through pretax weekly payroll deduction by the payment of 20% of the negotiated working rate. Employees with annual base wages that are less than \$51,501.00 but more than \$43,501 shall co-share in the cost of healthcare insurance benefits provided in this Article through pre-tax weekly payroll deduction by the payment of 16.5% of the negotiated working rate. Employees with annual base wages that are less than \$43,501 shall co-share in the cost of healthcare insurance benefits provided in this Article through pre-tax weekly payroll deduction by the payment of 15% of the negotiated working rate. These rates shall be indexed to reflect the salary increases over the life of the agreement.

(B) New Wellness Benefit

Effective July 1, 2019, the parties agree to implement a new wellness benefit, which shall incentivize healthy behavior and shall be developed by the parties. Any employee who participates in the wellness program will be eligible to have his or her co-share obligation decreased by up to \$300 annually for an individual plan and \$600 annually for a family plan.

Further, effective July 1, 2019, any employee who fails to receive an Annual Preventative Medicine Exam during a contract year shall have his or her co-share obligation increased by an additional one percentage point (1%) (e.g. 21%, 17.5% or 16%) for the following contract year unless exempted by both the Administrator of the RI Public Employees Health Services Fund and the City's Director of Employee Benefits.

(C) Health Reimbursement Account (HRA).

(i.) Establishment of Account.

The parties agree that the City shall continue to fund the Healthcare Reimbursement Account (HRA) previously established and administered by the City's health insurer's CDH (Consumer Driven Health) Administrator for the benefit of the parties for the purpose of offsetting the cost of the deductible for the new healthcare plan outlined herein. On a quarterly basis, the CDH Administrator shall provide monthly reports to the parties regarding the funding level of the HRA account, and, on a quarterly basis, the CDH Administrator shall provide to the parties a report detailing the number of claims filed for reimbursement, the amounts reimbursed for each claim, and information concerning the percentage of the annual allowance utilized by each member covered by the plan.

Effective, July 1, 2019, the City shall fund the Full Corpus of the HRA benefit. As used in this Agreement, the "Full Corpus of the HRA benefit" as provided for below (Benefit Levels)

The City shall thereafter, no later than July 1 of each succeeding year, or such earlier date should the Corpus of the Fund decrease to 20% or less of the original funding level, replenish the HRA to ensure that the Full Corpus of the HRA benefit is provided for in the account.

(ii.) Benefit Levels

No employee shall be able to utilize, on an annual basis, any more than his or her Pro Rata share of the HRA benefit. "Pro Rata share of the HRA benefit" as used in this agreement shall mean:

For employees hired before January 1, 2019 shall mean \$750 for employees with individual plan coverage and \$1,500 for employees with family plan coverage.

For employees hired on or after January 1, 2019, shall mean \$300 for employees with individual plan coverage and \$600 for employees with family plan coverage.

(D) <u>Healthcare Plan Changes.</u>

(i.) New Deductible Plan.

Effective July 1, 2019, health plan benefits for all employees shall include an annual deductible of \$750 per individual - \$1500 per family. The network allowance is based upon the U.S. Blue Cross PPO Regional allowance.

(ii.) Plan Design Changes

PRE-AUTHORIZATION: Authorization is obtained by participating (In Network) providers. Members are responsible only when using non-participating providers and for certain diagnostic testing, including MRI.

Hospital Inpatient, Outpatient and free standing ambulatory Surgi Center covered in full for unlimited days of care with all necessary medical services after meeting the annual deductible.

In Network – Coverage in full after meeting the annual deductible.

Out of Network- Coverage at 80% of the In Network allowance after meeting the annual deductible.

ANNUAL MAXIMUM EXPENSE:

Benefits increased to full coverage after an annual maximum expense of \$1,000 per individual; \$3,000 per family for all Health Care Plan out of pocket expenses. The out-of-pocket limits are separate for in-network and out-of-network.

Benefits increased to full coverage after maximum expense of \$1,300 per individual; \$2,600 per family for all non-oral RX out of pocket expenses.

Benefits increased to full coverage after maximum expense of \$1,300 per individual; \$2,600 per family for all oral RX out of pocket expenses.

All deductibles, co-pays, and co-insurance applies to the Out of Pocket Maximum.

LIFETIME MAXIMUMS: Unlimited.

DEPENDENT COVERAGE: Spouse and children (Children through the end of the month in which the child turns age 26).

OUTPATIENT SERVICES:

PREVENTIVE & EARLY DETECTION CARE: Including Well-baby visits, Adult Annual, Pediatric Office visits, Preventive counseling/education, Immunizations administered by a Healthcare Professional and Preventative Screenings- In Network covered in full, Out of Network-\$15 copay, then coverage at 80% of the In Network allowance after meeting the annual deductible.

OFFICE VISITS: In Network- \$0. Co-payment at In Network PCMH, \$15 co-payment at Primary Care Physician, \$30. copayment for Specialist, except Preventative & Early Detection Care as defined above. Out of Network-Above stated copayment then coverage at 80% of the In Network allowance after meeting the annual deductible.

EYE EXAMS: In Network-\$15 co-payment for one routine exam per year. Out of Network-\$15 copay, then coverage at 80% of the In Network- allowance after meeting the annual deductible.

OUTPATIENT SURGERY: In Network- Covered in full, after meeting the annual deductible.

Out of Network- Coverage at 80% of the In Network- allowance, after meeting the annual deductible.

DIAGNOSTIC LAB & X-RAY: In Network- Covered in full subject to Pre-authorization after meeting the annual deductible (except preventative and early detection care), at Blue Cross participating lab, diagnostic and x-ray facilities. Out of Network- Plan pays 80% of the In Network- allowance after an annual deductible, also subject to Pre authorization.

CHIROPRACTIC CARE (15 per year total visits In and Out of Network): In Network- Office visits \$30. co-payment; lab tests & x-rays covered in full, after meeting the annual deductible.

Out of Network- Office visits \$30. Co-payment then coverage at 80% of the In Network allowance after an annual deductible; lab tests & x-rays Plan pays 80% of the In Network allowance after an annual deductible.

INPATIENT SERVICES (includes MATERNITY):

HOSPITAL ROOM & BOARD including SURGICAL-MEDICAL: In Network-Covered in full for unlimited days of care in a semiprivate room with all necessary medical services, after meeting the annual deductible.

Out of Network- Co pay then coverage at 80% of the In Network allowance for unlimited days of care in a semiprivate room with all necessary medical services, after meeting the annual deductible.

ORGAN TRANSPLANT: In Network- Covered in full for unlimited days of care for eligible services to the recipient and the donor associated with kidney, liver, lung, heart, cornea and homologous bone marrow transplants, after meeting the annual deductible.

Out of Network- Co pay then coverage at 80% of the In Network allowance for eligible services to the recipient and the donor, after meeting the annual deductible.

Free Standing Surg Center In Network-Covered in full after meeting the annual deductible. Out of Network-Coverage at 80% of the In Network allowance, after meeting the annual deductible.

EMERGENCY ROOM: \$125 co-payment for treatment of accident or life threatening medical emergency within 24 hours of onset of symptoms (co-payment waived if admitted to Hospital within 24 hours. including being held for observation in excess of 8 hours.

URGENT CENTER: "Walk In" In Network- \$45. Co Pay. Out of Network- \$45. Co Pay then coverage at 80% of the In Network allowance.

TELEMEDICINE - \$7.50 co-copay at designated Telemedicine Network. No coverage outside of network.

DIALYSIS SERVICES: in patient, outpatient, In Network - covered in full after the meeting annual deductible. In-home dialysis is covered in full. Out of Network-coverage at 80% of the In Network allowance, after meeting the annual deductible.

RADIATION THERAPY/CHEMOTHERAPY SERVICES: outpatient & physician's office, In Network- covered in full. Out of Network- coverage at 80% of the In Network allowance, after meeting the annual deductible.

RESPIRATORY THERAPY: outpatient & physician's office, In Network- coverage at 80% of the In Network allowance, after meeting the annual deductible.

BEHAVIORAL HEALTH, MENTAL HEALTH & SUBSTANCE ABUSE INPATIENT: In Network- Covered in full for an unlimited days of care after meeting the annual deductible. Out of Network- Coverage at 80% of the In Network- allowance, after meeting the annual deductible.

OUTPATIENT: In Network- Covered in full for an unlimited days of care after meeting the annual deductible. Out of Network- Coverage at 80% of the In Network- allowance, after meeting the annual deductible.

PHYSICAL, SPEECH & OCCUPATIONAL THERAPY OUTPATIENT:

In Network- 80% coverage after meeting the annual deductible. Covered in full if within 30 days of hospital admission. Out of Network- 80% of the In Network allowance, after meeting the annual deductible.

PRIVATE DUTY NURSING: In Network- 80% coverage. Covered in full if within 30 days of hospital admission. Out of Network- 80% of the In Network allowance, after meeting the annual deductible.

HOME HEALTHCARE: In Network- \$20. per day co pay then cover in full. Out of Network- \$20. per day co pay then 80% of the In Network allowance, after meeting the annual deductible.

AMBULANCE: - \$50. Co pay per occurrence. Does not include Air Ambulance.

DURABLE MEDICAL EQUIPMENT, MEDICAL & DIABETIC SUPPLIES, ENTERNAL FORMULA & FOOD, PROSTHETIC DEVICES: In Network- 80% coverage after meeting the annual deductible. Out of Network- 80% of the In Network allowance, after meeting the annual deductible.

SKILLED NURSING FACILITY CARE (skilled or sub-acute care)

In Network- \$20. per admission co pay then covered in full. Out of Network- \$20. per admission co pay then 80% of the In Network allowance, after meeting the annual deductible.

AUTISM SERVICES: Behavioral analysis, PT, OT, ST and Autism diagnosis: In Network- covered in full. Out of Network- 80% of the In Network allowance, after meeting the annual deductible.

* Intermitted Home care services and Home Hospice, Cardiac Rehab, Gender Affirmation Services, Hearing exam, diagnostic testing and Hearing aids, Leukocyte Antigen testing, Infusion Therapy Administration and Infertility Treatment are covered by RI Law, greatest level of coverage is always received In Network.

(iii) Health Fund Contributions.

To offset the rising cost of prescription drug, vision and dental benefits, the City shall increase its contribution to the RI Public Employees' Health Services Fund as follows:

Effective January 1, 2021 two cents per hour Effective January 1, 2022 two cents per hour.

4. <u>Article XXVII – Duration of Agreement</u>

EOD THE LIMION

The terms and conditions of this Agreement shall be effective for the period of July 1, 2019 to June 30, 2022 and from year to year thereafter unless either party at least one hundred and twenty (120) days prior to June 30, 2022, gives notice in writing to the other party of its intention to terminate this Agreement, in which event this Agreement shall terminate at the end of the contract year in which said notice is given. In the event that such notice is given, negotiations shall begin immediately, no later than sixty (60) days prior to the termination of the Agreement.

EOD THE EMPLOYED

5. This Agreement is subject to ratification by the Providence City Council and the Union.

FOR THE UNION	FOR THE EMPLOYER
Kanlafth.	
RONALD R. COIA, ESQ.	JORGE O. LORZA
Business Manager	Mayor of Providence
Local Union 1033	
Seful Barry	Some Baley
WITNESS	WITNESS
Vicki A. VIRGILIO	
President	
Local Union 1033	
Seful Barley	
WITNESS	
Approved as to form and correctness:	





AGREEMENT

between

CITY OF

PROVIDENCE, RHODE ISLAND

and

RHODE ISLAND LABORERS' DISTRICT COUNCIL

on behalf of

PUBLIC EMPLOYEES' LOCAL UNION 1033

of the

LABORERS' INTERNATIONAL UNION
OF NORTH AMERICA, AFL-CIO

Effective: July 1, 20189 to June 30, 201922

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AGREEMENT

THIS AGREEMENT is made and entered into as of the 1st day of July, 20189, by and between the CITY OF PROVIDENCE, RHODE ISLAND, (hereinafter referred to as the "Employer"), and the RHODE ISLAND LABORERS' DISTRICT COUNCIL acting for and on behalf of PUBLIC EMPLOYEES' LOCAL UNION 1033, PROVIDENCE, RHODE ISLAND, of the Laborers' International Union of North America, AFL-CIO, (hereinafter referred to as the "Union").

PREAMBLE

This Agreement is entered into to facilitate the adjustment of grievances and disputes between the Employer and employees, to provide, insofar as possible, for the continuous employment of labor and to establish necessary procedures for the amicable adjustment of all disputes which may arise between the Employer and the Union.

The Employer and the Union encourage the highest possible degree of practical, friendly, cooperative relationships between their respective representatives at all levels. The officials of the Employer and the Union realize that this goal depends primarily on cooperative attitudes between people in their respective organizations and at all levels of responsibility, and that proper attitudes must be based on full understanding of and regard for respective rights and responsibilities of both the Employer and the Union. To further this goal, the parties shall jointly sponsor quarterly meetings of their respective Representatives.

All references to employees in this Agreement designate both sexes and wherever the male gender is used it shall be construed to include male and female employees.

ARTICLE I

UNION RECOGNITION

Section 1. The Employer hereby recognizes and acknowledges that the Union is the exclusive representative of, and this Agreement shall apply to, all employees of the Employer who are included within the current definition of "municipal employee" set forth in RIGL 28-9.4-2, excluding elected officials, administrative employees, board and commission members. certified teachers, policemen, firefighters, supervisors (as defined pursuant to RIGL 28-9.4-2). confidential secretaries (as defined by the parties), attorneys, members of the Mayor's staff, temporary employees, and seasonal employees.

Section 2(a)(1). The term "temporary employee" shall mean an individual employed for a limited period, or an individual employed as a replacement for an employee or employees on authorized leave for the duration of said leave, provided that a "temporary employee" may not be employed to replace an employee on Workers' Compensation for a period beyond one (1) year. Temporary employees shall be paid at least the lowest contract rate of pay established by this Agreement, but shall be entitled to no other benefits under this Agreement, except those specifically stated herein. Unless otherwise agreed to and consistent with the language of this Agreement, temporary employees shall be utilized only in entry level positions.

Section 2 (a) (2). TEMPORARY EMPLOYEES - The parties agree that temporary employees are not entitled to any rights under the Collective Bargaining Agreement until they are hired as permanent employees. Unless the parties agree otherwise in regards to a specific position and subsequent to posting pursuant to Article X, any position that represents the lowest grade level in a department that the Employer determines to fill shall be offered to temporary employees in the order of their seniority as temporary employees, in their respective seniority group (Blue Collar or White Collar). Upon hire as permanent employees the probationary period prescribed by the Collective Bargaining Agreement shall begin. Upon completion of the 2

probationary period, permanent employee seniority shall apply retroactively to the employee's date of hire as a permanent employee. The Employer also agrees that the number of temporary employees shall not exceed sixty (60) temporary employees unless otherwise agreed to by the parties.

Section 2(a) (3). Apprentice employees are municipal employees and shall receive all the benefits set forth herein including a minimum probationary period of six (6) months. Apprentice employees shall enjoy the wage rate and other such conditions as established by the Apprentice Council which shall include continued employment and progression based on successful completion of said probationary period. Apprentice employees may exceed six (6) months' probation as determined by continued progressive criteria established by the Apprentice Council.

Section 2(b). Seasonal employees are employees employed during the months of June through September who are assigned to perform only recreational duties and do not perform bargaining unit work of any nature whatsoever.

In no event shall the use of any seasonal employee displace or otherwise affect a member of the bargaining unit.

ARTICLE II

UNION SECURITY AND DUES DEDUCTION

Section 1. All present employees who are members of the Union on the effective date of this Agreement shall remain members in good standing by the payment of their regular monthly dues as a condition of continued employment. All present employees who are not members of the Union, all employees who are hired hereafter in the classifications covered by this Agreement, and all Temporary Employees shall become and remain members in good standing by the payment of the required initiation fee and regular monthly dues on the 31st day following the execution of this Agreement or the date of their employment, whichever is later, and shall thereafter maintain such good dues standing for the term of this Agreement.

Section 2. Upon receipt of written notice from the Union, the Employer shall discharge any Employee who fails to become or is not a member of the Union on the prescribed day, provided membership was available under the same terms and conditions as generally applicable to other members. Further, all employees who fail to maintain their Union membership in good dues standing shall be summarily discharged by the Employer. The Union agrees to indemnify, defend and hold the Employer harmless from any claim arising from any such discharge.

<u>Section 3.</u> "Membership in good standing" as referred to herein means solely the tender of payment of normal dues and the standard initiation fee.

Section 4. The Employer agrees not to enter into any agreement or contract with members of the bargaining unit, individually or collectively, nor negotiate or bargain with them, unless it is through the duly authorized representative of the Union, and any such agreement entered into shall be null and void.

Section 5. The Employer agrees to deduct membership dues in an amount designated in writing by the Union's Secretary-Treasurer from the weekly pay of each employee who authorizes such deduction in writing as provided in this section. Deductions shall be made weekly from the net pay of each employee who is or who becomes a member of the Union within the scope of the bargaining unit and is covered by this Agreement, provided such employee has voluntarily authorized the Employer to do so in writing with the "Dues Deduction Authorization" form, to be furnished to the Employer as set forth below:

PUBLIC EMPLOYEES' LOCAL UNION 1033 Providence, Rhode Island Dues Deduction Authorization

I authorize you to deduct from	m my weekly pay the sum ofper	
week for Union dues payable to the Secretary-Treasurer of Local Union 1033.		
Date	Employee's Signature	

Employee's S.S. Number	Employee's ID No.	
-	Address	

Such authorization form, deduction, practices and procedures enumerated in this Article shall be in compliance with the requirements of all State laws and regulations regarding same.

The Employer will remit the deduction withheld weekly to the Secretary-Treasurer of Local Union 1033, 410 South Main Street, Providence, Rhode Island 02903 on Payroll Optional reports listing the employee's name, identification number, department number, and amount of dues deducted.

In addition, the Employer shall deduct the sum of two cents (\$.02) per hour for each hour worked or paid for from the pay of those employees who so authorize on a voluntary basis to the Rhode Island Laborers Public Employees' Political Action Committee (RILPEPAC), created by the Union in accordance with Title 25 Chapter 17, RIGL, as a voluntary contribution.

Such deduction, if authorized by the employee, shall be made from the employee's pay on each regularly scheduled pay day and shall be remitted to the RILPEPAC monthly and by the 15th day of each month based upon the previous month's payroll. Authorization is granted by the employee's execution of the form attached to this Agreement as Exhibit A.

The Union shall indemnify and hold harmless the Employer for any and all claims, liabilities and costs incurred by the Employer as a result of the Employer's compliance with the above provisions of this Article II.

Section 6. During the term of this Agreement, the Employer shall have the right to transfer and/or redeploy temporary employees, as defined in Article I, and bargaining unit employees who have less than five (5) years' seniority, to vacant positions on a temporary basis and such transfer and/or redeployment shall not be the subject of the grievance procedure. The

parties agree that any transfer/redeployment shall only occur within the affected employee's class, i.e. white collar/blue collar, and will not reduce the salary and benefits afforded to the affected employee. Further, the parties agree that no transfer/redeployment to promotional positions, as defined in Article X, shall occur unless the promotional process of Article X is exhausted. Should a transfer/redeployment to a promotional position occur after the process is exhausted, then the affected employee shall receive the wage rate of the new position for the duration of the transfer/redeployment. Any transfer/redeployment under this provision shall be for a length of time determined by the Employer, but shall not exceed six (6) months. There shall be no pyramiding of transfers/redeployments to the same position. This provision shall not apply to the Communications Department.

Section 7. Notwithstanding anything to the contrary, the employer shall have the right to redeploy any Laborer from the Department of Public Works (DPW) to the Department of Parks and Recreation (DPR) to perform work within said classification with the exception of the Spring preparation of athletic fields. The employer shall have the right to redeploy any Laborer from the Department of Parks and Recreation (DPR) to the Department of Public Works (DPW) to perform work within said classification with the exception of snow removal operations. With respect to performance of work related to snow removal, said work shall continue to be the primary responsibility of the employees of the DPW. To the extent that the full complement of the employees assigned to the DPW are unable to meet the demands of snow operations, the City may continue to supplement said employees with other qualified bargaining unit members from other city departments by seniority.

<u>Section 8.</u> Unless otherwise agreed to by the parties, the City shall not assign bargaining unit work to non-bargaining unit persons.

ARTICLE III

NON-DISCRIMINATION

There shall be no discrimination against any employee by reason of race, color, creed, sex, age, national origin, physical or mental disability, sexual orientation or Union membership.

The Employer and the Union affirm their joint opposition to any such discriminatory practices in connection with employment, promotion, or training, remembering that the public interest remains in full utilization of an employee's skill and ability without regard to consideration of race, color, creed, sex, age physical or mental disability, sexual orientation or Union membership.

No employee covered by this Agreement shall be discharged, laid off, demoted, suspended, transferred, or affected in any way because of political beliefs or activities.

ARTICLE IV

HOURS OF WORK AND OVERTIME

Section 1. The regular workweek for all employees covered by this Agreement, who are employed in the classifications listed in Schedule "A" hereto, shall consist of five (5) consecutive eight (8) hour days: Monday, Tuesday, Wednesday, Thursday and Friday. The regular work shift for day workers shall commence at 8:00 A.M. and shall finish at 4:30 P.M. with one half (½) hour lunch period. Existing exceptions to the foregoing, and exceptions codified within Section 2 and Section 5 below may be continued during the term of this Agreement.

The regular workweek for Automobile Drivers shall consist of thirty-five (35) hours per week, consisting of five (5) consecutive seven (7) hour days: Monday, Tuesday, Wednesday, Thursday, and Friday.

Section 2. The regular workweek for all employees covered by this Agreement, who are employed in the classifications listed in Schedule "B" hereto, shall consist of five (5) consecutive seven (7) hour days: Monday, Tuesday, Wednesday, Thursday and Friday. The regular work 12/27/18

shift for day workers shall commence at 8:30 A.M. and shall finish at 4:30 P.M. with a one (1) hour lunch period. Existing exceptions to the foregoing, and exceptions codified within this section and Section 5 below may be continued during the term of this Agreement.

(A) Flex Hours. The parties agree that the Employer may seek qualified volunteers within a department needing flextime, on a rotating basis by seniority, as may be needed by a specific department, to work scheduled flextime. When this need arises, the Employer shall notify the Union no later than two weeks prior to the requested implementation of flex time. However, in the event of a situation determined by the Employer to be an emergency, the Employer may implement Flex hours under this section with less than two weeks' notice. In such a case notice will be given to the Union as soon as practical. If the Employer is not able to secure enough volunteers during an emergency, the Employer will identify and select the most junior qualified employees within the department or Citywide to fill the necessary time slots. Implementation of this section shall be considered a normal work week and shall not be considered an alternate work schedule and the provisions of Article IV Section 5 shall not apply, and the work week shall fall within Monday through Friday.

Section 3. Effective October 23, 1999, the workweek for any employee hired and assigned or promoted from a department other than Communications to a position in the Providence Police Control Center shall be four (4) consecutive days on, followed by two (2) consecutive days off and then repeating.

Recognizing the continuing requirement to provide the most effective and efficient public services, the parties hereto hereby commit to meet and confer in good faith within thirty (30) days of the ratification of this agreement to address the needs of the City and its Citizenry as to all methods of providing services to the Citizenry including merging the Police and Fire telecommunications division into one Public Safety dispatch center in the Department of Communications with a common work schedule.

Section 4. Overtime. Time and one half shall be paid in each of the following instances:

- (A) Hourly Basis of Pay. Any regular employee of the Employer, whose pay is established on an hourly basis shall be entitled to and shall be paid overtime pay at the rate of one hundred fifty percent (150%) of his hourly rate of pay for each full hour, or part of an hour, of employment in excess of the standard hours of employment worked or credited in any one workweek. In the event an Employee is sick during the workweek, the sick day shall be considered as part of the workweek for the purpose of computing overtime.
- (B) <u>Daily Basis of Pay.</u> Any regular employee whose pay is established on a daily basis in the City Compensation Plan shall be entitled to and shall be paid overtime at the rate of one hundred fifty percent (150%) of the rate of payment established in the City Compensation Plan for the particular position which he holds, for each full day or part of in excess of standard days of employment worked or credited in any one workweek.
- (C) The Employer may require employees to work reasonable overtime in those areas such as the Department of Public Parks, Department of Public Safety, Department of Public Works, Water Supply Board, and other essential services.
- (D) Overtime will be offered equally to employees by classification in each department, on the basis of seniority based on the work the employee customarily and ordinarily performed during that week. In departments separated by functional divisions, overtime will be offered first to employees in the division where the overtime takes place, on the basis of seniority based on the work the employee customarily and ordinarily performed during that week, and then will be offered department wide, if a need continues to exist. A list of eligible employees of each department shall be posted and maintained by the superintendent and the steward of each department. Should a dispute arise under the application of this clause, and upon request, the Employer shall furnish the Union with a record of overtime.

Employees who discharge sick leave are not eligible for overtime assignments for twenty-four (24) hours, except in extenuating circumstances where the City determines it necessary, such as to maintain roadways during a severe weather event. For the purpose of this section, the 24 hour waiting period commences at the start of the shift wherein the employee discharged sick leave. In the event the employee discharges more than one day of sick leave, the 24 hour waiting period commences at the start of the shift, on the last day in which sick leave was used.

- (E) Bargaining Unit members, excluding employees assigned to the Providence Police Control Center and Fire Dispatchers, assigned to a less than forty-hour workweek, may elect to take compensatory time in lieu of cash for the hours worked or credited beyond thirty five and up to forty (40) in a given workweek provided that the department director or designee and the employee are in agreement as to the election of such time. If there is no agreement as to the election of such time then hours worked or credited shall be compensated with overtime wages. The discharge of such compensatory time must be scheduled and approved in advance by the Employee's Department Director. The accumulation or use of such compensatory time, to a maximum of one hundred-five (105) straight time hours (i.e. 157.5 compensatory time hours), cannot be carried over from one contract year to another unless the employee is denied reasonable opportunities to discharge said time prior to the end of the contract year. Requests to discharge compensatory time during the time period of November 15 to January 5 must be submitted in writing by October 15.
- (F) An Employee who discharges leave of any type that equals fifty percent (50%) of the employee's regular workweek as of the time that the overtime opportunity occurs, shall not be offered or be eligible for overtime during that workweek unless the entire list, including agreed to alternate lists, of eligible employees is exhausted. Said employee shall remain in the existing

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location on the overtime list and become eligible for the following workweek for any overtime unless the employee's absence disqualifies him/her under this section.

Section 5. It is recognized that in some circumstances employees may have an existing regular schedule that requires work during a period not included in the workweek as defined in Section 1 of this Article. Such employees shall not be paid one hundred fifty percent (150%) of his hourly rate of pay for work during such periods, but shall receive an additional One Dollar (\$1.00) per hour for all hours worked or credited. This section shall apply to Zoo Keepers at Roger Williams Park. Notwithstanding any provision to the contrary, the Employer shall have the option of maintaining an alternate workweek of Tuesday to Saturday for a maximum of fourteen (14), unless otherwise agreed to by the parties, of which no greater than three (3) shall be from DPW, three (3) from Zoo, excluding the complement of employees currently assigned to an alternate workweek, three (3) from Grounds Maintenance, and two (2) from Traffic Engineering. The complement of WSB employees currently assigned to the alternate work week shall not count toward this maximum number of fourteen (14). Employees assigned to the alternate workweek shall receive regular wages plus one dollar and twenty cents (\$1.20) per hour for all hours worked or credited. The Employer shall first post this opportunity and award said positions to the senior bidder in the classification assigned to the alternate workweek, then to the senior bidder in the department, then the senior bidder Citywide. If no bidders, then the Employer shall offer this opportunity to temporary employees as identified in Article I.

Section 6. Any employee covered by this Agreement, who is called into work outside of his regular hours, for a period of time that is not connected to his regular hours, shall be paid at the rate of one and one-half (1½) times his regular rate of pay for all such hours worked, but in any event, shall be guaranteed four (4) hours' straight time pay. In the event that such hours worked are in excess of the applicable workweek, the employee shall not be paid overtime in

addition to the premium pay or guarantee provided by this section. If otherwise eligible, employees may elect compensatory time per Section 4 (E) above.

Section 7. Summer Hours. During the months of July and August, the regular workday shall end a half (1/2) hour earlier at no loss of pay for members of the bargaining unit in accordance with current practice. The parties shall train Foreman of outside crews in appropriate safety measures and equipment for hot weather working conditions.

Section 8. Subcontracting. The Employer shall have the right to enter into subcontracts for the performance of work, where the work is of a type which has never been performed by bargaining unit employees covered by this Agreement, or of a type that has previously been subcontracted, or where the subcontractor which is the lowest responsible bidder selected by the Employer subscribes and agrees to be bound by the same economic conditions and the Union security provisions in this Agreement.

Section 9. Coffee Breaks. Employees shall receive one fifteen (15) minute coffee break during the first four (4) hours of their daily assignment and one fifteen (15) minute coffee break during the balance of their daily assignment.

ARTICLE V

MANAGEMENT RIGHTS

Section 1. Except as abridged or restricted by any provision of this Agreement or by applicable law, the Employer shall have the exclusive right to supervise and control all of its departments and employees, to issue reasonable rules and regulations, and to exercise any and all rights and authority granted to the City as an Employer by statute, ordinance, and applicable regulations, and to comply with its responsibilities thereunder. The Employer agrees that no such rights or authority shall be exercised in violation of this Agreement. Further, the exercise of rights normally entrusted to management shall be subject to any obligations the Employer may have under RIGL Section 28-9.4, or obligations imposed upon the Employer by relevant statute.

Section 2. With regard to any vacancies or unfilled positions, the filling of any/all such vacancies or unfilled positions shall be within the sole discretion of the Employer. Nothing contained in Article II, Section 6 shall negate, contradict, or modify in any way the Employer's rights pursuant to this provision.

Section 3. Reorganization

Except as abridged or restricted by any provision of this Agreement and subject to the following provisions and any obligations imposed on the Employer by applicable law, the Employer may reorganize any one or more departments or areas as set forth below.

- 1. The Employer shall notify the Union at least fifteen (15) calendar days in advance of notification to bargaining unit members of its intentions to reorganize.
- 2. The Union and the Employer shall meet to review and discuss the plan for such reorganization.
- 3. That plan shall include a thirty (30) day notification to the affected employees.
- 4. (A) All affected employees shall be given the right to bid on new assignments by seniority and shall carry departmental seniority to the new department and/or position.
 - (B) Affected employees who have no available assignments within their classification will be offered vacant positions which have been posted and not filled in accordance with Article X. If the reassigned employee is assigned to duties below his class but within his seniority group, said assignment shall not be subject to the grievance and arbitration clause and shall be without the loss of pay.

ARTICLE VI

SALARIES AND HOURLY RATE SCHEDULE

- <u>Section 1.</u> The economic increases shall be as follows and as provided for in the below paragraphs:
 - (A) There shall be no increase in wages for the period of July 1, 2018 to June 30, 2019.
 - (A) Effective July 1, 2019, an amount equal to an across-the-board wage increase for all bargaining unit employees of two percent (2.0%), over the June 30, 2019 rate.
 - (B) Effective July 1, 2020, an amount equal to an across-the-board wage increase for all bargaining unit employees of two percent (2.0%), over the June 30, 2020 rate.

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- (C) Effective July 1, 2021, an amount equal to an across-the-board wage increase for all bargaining unit employees of three percent (3.0%), over the June 30, 2021 rate.
- (D) Commencing on July 1, 2019 and terminating on June 30, 2022 all new employees shall be compensated at a wage rate of fifteen percent (15%) below the applicable wages. Wages for said employees shall be increased in five percent (5%) increments annually. The parties acknowledge that this provision shall sunset and become null and void on June 30, 2022, and on said date, any member receiving wages at a rate below the applicable union wage rate shall have his/her wages increased to the applicable union wage rate.
- (E) In addition, all employees who possess a CDL and who are assigned to a classification with a wage rate less than the EQUIPMENT OPERATOR wage rate and who agree to work reasonable hours, including overtime, in Snow and Ice removal operations shall receive a stipend of fifty cents (\$.50) per hour for all hours worked or paid for in a classification with a wage rate less than the EQUIPMENT OPERATOR wage rate. This stipend is conditioned on maintaining a valid CDL.

ARTICLE VII

LONGEVITY PAY

Section 1. In addition to the salaries listed in this Agreement, there shall be paid a longevity supplement which shall be considered part of the employee's salary for other purposes in this Agreement, including pension purposes. This supplement shall be computed annually on the basis of the employee's salary and years of service, as of June 30. Longevity payments shall be payable annually on or before September 15 or for employees separating prior to the payment date, on a pro rata basis from the commencement of the Fiscal Year through the date of severance.

Section 2. The Longevity supplement amount shall be reduced by one (1%) percent as follows:

FOR EMPLOYEES HIRED ON OR PRIOR TO OCTOBER 23, 1999

Years of Service		Annual Percentage Amount
5	but less than 10 yrs.	4%
10	but less than 15 yrs.	5%
15	but less than 20 yrs.	6%
20	or more	7%
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FOR EMPLOYEES HIRED AFTER OCTOBER 23, 1999

Years of Service		Annual Percentage Amount
7	but less than 12 yrs.	3%
12	but less than 17 yrs.	4%
17	but less than 20 yrs.	5%
20	or more	6%

FOR EMPLOYEES HIRED AFTER JULY 1, 2015

Years of Service		Annual Percentage Amount
7	but less than 12 yrs.	2%
12	but less than 17 yrs.	3%
17	but less than 20 yrs.	4%
20	or more	5%

Section 3. Bi-Weekly Payroll. The City shall institute a bi-weekly payroll.

ARTICLE VIII

SHIFT DIFFERENTIALS

Section 1. Any bargaining unit member who is regularly assigned to commence work subsequent to 11:30 A.M. or prior to 7:00 A.M. shall receive seventy-five cents (\$.75) per hour in addition to his regular rate of pay as contained herein.

ARTICLE IX

SENIORITY AND PROMOTION

Section 1. Definition. Seniority shall be defined as the total length of service with the Employer. Seniority preference shall be defined as length of service within a Department and shall be applicable to filling vacancies and scheduling vacation leave. For employees whose assigned department is merged with another and for employees who are transferred to another department involuntarily, including through reorganization, departmental seniority shall be the length of service in the initial department and the subsequent department, as measured in the

aggregate. For the purpose of defining seniority preference within a department, the Board of Licenses and the Department of Vital Statistics will be treated as a single department.

Seniority shall be acquired by a fulltime employee after the completion of a six (6) month probationary period, at which time seniority shall be retroactive to the first day of employment. Probationary employees shall not be entitled to avail themselves or utilize the grievance and arbitration procedures, as set forth in Article XXI hereof, regarding disciplinary matters or termination with or without cause, but shall be entitled to any and all other rights, benefits and entitlements pursuant to the terms of this Agreement.

<u>Section 2.</u> <u>Accumulation.</u> Seniority shall accumulate during absence because of illness, injury, vacation or other authorized leave.

<u>Section 3.</u> <u>Break in Seniority.</u> Seniority shall be considered broken only for the following reasons:

- a. When an employee has been discharged for just cause.
- b. When an employee voluntarily terminates his employment.
- c. When an employee exceeds an authorized leave of absence.
- d. When an employee fails to respond to a recall notice.
- e. When an employee engages in other work without authorization while on leave of absence.
- f. When an employee is laid off in excess of two (2) consecutive years.
- g. Absent extenuating circumstances, when an employee fails to report an absence from work of five (5) consecutive working days within that period.

Section 4. Seniority Groups. It is agreed that there shall be two seniority groups: one for employees in "Blue Collar" classifications and another for employees in "White Collar" classifications; and the application of seniority under this Agreement with respect to one group shall be separate and apart from the other group.

Section 5. It is understood that it is the employee's responsibility to advise the Personnel Department of his current address and telephone number.

Section 6. The Employer shall forward a seniority list to the Union, by Department, on an annual basis no later than December 31 of each year so that the Union may review said list and respond with acceptance or correction within 45 days. Disputes regarding seniority shall be processed through Expedited Arbitration.

Section 7. Redeployment/Reduction in the Workforce

Subject to the procedures and limitations contained herein, due to reasons of lack of work or lack of funding, the Employer may implement a redeployment of the workforce or a reduction in the workforce.

The Employer will initially address the issue of lack of work through redeployment of the workforce. The Employer will initially seek volunteers for reassignment to vacant and funded positions after affording the vacant and funded positions to all bargaining unit members in accordance with Article X. Said volunteers, by seniority, who possess the job description qualifications for the vacant and funded position shall then be reassigned and shall carry departmental seniority to the new department and/or position. Said volunteers shall receive the wages of the position. If sufficient volunteers are not obtained, the Employer shall reassign the most junior employee in the affected seniority group (Blue or White Collar), affected department and job classification. The reassigned employee shall receive the greater of the wages of the position or the wage rate of his classification prior to reassignment. If the reassigned employee is assigned to duties below his class but within his seniority group, said action shall not be subject to the grievance and arbitration clause. Positions to which junior employees are reassigned do not require re-posting pursuant to Article X.

The Employer will initially address the issue of lack of funding through redeployment of the workforce. The Employer will initially seek volunteers for reassignment to vacant and 12/27/18

funded positions after affording the vacant and funded positions to all bargaining unit members in accordance with Article X. Said volunteers, by seniority, who possess the job description qualifications for the vacant and funded position shall then be reassigned and shall carry departmental seniority to the new department and/or position. Said volunteers shall receive the wages of the position. If sufficient volunteers are not obtained, the Employer shall reassign the most junior employee in the affected seniority group (Blue or White Collar) and affected department. The reassigned employee shall receive the greater of the wages of the position or the wage rate of his classification prior to reassignment. If the reassigned employee is assigned to duties below his class but within his seniority group, said action shall not be subject to the grievance and arbitration clause. Positions to which junior employees are reassigned do not require re-posting pursuant to Article X.

Following the exhaustion of the Employer's best effort to address the issue of lack of work or lack of funding by reassignment, the Employer shall seek volunteers for layoff (employees who volunteer to be laid off will not be allowed to exercise bumping rights but will retain rights to recall). If a sufficient number of employees do not volunteer for layoff, the Employer may lay off employees by inverse total employment seniority, i.e. last employee hired shall be the first employee laid off, and based upon the then existing proportion of White Collar/Blue Collar employees, the number of which cannot exceed ten (10%) percent of the bargaining unit workforce. All temporary employees within the affected seniority group and the affected department shall be laid off prior to affecting permanent bargaining unit employees. All affected employees shall receive a two-week notice prior to implementing a layoff or pay in lieu of notice. Additionally, all affected employees shall be placed on a reemployment list for a twenty-four (24) month period and recalled in the inverse order of layoff to any position that the employee possesses the job description qualifications subsequent to the position being initially offered to all bargaining unit employees pursuant to Article X.

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Union Stewards shall be considered senior in service for layoff purposes only.

The Recall process shall be as specified in the parties' Recall Memorandum of Agreement.

Section 8.

When the City proposes to discipline an employee, except for counseling, oral reprimand or written reprimand, the following procedures will apply:

A. The employee will be given a prompt hearing. When necessary, at the discretion of the City, and depending on the nature of the charges, the employee will be placed on administrative leave with pay for a maximum of five (5) working days within which time the City will conduct a hearing.

B. If the City requires additional time beyond the five (5) working days administrative leave with pay to prepare for the hearing, the employee shall remain on administrative leave with pay until the hearing is held. In no case shall administrative leave with pay exceed ten (10) working days.

C. If the Union requires additional time beyond the five (5) working days administrative leave with pay to prepare for the hearing, the employee shall be placed on leave without pay.

ARTICLE X

FILLING OF VACANCIES

Section 1. This Article shall apply to the filling of all vacancies and positions within the bargaining unit above that of Laborer and Clerk I, which are vacant, and the Employer determines to fill.

Section 2. The Employer agrees to fill all vacancies from the best qualified applicants in the bargaining unit as defined in subsection (D) and in accordance with the provisions set forth below.

Section 3. The Employer agrees that the first consideration will be given to filling all vacancies from within the department where the vacancy exists. Vacancies in positions that are staffed on more than a single work shift within a department shall initially be offered to bargaining unit employees of the same classification, by seniority, as a lateral transfer.

- (A) Notice of a vacancy in any position above that of Laborer and Clerk I shall be posted for a period of three (3) working days on appropriate Employer bulletin boards.
- (B) Any employee who is interested in filling the vacancy shall apply in writing to the Department of Human Resources within seven (7) working days after said notice has been posted.

Probationary employees shall be eligible to bid for and fill vacancies; however, regardless of the position occupied, said employees shall serve a full six (6) month probationary period. Apprentice employees shall be required to successfully complete their apprenticeship prior to bidding on vacant positions.

(C) Vacancies shall be filled on the basis of qualifications and ability, as determined by the Employer. The vacancy shall be filled on the basis of qualifications and ability, as determined by the Employer based on the requirements listed in the parties' job descriptions. Where qualifications and ability are relatively equal, seniority shall be the determining factor. Should a question arise out of the decision made by the Employer on the question of qualifications and ability, this shall constitute a grievance and be subject to the grievance and arbitration procedure included in this Agreement.

Recognizing the continuing requirement to provide the most effective and efficient public services, the parties agree to revise and update all job descriptions. The parties shall meet quarterly for the purpose of modifying all existing job descriptions so as to delineate actual duties and minimum qualifications.

Disputes arising out of the modification of the job descriptions shall be referred to Expedited Arbitration.

Section 4. The Employer agrees that when detailing employees to higher level duties on a temporary basis, the criteria provided in Section 3 (C) shall be utilized.

Section 5. The successful bidder shall be given a trial period of up to sixty (60) days; and if he is not deemed qualified for the position during that period, he shall be restored to his former job and position.

Section 6. Unless otherwise agreed to by the parties, any posted vacancy shall be filled no later than forty-five (45) days from the date of posting when filled by a bargaining unit bidder and no later than sixty (60) days when filled by an external applicant, or upon expiration of the retiring employee's vacation leave, whichever is greater.

ARTICLE XI

HOLIDAYS

Section 1. All employees covered by this Agreement shall be paid the regular rate of pay for each of the following designated holidays:

New Year's Day

Martin Luther King Jr.'s Birthday

Presidents' Day

Memorial Day

Fourth of July

Victory Day

Labor Day

Columbus Day

Veteran's Day

Thanksgiving Day

Day after Thanksgiving

Christmas Day

Election Day (November of each even year)

(3) Three Floating Holidays *

Easter Sunday- only for employees who actually work on said day.

*The procedure for requesting time-off shall be handled in the same manner as request for vacation leave. The Floating Holidays may be discharged by the hour.

Notwithstanding the foregoing, employees shall be granted requests made at the beginning of a work shift to discharge floating holiday hours during that work shift in order to 12/27/18

conclude said work shift early. Employees shall be granted requests made one day in advance to discharge floating holiday hours at the beginning of the next shift or during the middle of the next shift.

Section 2. In the event that any of the foregoing holidays fall on a Saturday, the previous day, Friday, shall be the day of celebration. If any of the foregoing holidays fall on a Sunday, the next day, Monday, shall be the day of celebration. Notwithstanding the foregoing, the Employer shall have the option of paying any or all employees an additional day's pay for any holiday occurring on Saturday or Sunday, in lieu of declaring Friday or Monday as the day of celebration.

Section 3. Employees shall be paid for each of the above-enumerated holidays when not worked, provided they meet all of the following eligibility requirements:

- (1) The employee works during the payroll week during which the holiday occurs, except when the holiday occurs within his vacation period, or when the employee is absent for the entire payroll week but has worked within the preceding payroll week, or he is absent during the entire payroll week, in which the holiday occurs, because of jury duty, or received bereavement pay for one or more days during the week.
- (2) When a holiday occurs during an eligible employee's scheduled vacation, he shall be paid for the unworked holiday in addition to his vacation pay at the same time or shall be granted an additional day off with pay.

Section 4. In addition, the Employer shall allow one-half (½) day off with pay the afternoon of the last regular working day prior to Christmas Day and New Year's Day (or the days of observance of Christmas Day and New Year's Day), when Christmas Day and New Year's Day fall or are celebrated on Tuesday through Saturday. Good Friday shall be a full work day.

ARTICLE XII

VACATION LEAVE

Section 1. Any employee who has been in the employ of the Employer for more than six (6) months in the aggregate shall receive one (1) weeks' vacation leave with pay.

Section 2. Any employee hired prior to July 1, 1987, who has completed one year of employment, shall be granted three (3) weeks' annual vacation leave each calendar year with pay. Employees hired on or after July 1, 1987, who have completed one (1) year of employment, shall be entitled to two (2) weeks' annual vacation leave each calendar year with pay.

Section 3. Any employee hired on or after July 1, 1987, who has completed five (5) years of employment, shall be granted three (3) weeks' annual vacation leave each calendar year with pay.

Section 4. Any employee who has completed ten (10) years of employment shall be granted four (4) weeks' annual vacation leave each calendar year with pay.

Section 5. Any employee who has completed fifteen (15) years of employment shall be granted five (5) weeks' annual vacation leave each calendar year with pay.

Section 6. Employees may discharge vacation leave in amounts less than a full workweek, but not less than one half (1/2) of a full work day.

Section 7. Vacation credit in excess of six (6) weeks may not be carried over from one calendar year to the next. All vacation time in excess of six weeks (6) as of January 1 must be taken during the calendar year or shall be lost, except in the event that the Employer prevents the employee from taking said excess vacation time during the calendar year.

Section 8. Except for employees on leave due to medical reasons, employees on unpaid leave of any nature shall cease to accrue vacation leave after twenty-six (26) weeks of unpaid leave. Vacation leave shall not accrue during any period in which an employee is serving a disciplinary suspension. For every work day that an employee is serving a disciplinary 23

suspension, said employee's annual vacation accrual shall be reduced by 1/260ths; provided, however, that this provision shall not apply in any case in which the reduction as calculated above would result in an amount less than one (1) work day. In the event an arbitrator finds that any such suspension lacked just cause, he may award the affected employee any vacation accrual that he otherwise would have received during the suspension period.

Recognizing the continuing requirement to provide the most effective and efficient public services, the parties hereto are committed to meet and confer in good faith to address consolidating sick leave, vacation days, and personal days as employee benefits and converting such with a paid time off (PTO) plan.

ARTICLE XIII

SICK LEAVE/PERSONAL DAYS

Section 1. All employees of the bargaining unit regularly employed continuously for at least one (1) month shall be entitled to sick leave with full pay. Sick leave shall be granted for the following reasons:

- (A) Personal illness or physical incapacity to such an extent as to be rendered thereby unable to perform the duties of his position.
- (B) Attendance upon members of the family within the household of the employee whose illness requires the care of such employee.
- (C) Enforced quarantine when established and declared by the Department of Health, or their competent authority for the period of such quarantine only.
- (D) Two (2) Personal Days per contract year, which shall be deducted from accrued sick leave.

Section 2. Sick leave with full pay for the employees of this bargaining unit shall be computed as follows:

Sick leave with full pay for employees shall be computed at the rate of one (1) working day per month.

Such annual sick leave accrual as set forth above with pay, of which two (2) days shall be personal days as defined in (D) above, when not used, shall be cumulative, but the accumulated and unused portion of such sick leave shall not exceed one hundred thirty-five (135) days at one time; provided, however, any employee with at least five (5) years of continuous service, who contracts a serious illness, may be granted, with the approval of the Personnel Director, the Finance Director, and the Mayor, a further leave with pay, not to exceed ninety (90) days in addition to his accumulated sick leave, as of the date such illness occurs. Personal days which are not discharged shall accrue as sick leave and not personal leave.

Section 3. Sick leave shall not be discharged in periods of less than one-half (½) of a work day.

Section 4. The Department Head may require a physician's certificate or other satisfactory evidence in support of any request for sick leave, provided the employee affected has been told on the occasion of his last prior absence for sickness, that such evidence might be required for any future sick leave request in accordance with the Employer's Sick Leave Abuse Policy. However, such evidence shall be required for each sick leave with pay covering an absence of more than three (3) consecutive working days.

Section 5. Employees who retire and receive a retirement benefit under the City of Providence Employees' Retirement System shall, upon retirement, be entitled to a lump sum payment equal to the sum of twenty-five percent (25%) of the value of the first fifty (50) days of unused sick leave accumulated from January 1, 1986, to the date of their retirement and fifty percent (50%) of the value of the days over fifty (50) of unused sick leave accumulated during said period.

Section 6. Except for employees on leave due to medical reasons, employees on unpaid leave of any nature shall cease to accrue sick leave after twenty-six (26) weeks of unpaid leave. Sick leave shall not accrue during any period in which an employee is serving a disciplinary suspension.

Section 7. The parties agree to establish an Employee Sick Leave Bank in a manner consistent with the attached Appendix A.

Recognizing the continuing requirement to provide the most effective and efficient public services, the parties hereto are committed to meet and confer in good faith to address consolidating sick leave, vacation days, and personal days as employee benefits and converting such with a paid time off (PTO) plan.

ARTICLE XIV

LEAVE OF ABSENCE

Section 1. It is agreed that upon written application an employee with permanent status may be granted a leave without pay, not to exceed one year, for reason of personal illness, disability, or other purpose deemed proper and approved by the Personnel Director.

At the expiration of such leave, the employee shall be returned to the position from which he is on leave at the same step of the then current range for his class of position. Seniority shall be retained and shall accumulate during all leaves without pay.

ARTICLE XV

BEREAVEMENT LEAVE

Section 1. All employees of the bargaining unit shall be allowed leave without loss of pay, when death occurs in an employee's immediate family, [i.e. employee's legal spouse,

employee's domestic partner of the same or opposite sex who has lived in the same household as the employee for at least six (6) months and when the employee and partner have made a commitment to continue to live as a family, mother, father, son, daughter, brother, sister, or other members of the immediate household] provided that in such cases the leave shall not exceed more than one (1) day beyond the date of burial; in the case of employees of the Jewish faith, said leave shall be for the actual period of mourning observed, but not to exceed seven (7) days from the day of burial.

Section 2. All employees covered by this Agreement shall be granted one (1) day leave with pay to attend funeral services for grandparents, mother in law, father in law, aunts or uncles.

Section 3. In the event there is a death in the employee's family, but not in the immediate household, as defined above, the employee shall be granted sufficient time to attend the funeral service without loss of pay.

ARTICLE XVI

JURY LEAVE

Section 1. An employee who is called for jury service in a court of law shall be excused from work for the days on which the employee serves and shall receive, for each such day of jury service on which the employee otherwise would have worked, the straight time rate of pay for each hour of absence, less the amount received for jury duty. The employee will present proof of such service and the amount received therefor.

ARTICLE XVII

SPECIAL TIME OFF

Section 1. The Union Negotiating Committee shall consist of not less than three (3) employees nor more than five (5) employees designated by the Union who shall be afforded time 12/27/18

off with pay required to negotiate agreements. Not more than five (5) employees who constitute part of the Negotiating Committee shall be excused from duty with pay for the purpose of participation and the negotiating of any agreement, providing reasonable notice is given to the appropriate Department Head.

Section 2. The Union has submitted to the Employer a list of designated Union stewards who shall be recognized as such by the Employer in the departments and divisions indicated in the submission. Hereafter, in no event shall the total number stewards exceed fifty (50), nor shall any one department or division have more than three (3) stewards. The Union shall furnish the Employer and appropriate Department Heads with a list of stewards, and shall, as soon as possible, notify said appropriate Employer officials in writing of any changes thereto. Only those who are officers and stewards shall be recognized by the Employer for the purpose of meetings.

The Union may also be represented by representatives of Local Union 1033, International Representatives, and Representatives of the Rhode Island Laborers' District Council with Legal Counsel.

Section 3. There shall be no deduction of pay from a grievant and/or Union officer or steward for time spent directly involved in meetings with department heads during working hours.

Section 4. Designated stewards or Union representatives shall be allowed to visit all job areas, department offices and buildings during working hours, provided that prior permission of the Employer is obtained, which permission shall not be unreasonably withheld.

Section 5. Elected Union officials and members of the Union Executive Board [not to exceed a total of six (6) in number] shall be granted time off with pay to attend (A) all scheduled Local Union meetings, (B) all meetings of the Rhode Island Laborers' District Council, and (C) as delegates for International LIUNA, Regional and State AFLCIO conventions.

ARTICLE XVIII

HEALTH AND WELFARE

Section 1(A). The Employer health plan benefits for all employees. The plan shall include an annual deductible of \$750 per individual - \$1500 per family, with the network allowance based upon the U.S. Blue Cross PPO Regional allowance and with healthcare coverage as follows:.

shall provide all permanent employees who are covered by this agreement and their eligible family members with health care coverage as follows:

LOCAL UNION 1033 HEALTH CARE PLAN

<u>PRE-AUTHORIZATION:</u> Authorization is obtained by participating (In Network) providers. <u>Members are responsible only when using non-participating providers and for certain diagnostic testing, including MRI.</u>

<u>Hospital Inpatient, Outpatient and free standing ambulatory Surgi Center covered in full for</u> unlimited days of care with all necessary medical services after meeting the annual deductible.

<u>In Network – Coverage in full after meeting the annual deductible.</u>

Out of Network- Coverage at 80% of the In Network allowance after meeting the annual deductible.

ANNUAL MAXIMUM EXPENSE:

Benefits increased to full coverage after an annual maximum expense of \$1,000 per individual; \$3,000 per family for all Health Care Plan out of pocket expenses. The out-of-pocket limits are separate for in-network and out-of-network.

Benefits increased to full coverage after maximum expense of \$1,300 per individual; \$2,600 per family for all non-oral RX out of pocket expenses.

Benefits increased to full coverage after maximum expense of \$1,300 per individual; \$2,600 per family for all oral RX out of pocket expenses.

All deductibles, co-pays, and co-insurance applies to the Out of Pocket Maximum.

LIFETIME MAXIMUMS: Unlimited.

<u>DEPENDENT COVERAGE</u>: Spouse and children (Children through the end of the month in which the child turns age 26).

OUTPATIENT SERVICES:

PREVENTIVE & EARLY DETECTION CARE: Including Well-baby visits, Adult Annual, Pediatric Office visits, Preventive counseling/education, Immunizations administered by a Healthcare Professional and Preventative Screenings- In Network covered in full, Out of Network-\$15 copay, then coverage at 80% of the In Network allowance after meeting the annual deductible.

OFFICE VISITS: In Network- \$0. Co-payment at In Network PCMH, \$15 co-payment at Primary Care Physician, \$30. copayment for Specialist, except Preventative & Early Detection Care as defined above. Out of Network-Above stated copayment then coverage at 80% of the In Network allowance after meeting the annual deductible.

EYE EXAMS: In Network-\$15 co-payment for one routine exam per year.

Out of Network-\$15 copay, then coverage at 80% of the In Network- allowance after meeting the annual deductible.

OUTPATIENT SURGERY: In Network- Covered in full, after meeting the annual deductible.

Out of Network- Coverage at 80% of the In Network- allowance, after meeting the annual deductible.

DIAGNOSTIC LAB & X-RAY: In Network- Covered in full subject to Pre-authorization after meeting the annual deductible (except preventative and early detection care), at Blue Cross participating lab, diagnostic and x-ray facilities. Out of Network- Plan pays 80% of the In Network- allowance after an annual deductible, also subject to Pre authorization.

CHIROPRACTIC CARE (15 per year total visits In and Out of Network):

In Network- Office visits \$30. co-payment; lab tests & x-rays covered in full, after meeting the annual deductible.

Out of Network- Office visits \$30. Co-payment then coverage at 80% of the In Network allowance after an annual deductible; lab tests & x-rays Plan pays 80% of the In Network allowance after an annual deductible.

INPATIENT SERVICES (includes MATERNITY):

HOSPITAL ROOM & BOARD including SURGICAL-MEDICAL: In Network- Covered in full for unlimited days of care in a semiprivate room with all necessary medical services, after meeting the annual deductible.

Out of Network- Co pay then coverage at 80% of the In Network allowance for unlimited days of care in a semiprivate room with all necessary medical services, after meeting the annual deductible.

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ORGAN TRANSPLANT: In Network- Covered in full for unlimited days of care for eligible services to the recipient and the donor associated with kidney, liver, lung, heart, cornea and homologous bone marrow transplants, after meeting the annual deductible.

Out of Network- Co pay then coverage at 80% of the In Network allowance for eligible services to the recipient and the donor, after meeting the annual deductible.

Free Standing Surg Center In Network- Covered in full after meeting the annual deductible. Out of Network- Coverage at 80% of the In Network allowance, after meeting the annual deductible.

EMERGENCY ROOM: \$125 co-payment for treatment of accident or life threatening medical emergency within 24 hours of onset of symptoms (co-payment waived if admitted to Hospital within 24 hours. including being held for observation in excess of 8 hours.

URGENT CENTER: "Walk In" In Network- \$45. Co Pay.
Out of Network- \$45. Co Pay then coverage at 80% of the In Network allowance.

<u>TELEMEDICINE</u> - \$7.50 co-copay at designated Telemedicine Network. No coverage outside of network.

<u>DIALYSIS SERVICES:</u> in patient, outpatient, In Network - covered in full after the meeting annual deductible. In-home dialysis is covered in full. Out of Network-coverage at 80% of the In Network allowance, after meeting the annual deductible.

RADIATION THERAPY/CHEMOTHERAPY SERVICES: outpatient & physician's office, In Network- covered in full. Out of Network- coverage at 80% of the In Network allowance, after meeting the annual deductible.

RESPIRATORY THERAPY: outpatient & physician's office,
In Network- coverage at 80% of the In Network allowance,
after meeting the annual deductible.

BEHAVIORAL HEALTH, MENTAL HEALTH & SUBSTANCE ABUSE

INPATIENT: In Network- Covered in full for an unlimited days of care after meeting the annual deductible. Out of Network- Coverage at 80% of the In Network- allowance, after meeting the annual deductible.

OUTPATIENT: In Network- Covered in full for an unlimited days of care after meeting the annual deductible. Out of Network- Coverage at 80% of the In Network- allowance, after meeting the annual deductible.

PHYSICAL, SPEECH & OCCUPATIONAL THERAPY OUTPATIENT:

In Network- 80% coverage after meeting the annual deductible. Covered in full if within 30 days of hospital admission. Out of Network- 80% of the In Network allowance, after meeting the annual deductible.

PRIVATE DUTY NURSING: In Network- 80% coverage. Covered in full if within 30 days of hospital admission. Out of Network- 80% of the In Network allowance, after meeting the annual

deductible.

HOME HEALTHCARE: In Network- \$20. per day co pay then cover in full. Out of Network- \$20. per day co pay then 80% of the In Network allowance, after meeting the annual deductible.

AMBULANCE: - \$50. Co pay per occurrence. Does not include Air Ambulance.

DURABLE MEDICAL EQUIPMENT, MEDICAL & DIABETIC SUPPLIES, ENTERNAL FORMULA & FOOD, PROSTHETIC DEVICES: In Network- 80% coverage after meeting the annual deductible. Out of Network- 80% of the In Network allowance, after meeting the annual deductible.

SKILLED NURSING FACILITY CARE (skilled or sub-acute care)

<u>In Network-</u> \$20. per admission co pay then covered in full. Out of Network- \$20. per admission co pay then 80% of the In Network allowance, after meeting the annual deductible.

AUTISM SERVICES: Behavioral analysis, PT, OT, ST and Autism diagnosis: In Network- covered in full. Out of Network- 80% of the In Network allowance, after meeting the annual deductible.

* Intermitted Home care services and Home Hospice, Cardiac Rehab, Gender Affirmation Services, Hearing exam, diagnostic testing and Hearing aids, Leukocyte Antigen testing, Infusion Therapy Administration and Infertility Treatment are covered by RI Law, greatest level of coverage is always received In Network.

COVERAGE LEVELS:

<u>In network</u> - Full coverage from a broad network of hospitals, PCP'S, and specialists. Members will not be billed for charges beyond Blue Cross allowance. The network shall be equivalent to the Blue Cross Coast-to-Coast Network existing at the time of the execution of this Agreement.

Out of network - Members may also choose to see any other non-participating provider and still receive coverage at 80% of the in network allowance after an annual deductible of \$100-per individual - \$300 per family; \$1,000/\$3,000 maximum out of pocket (Regional allowance).

PARTICIPATING PROVIDERS:

Includes the carrier's broad-based Local, Regional and National network of hospitals and primary care physicians, plus specialized networks for eye care, lab & x-ray services, DME, chiropractic, home care, mental health/substance abuse.

PRE-AUTHORIZATION:

Authorization is obtained by participating providers. Members are responsible only when using non-participating providers.

DEDUCTIBLES:

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\$100 per individual - \$300 per family; \$1,000/\$3,000 maximum out of pocket.

ANNUAL MAXIMUM EXPENSE:

Out of network benefit increased to full coverage after maximum expense of \$1,000 per individual; \$3,000 per family.

LIFETIME MAXIMUMS:

Unlimited.

DEPENDENT COVERAGE:

Spouse and children through the end of the month in which the child turns age 26.

OUTPATIENT SERVICES

PREVENTIVE CARE:

Including Well-baby visits - \$15 co-payment; pap smears and mammograms covered infull.

OFFICE VISITS:

Routine and non-routine - \$15 co-payment (\$20 allergist & dermatologist).

EYE EXAMS:

\$15 co-payment for one routine exam per year at participating providers.

OUTPATIENT SURGERY:

Covered in full. \$100.00 per inpatient and outpatient hospitalization occurrence deductible with \$200 individual/\$300 family out-of-pocket maximum per year.

DIAGNOSTIC LAB & X-RAY:

Covered in full at network lab and x-ray facilities.

CHIROPRACTIC CARE:

Office visits (12 per year) - \$20 co-payment; lab tests & x-rays in full.

WISDOM TEETH:

Covered in full, when medically necessary (bone impacted requiring service at hospital).

INPATIENT SERVICES

HOSPITAL ROOM & BOARD:

Unlimited days of care in a semiprivate room. \$100.00 per inpatient and outpatient hospitalization occurrence deductible with \$200 individual/\$300 family out-of-pocket maximum per year.

SURGICAL-MEDICAL:

Covered in full. \$100.00 per inpatient and outpatient hospitalization occurrence deductible with \$200 individual/\$300 family out-of-pocket maximum per year.

EMERGENCY ROOM:

\$100 co-payment for treatment of accident or life threatening medical emergency within 24 hours of onset of symptoms (co-payment waived if admitted).

MATERNITY:

Covered in full. \$100.00 per inpatient and outpatient hospitalization occurrence deductible with \$200 individual/\$300 family out-of-pocket maximum per year.

ORGAN TRANSPLANT:

Covered for eligible costs associated with kidney, liver, lung, heart, cornea and homologous bone marrow transplants. \$100.00 per inpatient and outpatient hospitalization occurrence deductible with \$200 individual/\$300 family out-of-pocket maximum per year.

MENTAL HEALTH & SUBSTANCE ABUSE (MHSA)

INPATIENT MH:

45 days of care in a participating hospital, when arranged by the Care Manager. 50% at out-of-area non-participating providers. \$100.00 per inpatient and outpatient hospitalization occurrence deductible with \$200 individual/\$300 family out-of-pocket maximum per year.

OUTPATIENT MH:

\$20 per individual session; \$10 per group session; \$1,000 annual maximum, when arranged by the Care Manager. 50% after deductible at non-participating providers.

INPATIENT SA:

Detoxification - 3 admissions per year or 21 days, whichever comes first, when arranged by the Care Manager.

Rehabilitation - 30 days in any 12-month period; lifetime limit of 90 days per member, when arranged by the Care Manager. 50% coverage at out-of-area non-participating providers. \$100.00 per inpatient and outpatient hospitalization occurrence deductible with \$200 individual/\$300 family out-of-pocket maximum per year.

OUTPATIENT SA:

30 hours per patient, 20 hours for family members, per 12-month period. \$20 per individual session; \$10 per group session, when arranged by the Care Manager. 50% at out-of-area non-participating providers.

ADDITIONAL SERVICES:

RX and VISION CARE HARDWARE: - by the Rhode Island Public Employees' Health Services Fund.

SELF ADMINISTERED INNOCULATIONS: 80% coverage; administered by the City of Providence's Prescription Benefits Manager.

PHYSICAL, SPEECH & OCCUPATIONAL THERAPY - OUTPATIENT: - 80% coverage.

PRIVATE DUTY NURSING & AMBULANCE: - 80% coverage. Does not include Air Ambulance.

DURABLE MEDICAL EQUIPMENT: - 80% coverage. No dollar maximum.

HOME & HOSPICE CARE: - \$20 co-payment. Includes doctor, nurse, health aide visits and home infusion therapy.

SKILLED NURSING CARE: - \$20 co-payment.

Section 1(B) Health Reimbursement Account (HRA).

(i.) Establishment of Account.

The parties agree that effective January 1, 2019, the City shall establish and fund a new and distinct Healthcare Reimbursement Account (HRA) which shall be administered by the City's health insurer's CDH (Consumer Driven Health) Administrator for the benefit of the parties, for the purpose of offsetting the cost of the deductible for the new healthcare plan outlined herein.

On a quarterly basis, the CDH Administrator shall provide monthly reports to the parties regarding the funding level of the HRA account, and, on a quarterly basis, the CDH Administrator shall provide to the parties a report detailing the number of claims filed for

reimbursement, the amounts reimbursed for each claim, and information concerning the percentage of the annual allowance utilized by each member covered by the plan. Effective January 1, 2019, the City shall provide an initial allocation of \$100,000 to the HRA for the purpose of funding the HRA Account for benefit of employees hired on or after January 1, 2019 outlined in this Article and this initial allocation shall fund the accounts created herein and for all of the Union's City of Providence and Providence School District bargaining units. The parties agree that the City shall continue to fund the Healthcare Reimbursement Account (HRA) previously established and administered by the City's health insurer's CDH (Consumer <u>Driven Health</u>) Administrator for the benefit of the parties for the purpose of offsetting the cost of the deductible for the new healthcare plan outlined herein. On a quarterly basis, the CDH Administrator shall provide monthly reports to the parties regarding the funding level of the HRA account, and, on a quarterly basis, the CDH Administrator shall provide to the parties a report detailing the number of claims filed for reimbursement, the amounts reimbursed for each claim, and information concerning the percentage of the annual allowance utilized by each member covered by the plan.

Effective, July 1, 2019, the City shall fund the Full Corpus of the HRA benefit. As used in this Agreement, the "Full Corpus of the HRA benefit" as provided for below (Benefit Levels)

The City shall thereafter, no later than July 1 of each succeeding year, or such earlier date should the Corpus of the Fund decrease to 20% or less of the original funding level, replenish the HRA to ensure that the Full Corpus of the HRA benefit is provided for in the account.

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(ii.) Benefit Levels

No employee shall be able to utilize, on an annual basis, any more than his or her Pro Rata share of the HRA benefit. "Pro Rata share of the HRA benefit" as used in this agreement shall mean:

For employees hired on or after January 1, 2019, shall mean \$300 for employees with individual plan coverage and \$600 for employees with family plan coverage.

For employees hired before January 1, 2019 shall mean \$750 for employees with individual plan coverage and \$1,500 for employees with family plan coverage.

(B) The Employer also agrees to furnish as an alternative to the foregoing, substantially equivalent coverage under United Healthcare of New England.

Section 1(C). Notwithstanding the foregoing, with thirty (30) days' prior notice to the Union, the Employer shall have the right at any time during this Agreement to provide substantially equal medical insurance benefits under a different plan than those specified in Section 1 and in lieu thereof.

Section 1 (D). Upon presentation of proof of alternative health care coverage pursuant to a non-Employer paid plan satisfactory to the Employee's Benefit Coordinator, employees eligible for paid City Blue or United Healthcare of New England health insurance under this agreement may choose not to be covered under the Employer's group health insurance policies. Eligible employees enrolled in a family plan making this choice shall receive \$1,500.00 for each full contract year in which they are not covered for family coverage and for those dropping individual coverage, the compensation shall be \$750.00 for each full contract year of noncoverage by a City plan. The parties understand and agree that employees whose spouses are employed by the City and those who have chosen not to be covered by Employer policies shall 37 12/27/18

not be eligible for this benefit. For each year in which the employee opts out under this Section, he shall receive no coverage pursuant to this Article, except that employees may opt back into the Plan in the event of a major life event causing loss of alternative and/or equivalent coverage, such as death or loss of employment of a spouse. Proof of loss of said alternative coverage and/or equivalent coverage may be required by the Employer before the employee is re-enrolled. Payments to employees under this provision shall be made at the end of each year, in arrears, for the period of July to June with payment made in June. If an employee has opted back into Employer coverage during the course of a contract year, he shall not be entitled to any payment under this Section for that year.

Section 1 (E). ((i.) Employee Co-Share. Prior to the effective date of this Agreement, all permanent employees shall co-share in the cost of healthcare benefits provided in this Article through pre-tax weekly payroll deduction (if permissible by law) as follows:

Employees with annual base wages of \$50,000.00 or more shall co-share in the cost of healthcare insurance benefits provided in this Article through pre-tax weekly payroll deduction by the payment of 20% of the negotiated working rate. Employees with annual base wages that are less than \$50,000.00 shall co-share in the cost of healthcare insurance benefits provided in this Article through pre-tax weekly payroll deduction by the payment of 15% of the negotiated working rate.

Effective July 1, 2019, Employees with annual base wages of \$51,501.00 or more shall co-share in the cost of healthcare insurance benefits provided in this Article through pre-tax weekly payroll deduction by the payment of 20% of the negotiated working rate. Employees with annual base wages that are less than \$51,501.00 but more than \$43,501 shall co-share in the cost of healthcare insurance benefits provided in this Article through pre-tax weekly payroll deduction by the payment of 16.5% of the negotiated working rate. Employees with annual base wages that are less than \$43,501 shall co-share in the cost of healthcare insurance benefits

provided in this Article through pre-tax weekly payroll deduction by the payment of 15% of the negotiated working rate. These rates shall be indexed to reflect the salary increases over the life of the agreement.

ii. Wellness Benefit

Effective July, 1, 2019 the parties shall implement wellness benefit, which shall incentivize healthy behavior and shall be developed by the parties. Any employee who participates in the wellness program will be eligible to have his or her co-share obligation decreased by up to \$300 annually for an individual plan and \$600 annually for a family plan.

Further, effective July 1, 2019, any employee who fails to receive an Annual Preventative

Medicine Exam during a contract year shall have his or her co-share obligation increased by an additional one percentage point (1%) (e.g. 21%, 17.5% or 16%) for the following contract year unless exempted by both the Administrator of the RI Public Employees Health Services Fund and the City's Director of Employee Benefits.

It is acknowledged that the premium/working rate for the purpose of computing the employee co-payment shall be as determined annually by a consultant selected by the parties, shall include utilization and paid claims, and shall not increase by more than 9.5% annually.

Section 1(F). Deductible Plan. Health plan benefits for all employees hired on or after

January 1, 2019, shall include an annual deductible of \$750 per individual - \$1500 per family.

The network allowance is based upon the U.S. Blue Cross PPO Regional allowance.

Employees shall co-share in the cost of healthcare benefits provided in this agreement
through pre-tax weekly payroll deduction (if permissible by law) in accordance with section 1(B)
of this Article.

Section 1 (G) (F). The Employer also agrees to continue health coverage for retirees and retirees' spouses for life for employees who retired on or after July 1, 1982, and prior to 12/27/18

September 3, 1995. The plan of coverage shall be the plan elected by the individual on the date of retirement. Said coverage shall be converted to Plan 65 coverage upon attainment of the age of 65 or, at the option of the retiree, a Medicare approved HMO with a benefit plan substantially equivalent to that existing at the time this Agreement is executed with all premium payments for said plan borne by the Employer.

The Employer shall furnish health care coverage, on an individual basis only, to employees who retire(d) on or after September 3, 1995. Said coverage shall be of the same plan in effect when the retiree was an active employee up to age 65. Upon attainment of age 65 or at such age as to qualify for Medicare, said coverage shall convert to Plan 65 or, at the option of the retiree, a Medicare approved HMO with a benefit plan substantially equivalent to that existing at the time this Agreement is executed with all premium payments for said plan borne by the Employer. This coverage shall be for life. The Employer also agrees to provide this coverage to the retiree's spouse upon the death of the retiree.

Additionally, all permanent employees hired on or after July 1, 1992, must be actually employed by the City of Providence for at least ten (10) years and receiving retirement benefits under the City of Providence Employees' Retirement System prior to qualifying for Retiree Medical Care Coverage.

The premium payments of the above described coverage for active employees shall be borne solely by the employer through September 30, 2004, and for all retirees who retire prior to January 1, 2005.

Individuals retiring shall co-share at the individual rate, as stated above and as in effect on the last day worked through pre-tax monthly pension payroll deduction (if permissible by law) and shall receive the Individual Plan until becoming Medicare eligible at which time the retiree shall receive Plan 65 or a Medicare approved HMO (with a benefit plan substantially

equivalent to that existing at the time this Agreement is executed) with all premium payments for said plan borne by the Employer.

Employees hired on and after July 1, 2008, shall no longer receive Retiree Post Medicare health benefits paid for by the employer; but the employer shall allow said employees to purchase Post Medicare eligible healthcare at the retiree's cost and at the employer's group rate. Said employees shall be required to participate in a Designated Savings Account or other savings vehicle approved by the City and the Union at a rate of five cents (\$.05) per hour with the funds being used for said Retiree Post Medicare healthcare.

Section 1 (H)(G). Upon presentation of proof of alternative health care coverage pursuant to a non-Employer paid plan satisfactory to the Employee's Benefit Coordinator, retirees eligible for paid health insurance under this Agreement may choose not to be covered under the Employer's group health insurance policies. Eligible retirees enrolled in a plan making this choice shall receive \$750.00 for each full contract year of non-coverage by an Employer plan. The parties understand and agree that retirees whose spouses are employed by the Employer and those who have chosen not to be covered by Employer policies shall not be eligible for this benefit. For each year in which the retiree opts out under this section, he shall receive no coverage pursuant to this Article, except that retirees may opt back into the Plan in the event of a major life event causing loss of alternative and equivalent coverage, such as death or loss of employment of a spouse. Proof of loss of said alternative coverage or equivalent coverage may be required by the Employer before the retiree is re-enrolled. Payments to retirees under this provision shall be made at the end of each year, in arrears for the period of July to June with payment made in June. If a retiree has opted back into Employer coverage during the course of a contract year, he shall not be entitled to any payment under this section for that year. When a retiree opts back into coverage or receives post retirement coverage under this Article, said retire shall be afforded the opportunity to purchase all supplemental coverage heretofore 41 12/27/18

existing including spousal coverage, RX, and dental coverage, under all of the conditions that existed on the retiree's initial retirement date.

Section 1 (I)(H). Effective January 1, 2012, and in lieu of Section 1 (G)(H) above, the City's obligation to provide retiree healthcare coverage to a specific retiree shall be suspended in the event that the retiree is eligible for medical insurance under any health care plan, including that made available through the retiree's spouse, providing that said plan is equivalent in coverage and cost. If coverage is not equivalent or if the plan's cost exceeds the cost to the retiree of a City Plan, then the City shall have the option of providing payment to make the cost equal and/or providing only such coverage as to make the plans equivalent or maintaining the City Plan for the retiree, all pursuant to all provisions contained herein for retirees on said retirement date. At the request of the City, the retiree shall be obligated to provide proof that he or she is not eligible to receive healthcare coverage from another source or that coverage is not otherwise equivalent coverage pursuant to this agreement. Subsequent to retirement, should a retiree whose healthcare coverage is suspended in accordance with this provision, lose alternate coverage from an alternate source, the City shall restore coverage on the first day of the month after notice has been received under the same terms as those that existed at the retiree's date of retirement.

Section 2. Any employee having an application for Accidental Disability Retirement benefits pending before the Retirement Board shall have the right to appear before the Board and may be represented by Counsel, or by the Union Representative, prior to the Board's action upon the application.

Section 3. Any employee who sustained an on-the-job injury prior to July 1, 1981, having an application for Temporary Disability Benefits, shall have right to appear before the Commission on Relief of Injured Employees, and may be represented by Counsel, or by Union Representative, prior to the Commission's action upon the application. Said employee shall be 12/27/18

entitled to Temporary Disability benefits as outlined in the City of Providence Injured Employees' Act. In addition, the Department Head shall forward any accident report to the Commission within forty-eight (48) hours of the report being filed by the employee.

Any employee who sustains an on-the-job injury as of July 1, 1981, shall be entitled to Workers' Compensation benefits in accordance with the General Laws of the State of Rhode Island, Title 28, Chapters 29 to 38 inclusive.

Section 4. Coordination of Benefits: The City's obligation to provide healthcare coverage to a specific member's eligible spouse shall be suspended in the event that the spouse is eligible for medical insurance under any healthcare plan which is equivalent in all aspects of coverage and cost to the City plan. If said spouse's other available healthcare plan coverage is not equivalent to the City plan or if the Plan's cost exceeds the cost of the City plan, then the City shall have the option of: (a) providing payment to the member to make the cost equal, (b) and/or providing only such coverage as to make the plans equivalent, or (c) maintaining the City plan for the spouse. At the request of the City, the member shall be obligated to provide proof that his or her spouse is not eligible to receive healthcare coverage from another source or that such coverage is not otherwise equivalent coverage pursuant to this agreement. Should the spouse lose the alternate coverage from an alternate source, the City shall restore spousal healthcare coverage on the first day of the month after notice has been received. The aforementioned healthcare coordination of benefits for Active Members' spousal coverage will not reduce the members' healthcare benefits or increase the co-payments/co-shares or costs paid by members or their spouses if such spouses become covered by another healthcare plan through coverage and benefits. Members' spouses will be no longer eligible to decline healthcare benefits in return for the receipt of "buyback" stipends.

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ARTICLE XIX

DENTAL BENEFITS

Section 1. . For the purpose of providing employees covered by this Agreement with Dental benefits, individual coverage and family coverage as appropriate, the Employer agrees to contribute the sum of \$83.74 per month for each employee covered by this Agreement who is included in the payroll for that month to The Rhode Island Public Employees' Health Services Fund.

For purposes of this section, an employee receiving Workers' Compensation benefits shall be considered to be included in the payroll for that month.

(B) Said contributions will be paid to the Fund no later than the fifteenth (15th) day of each month and shall be based on the preceding month's payroll.

Said remittance shall include all necessary reporting forms.

individual coverage and family coverage as appropriate, the parties agree as follows.

a.) The City of Providence shall continue to provide all existing Dental benefit coverage to employees employed by both the City and the Providence School District and who are covered under Collective Bargaining Agreements with the Union as the exclusive representative through December 31, 2015. Effective January 1, 2016, the obligation to provide Dental benefit eoverage shall be assumed by the Rhode Island Public Employees' Health Services Fund. The obligation of the City shall be to contribute to the Rhode Island Public Employees' Benefit Funds such additional amount of money on the existing monthly contribution schedule that is equal to the total of the City and School District's December 2015 Delta Dental of Rhode Island

premium for its City 1033 and PPSD 1033 Groups minus \$4444.44, on a per capita bases, commutated on the number of employee subscribers.1

This additional contribution allocated to provide Dental benefits shall remain fixed and shall not increase through June 30, 2019. Furthermore, the Union agrees that for the purpose of establish a premium/working rate for all of the City/PPSD groups, the utilization experience of the group(s) administered by the Rhode Island Public Employees' Health Services Fund may be applied through June 30, 2018.

b.) The Rhode Island Public Employees' Health Services Fund shall make a one-time payment to the City of Providence of \$26,700 within fifteen days of ratification of this agreement by all parties. This payment shall be utilized by the City to support wellness and preventive medicine programs for the Unions' bargaining units.

Section 2. Upon presentation of proof of alternative dental care coverage pursuant to a non-Employer paid plan satisfactory to the Employee's Benefit Coordinator, employees eligible for paid dental benefits under this Agreement may choose not to be covered under the Employer's group dental insurance policy. Eligible employees enrolled in a family plan making this choice shall receive \$500.00 for each full contract year in which they are not covered for family coverage and for those dropping individual coverage, the compensation shall be \$250.00 for each full contract year of non-coverage by an Employer plan. The parties understand and agree that employees whose spouses are employed by the Employer and those who have chosen not to be covered by Employer policies shall not be eligible for this benefit. For each year in which the employee opts out under this section, he shall receive no coverage pursuant to this Article, except that employees may opt back into the Plan in the event of a major life event causing loss of alternative and equivalent coverage, such as death or loss of employment of a

^{*}For example, if the December premium for City1033 and PSD 1033 equals 130,000 and covers 1575 employees, the additional monthly contribution commencing January 2016 shall be 130000-4444.44 = 125555.56/1575 =\$79.72 per employee, per month. 45

spouse. Proof of loss of said alternative coverage or equivalent coverage may be required by the Employer before the employee is re-enrolled. Payments to employees under this provision shall be made at the end of each year, in arrears for the period of October to September with payment made in September. If an employee has opted back into Employer coverage during the course of a contract year, he shall not be entitled to any payment under this section for that year. Effective January 1, 2016, the aforementioned buyback shall be eliminated.

ARTICLE XX

UNION BENEFIT TRUST FUNDS

Section 1. In order to provide each employee covered by this Agreement and their dependents with the benefits described below and which are provided through Union Benefit Trust Funds, the Employer agrees to contribute \$3.42 per hour for each straight-time hour each employee covered by this Agreement is paid. The above language notwithstanding, the Employer's contribution shall be paid for the full day [seven (7) or eight (8) hours] for every day that the employee receives pay, including days of holiday and leave, or a contribution is otherwise due under Section 3 below. Of said \$3.42 per hour, \$1.70 shall be paid to the LIUNA National (Industrial) Pension Fund and \$1.72 per hour shall be paid the RI Public Employees' Benefits Fund.

Effective January 1, 2021, the Employer's contribution to the Union Benefit Trust Funds shall increase by two cents (\$.02) per hour for each straight-time hour each employee covered by this agreement is paid.

Effective January 1, 2022, the Employer's contribution to the Union Benefit Trust Funds shall increase by two cents (\$.02) per hour for each straight-time hour each employee covered by this agreement is paid.

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Effective July 1, 2011, the parties elected to participate in the preferred schedule as codified in the Funding Rehabilitation Plan of the Laborers' International Union of North America National (Industrial) Pension Fund and the Employer's contributions to the LIUNA National (Industrial) Pension Fund shall be increased according to said Preferred Schedule. The Employer's contribution to the RI Public Employees' Benefits Fund shall remain at \$1.72 per straight-time hour that each employee covered by this Agreement is paid through June 30, 2017. Effective July 1, 2017, said contribution to the to the RI Public Employees' Benefits Fund shall be increased by \$.09 to \$1.81 per straight-time hour that each employee covered by this Agreement is paid.

Section 2. Said contributions will be paid to the Fund no later than the fifteenth (15th) day of each month and shall be based on the preceding month's payroll.

<u>Section 3.</u> An employee receiving Workers' Compensation benefits shall be considered to be working his normal and regular workweek.

Section 4. In addition to all other Employer contributions required herein, the Employer shall also pay to the Rhode Island Public Employees' Health Services Fund, no later than January 15, an amount equal to the one-half (½%) percent wage assignment as required in the parties' May 26, 1994, Memorandum of Agreement. The parties acknowledge that this amount is not an additional Employer contribution but rather is an assignment of a portion of the July 1, 1994, wage increase. The contribution due January 2004 shall be paid January 2009.

Section 5. Each employee covered by this Agreement and their dependents shall be provided prescription drug benefits, vision care benefits, life insurance, a telemedicine program and a Wellness Benefit Program from the "Rhode Island Public Employees' Health Services Fund", established by Declaration of Trust dated July 1, 1979. Said fund shall be administered by a Board of Trustees selected and appointed under the provisions of the Trust Agreement executed by the Union.

Section 6. Each employee covered by this Agreement shall receive retirement benefits from the Laborers' International Union of North America National (INDUSTRIAL) Pension Fund based upon the Trust Fund document and Rules and Regulations of said Fund. The Union and the Employer have signed an Agreement and Declaration of Trust of the Laborers' International Union of North America National (INDUSTRIAL) Pension Fund.

Section 7. Each employee covered by this Agreement and their dependents shall be provided with assistance in defraying the cost of legal counsel through the "Rhode Island Public Service Employees' Legal Services Fund", established by a Declaration of Trust dated September 20, 1974. The Fund is administered by a Board of Trustees selected and appointed under the provisions of the Trust Agreement executed by the Union. The Fund shall not be used to provide benefits which defray any expenses for disputes, grievances, or legal proceedings between employee-participant, his spouse, or dependents and the Employer, the Union or any of its members, their agents, or any legal entity of which they are a part.

Section 8(A). Employees covered by this Agreement shall be offered necessary educational, vocational, specialty and safety related training through the "Rhode Island Public Service Employees' Training Fund", established by a Declaration of Trust executed by the Union and from the New England Health and Safety Fund.

Section 8(B). The Employer shall establish a bargaining unit position of Training Coordinator, the primary duty of which shall be designating required training for employees covered by this Agreement and coordinating the development and implementation of said training with the aforestated Funds. Said position shall enjoy wage parity with the position of Employee Benefits Coordinator. This position shall be staffed by an individual nominated by the Rhode Island Public Service Employees' Training Fund.

GRIEVANCE AND ARBITRATION PROCEDURE

Section 1. Grievances. It is mutually understood and agreed that all grievances of employees or the Union arising out of the provision of this contract shall be filed and processed as follows:

Section 2. The employee's Union stewards shall be guaranteed sufficient time off during working hours to seek to settle grievances without loss of pay. An aggrieved employee shall have the right to Union representation, during the grievance procedure.

Step 1. The Union shall present such grievance in writing to the appropriate Director, Department Head, Director of Personnel Bureau and/or the Chief of Police or a designee. The Director and/or Department Head, Director of Personnel Bureau and/or Chief of Police or a designee shall have five (5) working days to respond to the grievance in writing.

Step 2. In the event the grievance is not satisfactorily adjusted, the Union shall present such grievance in writing to the Director of Personnel or his designee within five (5) working days from the receipt of the Step 1 response. The Director of Personnel or his designee shall have five (5) working days to respond to the grievance in writing.

Step 3. If unable to reach a satisfactory adjustment within five (5) working days, the Union shall submit the grievance in writing within five (5) working days to the Mayor or the Commissioner of Public Safety, for those affected employees working under his supervision, who must then meet or respond to the grievance in writing within five (5) working days.

Section 3(A). Arbitration. If a grievance is not settled, such grievance may at the request of the Union, be referred to the Labor Relations Connection in accordance with its rules then obtaining. The Arbitrator's decision shall be final and binding upon the parties. The expenses of such arbitrator shall be borne equally by the parties. The arbitrator shall have no power to 12/27/18

disregard, alter, amend, add to or deduct from the provisions of this Agreement. The submission to arbitration must be made within fifteen (15) working days of receipt of the Mayor's or Commissioner's answer, as stated in Step 3 or else it shall be deemed to have been waived.

Section 3(B). All Demands for Arbitration, absent an expressed agreement of the parties, shall be heard within 120 days of the initial filing of the Demand for Arbitration and conclude within 180 days of the filing of the Demand for Arbitration. All Demands for Expedited Arbitration shall be heard within fifteen (15) days of the initial filing.

The Employer and the Union agree to apply the decision of the arbitrator to all substantially similar situations.

Any grievance which is not presented at Step 1 within five (5) working days excluding Saturdays, Sundays and Holidays, of the date of occurrence or injury (whichever is later) shall be deemed to have been waived. Failure of the Union to comply with the other time limitations set forth in this Article shall also constitute a waiver of the grievance. Failure of the Employer to respond timely at any step of the grievance procedure shall enable the Union to proceed to the next step, including arbitration.

Section 4. Sustained grievances and grievance resolution agreements shall be implemented within thirty (30) days. If the Employer fails to implement the same, the matter shall be submitted to expedited arbitration.

Section 5. Appendix B: The August 1, 1996 agreement allowing for the continuation of health insurance benefits for employees terminated for misconduct is amended. In its stead, the following language will be added to Article XVIII, Health and Welfare, (New) Section 5.

The City will maintain the continuation of medical insurance until a decision is rendered by an arbitrator for terminated employees; however, with respect to employees with one (1) year or less of City service, said continuation of care shall not exceed the actual amount of City

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service, not inclusive of the six (6) month probationary period. Additionally, no purchases of service of any type may be added or included in the actual City service.

ARTICLE XXII

NO STRIKE/NO LOCKOUT

Section 1. Cognizant of the statutory prohibition against strikes by employees covered by this Agreement, neither the Union nor any employees covered by this Agreement shall engage in, induce, cause, or encourage any strike, slowdown, refusal to perform duties (including collective absenteeism for alleged illness), work stoppage, or withholding of services of any kind for any reason during the life of this Agreement.

Section 2. The Employer agrees that there shall be no lockouts during the term of this Agreement.

ARTICLE XXIII

PROTECTIVE CLOTHING, BULLETIN BOARDS, SAFETY, AUTOMOBILE ALLOWANCE AND COMPENSATION

Section 1. Protective Clothing. The Employer shall provide required protective clothing for those employees engaged in activities which subject their regular clothing to extraordinary wear and tear.

Section 2. Bulletin Boards. The Employer shall provide Bulletin Boards in conspicuous places to be used solely for the posting of Union notices, rules and regulations.

Section 3. Safety. A Local Union 1033/City of Providence Safety Committee shall be appointed, composed of three (3) representatives selected by the Union, two (2) representatives selected by the Mayor and one (1) representative selected by the City Council. The Committee shall meet at least quarterly and report recommendations and findings to their respective appointing authorities.

Both the Employer and the Union shall cooperate in the enforcement of safety rules and regulations and shall promote sound safety practices and rules for the protection of employees and the public.

Section 4. Automobile Allowance. Employees covered by this Agreement who are required to use their own automobile in connection with services rendered shall receive a mileage allowance in the amount of \$0.575 per mile. Employees who use their own automobile in connection with services rendered three (3) or more times on average per week on a monthly basis shall receive Three Hundred Seventy-Six Dollars and Forty-Four Cents (\$376.44) per month as a monthly allowance. This amount shall be adjusted each October 1 by the increase or decrease in Federal travel regulations for government use of privately owned vehicles.

<u>Section 5. Compensation.</u> Employees covered by this Agreement who are authorized by the Employer to work in a higher rated classification shall receive the higher rate of pay. In the event an employee starts the work day in a higher rated classification, the employee shall receive the higher pay of that classification for the full day.

Section 6. Uniforms. For those employees required by the Employer to wear uniforms, the Employer shall provide and maintain such uniforms. The Employer, at its option, shall either (1) provide an annual clothing and maintenance allowance of Five Hundred Dollars (\$500.00) to all permanent Park Rangers, Animal Control Officers, and Parking Enforcement Officers, along with an initial issue of uniforms and in-kind replacement as needed; or (2) provide said employees with uniforms and be responsible for cleaning/maintaining said uniforms for the employees. If the Employer selects the payment option, payment shall be made to the employees in the above identified positions no later than July 1 following the employee's assignment to the position and every year thereafter as long as the employee remains in the designated position. The Employer will be responsible for providing each employee within the designated position with sufficient uniforms, no later than fifteen (15) days after assignment. Damage to uniforms 52 12/27/18

caused by usage not associated with normal wearing of the uniform will be the employee's responsibility to repair.

<u>Section 7. Parking Enforcement Officers.</u> Parking Enforcement Officers shall be provided with radios to communicate with the Police Control Center.

ARTICLE XXIV

APPRENTICESHIP PROGRAM

Section 1. The Employer and the Union recognize and acknowledge that the delivery of efficient Municipal Services is dependent on the ability to recruit and train highly motivated, productive, and skilled Public Employees.

Section 2. There shall be an Apprenticeship Council consisting of seven (7) members: three (3) appointed by the Union Business Manager, three (3) appointed by the Mayor, and one (1) appointed by the City Council. The members shall meet on a quarterly basis.

Section 3. Within thirty (30) days of the execution of this agreement, the parties will meet and confer to establish the job progression, educational, and on-the-job training criteria for all new bargaining unit employees entering the Apprenticeship Program, all in accordance with Article 1 Section 2 (a) (3).

<u>Section 4.</u> The Apprenticeship Program will coordinate additional career and citizenship enhancement training with the Rhode Island Public Service Employees' Training Fund.

ARTICLE XXV

CHANGES OR AMENDMENTS

Section 1. This Agreement constitutes the entire agreement and complete understanding between the Employer and the Union arrived at as a result of collective bargaining, except such

amendments hereto or modifications hereof as shall be reduced to writing and executed by the parties following the execution of this Agreement.

Section 2. The parties acknowledge and agree that their previously negotiated Memoranda of Agreement/Understanding identified in Appendix B hereto are hereby incorporated in this agreement and shall have full force and effect as if fully set forth herein.

ARTICLE XXVI

SEVERABILITY

Section 1. Should any final decision of any Court of competent jurisdiction affect any provision of this Agreement, only the provision so affected shall become null and void; otherwise, all other provisions of this Agreement shall remain in full force and effect.

ARTICLE XXVII

DURATION OF AGREEMENT

Section 1. The terms and conditions of this Agreement shall be effective July 1, 20189, and shall continue in full force and effect through June 30, 201922, and from year to year thereafter unless either party at least one hundred and twenty (120) days prior to June 30, 201922, gives notice in writing to the other party of its intention to terminate this Agreement, in which event this Agreement shall terminate at the end of the contract year in which said notice is given. In the event that such notice is given, negotiations shall begin immediately, no later than sixty (60) days prior to the termination of the Agreement.

Section 2. The provisions of the preceding section shall not prevent the parties, by written Agreement, from extending any portion of this Agreement, after the one hundred twenty (120) day notice has been given for any agreed upon period beyond its expiration date.

IN WITNESS WHEREOF, the par	rties herein have caused these presents to be signed by
their duly authorized representatives on th	ne, 2018
CITY OF PROVIDENCE RHODE ISLAND	RHODE ISLAND LABORERS' DISTRICT COUNCIL OF THE LABORERS' INTERNATIONAL UNION OF NORTH AMERICA on behalf of LOCAL UNION 1033
JORGE O. ELORZA Mayor, City of Providence	MICHAEL F. SABITONI Business Manager
	LOCAL UNION 1033
WITNESS:	RONALD R. COIA, ESQ. Business Manager
	VICKI A. VIRGILIO President
	WITNESS:
Approved as to form and correctness:	
Jeffrey Dana, City Solicitor	_
Dated:	

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AGREEMENT

between

CITY OF

PROVIDENCE, RHODE ISLAND

and

RHODE ISLAND LABORERS' DISTRICT COUNCIL

on behalf of

PUBLIC EMPLOYEES' LOCAL UNION 1033

of the

LABORERS' INTERNATIONAL UNION
OF NORTH AMERICA, AFL-CIO

Effective: July 1, 20158 to June 30, 20189

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AGREEMENT

THIS AGREEMENT is made and entered into as of the 1st day of July, 20158, by and between the CITY OF PROVIDENCE, RHODE ISLAND, (hereinafter referred to as the "Employer"), and the RHODE ISLAND LABORERS' DISTRICT COUNCIL acting for and on behalf of PUBLIC EMPLOYEES' LOCAL UNION 1033, PROVIDENCE, RHODE ISLAND, of the Laborers' International Union of North America, AFL-CIO, (hereinafter referred to as the "Union").

PREAMBLE

This Agreement is entered into to facilitate the adjustment of grievances and disputes between the Employer and employees, to provide, insofar as possible, for the continuous employment of labor and to establish necessary procedures for the amicable adjustment of all disputes which may arise between the Employer and the Union.

The Employer and the Union encourage the highest possible degree of practical, friendly, cooperative relationships between their respective representatives at all levels. The officials of the Employer and the Union realize that this goal depends primarily on cooperative attitudes between people in their respective organizations and at all levels of responsibility, and that proper attitudes must be based on full understanding of and regard for respective rights and responsibilities of both the Employer and the Union. To further this goal, the parties shall jointly sponsor quarterly meetings of their respective Representatives.

All references to employees in this Agreement designate both sexes and wherever the male gender is used it shall be construed to include male and female employees.

ARTICLE I

UNION RECOGNITION

Section 1. The Employer hereby recognizes and acknowledges that the Union is the exclusive representative of, and this Agreement shall apply to, all employees of the Employer who are included within the current definition of "municipal employee" set forth in RIGL 28-9.4-2, excluding elected officials, administrative employees, board and commission members, certified teachers, policemen, firefighters, supervisors (as defined pursuant to RIGL 28-9.4-2), confidential secretaries (as defined by the parties), attorneys, members of the Mayor's staff, temporary employees, and seasonal employees.

Section 2(a)(1). The term "temporary employee" shall mean an individual employed for a limited period, or an individual employed as a replacement for an employee or employees on authorized leave for the duration of said leave, provided that a "temporary employee" may not be employed to replace an employee on Workers' Compensation for a period beyond one (1) year. Temporary employees shall be paid at least the lowest contract rate of pay established by this Agreement, but shall be entitled to no other benefits under this Agreement, except those specifically stated herein. Unless otherwise agreed to and consistent with the language of this Agreement, temporary employees shall be utilized only in entry level positions.

Section 2 (a) (2). TEMPORARY EMPLOYEES - The parties agree that temporary employees are not entitled to any rights under the Collective Bargaining Agreement until they are hired as permanent employees. Unless the parties agree otherwise in regards to a specific position and subsequent to posting pursuant to Article X, any position that represents the lowest grade level in a department that the Employer determines to fill shall be offered to temporary employees in the order of their seniority as temporary employees, in their respective seniority group (Blue Collar or White Collar). Upon hire as permanent employees the probationary period prescribed by the Collective Bargaining Agreement shall begin. Upon completion of the 2

probationary period, permanent employee seniority shall apply retroactively to the employee's date of hire as a permanent employee. The Employer also agrees that the number of temporary employees shall not exceed sixty (60) temporary employees unless otherwise agreed to by the parties.

Section 2(a) (3). Apprentice employees are municipal employees and shall receive all the benefits set forth herein including a minimum probationary period of six (6) months. Apprentice employees shall enjoy the wage rate and other such conditions as established by the Apprentice Council which shall include continued employment and progression based on successful completion of said probationary period. Apprentice employees may exceed six (6) months' probation as determined by continued progressive criteria established by the Apprentice Council.

Section 2(b). Seasonal employees are employees employed during the months of June through September who are assigned to perform only recreational duties and do not perform bargaining unit work of any nature whatsoever.

In no event shall the use of any seasonal employee displace or otherwise affect a member of the bargaining unit.

ARTICLE II

UNION SECURITY AND DUES DEDUCTION

Section 1. All present employees who are members of the Union on the effective date of this Agreement shall remain members in good standing by the payment of their regular monthly dues as a condition of continued employment. All present employees who are not members of the Union, all employees who are hired hereafter in the classifications covered by this Agreement, and all Temporary Employees shall become and remain members in good standing by the payment of the required initiation fee and regular monthly dues on the 31st day following the execution of this Agreement or the date of their employment, whichever is later, and shall thereafter maintain such good dues standing for the term of this Agreement.

Section 2. Upon receipt of written notice from the Union, the Employer shall discharge any Employee who fails to become or is not a member of the Union on the prescribed day, provided membership was available under the same terms and conditions as generally applicable to other members. Further, all employees who fail to maintain their Union membership in good dues standing shall be summarily discharged by the Employer. The Union agrees to indemnify, defend and hold the Employer harmless from any claim arising from any such discharge.

<u>Section 3.</u> "Membership in good standing" as referred to herein means solely the tender of payment of normal dues and the standard initiation fee.

Section 4. The Employer agrees not to enter into any agreement or contract with members of the bargaining unit, individually or collectively, nor negotiate or bargain with them, unless it is through the duly authorized representative of the Union, and any such agreement entered into shall be null and void.

Section 5. The Employer agrees to deduct membership dues in an amount designated in writing by the Union's Secretary-Treasurer from the weekly pay of each employee who authorizes such deduction in writing as provided in this section. Deductions shall be made weekly from the net pay of each employee who is or who becomes a member of the Union within the scope of the bargaining unit and is covered by this Agreement, provided such employee has voluntarily authorized the Employer to do so in writing with the "Dues Deduction Authorization" form, to be furnished to the Employer as set forth below:

PUBLIC EMPLOYEES' LOCAL UNION 1033 Providence, Rhode Island Dues Deduction Authorization

I authorize you to deduct fro	m my weekly pay the sum ofper	
week for Union dues payable to the Secretary-Treasurer of Local Union 1033.		
Date	Employee's Signature	

Employee's S.S. Number	Employee's ID No.	_
	Address	

Such authorization form, deduction, practices and procedures enumerated in this Article shall be in compliance with the requirements of all State laws and regulations regarding same.

The Employer will remit the deduction withheld weekly to the Secretary-Treasurer of Local Union 1033, 410 South Main Street, Providence, Rhode Island 02903 on Payroll Optional reports listing the employee's name, identification number, department number, and amount of dues deducted.

In addition, the Employer shall deduct the sum of two cents (\$.02) per hour for each hour worked or paid for from the pay of those employees who so authorize on a voluntary basis to the Rhode Island Laborers Public Employees' Political Action Committee (RILPEPAC), created by the Union in accordance with Title 25 Chapter 17, RIGL, as a voluntary contribution.

Such deduction, if authorized by the employee, shall be made from the employee's pay on each regularly scheduled pay day and shall be remitted to the RILPEPAC monthly and by the 15th day of each month based upon the previous month's payroll. Authorization is granted by the employee's execution of the form attached to this Agreement as Exhibit A.

The Union shall indemnify and hold harmless the Employer for any and all claims, liabilities and costs incurred by the Employer as a result of the Employer's compliance with the above provisions of this Article II.

Section 6. During the term of this Agreement, the Employer shall have the right to transfer and/or redeploy temporary employees, as defined in Article I, and bargaining unit employees who have less than five (5) years' seniority, to vacant positions on a temporary basis and such transfer and/or redeployment shall not be the subject of the grievance procedure. The

parties agree that any transfer/redeployment shall only occur within the affected employee's class, i.e. white collar/blue collar, and will not reduce the salary and benefits afforded to the affected employee. Further, the parties agree that no transfer/redeployment to promotional positions, as defined in Article X, shall occur unless the promotional process of Article X is exhausted. Should a transfer/redeployment to a promotional position occur after the process is exhausted, then the affected employee shall receive the wage rate of the new position for the duration of the transfer/redeployment. Any transfer/redeployment under this provision shall be for a length of time determined by the Employer, but shall not exceed six (6) months. There shall be no pyramiding of transfers/redeployments to the same position. This provision shall not apply to the Communications Department.

Section 7. Notwithstanding anything to the contrary, the employer shall have the right to redeploy any Laborer from the Department of Public Works (DPW) to the Department of Parks and Recreation (DPR) to perform work within said classification with the exception of the Spring preparation of athletic fields. The employer shall have the right to redeploy any Laborer from the Department of Parks and Recreation (DPR) to the Department of Public Works (DPW) to perform work within said classification with the exception of snow removal operations. With respect to performance of work related to snow removal, said work shall continue to be the primary responsibility of the employees of the DPW. To the extent that the full complement of the employees assigned to the DPW are unable to meet the demands of snow operations, the City may continue to supplement said employees with other qualified bargaining unit members from other city departments by seniority.

<u>Section 8.</u> Unless otherwise agreed to by the parties, the City shall not assign bargaining unit work to non-bargaining unit persons.

ARTICLE III

NON-DISCRIMINATION

There shall be no discrimination against any employee by reason of race, color, creed, sex, age, national origin, physical or mental disability, sexual orientation or Union membership.

The Employer and the Union affirm their joint opposition to any such discriminatory practices in connection with employment, promotion, or training, remembering that the public interest remains in full utilization of an employee's skill and ability without regard to consideration of race, color, creed, sex, age physical or mental disability, sexual orientation or Union membership.

No employee covered by this Agreement shall be discharged, laid off, demoted, suspended, transferred, or affected in any way because of political beliefs or activities.

ARTICLE IV

HOURS OF WORK AND OVERTIME

Section 1. The regular workweek for all employees covered by this Agreement, who are employed in the classifications listed in Schedule "A" hereto, shall consist of five (5) consecutive eight (8) hour days: Monday, Tuesday, Wednesday, Thursday and Friday. The regular work shift for day workers shall commence at 8:00 A.M. and shall finish at 4:30 P.M. with one half (½) hour lunch period. Existing exceptions to the foregoing, and exceptions codified within Section 2 and Section 5 below may be continued during the term of this Agreement.

The regular workweek for Automobile Drivers shall consist of thirty-five (35) hours per week, consisting of five (5) consecutive seven (7) hour days: Monday, Tuesday, Wednesday, Thursday, and Friday.

Section 2. The regular workweek for all employees covered by this Agreement, who are employed in the classifications listed in Schedule "B" hereto, shall consist of five (5) consecutive seven (7) hour days: Monday, Tuesday, Wednesday, Thursday and Friday. The regular work 12/27/18

shift for day workers shall commence at 8:30 A.M. and shall finish at 4:30 P.M. with a one (1) hour lunch period. Existing exceptions to the foregoing, and exceptions codified within this section and Section 5 below may be continued during the term of this Agreement.

(A) Flex Hours. The parties agree that the Employer may seek qualified volunteers within a department needing flextime, on a rotating basis by seniority, as may be needed by a specific department, to work scheduled flextime. When this need arises, the Employer shall notify the Union no later than two weeks prior to the requested implementation of flex time. However, in the event of a situation determined by the Employer to be an emergency, the Employer may implement Flex hours under this section with less than two weeks' notice. In such a case notice will be given to the Union as soon as practical. If the Employer is not able to secure enough volunteers during an emergency, the Employer will identify and select the most junior qualified employees within the department or Citywide to fill the necessary time slots. Implementation of this section shall be considered a normal work week and shall not be considered an alternate work schedule and the provisions of Article IV Section 5 shall not apply, and the work week shall fall within Monday through Friday.

Section 3. Effective October 23, 1999, the workweek for any employee hired and assigned or promoted from a department other than Communications to a position in the Providence Police Control Center shall be four (4) consecutive days on, followed by two (2) consecutive days off and then repeating.

Recognizing the continuing requirement to provide the most effective and efficient public services, the parties hereto hereby commit to meet and confer in good faith within thirty (30) days of the ratification of this agreement to address the needs of the City and its Citizenry as to all methods of providing services to the Citizenry including merging the Police and Fire telecommunications division into one Public Safety dispatch center in the Department of Communications with a common work schedule.

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<u>Section 4.</u> Overtime. Time and one half shall be paid in each of the following instances:

- (A) Hourly Basis of Pay. Any regular employee of the Employer, whose pay is established on an hourly basis shall be entitled to and shall be paid overtime pay at the rate of one hundred fifty percent (150%) of his hourly rate of pay for each full hour, or part of an hour, of employment in excess of the standard hours of employment worked or credited in any one workweek. In the event an Employee is sick during the workweek, the sick day shall be considered as part of the workweek for the purpose of computing overtime.
- (B) <u>Daily Basis of Pay.</u> Any regular employee whose pay is established on a daily basis in the City Compensation Plan shall be entitled to and shall be paid overtime at the rate of one hundred fifty percent (150%) of the rate of payment established in the City Compensation Plan for the particular position which he holds, for each full day or part of in excess of standard days of employment worked or credited in any one workweek.
- (C) The Employer may require employees to work reasonable overtime in those areas such as the Department of Public Parks, Department of Public Safety, Department of Public Works, Water Supply Board, and other essential services.
- (D) Overtime will be offered equally to employees by classification in each department, on the basis of seniority based on the work the employee customarily and ordinarily performed during that week. In departments separated by functional divisions, overtime will be offered first to employees in the division where the overtime takes place, on the basis of seniority based on the work the employee customarily and ordinarily performed during that week, and then will be offered department wide, if a need continues to exist. A list of eligible employees of each department shall be posted and maintained by the superintendent and the steward of each department. Should a dispute arise under the application of this clause, and upon request, the Employer shall furnish the Union with a record of overtime.

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Employees who discharge sick leave are not eligible for overtime assignments for twenty-four (24) hours, except in extenuating circumstances where the City determines it necessary, such as to maintain roadways during a severe weather event. For the purpose of this section, the 24 hour waiting period commences at the start of the shift wherein the employee discharged sick leave. In the event the employee discharges more than one day of sick leave, the 24 hour waiting period commences at the start of the shift, on the last day in which sick leave was used.

- (E) Bargaining Unit members, excluding employees assigned to the Providence Police Control Center and Fire Dispatchers, assigned to a less than forty-hour workweek, may elect to take compensatory time in lieu of cash for the hours worked or credited beyond thirty five and up to forty (40) in a given workweek provided that the department director or designee and the employee are in agreement as to the election of such time. If there is no agreement as to the election of such time then hours worked or credited shall be compensated with overtime wages. The discharge of such compensatory time must be scheduled and approved in advance by the Employee's Department Director. The accumulation or use of such compensatory time, to a maximum of one hundred-five (105) straight time hours (i.e. 157.5 compensatory time hours), cannot be carried over from one contract year to another unless the employee is denied reasonable opportunities to discharge said time prior to the end of the contract year. Requests to discharge compensatory time during the time period of November 15 to January 5 must be submitted in writing by October 15.
- (F) An Employee who discharges leave of any type that equals fifty percent (50%) of the employee's regular workweek as of the time that the overtime opportunity occurs, shall not be offered or be eligible for overtime during that workweek unless the entire list, including agreed to alternate lists, of eligible employees is exhausted. Said employee shall remain in the existing

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location on the overtime list and become eligible for the following workweek for any overtime unless the employee's absence disqualifies him/her under this section.

Section 5. It is recognized that in some circumstances employees may have an existing regular schedule that requires work during a period not included in the workweek as defined in Section 1 of this Article. Such employees shall not be paid one hundred fifty percent (150%) of his hourly rate of pay for work during such periods, but shall receive an additional One Dollar (\$1.00) per hour for all hours worked or credited. This section shall apply to Zoo Keepers at Roger Williams Park. Notwithstanding any provision to the contrary, the Employer shall have the option of maintaining an alternate workweek of Tuesday to Saturday for a maximum of fourteen (14), unless otherwise agreed to by the parties, of which no greater than three (3) shall be from DPW, three (3) from Zoo, excluding the complement of employees currently assigned to an alternate workweek, three (3) from Grounds Maintenance, and two (2) from Traffic Engineering. The complement of WSB employees currently assigned to the alternate work week shall not count toward this maximum number of fourteen (14). Effective upon ratification of this agreement by all parties, Employees assigned to the alternate workweek shall receive regular wages plus one dollar and twenty cents (\$1.20) per hour for all hours worked or credited. The Employer shall first post this opportunity and award said positions to the senior bidder in the classification assigned to the alternate workweek, then to the senior bidder in the department, then the senior bidder Citywide. If no bidders, then the Employer shall offer this opportunity to temporary employees as identified in Article I.

Section 6. Any employee covered by this Agreement, who is called into work outside of his regular hours, for a period of time that is not connected to his regular hours, shall be paid at the rate of one and one-half $(1\frac{1}{2})$ times his regular rate of pay for all such hours worked, but in any event, shall be guaranteed four (4) hours' straight time pay. In the event that such hours worked are in excess of the applicable workweek, the employee shall not be paid overtime in 11

addition to the premium pay or guarantee provided by this section. If otherwise eligible, employees may elect compensatory time per Section 4 (E) above.

Section 7. Summer Hours. During the months of July and August, the regular workday shall end a half (½) hour earlier at no loss of pay for members of the bargaining unit in accordance with current practice. The parties shall train Foreman of outside crews in appropriate safety measures and equipment for hot weather working conditions.

Section 8. Subcontracting. The Employer shall have the right to enter into subcontracts for the performance of work, where the work is of a type which has never been performed by bargaining unit employees covered by this Agreement, or of a type that has previously been subcontracted, or where the subcontractor which is the lowest responsible bidder selected by the Employer subscribes and agrees to be bound by the same economic conditions and the Union security provisions in this Agreement.

Section 9. Coffee Breaks. Employees shall receive one fifteen (15) minute coffee break during the first four (4) hours of their daily assignment and one fifteen (15) minute coffee break during the balance of their daily assignment.

ARTICLE V

MANAGEMENT RIGHTS

Section 1. Except as abridged or restricted by any provision of this Agreement or by applicable law, the Employer shall have the exclusive right to supervise and control all of its departments and employees, to issue reasonable rules and regulations, and to exercise any and all rights and authority granted to the City as an Employer by statute, ordinance, and applicable regulations, and to comply with its responsibilities thereunder. The Employer agrees that no such rights or authority shall be exercised in violation of this Agreement. Further, the exercise of rights normally entrusted to management shall be subject to any obligations the Employer may have under RIGL Section 28-9.4, or obligations imposed upon the Employer by relevant statute.

Section 2. With regard to any vacancies or unfilled positions, the filling of any/all such vacancies or unfilled positions shall be within the sole discretion of the Employer. Nothing contained in Article II, Section 6 shall negate, contradict, or modify in any way the Employer's rights pursuant to this provision.

Section 3. Reorganization

Except as abridged or restricted by any provision of this Agreement and subject to the following provisions and any obligations imposed on the Employer by applicable law, the Employer may reorganize any one or more departments or areas as set forth below.

- The Employer shall notify the Union at least fifteen (15) calendar days in advance of 1. notification to bargaining unit members of its intentions to reorganize.
- 2. The Union and the Employer shall meet to review and discuss the plan for such reorganization.
- That plan shall include a thirty (30) day notification to the affected employees. 3.
- 4. (A) All affected employees shall be given the right to bid on new assignments by seniority and shall carry departmental seniority to the new department and/or position.
 - (B) Affected employees who have no available assignments within their classification will be offered vacant positions which have been posted and not filled in accordance with Article X. If the reassigned employee is assigned to duties below his class but within his seniority group, said assignment shall not be subject to the grievance and arbitration clause and shall be without the loss of pay.

ARTICLE VI

SALARIES AND HOURLY RATE SCHEDULE

Section 1. The economic increases shall be as follows and as provided for in the below paragraphs:

- (A) There shall be no increase in wages for the period of July 1, 20158 to June 30, 20169.
- (B) Effective July 1, 2016, an amount equal to an across-the-board wage increase for allbargaining unit employees of two percent (2.0%), over the June 30, 2016 rate.
- (C) Effective July 1, 2017, an amount equal to an across-the-board wage increase for all-13

bargaining unit employees of two and three quarters percent (2.75%), over the June 30, 2017 rate.

- (D) Commencing upon ratification of this agreement by all parties and terminating on June 29, 2018, all new employees shall be compensated at a wage rate of fifteen percent (15%) below the applicable wages. Wages for said employees shall be increased in five-percent (5%) increments annually. The parties acknowledge that this provision shall sunset and become null and void on June 29, 2018, and on said date, any member receiving wages at a rate below the applicable union wage rate shall have his/her wages increased to the applicable union wage rate.
- (B) In addition, all employees who possess a CDL and who are assigned to a classification with a wage rate less than the EQUIPMENT OPERATOR wage rate and who agree to work reasonable hours, including overtime, in Snow and Ice removal operations shall receive a stipend of fifty cents (\$.50) per hour for all hours worked or paid for in a classification with a wage rate less than the EQUIPMENT OPERATOR wage rate. This stipend is conditioned on maintaining a valid CDL.

ARTICLE VII

LONGEVITY PAY

Section 1. In addition to the salaries listed in this Agreement, there shall be paid a longevity supplement which shall be considered part of the employee's salary for other purposes in this Agreement, including pension purposes. This supplement shall be computed annually on the basis of the employee's salary and years of service, as of June 30. Longevity payments shall be payable annually on or before September 15 or for employees separating prior to the payment date, on a pro rata basis from the commencement of the Fiscal Year through the date of severance.

Section 2. Effective July 1, 2011, (Fiscal Year 2012), tThe Longevity supplement amount shall be reduced by one (1%) percent as follows:

FOR EMPLOYEES HIRED ON OR PRIOR TO OCTOBER 23, 1999

Years of Service		Annual Percentage Amount
5	but less than 10 yrs.	4%
10	but less than 15 yrs.	5%
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15	but less than 20 yrs.	6%
20	or more	7%

FOR EMPLOYEES HIRED AFTER OCTOBER 23, 1999

Years of Service		Annual Percentage Amount	
7	but less than 12 yrs.	3%	
12	but less than 17 yrs.	4%	
17	but less than 20 yrs.	5%	
20	or more	6%	

FOR EMPLOYEES HIRED AFTER JULY 1, 2015

Years of Service		Annual Percentage Amount
7	but less than 12 yrs.	2%
12	but less than 17 yrs.	3%
17	but less than 20 yrs.	4%
20	or more	5%

Section 3. Bi-Weekly Payroll. The City shall institute a bi-weekly payroll.

ARTICLE VIII

SHIFT DIFFERENTIALS

Section 1. Any bargaining unit member who is regularly assigned to commence work subsequent to 11:30 A.M. or prior to 7:00 A.M. shall receive seventy-five cents (\$.75) per hour in addition to his regular rate of pay as contained herein.

ARTICLE IX

SENIORITY AND PROMOTION

Section 1. Definition. Seniority shall be defined as the total length of service with the Employer. Seniority preference shall be defined as length of service within a Department and shall be applicable to filling vacancies and scheduling vacation leave. For employees whose assigned department is merged with another and for employees who are transferred to another department involuntarily, including through reorganization, departmental seniority shall be the

length of service in the initial department and the subsequent department, as measured in the aggregate. For the purpose of defining seniority preference within a department, the Board of Licenses and the Department of Vital Statistics will be treated as a single department.

Seniority shall be acquired by a fulltime employee after the completion of a six (6) month probationary period, at which time seniority shall be retroactive to the first day of employment. Probationary employees shall not be entitled to avail themselves or utilize the grievance and arbitration procedures, as set forth in Article XXI hereof, regarding disciplinary matters or termination with or without cause, but shall be entitled to any and all other rights, benefits and entitlements pursuant to the terms of this Agreement.

<u>Section 2.</u> <u>Accumulation.</u> Seniority shall accumulate during absence because of illness, injury, vacation or other authorized leave.

<u>Section 3.</u> <u>Break in Seniority.</u> Seniority shall be considered broken only for the following reasons:

- a. When an employee has been discharged for just cause.
- b. When an employee voluntarily terminates his employment.
- c. When an employee exceeds an authorized leave of absence.
- d. When an employee fails to respond to a recall notice.
- e. When an employee engages in other work without authorization while on leave of absence.
- f. When an employee is laid off in excess of two (2) consecutive years.
- g. Absent extenuating circumstances, when an employee fails to report an absence from work of five (5) consecutive working days within that period.

Section 4. Seniority Groups. It is agreed that there shall be two seniority groups: one for employees in "Blue Collar" classifications and another for employees in "White Collar"

classifications; and the application of seniority under this Agreement with respect to one group shall be separate and apart from the other group.

Section 5. It is understood that it is the employee's responsibility to advise the Personnel Department of his current address and telephone number.

Section 6. The Employer shall forward a seniority list to the Union, by Department, on an annual basis no later than December 31 of each year so that the Union may review said list and respond with acceptance or correction within 45 days. Disputes regarding seniority shall be processed through Expedited Arbitration.

Section 7. Redeployment/Reduction in the Workforce

Subject to the procedures and limitations contained herein, due to reasons of lack of work or lack of funding, the Employer may implement a redeployment of the workforce or a reduction in the workforce.

The Employer will initially address the issue of lack of work through redeployment of the workforce. The Employer will initially seek volunteers for reassignment to vacant and funded positions after affording the vacant and funded positions to all bargaining unit members in accordance with Article X. Said volunteers, by seniority, who possess the job description qualifications for the vacant and funded position shall then be reassigned and shall carry departmental seniority to the new department and/or position. Said volunteers shall receive the wages of the position. If sufficient volunteers are not obtained, the Employer shall reassign the most junior employee in the affected seniority group (Blue or White Collar), affected department and job classification. The reassigned employee shall receive the greater of the wages of the position or the wage rate of his classification prior to reassignment. If the reassigned employee is assigned to duties below his class but within his seniority group, said action shall not be subject to the grievance and arbitration clause. Positions to which junior employees are reassigned do not require re-posting pursuant to Article X.

The Employer will initially address the issue of lack of funding through redeployment of the workforce. The Employer will initially seek volunteers for reassignment to vacant and funded positions after affording the vacant and funded positions to all bargaining unit members in accordance with Article X. Said volunteers, by seniority, who possess the job description qualifications for the vacant and funded position shall then be reassigned and shall carry departmental seniority to the new department and/or position. Said volunteers shall receive the wages of the position. If sufficient volunteers are not obtained, the Employer shall reassign the most junior employee in the affected seniority group (Blue or White Collar) and affected department. The reassigned employee shall receive the greater of the wages of the position or the wage rate of his classification prior to reassignment. If the reassigned employee is assigned to duties below his class but within his seniority group, said action shall not be subject to the grievance and arbitration clause. Positions to which junior employees are reassigned do not require re-posting pursuant to Article X.

Following the exhaustion of the Employer's best effort to address the issue of lack of work or lack of funding by reassignment, the Employer shall seek volunteers for layoff (employees who volunteer to be laid off will not be allowed to exercise bumping rights but will retain rights to recall). If a sufficient number of employees do not volunteer for layoff, the Employer may lay off employees by inverse total employment seniority, i.e. last employee hired shall be the first employee laid off, and based upon the then existing proportion of White Collar/Blue Collar employees, the number of which cannot exceed ten (10%) percent of the bargaining unit workforce. All temporary employees within the affected seniority group and the affected department shall be laid off prior to affecting permanent bargaining unit employees. All affected employees shall receive a two-week notice prior to implementing a layoff or pay in lieu of notice. Additionally, all affected employees shall be placed on a reemployment list for a twenty-four (24) month period and recalled in the inverse order of layoff to any position that the 12/27/18

employee possesses the job description qualifications subsequent to the position being initially offered to all bargaining unit employees pursuant to Article X.

Union Stewards shall be considered senior in service for layoff purposes only.

The Recall process shall be as specified in the parties' Recall Memorandum of Agreement.

Section 8

When the City proposes to discipline an employee, except for counseling, oral reprimand or written reprimand, the following procedures will apply:

A. The employee will be given a prompt hearing. When necessary, at the discretion of the City, and depending on the nature of the charges, the employee will be placed on administrative leave with pay for a maximum of five (5) working days within which time the City will conduct a hearing.

B. If the City requires additional time beyond the five (5) working days administrative leave with pay to prepare for the hearing, the employee shall remain on administrative leave with pay until the hearing is held. In no case shall administrative leave with pay exceed ten (10) working days.

C. If the Union requires additional time beyond the five (5) working days administrative leave with pay to prepare for the hearing, the employee shall be placed on leave without pay.

ARTICLE X

FILLING OF VACANCIES

Section 1. This Article shall apply to the filling of all vacancies and positions within the bargaining unit above that of Laborer and Clerk I, which are vacant, and the Employer determines to fill.

Section 2. The Employer agrees to fill all vacancies from the best qualified applicants in the bargaining unit as defined in subsection (D) and in accordance with the provisions set forth below.

Section 3. The Employer agrees that the first consideration will be given to filling all vacancies from within the department where the vacancy exists. Vacancies in positions that are staffed on more than a single work shift within a department shall initially be offered to bargaining unit employees of the same classification, by seniority, as a lateral transfer.

- (A) Notice of a vacancy in any position above that of Laborer and Clerk I shall be posted for a period of three (3) working days on appropriate Employer bulletin boards.
- (B) Any employee who is interested in filling the vacancy shall apply in writing to the Department of Human Resources within seven (7) working days after said notice has been posted.

Probationary employees shall be eligible to bid for and fill vacancies; however, regardless of the position occupied, said employees shall serve a full six (6) month probationary period. Apprentice employees shall be required to successfully complete their apprenticeship prior to bidding on vacant positions.

(C) Vacancies shall be filled on the basis of qualifications and ability, as determined by the Employer. The vacancy shall be filled on the basis of qualifications and ability, as determined by the Employer based on the requirements listed in the parties' job descriptions. Where qualifications and ability are relatively equal, seniority shall be the determining factor. Should a question arise out of the decision made by the Employer on the question of qualifications and ability, this shall constitute a grievance and be subject to the grievance and arbitration procedure included in this Agreement.

Recognizing the continuing requirement to provide the most effective and efficient public services, the parties agree to revise and update all job descriptions. The parties shall meet 12/27/18

quarterly for the purpose of modifying all existing job descriptions so as to delineate actual duties and minimum qualifications.

Disputes arising out of the modification of the job descriptions shall be referred to Expedited Arbitration.

Section 4. The Employer agrees that when detailing employees to higher level duties on a temporary basis, the criteria provided in Section 3 (C) shall be utilized.

Section 5. The successful bidder shall be given a trial period of up to sixty (60) days; and if he is not deemed qualified for the position during that period, he shall be restored to his former job and position.

Section 6. Unless otherwise agreed to by the parties, any posted vacancy shall be filled no later than forty-five (45) days from the date of posting when filled by a bargaining unit bidder and no later than sixty (60) days when filled by an external applicant, or upon expiration of the retiring employee's vacation leave, whichever is greater.

ARTICLE XI

HOLIDAYS

Section 1. All employees covered by this Agreement shall be paid the regular rate of pay for each of the following designated holidays:

New Year's Day

Labor Day

Martin Luther King Jr.'s Birthday

Columbus Day

Presidents' Day

Veteran's Day

Memorial Day

Thanksgiving Day

Fourth of July

Day after Thanksgiving

Christmas Day

Victory Day

Election Day (November of each even year)

(3) Three Floating Holidays *

Easter Sunday- only for employees who actually work on said day.

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*The procedure for requesting time-off shall be handled in the same manner as request for vacation leave. The Floating Holidays may be discharged by the hour.

Notwithstanding the foregoing, employees shall be granted requests made at the beginning of a work shift to discharge floating holiday hours during that work shift in order to conclude said work shift early. Employees shall be granted requests made one day in advance to discharge floating holiday hours at the beginning of the next shift or during the middle of the next shift.

Section 2. In the event that any of the foregoing holidays fall on a Saturday, the previous day, Friday, shall be the day of celebration. If any of the foregoing holidays fall on a Sunday, the next day, Monday, shall be the day of celebration. Notwithstanding the foregoing, the Employer shall have the option of paying any or all employees an additional day's pay for any holiday occurring on Saturday or Sunday, in lieu of declaring Friday or Monday as the day of celebration.

<u>Section 3.</u> Employees shall be paid for each of the above-enumerated holidays when not worked, provided they meet all of the following eligibility requirements:

- (1) The employee works during the payroll week during which the holiday occurs, except when the holiday occurs within his vacation period, or when the employee is absent for the entire payroll week but has worked within the preceding payroll week, or he is absent during the entire payroll week, in which the holiday occurs, because of jury duty, or received bereavement pay for one or more days during the week.
- (2) When a holiday occurs during an eligible employee's scheduled vacation, he shall be paid for the unworked holiday in addition to his vacation pay at the same time or shall be granted an additional day off with pay.

Section 4. In addition, the Employer shall allow one-half (½) day off with pay the afternoon of the last regular working day prior to Christmas Day and New Year's Day (or the days of observance of Christmas Day and New Year's Day), when Christmas Day and New

Year's Day fall or are celebrated on Tuesday through Saturday. Good Friday shall be a full work day.

ARTICLE XII

VACATION LEAVE

Section 1. Any employee who has been in the employ of the Employer for more than six (6) months in the aggregate shall receive one (1) weeks' vacation leave with pay.

Section 2. Any employee hired prior to July 1, 1987, who has completed one year of employment, shall be granted three (3) weeks' annual vacation leave each calendar year with pay. Employees hired on or after July 1, 1987, who have completed one (1) year of employment, shall be entitled to two (2) weeks' annual vacation leave each calendar year with pay.

Section 3. Any employee hired on or after July 1, 1987, who has completed five (5) years of employment, shall be granted three (3) weeks' annual vacation leave each calendar year with pay.

Section 4. Any employee who has completed ten (10) years of employment shall be granted four (4) weeks' annual vacation leave each calendar year with pay.

Section 5. Any employee who has completed fifteen (15) years of employment shall be granted five (5) weeks' annual vacation leave each calendar year with pay.

Section 6. Employees may discharge vacation leave in amounts less than a full workweek, but not less than one half (1/2) of a full work day.

Section 7. Vacation credit in excess of six (6) weeks may not be carried over from one calendar year to the next. All vacation time in excess of six weeks (6) as of January 1 must be taken during the calendar year or shall be lost, except in the event that the Employer prevents the employee from taking said excess vacation time during the calendar year.

Section 8. Except for employees on leave due to medical reasons, employees on unpaid leave of any nature shall cease to accrue vacation leave after twenty-six (26) weeks of unpaid leave. Vacation leave shall not accrue during any period in which an employee is serving a disciplinary suspension. For every work day that an employee is serving a disciplinary suspension, said employee's annual vacation accrual shall be reduced by 1/260ths; provided, however, that this provision shall not apply in any case in which the reduction as calculated above would result in an amount less than one (1) work day. In the event an arbitrator finds that any such suspension lacked just cause, he may award the affected employee any vacation accrual that he otherwise would have received during the suspension period.

Recognizing the continuing requirement to provide the most effective and efficient public services, the parties hereto are committed to meet and confer in good faith to address consolidating sick leave, vacation days, and personal days as employee benefits and converting such with a paid time off (PTO) plan.

ARTICLE XIII

SICK LEAVE/PERSONAL DAYS

Section 1. All employees of the bargaining unit regularly employed continuously for at least one (1) month shall be entitled to sick leave with full pay. Sick leave shall be granted for the following reasons:

- (A) Personal illness or physical incapacity to such an extent as to be rendered thereby unable to perform the duties of his position.
- (B) Attendance upon members of the family within the household of the employee whose illness requires the care of such employee.
- (C) Enforced quarantine when established and declared by the Department of Health, or their competent authority for the period of such quarantine only.

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(D) Two (2) Personal Days per contract year, which shall be deducted from accrued sick leave.

Section 2. Sick leave with full pay for the employees of this bargaining unit shall be computed as follows:

Effective upon ratification of this agreement by all parties, sick leave with full pay for employees hired before July 1, 2015 shall be computed at the rate of one and seventeen hundredths (1.17) working days per month.

Effective July 1, 2016, sick leave with full pay for employees hired before July 1, 2015 shall be computed at the rate of one and eight hundredths (1.08) working days per month.

Effective July 1, 2017, sick leave with full pay for employees hired before July 1, 2015 shall be computed at the rate of one (1) working day per month.

Effective upon ratification of this agreement by all parties, sSick leave with full pay for employees hired on or after July 1, 2015 shall be computed at the rate of one (1) working day per month.

Such annual sick leave accrual as set forth above with pay, of which two (2) days shall be personal days as defined in (D) above, when not used, shall be cumulative, but the accumulated and unused portion of such sick leave shall not exceed one hundred thirty-five (135) days at one time; provided, however, any employee with at least five (5) years of continuous service, who contracts a serious illness, may be granted, with the approval of the Personnel Director, the Finance Director, and the Mayor, a further leave with pay, not to exceed ninety (90) days in addition to his accumulated sick leave, as of the date such illness occurs. Personal days which are not discharged shall accrue as sick leave and not personal leave.

Section 3. Sick leave shall not be discharged in periods of less than one-half (½) of a work day.

Section 4. The Department Head may require a physician's certificate or other satisfactory evidence in support of any request for sick leave, provided the employee affected has been told on the occasion of his last prior absence for sickness, that such evidence might be required for any future sick leave request in accordance with the Employer's Sick Leave Abuse Policy. However, such evidence shall be required for each sick leave with pay covering an absence of more than three (3) consecutive working days.

Section 5. Employees who retire and receive a retirement benefit under the City of Providence Employees' Retirement System shall, upon retirement, be entitled to a lump sum payment equal to the sum of twenty-five percent (25%) of the value of the first fifty (50) days of unused sick leave accumulated from January 1, 1986, to the date of their retirement and fifty percent (50%) of the value of the days over fifty (50) of unused sick leave accumulated during said period.

Section 6. Except for employees on leave due to medical reasons, employees on unpaid leave of any nature shall cease to accrue sick leave after twenty-six (26) weeks of unpaid leave. Sick leave shall not accrue during any period in which an employee is serving a disciplinary suspension.

Section 7. The parties agree to establish an Employee Sick Leave Bank in a manner consistent with the attached Appendix A.

Recognizing the continuing requirement to provide the most effective and efficient public services, the parties hereto are committed to meet and confer in good faith to address consolidating sick leave, vacation days, and personal days as employee benefits and converting such with a paid time off (PTO) plan.

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ARTICLE XIV

LEAVE OF ABSENCE

Section 1. It is agreed that upon written application an employee with permanent status may be granted a leave without pay, not to exceed one year, for reason of personal illness, disability, or other purpose deemed proper and approved by the Personnel Director.

At the expiration of such leave, the employee shall be returned to the position from which he is on leave at the same step of the then current range for his class of position. Seniority shall be retained and shall accumulate during all leaves without pay.

ARTICLE XV

BEREAVEMENT LEAVE

Section 1. All employees of the bargaining unit shall be allowed leave without loss of pay, when death occurs in an employee's immediate family, [i.e. employee's legal spouse, employee's domestic partner of the same or opposite sex who has lived in the same household as the employee for at least six (6) months and when the employee and partner have made a commitment to continue to live as a family, mother, father, son, daughter, brother, sister, or other members of the immediate household] provided that in such cases the leave shall not exceed more than one (1) day beyond the date of burial; in the case of employees of the Jewish faith, said leave shall be for the actual period of mourning observed, but not to exceed seven (7) days from the day of burial.

Section 2. All employees covered by this Agreement shall be granted one (1) day leave with pay to attend funeral services for grandparents, mother in law, father in law, aunts or uncles.

<u>Section 3.</u> In the event there is a death in the employee's family, but not in the immediate household, as defined above, the employee shall be granted sufficient time to attend the funeral service without loss of pay.

ARTICLE XVI

JURY LEAVE

Section 1. An employee who is called for jury service in a court of law shall be excused from work for the days on which the employee serves and shall receive, for each such day of jury service on which the employee otherwise would have worked, the straight time rate of pay for each hour of absence, less the amount received for jury duty. The employee will present proof of such service and the amount received therefor.

ARTICLE XVII

SPECIAL TIME OFF

Section 1. The Union Negotiating Committee shall consist of not less than three (3) employees nor more than five (5) employees designated by the Union who shall be afforded time off with pay required to negotiate agreements. Not more than five (5) employees who constitute part of the Negotiating Committee shall be excused from duty with pay for the purpose of participation and the negotiating of any agreement, providing reasonable notice is given to the appropriate Department Head.

Section 2. The Union has submitted to the Employer a list of designated Union stewards who shall be recognized as such by the Employer in the departments and divisions indicated in the submission. Hereafter, in no event shall the total number stewards exceed fifty (50), nor shall any one department or division have more than three (3) stewards. The Union shall furnish the Employer and appropriate Department Heads with a list of stewards, and shall, as soon as possible, notify said appropriate Employer officials in writing of any changes thereto. Only those who are officers and stewards shall be recognized by the Employer for the purpose of meetings.

The Union may also be represented by representatives of Local Union 1033, International Representatives, and Representatives of the Rhode Island Laborers' District Council with Legal Counsel.

Section 3. There shall be no deduction of pay from a grievant and/or Union officer or steward for time spent directly involved in meetings with department heads during working hours.

Section 4. Designated stewards or Union representatives shall be allowed to visit all job areas, department offices and buildings during working hours, provided that prior permission of the Employer is obtained, which permission shall not be unreasonably withheld.

Section 5. Elected Union officials and members of the Union Executive Board [not to exceed a total of six (6) in number] shall be granted time off with pay to attend (A) all scheduled Local Union meetings, (B) all meetings of the Rhode Island Laborers' District Council, and (C) as delegates for International LIUNA, Regional and State AFLCIO conventions.

ARTICLE XVIII

HEALTH AND WELFARE

Section 1(A). The Employer shall provide all permanent employees who are covered by this agreement and their eligible family members with health care coverage as follows:

LOCAL UNION 1033 HEALTH CARE PLAN

COVERAGE LEVELS:

<u>In network</u> - Full coverage from a broad network of hospitals, PCP'S, and specialists. Members will not be billed for charges beyond Blue Cross allowance. The network shall be equivalent to the Blue Cross Coast-to-Coast Network existing at the time of the execution of this Agreement.

Out of network - Members may also choose to see any other non-participating provider and still receive coverage at 80% of the in network allowance after an annual deductible of \$100 per individual - \$300 per family; \$1,000/\$3,000 maximum out of pocket (Regional allowance).

PARTICIPATING PROVIDERS:

Includes the carrier's broad-based Local, Regional and National network of hospitals and primary care physicians, plus specialized networks for eye care, lab & x-ray services, DME, chiropractic, home care, mental health/substance abuse.

PRE-AUTHORIZATION:

Authorization is obtained by participating providers. Members are responsible only when using non-participating providers.

DEDUCTIBLES:

\$100 per individual - \$300 per family; \$1,000/\$3,000 maximum out of pocket.

ANNUAL MAXIMUM EXPENSE:

Out of network benefit increased to full coverage after maximum expense of \$1,000 per individual; \$3,000 per family.

LIFETIME MAXIMUMS:

Unlimited.

DEPENDENT COVERAGE:

Spouse and children through the end of the month in which the child turns age 26.

OUTPATIENT SERVICES

PREVENTIVE CARE:

Including Well-baby visits - \$15 co-payment; pap smears and mammograms covered in full.

OFFICE VISITS:

Routine and non-routine - \$15 co-payment (\$20 allergist & dermatologist).

EYE EXAMS:

\$15 co-payment for one routine exam per year at participating providers.

OUTPATIENT SURGERY:

Covered in full. \$100.00 per inpatient and outpatient hospitalization occurrence deductible with \$200 individual/\$300 family out-of-pocket maximum per year.

DIAGNOSTIC LAB & X-RAY:

Covered in full at network lab and x-ray facilities.

CHIROPRACTIC CARE:

Office visits (12 per year) - \$20 co-payment; lab tests & x-rays in full.

WISDOM TEETH:

Covered in full, when medically necessary (bone impacted requiring service at hospital).

INPATIENT SERVICES

HOSPITAL ROOM & BOARD:

Unlimited days of care in a semiprivate room. \$100.00 per inpatient and outpatient hospitalization occurrence deductible with \$200 individual/\$300 family out-of-pocket maximum per year.

SURGICAL-MEDICAL:

Covered in full. \$100.00 per inpatient and outpatient hospitalization occurrence deductible with \$200 individual/\$300 family out-of-pocket maximum per year.

EMERGENCY ROOM:

\$100 co-payment for treatment of accident or life threatening medical emergency within 24 hours of onset of symptoms (co-payment waived if admitted).

MATERNITY:

Covered in full. \$100.00 per inpatient and outpatient hospitalization occurrence deductible with \$200 individual/\$300 family out-of-pocket maximum per year.

ORGAN TRANSPLANT:

Covered for eligible costs associated with kidney, liver, lung, heart, cornea and homologous bone marrow transplants. \$100.00 per inpatient and outpatient hospitalization occurrence deductible with \$200 individual/\$300 family out-of-pocket maximum per year.

MENTAL HEALTH & SUBSTANCE ABUSE (MHSA)

INPATIENT MH:

45 days of care in a participating hospital, when arranged by the Care Manager. 50% at out-of-area non-participating providers. \$100.00 per inpatient and outpatient hospitalization occurrence deductible with \$200 individual/\$300 family out-of-pocket maximum per year.

OUTPATIENT MH:

\$20 per individual session; \$10 per group session; \$1,000 annual maximum, when arranged by the Care Manager. 50% after deductible at non-participating providers.

INPATIENT SA:

Detoxification - 3 admissions per year or 21 days, whichever comes first, when arranged by the Care Manager.

Rehabilitation - 30 days in any 12-month period; lifetime limit of 90 days per member, when arranged by the Care Manager. 50% coverage at out-of-area non-participating providers. \$100.00 per inpatient and outpatient hospitalization occurrence deductible with \$200 individual/\$300 family out-of-pocket maximum per year.

OUTPATIENT SA:

30 hours per patient, 20 hours for family members, per 12-month period. \$20 per individual session; \$10 per group session, when arranged by the Care Manager. 50% at out-of-area non-participating providers.

ADDITIONAL SERVICES:

RX and VISION CARE HARDWARE: - by the Rhode Island Public Employees' Health Services Fund.

SELF ADMINISTERED INNOCULATIONS: 80% coverage; administered by the City of Providence's Prescription Benefits Manager.

PHYSICAL, SPEECH & OCCUPATIONAL THERAPY - OUTPATIENT: - 80% coverage.

PRIVATE DUTY NURSING & AMBULANCE: - 80% coverage. Does not include Air Ambulance.

DURABLE MEDICAL EQUIPMENT: - 80% coverage. No dollar maximum.

HOME & HOSPICE CARE: - \$20 co-payment. Includes doctor, nurse, health aide visits and home infusion therapy.

SKILLED NURSING CARE: - \$20 co-payment.

Section 1(B) Health Reimbursement Account (HRA).

(i.) Establishment of Account.

The parties agree that effective January 1, 2019, the City shall establish and fund a new and distinct Healthcare Reimbursement Account (HRA) which shall be administered by the City's

health insurer's CDH (Consumer Driven Health) Administrator for the benefit of the parties, for the purpose of offsetting the cost of the deductible for the new healthcare plan outlined herein.

On a quarterly basis, the CDH Administrator shall provide monthly reports to the parties regarding the funding level of the HRA account, and, on a quarterly basis, the CDH

Administrator shall provide to the parties a report detailing the number of claims filed for reimbursement, the amounts reimbursed for each claim, and information concerning the percentage of the annual allowance utilized by each member covered by the plan.

Effective January 1, 2019, the City shall provide an initial allocation of \$100,000 to the HRA for the purpose of funding the HRA Account for benefit of employees hired on or after January 1, 2019 outlined in this Article and this initial allocation shall fund the accounts created herein and for all of the Union's City of Providence and Providence School District bargaining units.

(ii.) Benefit Levels

No employee shall be able to utilize, on an annual basis, any more than his or her Pro Rata share of the HRA benefit. "Pro Rata share of the HRA benefit" as used in this agreement shall mean:

For employees hired on or after January 1, 2019, shall mean \$300 for employees with individual plan coverage and \$600 for employees with family plan coverage.

Section 1(B). The Employer also agrees to furnish as an alternative to the foregoing, substantially equivalent coverage under United Healthcare of New England or such other plan(s) agreed to by the parties.

Section 1(C). Notwithstanding the foregoing, with thirty (30) days' prior notice to the Union, the Employer shall have the right at any time during this Agreement to provide

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substantially equal medical insurance benefits under a different plan than those specified in Section 1 and in lieu thereof.

Section 1 (D). Upon presentation of proof of alternative health care coverage pursuant to a non-Employer paid plan satisfactory to the Employee's Benefit Coordinator, employees eligible for paid City Blue or United Healthcare of New England health insurance under this agreement may choose not to be covered under the Employer's group health insurance policies. Eligible employees enrolled in a family plan making this choice shall receive \$1,500.00 for each full contract year in which they are not covered for family coverage and for those dropping individual coverage, the compensation shall be \$750.00 for each full contract year of noncoverage by a City plan. The parties understand and agree that employees whose spouses are employed by the City and those who have chosen not to be covered by Employer policies shall not be eligible for this benefit. For each year in which the employee opts out under this Section, he shall receive no coverage pursuant to this Article, except that employees may opt back into the Plan in the event of a major life event causing loss of alternative and/or equivalent coverage, such as death or loss of employment of a spouse. Proof of loss of said alternative coverage and/or equivalent coverage may be required by the Employer before the employee is re-enrolled. Payments to employees under this provision shall be made at the end of each year, in arrears, for the period of July to June with payment made in June. If an employee has opted back into Employer coverage during the course of a contract year, he shall not be entitled to any payment under this Section for that year.

Section 1 (E). Employee Co-Share. Prior to the effective date of this Agreement, all permanent employees shall co-share in the cost of healthcare benefits provided in this Article through pre-tax weekly payroll deduction (if permissible by law) as follows:

Employees with annual base wages of \$50,000.00 or more shall co-share in the cost of healthcare insurance benefits provided in this Article through pre-tax weekly payroll deduction 12/27/18

by the payment of 20% of the negotiated working rate. Employees with annual base wages that are less than \$50,000.00 shall co-share in the cost of healthcare insurance benefits provided in this Article through pre-tax weekly payroll deduction by the payment of 15% of the negotiated working rate.

It is acknowledged that the premium/working rate for the purpose of computing the employee co-payment shall be as determined annually by a consultant selected by the parties, shall include utilization and paid claims, and shall not increase by more than 9.5% annually.

Section 1(F). Deductible Plan. Health plan benefits for all employees hired on or after

January 1, 2019, shall include an annual deductible of \$750 per individual - \$1500 per family.

The network allowance is based upon the U.S. Blue Cross PPO Regional allowance.

Employees shall co-share in the cost of healthcare benefits provided in this agreement through

pre-tax weekly payroll deduction (if permissible by law) in accordance with section 1(E) of this

Article.

Section 1 (F) (G). The Employer also agrees to continue health coverage for retirees and retirees' spouses for life for employees who retired on or after July 1, 1982, and prior to September 3, 1995. The plan of coverage shall be the plan elected by the individual on the date of retirement. Said coverage shall be converted to Plan 65 coverage upon attainment of the age of 65 or, at the option of the retiree, a Medicare approved HMO with a benefit plan substantially equivalent to that existing at the time this Agreement is executed with all premium payments for said plan borne by the Employer.

The Employer shall furnish health care coverage, on an individual basis only, to employees who retire(d) on or after September 3, 1995. Said coverage shall be of the same plan in effect when the retiree was an active employee up to age 65. Upon attainment of age 65 or at such age as to qualify for Medicare, said coverage shall convert to Plan 65 or, at the option of the retiree, a Medicare approved HMO with a benefit plan substantially equivalent to that existing at $\frac{35}{12/27/18}$

the time this Agreement is executed with all premium payments for said plan borne by the Employer. This coverage shall be for life. The Employer also agrees to provide this coverage to the retiree's spouse upon the death of the retiree.

Additionally, all permanent employees hired on or after July 1, 1992, must be actually employed by the City of Providence for at least ten (10) years and receiving retirement benefits under the City of Providence Employees' Retirement System prior to qualifying for Retiree Medical Care Coverage.

The premium payments of the above described coverage for active employees shall be borne solely by the employer through September 30, 2004, and for all retirees who retire prior to January 1, 2005.

Individuals retiring shall co-share at the individual rate, as stated above and as in effect on the last day worked through pre-tax monthly pension payroll deduction (if permissible by law) and shall receive the Individual Plan until becoming Medicare eligible at which time the retiree shall receive Plan 65 or a Medicare approved HMO (with a benefit plan substantially equivalent to that existing at the time this Agreement is executed) with all premium payments for said plan borne by the Employer.

Employees hired on and after July 1, 2008, shall no longer receive Retiree Post Medicare health benefits paid for by the employer; but the employer shall allow said employees to purchase Post Medicare eligible healthcare at the retiree's cost and at the employer's group rate. Said employees shall be required to participate in a Designated Savings Account or other savings vehicle approved by the City and the Union at a rate of five cents (\$.05) per hour with the funds being used for said Retiree Post Medicare healthcare.

Section 1 (G)(H). Upon presentation of proof of alternative health care coverage pursuant to a non-Employer paid plan satisfactory to the Employee's Benefit Coordinator, retirees eligible for paid health insurance under this Agreement may choose not to be covered 12/27/18

under the Employer's group health insurance policies. Eligible retirees enrolled in a plan making this choice shall receive \$750.00 for each full contract year of non-coverage by an Employer plan. The parties understand and agree that retirees whose spouses are employed by the Employer and those who have chosen not to be covered by Employer policies shall not be eligible for this benefit. For each year in which the retiree opts out under this section, he shall receive no coverage pursuant to this Article, except that retirees may opt back into the Plan in the event of a major life event causing loss of alternative and equivalent coverage, such as death or loss of employment of a spouse. Proof of loss of said alternative coverage or equivalent coverage may be required by the Employer before the retiree is re-enrolled. Payments to retirees under this provision shall be made at the end of each year, in arrears for the period of July to June with payment made in June. If a retiree has opted back into Employer coverage during the course of a contract year, he shall not be entitled to any payment under this section for that year. When a retiree opts back into coverage or receives post retirement coverage under this Article, said retire shall be afforded the opportunity to purchase all supplemental coverage heretofore existing including spousal coverage, RX, and dental coverage, under all of the conditions that existed on the retiree's initial retirement date.

Section 1 (H)(I). Effective January 1, 2012, and in lieu of Section 1 (G) above, the City's obligation to provide retiree healthcare coverage to a specific retiree shall be suspended in the event that the retiree is eligible for medical insurance under any health care plan, including that made available through the retiree's spouse, providing that said plan is equivalent in coverage and cost. If coverage is not equivalent or if the plan's cost exceeds the cost to the retiree of a City Plan, then the City shall have the option of providing payment to make the cost equal and/or providing only such coverage as to make the plans equivalent or maintaining the City Plan for the retiree, all pursuant to all provisions contained herein for retirees on said retirement date. At the request of the City, the retiree shall be obligated to provide proof that he or she is not eligible 37 12/27/18

to receive healthcare coverage from another source or that coverage is not otherwise equivalent coverage pursuant to this agreement. Subsequent to retirement, should a retiree whose healthcare coverage is suspended in accordance with this provision, lose alternate coverage from an alternate source, the City shall restore coverage on the first day of the month after notice has been received under the same terms as those that existed at the retiree's date of retirement.

Section 2. Any employee having an application for Accidental Disability Retirement benefits pending before the Retirement Board shall have the right to appear before the Board and may be represented by Counsel, or by the Union Representative, prior to the Board's action upon the application.

<u>Section 3.</u> Any employee who sustained an on-the-job injury prior to July 1, 1981, having an application for Temporary Disability Benefits, shall have right to appear before the Commission on Relief of Injured Employees, and may be represented by Counsel, or by Union Representative, prior to the Commission's action upon the application. Said employee shall be entitled to Temporary Disability benefits as outlined in the City of Providence Injured Employees' Act. In addition, the Department Head shall forward any accident report to the Commission within forty-eight (48) hours of the report being filed by the employee.

Any employee who sustains an on-the-job injury as of July 1, 1981, shall be entitled to Workers' Compensation benefits in accordance with the General Laws of the State of Rhode Island, Title 28, Chapters 29 to 38 inclusive.

Section 4. Coordination of Benefits: The City's obligation to provide healthcare coverage to a specific member's eligible spouse shall be suspended in the event that the spouse is eligible for medical insurance under any healthcare plan which is equivalent in all aspects of coverage and cost to the City plan. If said spouse's other available healthcare plan coverage is not equivalent to the City plan or if the Plan's cost exceeds the cost of the City plan, then the City shall have the option of: (a) providing payment to the member to make the cost equal, (b) 38

and/or providing only such coverage as to make the plans equivalent, or (c) maintaining the City plan for the spouse. At the request of the City, the member shall be obligated to provide proof that his or her spouse is not eligible to receive healthcare coverage from another source or that such coverage is not otherwise equivalent coverage pursuant to this agreement. Should the spouse lose the alternate coverage from an alternate source, the City shall restore spousal healthcare coverage on the first day of the month after notice has been received. The aforementioned healthcare coordination of benefits for Active Members' spousal coverage will not reduce the members' healthcare benefits or increase the co-payments/co-shares or costs paid by members or their spouses if such spouses become covered by another healthcare plan through coverage and benefits. Members' spouses will be no longer eligible to decline healthcare benefits in return for the receipt of "buyback" stipends.

ARTICLE XIX

DENTAL BENEFITS

Section 1. For the purpose of providing employees covered by this Agreement with Dental benefits, individual coverage and family coverage as appropriate, the Employer agrees to contribute the sum of \$83.74 per month for each employee covered by this Agreement who is included in the payroll for that month to The Rhode Island Public Employees' Health Services Fund.

For purposes of this section, an employee receiving Workers' Compensation benefits shall be considered to be included in the payroll for that month.

(B) Said contributions will be paid to the Fund no later than the fifteenth (15th) day of each month and shall be based on the preceding month's payroll.

Said remittance shall include all necessary reporting forms.

individual coverage and family coverage as appropriate, the parties agree as follows.

a.) The City of Providence shall continue to provide all existing Dental benefit coverage to employees employed by both the City and the Providence School District and who are covered under Collective Bargaining Agreements with the Union as the exclusive representative through December 31, 2015. Effective January 1, 2016, the obligation to provide Dental benefit coverage shall be assumed by the Rhode Island Public Employees' Health Services Fund. The obligation of the City shall be to contribute to the Rhode Island Public Employees' Benefit Funds such additional amount of money on the existing monthly contribution schedule that is equal to the total of the City and School District's December 2015 Delta Dental of Rhode Island premium for its City 1033 and PPSD 1033 Groups minus \$4444.44, on a per capita bases, commutated on the number of employee subscribers.1

This additional contribution allocated to provide Dental benefits shall remain fixed and shall not increase through June 30, 2019. Furthermore, the Union agrees that for the purpose of establish a premium/working rate for all of the City/PPSD groups, the utilization experience of the group(s) administered by the Rhode Island Public Employees' Health Services Fund may be applied through June 30, 2018.

b.) The Rhode Island Public Employees' Health Services Fund shall make a one-time payment to the City of Providence of \$26,700 within fifteen days of ratification of this agreement by all parties. This payment shall be utilized by the City to support wellness and preventive medicine programs for the Unions' bargaining units.

Section 2. Upon presentation of proof of alternative dental care coverage pursuant to a non-Employer paid plan satisfactory to the Employee's Benefit Coordinator, employees eligible for paid dental benefits under this Agreement may choose not to be covered under the Employer's group dental insurance policy. Eligible employees enrolled in a family plan making

⁺For example, if the December premium for City1033 and PSD 1033 equals 130,000 and covers 1575 employees, the additional monthly contribution commencing January 2016 shall be 130000-4444.44 = 125555.56/1575 =\$79.72 per employee, per month. 12/27/18

this choice shall receive \$500.00 for each full contract year in which they are not covered for family coverage and for those dropping individual coverage, the compensation shall be \$250.00 for each full contract year of non-coverage by an Employer plan. The parties understand and agree that employees whose spouses are employed by the Employer and those who have chosen not to be covered by Employer policies shall not be eligible for this benefit. For each year in which the employee opts out under this section, he shall receive no coverage pursuant to this Article, except that employees may opt back into the Plan in the event of a major life event causing loss of alternative and equivalent coverage, such as death or loss of employment of a spouse. Proof of loss of said alternative coverage or equivalent coverage may be required by the Employer before the employee is re-enrolled. Payments to employees under this provision shall be made at the end of each year, in arrears for the period of October to September with payment made in September. If an employee has opted back into Employer coverage during the course of a contract year, he shall not be entitled to any payment under this section for that year. Effective January 1, 2016, the aforementioned buyback shall be eliminated.

ARTICLE XX

UNION BENEFIT TRUST FUNDS

Section 1. In order to provide each employee covered by this Agreement and their dependents with the benefits described below and which are provided through Union Benefit Trust Funds, the Employer agrees to contribute \$3.42 per hour for each straight-time hour each employee covered by this Agreement is paid. The above language notwithstanding, the Employer's contribution shall be paid for the full day [seven (7) or eight (8) hours] for every day that the employee receives pay, including days of holiday and leave, or a contribution is otherwise due under Section 3 below. Of said \$3.42 per hour, \$1.70 shall be paid to the LIUNA National (Industrial) Pension Fund and \$1.72 per hour shall be paid the RI Public Employees' Benefits Fund.

Effective January 1, 2019, the Employer's contribution to the Union Benefit Trust Funds shall increase by two cents (\$.02) per hour for each straight-time hour each employee covered by this agreement is paid.

Effective July 1, 2011, the parties elected to participate in the preferred schedule as codified in the Funding Rehabilitation Plan of the Laborers' International Union of North America National (Industrial) Pension Fund and the Employer's contributions to the LIUNA National (Industrial) Pension Fund shall be increased according to said Preferred Schedule. The Employer's contribution to the RI Public Employees' Benefits Fund shall remain at \$1.72 per straight-time hour that each employee covered by this Agreement is paid through June 30, 2017. Effective July 1, 2017, said contribution to the to the RI Public Employees' Benefits Fund shall be increased by \$.09 to \$1.81 per straight-time hour that each employee covered by this Agreement is paid.

Section 2. Said contributions will be paid to the Fund no later than the fifteenth (15th) day of each month and shall be based on the preceding month's payroll.

<u>Section 3.</u> An employee receiving Workers' Compensation benefits shall be considered to be working his normal and regular workweek.

Section 4. In addition to all other Employer contributions required herein, the Employer shall also pay to the Rhode Island Public Employees' Health Services Fund, no later than January 15, an amount equal to the one-half (½%) percent wage assignment as required in the parties' May 26, 1994, Memorandum of Agreement. The parties acknowledge that this amount is not an additional Employer contribution but rather is an assignment of a portion of the July 1, 1994, wage increase. The contribution due January 2004 shall be paid January 2009.

Section 5. Each employee covered by this Agreement and their dependents shall be provided prescription drug benefits, vision care benefits, life insurance, a telemedicine program and a Wellness Benefit Program from the "Rhode Island Public Employees' Health Services 12/27/18

Fund", established by Declaration of Trust dated July 1, 1979. Said fund shall be administered by a Board of Trustees selected and appointed under the provisions of the Trust Agreement executed by the Union.

Section 6. Each employee covered by this Agreement shall receive retirement benefits from the Laborers' International Union of North America National (INDUSTRIAL) Pension Fund based upon the Trust Fund document and Rules and Regulations of said Fund. The Union and the Employer have signed an Agreement and Declaration of Trust of the Laborers' International Union of North America National (INDUSTRIAL) Pension Fund.

Section 7. Each employee covered by this Agreement and their dependents shall be provided with assistance in defraying the cost of legal counsel through the "Rhode Island Public Service Employees' Legal Services Fund", established by a Declaration of Trust dated September 20, 1974. The Fund is administered by a Board of Trustees selected and appointed under the provisions of the Trust Agreement executed by the Union. The Fund shall not be used to provide benefits which defray any expenses for disputes, grievances, or legal proceedings between employee-participant, his spouse, or dependents and the Employer, the Union or any of its members, their agents, or any legal entity of which they are a part.

Section 8(A). Employees covered by this Agreement shall be offered necessary educational, vocational, specialty and safety related training through the "Rhode Island Public Service Employees' Training Fund", established by a Declaration of Trust executed by the Union and from the New England Health and Safety Fund.

Section 8(B). The Employer shall establish a bargaining unit position of Training Coordinator, the primary duty of which shall be designating required training for employees covered by this Agreement and coordinating the development and implementation of said training with the aforestated Funds. Said position shall enjoy wage parity with the position of

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Employee Benefits Coordinator. This position shall be staffed by an individual nominated by the Rhode Island Public Service Employees' Training Fund.

ARTICLE XXI

GRIEVANCE AND ARBITRATION PROCEDURE

Section 1. Grievances. It is mutually understood and agreed that all grievances of employees or the Union arising out of the provision of this contract shall be filed and processed as follows:

Section 2. The employee's Union stewards shall be guaranteed sufficient time off during working hours to seek to settle grievances without loss of pay. An aggrieved employee shall have the right to Union representation, during the grievance procedure.

Step 1. The Union shall present such grievance in writing to the appropriate Director, Department Head, Director of Personnel Bureau and/or the Chief of Police or a designee. The Director and/or Department Head, Director of Personnel Bureau and/or Chief of Police or a designee shall have five (5) working days to respond to the grievance in writing.

Step 2. In the event the grievance is not satisfactorily adjusted, the Union shall present such grievance in writing to the Director of Personnel or his designee within five (5) working days from the receipt of the Step 1 response. The Director of Personnel or his designee shall have five (5) working days to respond to the grievance in writing.

Step 3. If unable to reach a satisfactory adjustment within five (5) working days, the Union shall submit the grievance in writing within five (5) working days to the Mayor or the Commissioner of Public Safety, for those affected employees working under his supervision, who must then meet or respond to the grievance in writing within five (5) working days.

Section 3(A). Arbitration. If a grievance is not settled, such grievance may at the request of the Union, be referred to the Labor Relations Connection in accordance with its rules then obtaining. The Arbitrator's decision shall be final and binding upon the parties. The expenses of such arbitrator shall be borne equally by the parties. The arbitrator shall have no power to disregard, alter, amend, add to or deduct from the provisions of this Agreement. The submission to arbitration must be made within fifteen (15) working days of receipt of the Mayor's or Commissioner's answer, as stated in Step 3 or else it shall be deemed to have been waived.

Section 3(B). All Demands for Arbitration, absent an expressed agreement of the parties, shall be heard within 120 days of the initial filing of the Demand for Arbitration and conclude within 180 days of the filing of the Demand for Arbitration. All Demands for Expedited Arbitration shall be heard within fifteen (15) days of the initial filing.

The Employer and the Union agree to apply the decision of the arbitrator to all substantially similar situations.

Any grievance which is not presented at Step 1 within five (5) working days excluding Saturdays, Sundays and Holidays, of the date of occurrence or injury (whichever is later) shall be deemed to have been waived. Failure of the Union to comply with the other time limitations set forth in this Article shall also constitute a waiver of the grievance. Failure of the Employer to respond timely at any step of the grievance procedure shall enable the Union to proceed to the next step, including arbitration.

Section 4. Sustained grievances and grievance resolution agreements shall be implemented within thirty (30) days. If the Employer fails to implement the same, the matter shall be submitted to expedited arbitration.

Section 5. Appendix B: The August 1, 1996 agreement allowing for the continuation of health insurance benefits for employees terminated for misconduct is amended. In its stead, the following language will be added to Article XVIII, Health and Welfare, (New) Section 5.

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The City will maintain the continuation of medical insurance until a decision is rendered by an arbitrator for terminated employees; however, with respect to employees with one (1) year or less of City service, said continuation of care shall not exceed the actual amount of City service, not inclusive of the six (6) month probationary period. Additionally, no purchases of service of any type may be added or included in the actual City service.

ARTICLE XXII

NO STRIKE/NO LOCKOUT

Section 1. Cognizant of the statutory prohibition against strikes by employees covered by this Agreement, neither the Union nor any employees covered by this Agreement shall engage in, induce, cause, or encourage any strike, slowdown, refusal to perform duties (including collective absenteeism for alleged illness), work stoppage, or withholding of services of any kind for any reason during the life of this Agreement.

Section 2. The Employer agrees that there shall be no lockouts during the term of this Agreement.

<u>ARTICLE XXIII</u>

PROTECTIVE CLOTHING, BULLETIN BOARDS, SAFETY, AUTOMOBILE ALLOWANCE AND COMPENSATION

Section 1. Protective Clothing. The Employer shall provide required protective clothing for those employees engaged in activities which subject their regular clothing to extraordinary wear and tear.

Section 2. Bulletin Boards. The Employer shall provide Bulletin Boards in conspicuous places to be used solely for the posting of Union notices, rules and regulations.

Section 3. Safety. A Local Union 1033/City of Providence Safety Committee shall be appointed, composed of three (3) representatives selected by the Union, two (2) representatives selected by the Mayor and one (1) representative selected by the City Council. The Committee shall meet at least quarterly and report recommendations and findings to their respective appointing authorities.

Both the Employer and the Union shall cooperate in the enforcement of safety rules and regulations and shall promote sound safety practices and rules for the protection of employees and the public.

Section 4. Automobile Allowance. Employees covered by this Agreement who are required to use their own automobile in connection with services rendered shall receive a mileage allowance in the amount of \$0.575 per mile. Employees who use their own automobile in connection with services rendered three (3) or more times on average per week on a monthly basis shall receive Three Hundred Seventy-Six Dollars and Forty-Four Cents (\$376.44) per month as a monthly allowance. This amount shall be adjusted each October 1 by the increase or decrease in Federal travel regulations for government use of privately owned vehicles.

Section 5. Compensation. Employees covered by this Agreement who are authorized by the Employer to work in a higher rated classification shall receive the higher rate of pay. In the event an employee starts the work day in a higher rated classification, the employee shall receive the higher pay of that classification for the full day.

Section 6. Uniforms. For those employees required by the Employer to wear uniforms, the Employer shall provide and maintain such uniforms. The Employer, at its option, shall either (1) provide an annual clothing and maintenance allowance of Four-Five Hundred Fifty-Dollars (\$450500.00) to all permanent Park Rangers, Animal Control Officers, and Parking Enforcement Officers, along with an initial issue of uniforms and in-kind replacement as needed; or (2) provide said employees with uniforms and be responsible for cleaning/maintaining said uniforms 12/27/18

for the employees. The amount of the annual clothing and maintenance allowance referred to above shall increase to Five Hundred Dollars (\$500.00) upon ratification of this agreement by all parties. If the Employer selects the payment option, payment shall be made to the employees in the above identified positions no later than July 1 following the employee's assignment to the position and every year thereafter as long as the employee remains in the designated position. The Employer will be responsible for providing each employee within the designated position with sufficient uniforms, no later than fifteen (15) days after assignment. Damage to uniforms caused by usage not associated with normal wearing of the uniform will be the employee's responsibility to repair.

Section 7. Parking Enforcement Officers. Parking Enforcement Officers shall be provided with radios to communicate with the Police Control Center.

ARTICLE XXIV

APPRENTICESHIP PROGRAM

Section 1. The Employer and the Union recognize and acknowledge that the delivery of efficient Municipal Services is dependent on the ability to recruit and train highly motivated, productive, and skilled Public Employees.

Section 2. There shall be an Apprenticeship Council consisting of seven (7) members: three (3) appointed by the Union Business Manager, three (3) appointed by the Mayor, and one (1) appointed by the City Council. The members shall meet on a quarterly basis.

Section 3. Within thirty (30) days of the execution of this agreement, the parties will meet and confer to establish the job progression, educational, and on-the-job training criteria for all new bargaining unit employees entering the Apprenticeship Program, all in accordance with Article 1 Section 2 (a) (3).

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<u>Section 4.</u> The Apprenticeship Program will coordinate additional career and citizenship enhancement training with the Rhode Island Public Service Employees' Training Fund.

ARTICLE XXV

CHANGES OR AMENDMENTS

Section 1. This Agreement constitutes the entire agreement and complete understanding between the Employer and the Union arrived at as a result of collective bargaining, except such amendments hereto or modifications hereof as shall be reduced to writing and executed by the parties following the execution of this Agreement.

Section 2. The parties acknowledge and agree that their previously negotiated Memoranda of Agreement/Understanding identified in Appendix B hereto are hereby incorporated in this agreement and shall have full force and effect as if fully set forth herein.

ARTICLE XXVI

SEVERABILITY

Section 1. Should any final decision of any Court of competent jurisdiction affect any provision of this Agreement, only the provision so affected shall become null and void; otherwise, all other provisions of this Agreement shall remain in full force and effect.

ARTICLE XXVII

DURATION OF AGREEMENT

Section 1. The terms and conditions of this Agreement shall be effective July 1, 20158, and shall continue in full force and effect through June 30, 20189, and from year to year

thereafter unless either party at least one hundred and twenty (120) days prior to June 30, 20189, gives notice in writing to the other party of its intention to terminate this Agreement, in which event this Agreement shall terminate at the end of the contract year in which said notice is given. In the event that such notice is given, negotiations shall begin immediately, no later than sixty (60) days prior to the termination of the Agreement.

Section 2. The provisions of the preceding section shall not prevent the parties, by written Agreement, from extending any portion of this Agreement, after the one hundred twenty (120) day notice has been given for any agreed upon period beyond its expiration date.

RHODE ISLAND LABORERS' DISTRICT COUNCIL OF THE LABORERS' INTERNATIONAL UNION OF NORTH AMERICA on behalf of LOCAL UNION 1033
DISTRICT COUNCIL OF THE LABORERS' INTERNATIONAL UNION OF NORTH AMERICA
MICHAEL F. SABITONI Business Manager LOCAL UNION 1033
RONALD R. COIA, ESQ. Business Manager
VICKI A. VIRGILIO President WITNESS:

Approved as to form and correctness:
Jeffrey Dana, City Solicitor
Dated:

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Mayor of Providence

Jorge O. Elorza

December 27, 2018

Councilman John Igliozzi, Chairman, Committee on Finance C/O City Clerk's Office Providence City Hall Providence, R.I. 02903

Dear Chairman Igliozzi:

For your consideration, please find the accompanying fiscal note pertaining to the proposed amendments to the L.I.U.N.A Local 1033 contract.

The parties have negotiated:

A one-year contract representing the period July 1, 2018 through June 30, 2019 with no fiscal impact, as there was a zero wage increase and a three-year contract representing, the period July 1, 2019 through June 30, 2022.

The tentative agreement has received the unanimous ratification of the 1033 membership on November 27, 2018, followed by the formal execution of the tentative agreement and signed by the parties on December 3, 2018.

Please note that the amended contracts modifies the terms of the existing contract which ended June 30, 2018.

This fiscal note is consistent with prior fiscal notes and reflects the fiscal impact on all city operations including the Water Supply Board, Providence/Cranston Workforce Solutions and the School 1033 units.

The City expects to realize significant savings generated in health care benefits and wellness program initiatives, these savings of approximate \$3,945,268, will provide the predominant reduction to the fiscal impact of wage increases.

Wage and other fringe increases will be as follows:

FY 20 \$947,180

FY 21 \$2,084,803

FY 22 \$4,016,323

Total wage and other fringe impact \$7,048,306

The net fiscal impact, after heath care savings of \$3,945,268 will be \$3,103,038.

The substantive changes in the contract can be categorized within the following three areas: changes to health benefits, wages and other fringe benefits.

Health Benefits:

The Union and the City have agreed to:

- Establish a Health Reimbursement Account (HRA) plan for its members.
- Plan design and co-share changes with higher deductibles
- A wellness plan
- Telemedicine Plan
- Other health care initiatives associated with new hires and plan design changes.

Total savings of all health care initiatives is \$3,945,268

Wages and FICA:

- The City has agreed to a 2 percent salary increase effective July 1, 2019 which will cost \$1,256,558, a subsequent increase of 2 percent effective July 1, 2020, which will cost \$2,539,188 and a 3 percent increase effective July 1, 2021 in the final year of the contact of \$4,526,077, for a total increase in wages and FICA equaling \$8,321,823.
- The Union has agreed that all new hires will receive a wage 15% below the applicable rate for FY 2020, 2021 and 2022. It is expected that this will save the City \$ 357,372 in FY 2020, \$593,953 in FY 2021 and \$711,744 in FY 2022 or a grand total of \$1,663,069 over the 3 year contract.

Other Fringe Benefits:

• The City agrees to increase its contribution to the Union health fund. This is expected to cost an additional \$389,552 over the 3-year contract.

Please see a breakdown and summary of the costs and savings associated with this contact in the attached charts.

Furthermore, this tentative agreement does not contain any wage reopeners, parity clauses or raises or benefits accorded on the last day of the contact.

I am looking forward to discussing this fiscal note in further detail at your earliest convenience.

Respectfully yours.

Nicole Pollock Chief of Staff

CC:

Mayor Jorge O. Elorza

Council President David A. Salvatore

Members of the City Council

Lawrence J. Mancini, Finance Director

Sara Silveria, Deputy Finance Director and Budget Officer

James J. Lombardi, City Treasurer/Special Advisor to City Council

Gina M. Costa, Internal Auditor

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L.I.U.N.A. LOCAL 1033 FISCAL NOTE TOTAL Savings / (Cost) Appendix A

	Heal	th E	Benefits .				
Description	FY19		FY20	FY21		FY22	Total
\$750/\$1500 Plan Design Changes	\$ -	\$	65,000	\$ 324,551	\$	324,551	\$ 714,102
\$750/\$1500 New Hire Impact	\$ 54,166	\$	130,000	\$ 130,000	\$	130,000	\$ 444,166
Non Reported Deductible Assumption	\$ 47,500	\$	190,000	\$ 190,000	\$	190,000	\$ 617,500
Salary Cap Co-Share Strategy	\$ -	\$	50,000	\$ 50,000	\$	50,000	\$ 150,000
HRA Admin Fee	\$ -	\$	(75,000)	\$ (75,000)	\$	(75,000)	\$ (225,000)
Wellness	\$	\$	612,500	\$ 612,500	\$	612,500	\$ 1,837,500
Welllness Penalty	\$ -	\$	-	\$ 110,000	\$	110,000	\$ 220,000
Telemedicine	\$ ~	\$	30,000	\$ 30,000	\$	30,000	\$ 90,000
MOOP Clarification	\$ (4,000)	\$	(8,000)	\$ (8,000)	\$	(8,000)	\$ (28,000)
PPSD Dependents Age 26 End of Month	\$ 5,000	\$	40,000	\$ 40,000	\$	40,000	\$ 125,000
Health Benefits - Total	\$ 102,666	\$	1,034,500	\$ 1,404,051	\$	1,404,051	\$ 3,945,268
	V	Vag	es				
Description	FY19		FY20	FY21		FY22	Total
New hires will receive 15% wage reduction in FY							
20, 21, 22	\$ -	\$	357,372	\$ 593,953	\$	711,744	\$ 1,663,069
Wage increase 2%, 2%, 3%	\$ -	\$	(1,169,746)	\$ (2,362,887)	\$	(4,209,407)	\$ (7,742,040)
FICA	\$ -	\$	(86,812)	\$ (176,301)	\$	(316,670)	\$ (579,783)
Wages - Total	\$ -	\$	(899,186)	\$ (1,945,235)	\$	(3,814,333)	\$ (6,658,754)
•							
	Other Fi	ring	e Benefits				
Description	FY19		FY20	FY21		FY22	Total
Increase to 1033 Health fund City	\$ -	\$	(47,994)	(139,568)		(201,990)	(389,552)
Other Fringe - Total	\$ -	\$	(47,994)	\$ (139,568)	S	(201,990)	\$ (389,552)

102,666 \$

Grand Total

L.I.U.N.A. LOCAL 1033 FISCAL NOTE City and Water Savings / (Cost) Appendix A

			Wago	28				·
Description		FY19		FY20	FY21	FY22		Total
New hires will receive 15% wage reduction in FY								
20, 21, 22 City	\$	-	\$	250,000	\$ 415,000	\$ 497,000 \$	5	1,162,000
New hires will receive 15% wage reduction in FY								
20, 21, 22 Water	\$	-	\$	72,402	\$ 120,670	\$ 144,804 \$	\$	337,876
Wage increase 2%, 2%, 3% City	\$	-	\$	(556,399)	\$ (1,123,927)	\$ (2,008,935) \$	5	(3,689,261)
Wage increase 2%, 2%, 3% Water	\$	-	\$	(144,161)	\$ (291,205)	\$ (520,506) \$	5	(955,872)
FICA City	\$		\$	(42,565)	\$ (85,980)	\$ (153,684) \$	3	(282,229)
FICA Water	\$	-	\$	(11,028)	\$ (22,277)	\$ (39,819) \$	S	(73, 124)
Wages - Total	\$		\$	(431,751)	\$ (987,719)	\$ (2,081,140) \$	\$	(3,500,610)
		Other I	ringe	Benefits				•1
Description		FY19		FY20	FY21	FY22		Total
Increase to 1033 Health fund City	\$	-	\$	(26,153)	\$ (52,306)	\$ (78,459) \$	5	(156,918)
Increase to 1033 Health fund Water			\$	(7,314)	\$ (14,628)	\$ (21,842) \$	5	(43,784)
Other Fringe - Total	\$.	-	\$	(33,467)	\$ (66,934)	\$ (100,301) \$	S	(200,702)
Grand Total	\$	-	\$	(465,218)	\$ (1,054,653)	\$ (2,181,441) \$	6	(3,701,312)

L.I.U.N.A. LOCAL 1033 FISCAL NOTE Business Educational Specialty Technical Staff (B.E.S.T.) - PPSD Savings / (Costs) Appendix A-2

,	Wages ar	d Otl	ier Benefits			
Description	FY19		FY20	FY21	FY22	Total
New hires will receive 15% below the applicable						
rate for FY 2020, 2021, 2022	\$ -	\$	34,970	\$ 58,283 \$	69,940 \$	163,193
Wage increase 2%, 2%, 3% B.E.S.T.	\$ -	\$	(136,692)	\$ (276,117) \$	(489,438) ·\$	(902,247)
FICA	\$ -	\$	(7,782)	\$ (16,664) \$	(32,092) \$	(56,538)
Wages and Other Benefits - Total	\$ -	\$	(109,504)	\$ (234,498) \$	(451,590) \$	(795,592)
	Other l	Fringe	Benefits			
Description	FY19		FY20	FY21	FY22	Total
Increase to 1033 Health fund B.E.S.T.	\$ -	\$	(4,232)	\$ (21,161) \$	(29,626) \$	(55,019)
Other Fringe Benefits - Other	\$ -	\$	(4,232)	\$ (21,161) \$	(29,626) \$	(55,019)
Grand Total	\$ -	\$	(113,736)	\$ (255,659) \$	(481,216) \$	(850,611)

L.I.U.N.A. LOCAL 1033 FISCAL NOTE Teacher Assistants Unit - PPSD

Savings / (Costs) Appendix A-3

	Wages and	d Oti	ier Benefits			
Description	FY19		FY20	FY21	FY22	Total
Wage increase 2%, 2%, 3% Teacher Assistants	\$ •	\$	(274,918)	\$ (555,334) \$	(984,371) \$	(1,814,623)
FICA	\$ •	\$	(21,032)	\$ (42,483) \$	(75,304) \$	(138,819)
Wages and Other Benefits - Total	\$ -	\$	(295,950)	\$ (597,817) \$	(1,059,675) \$	(1,953,442)
	Other F	ringe	Benefits			
Description	FY19		FY20	FY21	FY22	Total
Increase to 1033 Health fund Teacher Assistants	\$	\$	(8,512)	\$ (42,560) \$	(59,584) \$	(110,656)
Other Fringe Benefits - Other	\$ -	\$	(8,512)	\$ (42,560) \$	(59,584) \$	(110,656)
Grand Total	\$ _	\$	(304,462)	\$ (640,377) \$	(1,119,259) \$	(2,064,098)

L.I.U.N.A. LOCAL 1033 FISCAL NOTE Public School Safety Services Officers (P.S.S.S.O.) - PPSD Savings / (Costs) Appendix A-4

		Wages and	Ot	her Benefits			
Description		FY19		FY20	FY21	FY22	Total
Wage increase 2%, 2%, 3% P.S.S.S.O.	\$	-	\$	(57,576)	\$ (116,304)	\$ (206,157)	\$ (380,037)
FICA	\$	-	\$	(4,405)	\$ (8,897)	\$ (15,771)	\$ (29,073)
Wages and Other Benefits - Total	\$	-	\$	(61,981)	\$ (125,201)	\$ (221,928)	\$ (409,110)
		Other F	ring	e Benefits			
Description]	FY19		FY20	FY21	FY22	Total
Increase to 1033 Health fund P.S.S.S.O.	\$	u u	\$	(1,783)	\$ (8,913)	\$ (12,479)	\$ (23,175)
Other Fringe Benefits - Other	\$	-	\$	(1,783)	\$ (8,913)	\$ (12,479)	\$ (23,175)
Grand Total	\$	_	\$	(63,764)	\$ (134,114)	\$ (234,407)	\$ (432,285)



Public Employees' Local Union 1033

410 South Main Street Providence, Rhode Island 02903-7124 Tel. (401) 331-1033 Fax (401) 421-0244

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December 28, 2018

The Honorable John J. Igliozzi, Chairman Finance Committee Providence City Council 25 Dorrance Street Providence, RI 02903

SUBJECT:

Laborers' National (Industrial) Pension Fund Annual Funding Notice

for 2017 Plan Year

Dear Chairman Igliozzi,

As per your request, I herein enclose the above referenced document for your review.

Please advise should you request any further explaination.

Sincerety,

RONALD R. COIA, ESQ.

Business Manager

Enclosure

LABORERS' NATIONAL (INDUSTRIAL) PENSION FUND

905 16th Street, NW Washington, DC 20006 www.lnipf.com

April 2018

To: All Participants, Beneficiaries in Pay Status, Participating Unions, and Contributing Employers

Re: Annual Notices Required by Federal Pension Laws

We are pleased to provide you with the enclosed annual notices that are required by the Employee Retirement Income Security Act (ERISA), as amended. Both notices relate to the Pension Fund's funding status. But, their format is dictated by government regulations, so they can be hard to understand and are a bit out-of-date.

We want to take this opportunity to update you on the progress of the Funding Rehabilitation Plan (FRP). The Pension Fund's financial condition has been greatly improved under the FRP. The FRP's objective is, and has always been, to emerge from the "Red Zone" funding status by December 31, 2022, the deadline set by law. Happily, the Fund's progress is ahead of schedule.

This progress is demonstrated by the fact that the Board of Trustees has not amended the FRP to increase required contribution rates or reduce benefits since the FRP was adopted in July 2010. The law requires the Board to assess the FRP's progress each year, and to make adjustments (higher contributions or benefit reductions) if necessary to get the FRP back on track. The Board has not had to make any such adjustments. In fact, the only changes made in the FRP were to ease its impact on you. For example, a few years ago the Board reduced the number of annual contribution rate increases required under the Preferred Schedule from 10 to 9.

This progress has been accomplished despite volatility in the investment markets over the past eight years. This is due in large part to the FRP's design, which includes some cushion against normal market downturns. In addition, the Pension Fund has maintained most of its contribution base (participating groups) despite the sacrifices required by the FRP. This is very important for the success of the FRP and for the long-term health of the Fund.

In short, your shared sacrifices are working. Your patience is being rewarded. The FRP is achieving its purpose of making the Pension Fund's benefit promises even more secure. It is not yet time to celebrate. We must finish the FRP and the funding rehabilitation process. But, the finish-line is within sight.

Some groups are close to completing the series of nine annual contribution rate increases required by the Preferred Schedule. Some groups under the Preferred Schedule, as well as under the Default Schedule, have more annual increases to make before they complete the required increases. All groups will be required to complete all of the contribution rate increases due under the Schedule they choose. That is fair, and it is necessary.

Once the FRP's objective has been achieved and the Pension Fund emerges from the Red Zone, the Board of Trustees will consider whether the Fund's benefit structure can be improved without endangering the regained financial strength of the Fund. Of course, the Board will obtain the professional advice of the Fund's independent actuary and investment consultants before making any decision.

There will likely be a desire to reward the participants who have been patient and contributed to the FRP's success. But, whether and to what extent the Board of Trustees will be able to do so will depend on conditions between now and then. The performance of investment markets will be important, as will maintaining participation levels and contribution income. No promises can be made because we cannot predict the future with certainty, particularly the future of the investment markets. However, be assured that the Board has the best of intentions for protecting and improving the retirement income provided by the Fund to current and future pensioners and their surviving spouses.

Appreciation should also be expressed to the faithful employers that have continued to contribute to the Pension Fund through the funding rehabilitation process. They too will benefit from the successful completion of the FRP by, for example, relief from the pressure of unfunded liabilities and an end to required contribution rate increases.

If you have any questions regarding this memorandum or the notices, please feel free to contact Fund Administrator Adam M. Downs at the Fund Office: Laborers' National (Industrial) Pension Fund, 905 16th Street, N.W., Washington, D.C. 2006, 202-737-1664.

Thank you.

Enclosures: Annual Funding Notice and Critical Status Notice

LABORERS' NATIONAL (INDUSTRIAL) PENSION FUND

905 16th Street, NW Washington, DC 20006 www.lnipf.com

April 2018

ANNUAL FUNDING NOTICE FOR 2017 PLAN YEAR

Federal pension law requires multiemployer pension plans, including the LIUNA National (Industrial) Pension Fund, to distribute this annual notice in a particular format set by regulations. The information included in the notice, as required, does not necessarily show the condition of the Pension Fund at the present time (April 2018). The reference to the "Plan" in the information below means the Pension Fund.

Introduction

This annual notice includes important information about the funding status of your multiemployer pension plan (the "Plan") as of the end of the most recent "Plan Year" (January 1, 2017 – December 31, 2017). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. All traditional pension plans (called "defined benefit pension plans") are required by law to provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating, or that the Plan is insolvent, or that your benefits are being changed in any way. Rather, the notice is for informational purposes. You are not required to respond in any way.

How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the "funded percentage." The Plan divides its assets by its liabilities on the Valuation Date for the plan year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also states the value of the Plan's assets and liabilities for the same period.

Funded Percentage

	2017 Plan Year	2016 Plan Year	2015 Plan Year
Valuation Date	January 1, 2017	January 1, 2016	January 1, 2015
Funded Percentage	75.7%	75.2%	75.3%
Value of Assets	\$1,115,419,659	\$1,084,579,431	\$1,067,690,685
Value of Liabilities	\$1,473,587,831	\$1,442,168,957	\$1,418,765,847

Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They also are "actuarial values." Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contribu-

tions. Despite the fluctuations, market values tend to show a clearer picture of a plan's funded status at a given point in time. The asset values in the chart below are market values and are measured on the last day of the Plan Year. The chart also includes the year-end market value of the Plan's assets for each of the two preceding plan years.

	December 31, 2017	December 31, 2016	December 31, 2015
Fair Market Value of Assets	\$1,202,689,604*	\$1,057,508,562	\$1,000,648,077

^{*}Preliminary based on unaudited figures

Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan generally is in "endangered" status if its funded percentage is less than 80 percent. A plan is in "critical" status if the funded percentage is less than 65 percent (other factors may also apply). A plan is in "critical and declining" status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status, or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Funding improvement and rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period-of-time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

As expected and planned for, the Plan remained in the "critical" status ("red zone") for the 2017 plan year because the Plan was in critical status in the prior year and the Plan's actuary projected that there would be an "accumulated funding deficiency" under the PPA's funding standards within ten years unless changes were made to improve the Plan's funding. However, the Plan's funding is on track under the Plan's July 26, 2010 Funding Rehabilitation Plan (FRP) to regain its sound funding for the long term. Under the FRP, the Plan is expected to emerge from the "red zone" by the end of the statutory rehabilitation period (December 31, 2022), if not earlier.

You may obtain a copy of the Funding Rehabilitation Plan and the actuarial and financial data demonstrating any action taken by the Fund toward fiscal improvement by contacting the Pension Fund in writing in care of Fund Administrator Adam Downs, Laborers' National (Industrial) Pension Fund, 905 16th Street, N.W., Washington, D.C. 20006.

Because the Plan remains in critical status for the Plan Year ending December 31, 2018, as expected, a separate notice of that status is being provided as required by law.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the valuation date was 61,894. Of this number, 20,486 were current employees, 17,036 were retired and receiving benefits, and 24,372 were retired or were separated from service and entitled to future benefits.

Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The Plan maintains a multiple contribution rate / benefit level schedule that provides a certain benefit level for credits earned by participants at each acceptable employer contribution rate. The schedule's benefit levels are actuarially set so that the contribution rates are projected to cover the Plan's Scheduled Cost (Normal Cost including administrative expenses and adjustment for monthly payments) based on reasonable actuarial assumptions and amortization.

Once money is contributed to the Plan, the money is invested by plan officials called fiduciaries, who make specific investments in accordance with the Plan's investment policy. The Plan employs a major investment consulting firm to assist the Board of Trustees in designing and monitoring the Plan's investment policy and program including asset allocation and selection of investment managers and opportunities. The Plan also employs several professional investment management companies to manage diversified investment accounts.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The investment policy of the Plan provides for, in general: (a) a diversified allocation of investments among various asset classes including domestic equities (large, mid and small cap), international equities, domestic fixed income, real estate, alternative investments (including fund of funds, private equity and infrastructure) and cash, with percentage range limits; (b) engagement of one or more qualified professional investment managers to make specific investment decisions within each asset class; (c) guidelines and restrictions regarding each asset class; (d) measurement of investment performance, including benchmarks; (e) communications and reporting requirements; (f) brokerage policies; and (g) proxy voting policies.

Under the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

Asso	et Allocation	<u>Percentage</u>
1,	Cash (Interest bearing and non-interest bearing)	0.5%
2.	U.S. Government securities	1.5%
3.	Corporate debt instruments (other than employer securities): Preferred All other	0% 6.5%
4.	Corporate stocks (other than employer securities): Preferred Common	0% 36.5%
5.	Partnership / joint venture interests	11%
6.	Real Estate (other than employer real property)	0%
7.	Loans (other than to participants)	0%
8.	Participant Loans	0%
9.	Value of interest in common / collective trusts	40%
10.	Value of interest in pooled separate accounts	0%
11.	Value of interest in 103-12 investment entities	0%
12,	Value of interest in registered investment companies (e.g., mutual funds)	4%
13.	Value of funds held in insurance company general accounts (unallocated contracts)	0%
14.	Employer-related investments: Employer securities Employer real property	0% 0%
15.	Buildings and other property used in plan operations	0%
16.	Other	0%

For information about the Plan's investment in any of the following types of investments common/collective trusts, pooled separate accounts, or 103-12 investment entities - contact Fund Administrator Adam Downs, LIUNA National (Industrial) Pension Fund, at 202-737-1664, or in writing at 905 16th Street, N.W., Washington, D.C. 20006.

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. You may obtain an electronic copy of your Plan's annual report by going to www.efast.dol.gov and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, N.W., Room N-1513, Washington, D.C. 20210, or by calling 202-693-8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator in care of Fund Administrator Adam Downs, LIUNA National (Industrial) Pension Fund, 905 16th Street, N.W., Washington, D.C. 20006. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact your plan administrator if you want information about your accrued benefits. Your plan administrator is identified below under "Where To Get More Information."

Summary of Rules Governing Insolvent Plans

The LIUNA National (Industrial) Pension Fund is not insolvent and is not projected to become insolvent. However, federal law requires that the following summary of insolvency rules be included in this notice.

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see "Benefit Payments Guaranteed by the PBGC," below), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and the PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Your Plan is covered by the PBGC's multiemployer program. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first \$11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next \$33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is \$35.75 per month times a participant's years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of \$600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service (\$600/10), which equals \$60. The guaranteed amount for a \$60 monthly accrual rate is equal to the sum of \$11 plus \$24.75 (.75 x \$33), or \$35.75. Thus, the participant's guaranteed monthly benefit is \$357.50 (\$35.75 x 10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of \$200, the accrual rate for purposes of determining the guarantee would be \$20 (or 200/10). The guaranteed amount for a \$20 monthly accrual rate is equal to the sum of \$11 plus \$6.75 (.75 x \$9), or \$17.75. Thus, the participant's guaranteed monthly benefit would be \$177.50 (\$17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified preretirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under a plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on the PBGC's website at www.pbgc.gov/multiemployer. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. The PBGC does not have that information. See "Where to Get More Information About Your Plan," below.

Where to Get More Information

For more information about this notice, you may contact Fund Administrator Adam Downs, LIUNA National (Industrial) Pension Fund, at 202-737-1664, or in writing at 905 16th Street, N.W., Washington, D.C. 20006, or at www.lnipf.com. The Fund Office's business hours are 8:30 AM – 4:15 PM (Eastern), Monday through Friday. For identification purposes, the official plan number is 001 and the plan sponsor's name and employer identification number of "EIN" is LIUNA National (Industrial) Pension Fund and EIN is 52-6074345.

cc: Pension Benefit Guaranty Corporation

NOTES

LABORERS' NATIONAL (INDUSTRIAL) PENSION FUND

905 16th Street, NW Washington, DC 20006

April 2018

NOTICE OF CONTINUATION OF "CRITICAL STATUS" WITHIN THE MEANING OF THE PENSION PROTECTION ACT OF 2006

To: All Participants, Beneficiaries in Pay Status, Participating Unions, and Contributing Employers

This Notice is required by the Pension Protection Act of 2006 (PPA) to inform you that the Pension Fund's actuary has completed its annual certification of the Pension Fund's funding zone status and has determined that the Fund's funding status remains in the "critical" ("red") zone for 2018, as expected under the Fund's "Funding Rehabilitation Plan" (FRP). In accordance with the PPA, the actuary submitted a certification of the Fund's red zone status to the U.S. Department of the Treasury on March 30, 2018.

This does <u>not</u> mean that the Fund is terminating. It does <u>not</u> mean that the Fund is insolvent and unable to pay promised benefits. In fact, the Fund continues to pay all benefits due on time and in full, and the Fund's status is better at this time than planned when the FRP was adopted in July 2010.

The Pension Fund was previously determined to be in the red zone for 2010 because the actuary projected that the Fund would have an "accumulated funding deficiency" under PPA standards unless significant changes were made to improve the Fund's funding over a period of years.

Funding Rehabilitation Plan

On July 26, 2010, the Board of Trustees adopted the FRP to significantly improve the Fund's long-term financial condition over a rehabilitation period of 10-12 years. To do so, the FRP increased the Fund's income and reduced the Fund's liabilities in a balanced, shared sacrifice manner.

As expected when the FRP was adopted, the Fund remains in the red zone for 2018. However, the funding situation is improving faster than expected in 2010. To exit the red zone under the PPA's tougher funding standards, the Fund must be projected to have no funding deficiency within the next 10 years. The Fund has that goal in sight.

To review, the FRP requires the parties to each collective bargaining agreement to adopt one or the other of two "Schedules": a Preferred Schedule or a Default Schedule within a certain period that is determined by the expiration date of their collective bargaining agreements. The bargaining parties can wait until negotiations on a new collective bargaining agreement to agree on a Schedule, or they can re-open their current agreement to incorporate a Schedule. The law requires the Fund to impose the Default Schedule after the current agreement expires if the parties are unable to agree.

The Preferred Schedule requires employer contribution rate increases of 10% per year for 9 years and maintains benefits for participants covered by this Schedule. Originally the Preferred Schedule required 10 years of contribution rate increases, but the Board of Trustees was able to reduce the number of increases to 9 because the FRP was ahead of schedule. The Default Schedule requires employer contribution rate increases of 8% per year for 10 years and reduces benefits and benefit options for participants covered by this Schedule (see "Adjustable Benefits", below).

The Board of Trustees is required by law to annually assess whether the Pension Fund is recovering its financial health under the FRP and is on track to exit the red zone status within the permitted rehabilitation period. The Board has determined that the FRP remains well on track.

However, we must candidly state that adjustments to the FRP might become necessary or appropriate if circumstances beyond the Fund's control develop, such as another investment markets crisis.

No Additional Changes in "Adjustable Benefits" For Participants Covered By the Default Schedule

The law authorized the Board of Trustees to include in the FRP changes in so-called "adjustable benefits" and reductions in future benefit accruals. Under the FRP, Under the law, a rehabilitation plan could include contribution rate requirements and revisionadjustable benefits are reduced for participants covered by the Default Schedule. For active participants covered by the Default Schedule, future benefit accruals are reduced. No reductions in adjustable benefits or reductions in benefit accrual rates are included in the Preferred Schedule, although accrual rates are fixed despite increases in contribution rates.

No change in adjustable benefits reduce any participant's accrued benefit payable at Normal Retirement Age. Further, no reduction in adjustable benefits have been applied to any pensioner or beneficiary whose benefits began (benefit commencement date) before April 30, 2010.

The adjustable benefits eliminated under the Default Schedule are:

- 60-months of benefits guarantee
- Disability Pension
- Early Retirement Pension (with subsidized benefit) and similar retirement-type subsidies
- Various pension benefit payment options (except for the 50% Participant and Spouse Pension)

Every reasonable effort has been made to send a notice of the benefit adjustments to each participant covered by the Default Schedule at least 30 days in advance of the application of the adjustment to him or her.

Lump Sum Payment Restrictions

Effective April 30, 2010 and until the Pension Fund emerges from red zone status, the Pension Fund is not permitted by the PPA to pay any lump sum benefits or pay any other benefit in excess of the monthly amount that would be payable to the pensioner under a single life annuity. This means that the Fund has been required to suspend its Partial Lump Sum option, Social Security level income option, and Widow/Widower Lump Sum option. Exceptions are made for a lump sum cash-out of a participant or beneficiary whose entire benefit entitlement has an actuarial value that does not exceed \$5,000 and the \$5,000 death benefit.

Temporary, Employer Contribution Surcharge

The PPA requires the Pension Fund to impose on each employer a contribution surcharge until such time as the employer and the union that are parties to the collective bargaining agreement adopt a Schedule or a Schedule is imposed by law. In effect, the surcharge is a temporary tax.

For work performed (or compensation paid) during the period June 1, 2010 through December 31, 2010, the surcharge amount was 5% of total contributions owed each month. Effective January 1, 2011, the surcharge rate increased to 10%, as mandated by the PPA.

The surcharge is based on the total amount of contributions owed to the Pension Fund for a month, and is payable at the same time as the employer's regular monthly contributions.

Non-payment of the surcharge by an employer is treated as a violation of federal law and as a delinquent contribution that is subject to interest charges and the Fund's contribution collection rules. In addition, a delinquent employer may be required by law to pay a 100% excise tax to the Internal Revenue Service.

In fact, less than 1% of contributing employers have failed to agree to a Schedule and are subject to the surcharge at this point.

Contribution Rate Reductions Prohibited

The PPA and the FRP prohibit the Pension Fund from accepting collective bargaining agreements or participation agreements that provide for (a) a reduction in the contribution rate in effect under previous agreements, (b) a suspension of contributions for any period, or (c) any new exclusion of younger or newly hired employees from Fund coverage. Congress considered such changes to be detrimental to a multiemployer pension plan's funding improvement program.

More Information Needed?

For more information about this Notice, you may contact Fund Administrator Adam Downs, LIUNA National (Industrial) Pension Fund, 905 16th Street, N.W., Washington, D.C. 20006. The Pension Fund's office telephone number is (202) 737-1664. The Fund office's business hours are 8:30 A.M. to 4:15 P.M. (Eastern Time), Monday through Friday. The FRP is available at www.lnipf.com or you may obtain a copy of the FRP upon request. For identification purposes, the Plan Number is 001 and the Plan Sponsor's EIN is 52-6074345.

cc: U.S. Department of Labor Pension Benefit Guaranty Corporation

NOTES





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Councilman John Igliozzi, Chairman, Committee on Finance C/O City Clerk's Office Providence City Hall Providence, R.I. 02903

December 28, 2018

Dear Chairman Igliozzi:

The purpose of this correspondence is to confirm and attest to the analysis and the underlying assumptions contained in the fiscal impact statement provided in support of the Tentative Agreement between the City of Providence and Local Union 1033. It should be noted that Mercer served as a resource to City administration during its negotiations with the Union and I was personally present for multiple sessions when we reviewed proposed modifications to the parties' negotiated healthcare plan.

Having reviewed the fiscal note presented to the Council, Mercer is confident that the underlying savings are achievable over the course of the Agreements and that the assumptions utilized as the foundation for those projected savings are reasonable based on actuarial assumptions as well as commitments agreed to by Local Union 1033.

In addition to the projected savings in the fiscal note, by making significant changes to the overall plan design and by instituting plan design changes, where deductibles apply to multiple services, both in and out of network, the City will be well positioned to achieve further savings through additional cost shifting in future negotiations.

Sincerely,

Mathew Pukel Principal 

Finance Department

"Building Pride In Providence"

The Honorable John J. Igliozzi, Chairman Finance Committee Providence City Council 25 Dorrance Street Providence, RI 02903

December 28, 2018

Dear Chairman Igliozzi:

I am writing to attest that the Fiscal Note pertaining to the Tentative Agreements between the City of Providence and LIUNA Local 1033 for the periods July 1, 2018 to June 30, 2019 and July 1, 2019 to June 30, 2022, currently under consideration by the Finance Committee and the City Council, were prepared by the Finance Department, under the direction of myself and my Deputy Director, Sara Silveria and I provided final review and sign-off to the Chief of Staff Nicole Pollock, who previously submitted the transmittal letter with an accompanying narrative.

The fiscal note narrative and the accompanying worksheets were prepared by the Finance Department, in conjunction with the City's Benefits Department and assistance from the City Solicitor's Office, as it pertained to certain contract provisions.

Upon completion of the work, it was reviewed with Chief of Staff Nicole Pollock, who acted as the City's lead negotiator on the negotiation team, so as to confirm the completeness and accuracy of the contract provisions in accordance with the terms and conditions that were negotiated with LIUNA Local 1033.

Very truly yours

Lawrence J. Mancini

Finance Director

CC:

Nicole Pollock, Chief of Staff

Sara Silveria, Deputy Finance Director and Budget Officer

Kenneth B. Chiavarini, Deputy City Solicitor

Charles R. Ruggerio, Deputy City Solicitor

Lori L. Hagen, City Clerk

Margaret Wingate, Deputy Human Resources Director- Benefits

James J, Lombardi III, City Treasurer and Senior Advisor to the City Counsel

() Mancini

Gina M. Costa, Internal Auditor