City of Providence

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS

RESOLUTION OF THE CITY COUNCIL

No. 583

Approved December 7, 2015

RESOLVED, That the accompanying copy of the Collective Bargaining Agreement by and between the City of Providence, Rhode Island and the Rhode Island Laborers' District Council on behalf of Public Service Employees' Local Union 1033 of the Laborers' International Union of North America, AFL-CIO for the period of July 1, 2015 through June 30, 2018, is hereby approved and ratified by the Providence City Council. (City 1033 Agreement)

IN CITY COUNCIL

DEC - 3 2015

READ AND PASSED

PRES.

CLERK

I HEREBY APPROVE

Mayor

Date: 12/7/15

Mayor of Providence

Jorge O. Elorza

October 15, 2015

HAND-DELIVERED

Honorable Council President
Luis A. Aponte
City Council Office
Providence City hall
25 Dorrance Street
Providence, RI 02903

RE: City 1033 Agreement

Dear Council President Aponte:

Enclosed with this correspondence please find a copy of the tentative agreement by and between the City of Providence, Rhode Island and the Rhode Island Laborers' District Council on behalf of Public Service Employees' Local Union 1033 of the Laborers' International Union of North America, AFL-CIO for the period of July 1, 2015 to June 30, 2018.

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

Sincerely,

Jorge O. Elorza
Mayor

Enclosure

City Hall, 25 Dorrance Street, Providence, RI 02903
Phone (401) 421-7740 Fax (401) 274-8240

TENTATIVE AGREEMENT

ENTERED into this 6th day of October 2015, 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, 2012 to June 30, 2015;

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, 2015 to June 30, 2018; 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 January 1, 2012 to June 30, 2015" 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, 2015 to June 30, 2018 except as expressly modified herein.

2. Article II – Union Security and Dues Deduction

   Section 7: (new) 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.

   Section 8 (new): Unless otherwise agreed to by the parties, the City shall not assign bargaining unit work to non-bargaining unit persons.

3. Article IV – Hours of Work and Overtime

Section 3: (new) 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.

4. Article VI – Economic Package

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, 2015 to June 30, 2016.

b. Effective July 1, 2016 an amount equal to an across-the-board wage increase for all bargaining 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 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.

Section 5: Effective upon ratification of this agreement by all parties, premium for alternate work week is increased to $1.20/hr.

5. Article VII – Longevity

Section 1: (new) For employees hired on or after July 1, 2015, the following longevity schedule shall apply:

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%

6. Article XI – Holidays

Section 1: Add to the end of the section: "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."

7. Article XII – Vacation Leave

Section 8: (add) 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.

8. Article XIII – Sick Leave/Personal Days

Section 1(b): Employees may use entire allotment of sick time for attendance upon members of the family within the household of the employee whose illness requires the care of such employee.

Section 2: 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, sick 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.

Section 6: (add) 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.

9. Article XVIII – Health and Welfare

Section 4: (new) 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.

10. Article XX – Union Benefit Trust Funds

Section 1: The Employer's contribution to the Union Benefit Trust Funds shall increase by nine cents ($.09) effective July 1, 2017.

The parties shall continue to participate in the preferred schedule as codified in the Funding Rehabilitation Plan of the LIUNA National (Industrial) Pension Fund and the employer's contributions to the Fund shall increase according to said Preferred Schedule.

11. Article XIX – Dental Benefits

Section 1: (rewrite) For the purpose of providing employees covered by this Agreement with Dental benefits, 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 RI 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 RI Public Employees Health Services Fund may be applied through June 30, 2018.

b.) The RI 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 3: Effective January 1, 2016, this section shall be eliminated.

12. Article XXIII – Protective Clothing, Bulletin Boards, Safety, Automobile Allowance and Compensation

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 and Seventy-Six dollars and Forty-Four Cents ($376.44) per month as a monthly allowance. These amounts shall be adjusted each October 1 by the increase or decrease in Federal Travel Regulations for government use of privately owned vehicles.

Section 6: Effective upon ratification of this agreement by all parties, the uniform allowance shall be increased to $500 per year.

13. Special Clerks - The parties hereby agree to the creation of a new classification identified as "Special Clerk," the assignment of which would be to "float" where needed among various similar divisions of City government to supplement the existing compliment of employees within that division. There shall be two (2) positions within this classification, one assigned to the grouping of Retirement, Accounts Payable, and Payroll

[1] 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).

and one assigned to the grouping of Tax Assessor and Tax Collector. Nothing herein shall prevent the parties from creating more Special Clerk positions by agreement. The classification shall be posted and filled pursuant to Article X of the parties' collective bargaining agreement. The parties shall meet and confer within 45 days of the ratification of this agreement to establish the classification's rate of pay and job description, including but not limited to, minimum qualifications.

Special Clerks shall be trained in all aspects of the clerical work of each division of the applicable grouping and shall be rotated as needed among the divisions of a particular grouping subject to the following limitations:

a. A Special Clerk may only be assigned to a division within a grouping in which all funded and permanent positions are filled. However, in the event there exists a funded and vacant position within a division to which the city wishes to assign a special clerk, the City may do so only after said vacancy has been posted and filled pursuant to Article X of this Agreement; provided, however, the City may assign said Special Clerk to said division during the 45 day posting period only after it has offered the opportunity to perform the work of temporarily vacant positions to bargaining unit members assigned to that division pursuant to the terms of Article X, Section 4 of this agreement.

b. Special Clerks may be assigned to a division within a grouping in which there exists a temporary vacancy in any position within that division caused by the temporary absence of the incumbent only after all other qualified bargaining unit members within that division are offered the opportunity to perform the work of the temporarily vacant position pursuant to the terms of Article X, Section 4 of this agreement.

14. Merger of Garages – The operations of the Fire Department maintenance garage, the Department of Public Works maintenance garage, and the Department of Public Parks maintenance garage shall be consolidated into one (1) City maintenance garage, and employees currently assigned to said garages shall be assigned to said City maintenance garage. All employees affected hereby shall retain their current classifications and current department assignments, but shall be subject to assignment to perform work in any classification in any department within the City maintenance garage, provided they are qualified to perform said work. When assigning employees to higher level duties on a temporary basis, the criteria provided for in Article X, Section 3(c) shall be utilized.

The parties agree that the consolidation referred to above shall not cause a reduction in forces with respect to the group of employees subject to said consolidation; provided, however, that nothing herein shall prevent the City from reducing positions subject to said consolidation through attrition.

15. Article XXV – Changes or Amendments

Section 2: (new) The parties hereto agree to meet and confer for the purpose of identifying all previously negotiated Memoranda of Agreement/Understanding so as to identify which operative agreements shall be incorporated in the collective bargaining agreement. The parties hereby commit and agree to complete said review no later than thirty (30) days of the ratification of this agreement.

16. Article XXIX – Duration of Agreement

The terms and conditions of this Agreement shall be effective for the period of July 1, 2015 to June 30, 2018 and from year to year thereafter unless either party at least one hundred and twenty (120) days prior to June 30, 2018, 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.

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

FOR THE UNION

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

VICKI A. VIRGILIO
President
Local Union 1033

WITNESS

FOR THE EMPLOYER

JORGE O. ELORZA
Mayor of Providence

WITNESS

Approved as to form and correctness:

Jeffrey Dana, City Solicitor

(APPENDIX A)
EMERGENCY SICK LEAVE BANK

The parties agree to establish an Emergency Sick Leave Bank to which all eligible members of the bargaining unit shall have access. The Emergency Sick Leave Bank is intended to provide eligible Local 1033 members with additional paid sick time when said eligible member's accrued sick leave time and sick leave extensions, where applicable, have been exhausted.

To be eligible to use Emergency Sick Leave Bank time;

a) The Local 1033 member must have a documented illness or injury which is expected/anticipated to exhaust the member's accrued sick leave time and sick leave extensions, where applicable;

b) The Local 1033 member must have contributed at least five (5) sick/vacation days to the Bank, which days shall not be refunded to the member once assigned to the bank;

c) The Local 1033 member must present a physician's note certifying the illness/injury, the amount of time anticipated to be absent, the prognosis and/or treatment and the member's anticipated date of return;

d) Emergency Sick Leave Bank time may only be used for a member's personal illness or injury. Such time may not be used to attend to the illness of a family member or extend a member's leave of absence which is not due to personal illness/injury;

e) A Local 1033 member who is receiving Workers' Compensation benefits pursuant to the Rhode Island Workers' Compensation Act, benefits pursuant to the Rhode Island Temporary Disability Act, or is injured as a result of a third party shall not be eligible to apply for or receive Emergency Sick Leave Bank time to supplement that compensation;

f) All requests for use of Emergency Sick Leave Bank time shall be made in writing at least thirty (30) days prior to the date when the time will be used, or at least fifteen (15) days prior to the eligible member beginning use of his or her own accrued paid leave time due to an illness or injury, whichever is sooner, unless that absence is unforeseen and/or an emergency, in which case, application shall be made as soon as practical after the member learns of the need for Emergency Sick Leave Bank time.

Emergency Sick Leave Bank Committee

The Emergency Sick Leave Bank shall be administered by a Committee established jointly by the City of Providence and Local Union 1033. The Director of Human Resources or his/her designee shall select one individual and the Union Business Manager shall select two individuals to serve as members of the Committee. The Director of Human Resources and the Union Business Manager shall be ex officio members of the Committee and shall have rights and powers granted to all members of the Committee.

All requests to use time from the Bank shall be in writing and shall be reviewed by the Committee. The Committee shall notify the member of approval or denial by mailing said notifications, certified mail, return receipt requested, to the member's home address. Any decisions of the Committee regarding use, access, application and any other process or procedure concerning the Emergency Sick Leave Bank shall be final and binding upon the City of Providence and Local Union 1033 and shall not be subject to the contractual grievance procedure or any other administrative remedy.

It shall be the Committee's responsibility to manage the Emergency Sick Leave Bank, and among other things, determine the appropriate level of accumulated days necessary to remain in the Bank in order for the Bank to be viable. Should the accumulation of days in the Bank fall below a minimum level which the Committee deems necessary to effectively administer the Bank, the Committee may request Bank members to make an additional contribution. Where an additional contribution is requested, each member of the Bank wishing to retain membership shall assign the required number of days as determined by the Committee. Where a member of the Bank wishes to retain membership, but has exhausted his/her sick leave and is unable to make the necessary required contribution, said member shall assign an equivalent amount of sick/vacation leave as of the date on which said member next accrues sick leave in a sufficient quantity to make the donation.

Membership in the Emergency Sick Leave Bank shall be pursuant to rules drafted by the Committee. New members may join the Emergency Sick Leave Bank each year, at times designated by the Committee, by assigning no less than five (5) sick/vacation leave accumulated days to the Bank. Current members of the Bank may make additional contributions to the Bank during periods designated by the Committee.

Eligible Local 1033 members requesting to use time from the Bank may make an initial request of no more than sixty (60) days. Extensions of use of Emergency Sick Leave Bank time may be made to the Committee. Any extension request must be documented pursuant to rules as designated by the Committee. Forms for Local Union 1033 members to donate time to the Emergency Sick Leave Bank and to make application to use Emergency Sick Leave Bank Time shall be determined by the Committee and shall be available at the Department of Human Resources and the Office of Local Union 1033 with copies being retained in each office.

Members with less than five (5) years seniority who have contributed to the Sick Leave Bank are eligible to draw from the Sick Leave Bank and members with five (5) or more years seniority who have contributed to the Sick Leave Bank are eligible to draw from the Sick Leave Bank after they have exhausted their ninety (90) days of Sick Leave Extension pursuant to Article XIII, Section 2 of the CBA.

Lawrence J. Mancini
Finance Director

Jorge O. Elorza
Mayor

Finance Department
"Building Pride In Providence"

October 15, 2015

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 contract will be for the period July 1, 2015 through June 30, 2018. A tentative agreement was entered into on October 8, 2015 and has received the unanimous ratification of the 1033 membership on October 13, 2015.

The City expects to realize an approximate expenditure neutral contact, with the savings generated in health care-coordination of benefits, auto allowance and changes in long-term substitutes for Teachers Assistants and non-Teacher Assistants, as well as individual health care for new bus monitors versus family coverage.

These savings will near equal the wage increases of 2 percent in FY 17 ($1,256,000) and 2.75 percent in FY 18 ($1,256,000).

Please note that the amended contract modifies the terms of the existing contract which ended June 30, 2015.

This fiscal note is consistent with prior fiscal notes and reflects the fiscal impact on all city operations including the Water Supply Board and Providence/Cranston Workforce Solutions. The substantive changes in the contract can be categorized within the following four areas, changes to health benefits, wages, other fringe benefits and consolidation and/or efficiencies of City departmental operations.

Health Benefits

- The union has agreed to the coordination of benefits, which is expected to save $1,750,000 over the 3 year agreement for non-bus monitors and an additional $360,000 from bus monitors for a grand total saving of $2,110,000 in coordination of benefits over the term of the contract.

Lawrence J. Mancini
Finance Director

Jorge O. Elorza
Mayor

Finance Department

"Building Pride In Providence"

- Plan design and co-shares remain the same for health care.
- The Union will take over the administration of Delta Dental at a savings to the City of $160,000 over the term of the contract.

Wages and Other Benefits

- The City has agreed to a 2 percent salary increase effective July 1, 2016 which will cost $1,256,000 and a subsequent increase of 2.75 percent in the final year of the contact, effective July 1, 2017, which will cost $3,017,540 for a total increase in wages equaling $4,273,540.
- The City has agreed to continue the current longevity schedule for current employees, while the Union has agreed to a new reduced longevity schedule for new employees of a 1 percent reduction to the current schedule.
- The Union has agreed that all new hires will receive a wage 15% below the applicable rate for FY 2015, 2016 and 2017. It is expected that this will save the City $ 117,500 in FY 2016, $337,000 in FY 2017 and $435,000 in FY 2018 or a grand total of $889, 500 over the 3 year contract.
- The premium for alternative work week will increase from $1.00 per hour to $1.20 per hour and will have an impact of $64,000 over the term of the contract.
- The Union agrees to changes in the wage structure of long-term subs for Teacher Assistants at a saving to the City of $519,000 over the term of the contract and changes in wage structure for non-Teacher Assistants of $675,000 over the term of the contract, for a grand total savings on the School-side of 1033 of $1,194,000.

Consolidations and Efficiencies:

- Consolidation and merger of the City's mechanical and maintenance garages for better efficiencies.

Lawrence J. Mancini
Finance Director

Jorge O. Elorza
Mayor

Finance Department
"Building Pride In Providence"

The savings is to be determined.

- The City and the Union agree to create a pool of laborers to be deployed interchangeably, if qualified.

- The City and the Union agreed to create a new class of special clerks to "float" among various similar departments. This is expected to result in greater efficiencies among similar department who regularly require additional specialized clerical assistance.

Other fringe benefits:

- The Union has agreed that the monthly Auto allowance stipend will be eliminated for employees who do not use their vehicle 3 or more times per week. The City will pay a mileage rate consistent with Federal Travel Regulations in those instances where employee does not qualify for a monthly allowance. This is expected to save the City $100,000 over the term of the contract.

- The City agrees to increase the clothing allowance from $450 per month to $500 per month. This is expected to cost the City $5,400 over the term of the contract.

- The Union has agreed that sick days for existing employees will be reduced from 15 days earned per year down to 12 days per year, in declining phases of reduction over the 3 year agreement (15, 14, 13. 12). The Union has agreed that sick days for all new employees will be earned at 10 days per year.

- Employees on disciplinary or sick leave will no longer accrue sick or vacation time.

- The City agrees to increase its contribution to the Union pension plan. This is expected to cost $105,000 additional in the third year of contract.

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

Lawrence J. Mancini
Finance Director

Jorge O. Elorza
Mayor

Finance Department
"Building Pride In Providence"

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

Respectfully yours,

Brett P. Smiley
Chief Operating Officer

CC:
Mayor Jorge O. Elorza
President Luis A. Aponte
Majority Leader Kevin E. Jackson
Members of the City Council
Tony Simon, Chief of Staff
Lawrence J. Mancini, Finance Director
James J. Lombardi, City Treasurer/Special Advisor to City Council
Matthew M. Clarkin, Internal Auditor

Brett P. Smiley
Chief Operating Officer

Jorge O. Elorza
Mayor

Department of Administration
"Building Pride In Providence"

October 28, 2015

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 contract will be for the period July 1, 2015 through June 30, 2018. A tentative agreement was entered into on October 8, 2015 and has received the unanimous ratification of the 1033 membership on October 13, 2015.

The City expects to realize an approximate expenditure neutral contract, with the savings generated in health care-coordination of benefits, auto allowance and changes in long-term substitutes for Teachers Assistants and non-Teacher Assistants, as well as, individual health care for new bus monitors versus family coverage.

These savings will near equal the wage increases of 2 percent in FY 17 ($1,260,827) and 2.75 percent in FY 18 ($3,015,816).

Please note that the amended contract modifies the terms of the existing contract which ended June 30, 2015.

This fiscal note is consistent with prior fiscal notes and reflects the fiscal impact on all city operations including the Water Supply Board and Providence/Cranston Workforce Solutions. The substantive changes in the contract can be categorized within the following four areas, changes to health benefits, wages, other fringe benefits and consolidation and/or efficiencies of City departmental operations.

Health Benefits:

- The Union has agreed to the coordination of benefits, which is expected to save $1,857,500, over the 3 year contract.
- Additionally, the Union has agreed to a change to individual healthcare coverage for new-hire bus monitors, which will yield a savings of $360,000 over the 3 year contract.

Brett P. Smiley
Chief Operating Officer

Jorge O. Elorza
Mayor

Department of Administration
"Building Pride In Providence"

- Plan design and co-shares remain the same for health care.

- The Union will take over the administration of Delta Dental, at a savings to the City of $160,000, over the term of the contract.

Wages and Other Benefits:

- The City has agreed to a 2 percent salary increase effective July 1, 2016 which will cost $1,260,827 and a subsequent increase of 2.75 percent in the final year of the contact, effective July 1, 2017, which will cost $3,015,816 for a total increase in wages equaling $4,276,643.

- The City has agreed to continue the current longevity schedule for current employees, while the Union has agreed to a new reduced longevity schedule for new employees of a 1 percent reduction to the current schedule.

- The Union has agreed that all new hires will receive a wage 15% below the applicable rate for FY 2015, 2016 and 2017. It is expected that this will save the City $ 117,500 in FY 2016, $337,000 in FY 2017 and $435,000 in FY 2018 or a grand total of $889, 500 over the 3 year contract.

- The premium for alternative work week will increase from $1.00 per hour to $1.20 per hour and will have an impact of $64,000 over the term of the contract.

- The Union agrees to changes in the wage structure of long-term subs for Teacher Assistants and Non-Teacher Assistants at a savings to the City of $519,000 and $675,000, respectively, over the term of the contract, for a grand total savings on the School-side of 1033 of $1,194,000.

Consolidations and Efficiencies:

- Consolidation and merger of the City's mechanical and maintenance garages for better efficiencies. The savings are to be determined.

Brett P. Smiley
Chief Operating Officer

Jorge O. Elorza
Mayor

Department of Administration
"Building Pride In Providence"

- The City and the Union agree to create a pool of laborers to be deployed interchangeably, if qualified.

- The City and the Union agreed to create a new class of special clerks to "float" among various similar departments. This is expected to result in greater efficiencies among similar department who regularly require additional specialized clerical assistance.

- Various position changes, as agreed to by the City and the Union, resulting in de minimis salary changes totaling approximately $87,500 over the 3 year term.

Other Fringe Benefits:

- The Union has agreed that the monthly Auto allowance stipend will be eliminated for employees who do not use their vehicle 3 or more times per week. The City will pay a mileage rate consistent with Federal Travel Regulations in those instances where, an employee does not qualify for a monthly allowance. This is expected to save the City $100,000 over the term of the contract.

- The City agrees to increase the clothing allowance from $450 per year to $500 per year. This is expected to cost the City $5,400 over the term of the contract.

- The Union has agreed that sick days for existing employees will be reduced from 15 days earned per year down to 12 days per year, in declining phases of reduction over the 3 year agreement (15, 14, 13. 12). The Union has agreed that sick days for all new employees will be earned at 10 days per year.

- Employees on disciplinary leave will no longer accrue sick or vacation time.

- Changes to Communications Department schedules will not yield contract savings but will result in increased management flexibility.

- The City agrees to increase its contribution to the Union pension plan. This is expected to cost $105,000 additional in the third year of the contract.

Brett P. Smiley
Chief Operating Officer

Jorge O. Elorza
Mayor

Department of Administration
"Building Pride In Providence"

Please see a summary of the costs and savings associated with this contract attached (Appendix A) and as contained in this fiscal note.

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.

Brett P. Smiley
Chief Operating Officer

CC:
Mayor Jorge O. Elorza
President Luis A. Aponte
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Lawrence J. Mancini, Finance Director
James J. Lombardi, City Treasurer/Special Advisor to City Council
Matthew M. Clarkin, Internal Auditor

L.I.U.N.A. LOCAL 1033 FISCAL NOTE

Master Summary Schedule

Savings / (Costs) Appendix A

Health Benefits				
Description	FY16	FY17	FY18	Total
Coordination of Benefits	$371,500	$743,000	$743,000	$1,857,500
Individual Coverage for New Bus Monitors	$60,000	$120,000	$180,000	$360,000
Delta Dental administration now handled by the Union	$53,364	$53,328	$53,328	$160,020
Health Benefits - Total	$484,864	$916,328	$976,328	$2,377,520

Wages and Other Benefits				
Description	FY16	FY17	FY18	Total
2.00% Salary increase in July 1, 2016	$0	($1,260,827)	$0	($1,260,827)
2.75% Salary increase in July 1, 2017	$0	$0	($3,015,816)	($3,015,816)
New hires will receive 15% below the applicable rate for FY 2015, 2016, 2017	$117,500	$337,000	$435,000	$889,500
The Premium for Alternate work week change from $1.00 to $1.20 per hour	($12,800)	($25,600)	($25,600)	($64,000)
Long-term Substitute Changes for Teacher Assistants	$173,000	$173,000	$173,000	$519,000
Long-term Substitute Changes for PSSSO	$225,000	$225,000	$225,000	$675,000
Wages and Other Benefits - Total	$502,700	($551,427)	($2,208,416)	($2,257,143)

Consolidations and Efficiencies				
Description	FY16	FY17	FY18	Total
Position Changes	($17,500)	($35,000)	($35,000)	($87,500)
Consolidations and Efficiencies - Total	($17,500)	($35,000)	($35,000)	($87,500)

Other Fringe Benefits				
Description	FY16	FY17	FY18	Total
Auto Allowance stipend elimination for vehicle use less than 3 times a week	$20,000	$40,000	$40,000	$100,000
Clothing Allowance increase from $450 to $500 per month	($1,800)	($1,800)	($1,800)	($5,400)
Increase in Union pension contribution	$0	$0	($105,000)	($105,000)
Other Fringe Benefits - Other	$18,200	$38,200	($66,800)	($10,400)

Grand Total	$988,264	$368,101	($1,333,888)	$22,477

L.I.U.N.A. LOCAL 1033 FISCAL NOTE

Municipal-General Fund Only

Savings / (Costs) Appendix A-1

Health Benefits				
Description	FY16	FY17	FY18	Total
Coordination of Benefits	$247,000	$494,000	$494,000	$1,235,000
Delta Dental administration now handled by the Union	$35,186	$35,150	$35,149	$105,485
Health Benefits - Total	$282,186	$529,150	$529,149	$1,340,485

Wages and Other Benefits				
Description	FY16	FY17	FY18	Total
2.00% Salary increase in July 1, 2016	$0	($776,113)	$0	($776,113)
2.75% Salary increase in July 1, 2017	$0	$0	($1,864,621)	($1,864,621)
New hires will receive 15% below the applicable rate for FY 2015, 2016, 2017	$72,508	$207,443	$268,952	$548,904
The Premium for Alternate work week change from $1.00 to $1.20 per hour	($12,800)	($25,600)	($25,600)	($64,000)
Wages and Other Benefits - Total	$59,708	($594,270)	($1,621,269)	($2,155,830)

Consolidations and Efficiencies				
Description	FY16	FY17	FY18	Total
Position Changes	($17,500)	($35,000)	($35,000)	($87,500)
Consolidations and Efficiencies - Total	($17,500)	($35,000)	($35,000)	($87,500)

Other Fringe Benefits				
Description	FY16	FY17	FY18	Total
Auto Allowance stipend elimination for vehicle use less than 3 times a week	$15,000	$30,000	$30,000	$75,000
Clothing Allowance increase from $450 to $500 per month	($1,800)	($1,800)	($1,800)	($5,400)
Increase in Union pension contribution	$0	$0	($64,917)	($64,917)
Other Fringe Benefits - Other	$13,200	$28,200	($36,717)	$4,683

Grand Total	$337,594	($71,920)	($1,163,837)	($898,162)

L.I.U.N.A. LOCAL 1033 FISCAL NOTE

Business Educational Specialty Technical Staff (B.E.S.T.) - PPSD

Savings / (Costs) Appendix A-2

Health Benefits				
Description	FY16	FY17	FY18	Total
Coordination of Benefits	$22,000	$44,000	$44,000	$110,000
Delta Dental administration now handled by the Union	$3,366	$3,366	$3,365	$10,097
Health Benefits - Total	$25,366	$47,366	$47,365	$120,097

Wages and Other Benefits				
Description	FY16	FY17	FY18	Total
2.00% Salary increase in July 1, 2016	$0	($166,555)	$0	($166,555)
2.75% Salary increase in July 1, 2017	$0	$0	($395,568)	($395,568)
New hires will receive 15% below the applicable rate for FY 2015, 2016, 2017	$44,992	$129,557	$166,048	$340,596
Wages and Other Benefits - Total	$44,992	($36,998)	($229,520)	($221,527)

Other Fringe Benefits				
Description	FY16	FY17	FY18	Total
Increase in Union pension contribution	$0	$0	($13,773)	($13,773)
Other Fringe Benefits - Other	$0	$0	($13,773)	($13,773)

Grand Total	$70,358	$10,368	($195,928)	($115,203)

L.I.U.N.A. LOCAL 1033 FISCAL NOTE

Teacher Assistants Unit - PPSD

Savings / (Costs) Appendix A-3

Health Benefits				
Description	FY16	FY17	FY18	Total
Coordination of Benefits	$72,500	$145,000	$145,000	$362,500
Delta Dental administration now handled by the Union	$3,867	$3,867	$3,867	$11,601
Health Benefits - Total	$76,367	$148,867	$148,867	$374,101

Wages and Other Benefits				
Description	FY16	FY17	FY18	Total
2.00% Salary increase in July 1, 2016	$0	($259,630)	$0	($259,630)
2.75% Salary increase in July 1, 2017	$0	$0	($616,621)	($616,621)
Long term Substitute Changes	$173,000	$173,000	$173,000	$519,000
Wages and Other Benefits - Total	$173,000	($86,630)	($443,621)	($357,251)

Other Fringe Benefits				
Description	FY16	FY17	FY18	Total
Auto Allowance stipend elimination for vehicle use less than 3 times a week	$5,000	$10,000	$10,000	$25,000
Increase in Union pension contribution	$0	$0	($21,470)	($21,470)
Other Fringe Benefits - Other	$5,000	$10,000	($11,470)	$3,530

Grand Total	$254,367	$72,237	($306,224)	$20,380

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

Health Benefits				
Description	FY16	FY17	FY18	Total
Coordination of Benefits	$30,000	$60,000	$60,000	$150,000
Individual Coverage for New Bus Monitors	$60,000	$120,000	$180,000	$360,000
Delta Dental administration now handled by the Union	$10,945	$10,945	$10,946	$32,836
Health Benefits - Total	$100,945	$190,945	$250,946	$542,836

Wages and Other Benefits				
Description	FY16	FY17	FY18	Total
2.00% Salary increase in July 1, 2016	$0	($58,529)	$0	($58,529)
2.75% Salary increase in July 1, 2017	$0	$0	($139,006)	($139,006)
Long-term Substitute Changes	$225,000	$225,000	$225,000	$675,000
Wages and Other Benefits - Total	$225,000	$166,471	$85,994	$477,465

Other Fringe Benefits				
Description	FY16	FY17	FY18	Total
Increase in Union pension contribution	$0	$0	($4,840)	($4,840)
Other Fringe Benefits - Other	$0	$0	($4,840)	($4,840)

Grand Total	$325,945	$357,416	$332,100	$1,015,461