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AGREEMENT

This Agreement is entered into by and between the City of East Providence and the employees who are Department Heads.

WITNESSETH:

That in consideration of the mutual and reciprocal promises of the parties hereto, the parties covenant and agree as follows:

PURPOSE

It is the purpose of this Agreement to carry out the personnel policy of the City of East Providence in encouraging a harmonious and cooperative relationship between the City and its employees.

By means of this Agreement, therefore, the signatories hereto bind the City of East Providence and the East Providence Department Heads to maintain and improve the present standards of service to the City of East Providence and agree further that high morale and good personnel relations are essential to carry out this end.

The City Department Heads are to regard themselves as City Servants; and as such, they are to be governed by the highest ideals of honor, loyalty and integrity in all their public, personal and official relationships in order that they may merit the respect and confidence of the General Public, the City Council and the City of East Providence.

ARTICLE I

1.01 Management Rights

The Department Heads agree that the City has responsibility for the policies and administration of all departments which it shall exercise under the provisions of law and in fulfilling

its responsibilities under this Agreement. Any matter involving the management of governmental operations vested by law in the City and not covered by this Agreement is in the province of the City. The City hereby retains and reserves unto itself all rights, power, authority, duty and responsibility confirmed on and vested in it by the laws and Constitution of the State of Rhode Island and/or the United States of America and/or the Charter of the City of East Providence. The exercise of any such right, power, authority, duty, or responsibility by the City and the adoption of such rules, regulations and policies as it may deem necessary and as they apply to Department Heads shall be limited only by specific and express terms of this Agreement.

1.02 Non-Discrimination

It is the continuing policy of the City and the Department Heads that the provisions of this Agreement shall be applied to all employees without regard to race, color, religious creed, national origin, sex, age, or disability.

In conformance with the Americans with Disabilities Act, the Department Heads agree to cooperate with the City in making reasonable accommodations to the known and documented physical or mental limitations of otherwise qualified applicants or employees with a disability unless the accommodation would cause an undue hardship on the operation of the City. Reasonable accommodation is any change in the work environment, work schedule, work assignments or in the way things are usually done that results in an equal employment opportunity for an individual with a disability.

ARTICLE II

2.01 Personnel Ordinance

The City agrees that the employees covered by this Agreement shall continue to receive all

current benefits and protections as provided in Chapter 11 of the Revised Ordinances of the City of East Providence, Rhode Island, 1987, entitled "Personnel", except as otherwise modified hereinafter.

ARTICLE III

3.01 Pay Rates

There will be a re-opener for wages only for contract years beginning November 1, 2006; November 1, 2007; and November 1, 2008. Negotiations will commence by September 1 each year and if an agreement is not reached by October 1 each year, the matter shall be referred by either party to binding arbitration with the American Arbitration Association.

3.02 Merit Pay Plan

The City Manager may give Department Heads covered by this Agreement a merit pay increase which will become part of the employee's base salary. The City Manager will determine which employees shall receive the merit pay increase at his sole discretion.

3.03 Regrades and Step Increases

The City Manager may re-grade or reclassify Department Heads as necessary to carry out goals and objectives of the City at his sole discretion. The City Manager may start a Department Head at a higher pay step for unusual experience or qualifications or move a Department Head to a next higher step in a shorter period of time to reward an employee for outstanding or exceptional performance at his sole discretion.

ARTICLE IV

4.01 Longevity

Department Heads shall receive longevity pay in accordance with the following schedule payable in one lump sum in the first pay period after the close of the applicable City fiscal year.

Longevity will be paid in a separate check apart from the regular payroll check. Employees qualifying for such pay in midyear shall receive a pro rata amount based on that portion of the year during which they were eligible.

4.02 Schedule of Longevity Pay

Employees covered by this Agreement shall receive longevity pay in accordance with the following schedule:

6% of base pay earned after five (5) years' service
7% of base pay earned after ten (10) years' service
8% of base pay earned after fifteen (15) years' service
9% of base pay earned after twenty (20) years' service

4.03 Longevity for Pension Purposes

Longevity will be computed as part of an employee's base pay for pension purposes only beginning November 1, 1989 with the 7% pension contribution being deducted proportionately over the 26 biweekly pay periods even though longevity pay itself will continue to be paid in one lump sum after the close of the applicable fiscal year.

ARTICLE V

5.01 Vacation Eligibility

An employee hired before July 1 in any calendar year will accrue ten (10) working days' vacation which can be taken in the following calendar year.

An employee hired on or after July 1 in any calendar year will accrue five (5) working days' vacation which can be taken in the following calendar year.

Subsequently, any employee completing a calendar year of service will earn vacation in accordance with the following schedule:

YEARS OF SERVICE	WEEKS OF VACATION
1 year	2 weeks
3 years	3 weeks
10 years	4 weeks
15 years	5 weeks
25 years	6 weeks

All vacation leave is earned in one calendar year and taken in the following calendar year. Any member covered by this Agreement may carry over two (2) years of vacation leave. This vacation may be taken in subsequent years or will be paid for upon retirement.

5.02 Merit Leave

The City Manager, at his sole discretion, may reward employees with additional leave for meritorious service. Such leave shall not be added to an employee's vacation accrual rate.

ARTICLE VI

6.01 Holidays

Including Good Friday afternoon, Christmas Eve and New Year's Eve afternoons and a floating holiday. Martin Luther King Day will replace R.I. Independence Day which will no longer be a paid holiday.

6.02 Personal Days

Personal leave may be drawn only at a time convenient to and approved in advance by the City Manager.

Written application for personal leave shall be made in advance stating the time of such requested leave. Personal days shall not be taken in a manner to extend a vacation or a holiday

unless explicit permission to do so is obtained from the City Manager. Personal leave days must be taken in no less than one half (1/2) day at a time.

All Department Heads shall be granted four (4) personal leave days per City fiscal year. If an employee resigns, retires, or is terminated in the first six (6) months of a fiscal year, that employee shall be entitled to only two personal leave days in that fiscal year. If the employee has already taken three (3) or four (4) personal leave days, the value of those days will be deducted from the employee's final paycheck. Personal days are not granted to and cannot be taken by employees on probationary status. If an employee ends their six (6) months probation before May 1, he/she would receive four (4) personal leave days for that fiscal year. If an employee ends their six (6) months probation after May 1, he/she would receive two (2) personal leave days for that fiscal year. If an employee is on probation on October 31, the last day of the fiscal year, then he/she would receive no personal leave in that fiscal year.

The personal leave days cannot be accrued from year to year and must be used in the City fiscal year in which they were earned.

If an employee has not used his/her personal leave days for that fiscal year by October 31, they will be taken off the books and the employee will receive a day's pay for each day so returned up to a maximum of two (2) days. Half days will be prorated; the value of the day's pay will be calculated on the employee's base salary rate as of October 31.

ARTICLE VII

7.01 Sick Leave

(A) Sick leave will be granted for absence from duty because of actual personal illness, non-compensable bodily injury or disease not connected with City employment. As of November 1,

2003, sick leave may also be used for a maximum of five (5) days per fiscal year for personal reasons. These five (5) days will be treated as sick leave and will not fall under the provisions of personal leave (See Section 6.02). Sick leave may also be granted for a maximum of five (5) days in any one (1) year for illness in the household (i.e., family sick leave).

(B) Upon retirement only, a Department Head shall receive payment for fifty (50) percent of his/her accrued sick leave but such payment shall not exceed a total of Fifteen Thousand (\$15,000.00) Dollars. Fire Chief Joseph Castro will be the last Fire Chief grandfathered in under the IAFF sick leave payout provision in effect on October 31, 2003.

Retirement, as it applies here, will be understood as eligibility and application for a pension in the Municipal Employees' Retirement System of the State of Rhode Island or in the East Providence Police and Fire Pension System for the Police Chief, Deputy Police Chief and Fire Chief.

(C) Whenever an employee dies while in the employ of the City, the City shall pay to the deceased employee's beneficiary, as designated under the Municipal Employees' Retirement System of the State or to the widow, husband or heirs-at-law as hereinafter set forth, a sum of money computed on the basis of his/her weekly earnings for accumulated sick leave and vacation leave which had accrued to such deceased employee at the time of his/her death. In the event that such deceased employee has failed to designate a beneficiary for such payment, then such sum of money shall be paid first to the surviving widow or husband; and if there is no surviving widow or husband, then to the surviving children in equal shares provided that if such deceased employee has not designated a beneficiary and leaves no widow, husband nor child, then such accrued benefits shall be paid to his/her next of kin.

ARTICLE VIII

8.01 Leave of Absence-Vacation Time

Vacation time shall not accrue at the established rate per month when an employee is out on leave without pay during that entire month.

8.02 Leave of Absence-Sick Leave

Sick leave shall not accrue at a rate of one and one quarter (1 1/4) days per month when an employee is out on leave without pay during the entire month.

ARTICLE IX

9.01 Health Care Coverage-Blue Cross

(A) All members covered by this Agreement shall receive Blue Cross Healthmate Coast to Coast family coverage, as needed, including a Student to Age 25 rider and a Chiropractic rider. The plan will contain a \$15.00 co-pay provision for medical office visits, a \$50.00 co-pay provision for emergency room visits and a prescription drug plan with a 20% co-pay provision for generic drugs, a 25% co-pay provision for brand name drugs, and a 30% co-pay provision for preferred drugs as defined by Blue Cross/Blue Shield of Rhode Island. Both parties recognize that the rapidly changing health care delivery system may mean further changes in the future, but the City will provide an equivalent health care plan upon mutual agreement of the parties.

(B) Employees retiring after November 1, 2003 shall receive Blue Cross Healthmate Coast to Coast described in (A) provided that members retiring at age 62 or over shall receive coverage for three (3) years. In the event of the death of a member or retired member who is receiving health insurance coverage, said coverage shall continue up to the maximum of three (3) years from either the date of the retirement or death of the active member. If an employee receives comparable health

insurance himself or under a policy held by a spouse, then the City of East Providence shall not be required to purchase health insurance coverage for the retired employee.

If the retired employee or his spouse loses equivalent insurance, as provided above, the City will reinstate City coverage until such equivalent insurance is secured or until the retired employee is eligible for Medicare or Medicaid.

(C) The Department Heads agree to continue a health care premium co-share payment for the health care coverage provided by the City in the following amounts and for the following contractual years:

Effective November 1, 2006, members will contribute \$12.00 per week on a pre-tax basis.

Effective November 1, 2007, members will contribute \$13.00 per week on a pre-tax basis.

Effective November 1, 2008, members will contribute \$14.00 per week on a pre-tax basis.

This health care premium co-share payment will be paid by active employees only. Once an employee retires, the City will pay the entire premium payment until City paid coverage for retirees ends under the contract.

9.02 Health Care Coverage-Dental

The City shall provide and pay for dental coverage through Level IV, family coverage with a Student to Age 25 Rider. All single employees without dependents shall be entitled to individual coverage. During the term of this Agreement, the City may provide, after obtaining agreement from the Association alternate dental care coverage and service that is equivalent to that provided under this Agreement

9.03 Duplicate Coverage

When a member of the bargaining unit and a spouse are both employees of the City of East

Providence, then the City of East Providence need not buy both spouses medical or dental coverage, but the City shall provide the member and spouse with the plan having the best coverage for the spouses so employed. In the event the spouse employed with the coverage shall retire, resign, or be terminated for any reason, then the spouse without the coverage shall be immediately granted the coverage of that employee's bargaining unit without any waiting period. In the event the spouse without the coverage shall receive a better plan than the other spouse during the course of any negotiations, the City shall immediately implement the better of the two plans in conformance with the spirit of this Section.

9.04 Health Care Coverage--On-the-job Injury

In the implementation of Article 16.01, it is understood and agreed that employees injured on the job shall use their Healthmate Coast to Coast coverage first to cover any medical bills; and any excess cost shall be paid by the City of East Providence.

ARTICLE X

10.01 Life Insurance

All active employees shall be provided \$45,000.00 of group life insurance while active which shall reduce to \$7,500.00 (paid for by the City) for employees retiring on or after November 1, 1996 unless they elect to carry the amount in effect on the date they retire. In that event they shall reimburse the City at an individual rate determined by the insurance company based upon the retirees age and sex.

Former employees who are retired with an amount of group life insurance in excess of \$20,000.00 shall be afforded the opportunity for a thirty (30) day period to elect the City paid \$7,500.00 group life policy, or choose to remain with their present coverage and reimburse the City

at the “City group rate.” Insurance for active employees terminates on the last day of the month in which a member terminates his/her employment. Members are responsible for contacting the personnel office in writing at least two (2) weeks prior to separation from the City to select either option for insurance coverage after retirement. Retirement as it is applied here will be understood as eligibility and application for a pension in the Municipal Employees Retirement System of the State of Rhode Island or the City Police and Fire Pension System.

The City's obligation with regard to Life Insurance is limited solely to the payment of its cost of the insurance program, and employees and their dependents and beneficiaries shall be entitled to benefits only in accordance with and governed by the terms and conditions of the insurance policy issued to provide such benefits. The City shall not themselves be obligated to pay any insurance benefits provided for in this section directly to the employees or their dependents or beneficiaries.

ARTICLE XI

11.01 Maintaining Vital City Operations

The Department Heads agree to perform work necessary to maintain vital operations within the City in the event of a work stoppage, slowdown or interruption by other employees of the City.

ARTICLE XII

12.01 Program Performance Goals and Objectives

Department Heads will be responsible for developing specific goals and objectives with timetables and milestones for their departments and divisions. Department Heads, with the approval of the City Manager, will be responsible for administering their departments in a manner designed to reach those goals and objectives.

ARTICLE XIII

13.01 Liability Protection

In the event that a Department Head is sued civilly as a result of an incident or decision which arose in the course of his/her employment as a City official, the City shall defend the employee in said civil claim and pay any judgment resulting therefrom. However, in the event that a criminal investigation and/or complaint is involved, the City shall defend said employee only after all criminal matters concerning said employee have been finally adjudicated. The City shall not be obliged to defend an employee in criminal proceedings involving said employee. However, the City shall pay all reasonable attorney fees incurred by an employee if said employee is finally adjudicated not guilty of charges resulting from an incident or decision which arose in the course of his/her employment.

ARTICLE XIV

14.01 Educational Expenses

Department Heads will be eligible for reimbursement of conference, training and tuition costs including required books for courses approved in advance by the City Manager.

ARTICLE XV

15.01 Deferred Compensation

Five percent of base salary will be deposited annually for each Department Head at the beginning of the year into a deferred compensation vehicle determined by the City. If an employee terminates employment with the City during the year, a pro-rated amount will be deducted from his/her last check. If an employee begins employment with the City during the year, a pro-rated amount will be deposited for him/her.

ARTICLE XVI

16.01 Fitness Membership

Members will receive \$200.00 per fiscal year for fitness costs, health club membership, weight loss program or for individual or family member counseling co-payment costs; or for other benefits at their discretion.

ARTICLE VII

17.01 Bereavement Leave

In the event a death occurs in the immediate family of a department head, the City of East Providence agrees to pay such member for time lost from work as needed not to exceed a period of three (3) working days in the case of each such death for the purpose of attending funeral services and making necessary arrangements therefor. The term "immediate family" shall be defined to include father, mother, spouse, children, brother and sister of member, mother-in-law, father-in-law, grandmother, grandfather, sister-in-law, brother-in-law, and grandchildren. In the event of death of an aunt or uncle, niece or nephew, up to one (1) day of such leave with pay may be granted for the purpose of attending funeral services. Bereavement leave will be increased to four (4) days for spouse, mother, father, child, sister, and brother only.

ARTICLE VIII

18.01 Jury Duty

Department Heads shall be granted leaves of absence for required jury, grand jury, and similar civic duty requiring appearances before a court or other public body. Department Heads shall receive that portion of their regular salary which will together with their jury pay equal their total salary for the same period. However, it is agreed that travel mileage, reasonable parking and

lunch costs while on jury duty shall not be considered part of jury pay, and therefore, will be deducted from the total jury pay upon presentation of receipts. No reimbursement will be eligible or made without receipts. Total reimbursement shall not exceed the total jury pay. If the amount of money and the receipts turned in by the member do not total the jury check, the difference will be deducted from the member's biweekly payroll check. Travel mileage will be paid at the rate of \$.21 per mile from place of residence to the courthouse. Appearance as a witness in personal, civil or criminal cases or matters which are not job related shall not be covered by this Article.

ARTICLE XIX

19.01 Pension Plan

The City of East Providence, a participating municipality as defined in the General Laws of Rhode Island, Section 45-21 entitled "Retirement of Municipal Employees" and Department Heads will participate under the provisions of Section 45-21-52 entitled "Automatic increase in service retirement allowance," Plan B effective January 1, 1986.

The Police Chief, Deputy Police Chief and Fire Chief who are members of the East Providence Police and Fire Pension System prior to assuming the positions of Police Chief, Deputy Police Chief and Fire Chief will continue in the East Providence Police and Fire Pension System.

ARTICLE XX

20.01 Compensatory Time

Department Heads are not entitled to and do not accrue any compensatory time or so called "owed leave time" from the point in time when they assume the duties and responsibilities of the positions covered under this Agreement.

ARTICLE XXI

21.01 Uniforms

The Police Chief, Deputy Police Chief, and Fire Chief will be provided uniforms and a cleaning and maintenance allowance to be set by the City taking into consideration current arrangements and allowance levels.

ARTICLE XXII

22.01 Duration of This Agreement

This Agreement shall be for a term commencing the first day of November, 2006 and shall continue and remain in full force and effect until October 31, 2009 and from year to year thereafter unless either party at least one hundred twenty (120) days prior to the expiration date in 2009 or in any year thereafter gives to the other party written notice of its intention to terminate or amend this Agreement.

The City agrees to negotiate in good faith with the Department Heads to reach a successor agreement to this contract prior to October 31, 2009.

ARTICLE XXIII

23.01 Scope of the Agreement

The parties acknowledge that, during the negotiations which preceded this Agreement, each had the unlimited right and opportunity to make demands and proposals with respect to any subject or matter and that the understandings and agreements arrived at by the parties after the exercise of that right and opportunity are set forth in this Agreement.

Therefore, for the life of this Agreement, the City and the Department Heads each voluntarily and unqualifiedly waives the right; and each agrees that the other shall not be obligated to negotiate

collectively with respect to any subject or matter referred to or covered in this Agreement or with respect to any subject or matter not specifically referred to or covered in this Agreement even though such subject or matters may not have been within the knowledge or contemplation of either or both of the parties at the time they negotiated and signed this Agreement.

ARTICLE XXIV

24.01 Severability

In the event that any section of this Agreement is deemed in violation of any law by a court of competent jurisdiction, the remainder of the Agreement shall be deemed to be valid and effective.

IN WITNESS WHEREOF, the parties have signed as of the day and year first above written.

CITY OF EAST PROVIDENCE

EAST PROVIDENCE DEPT. HEADS

Richard M. Brown, City Manager

Dated:_____