THIRD AMENDMENT TO THE BASIC LABOR AGREEMENT
BETWEEN
THE CITY OF HARRISBURG
AND
AMERICAN FEDERATION OF
STATE, COUNTY AND MUNICIPAL EMPLOYEES
DISTRICT COUNCIL 90, LOCAL 521

The Basic Labor Agreement, as amended, between the City of Harrisburg (hereinafter usually the “City”) and the American Federation of State, County and Municipal Employees District Council 90, Local 521, (hereinafter usually the “Union” or “AFSCME”) commencing on January 1, 2007 and ending on December 31, 2014 is further amended as follows:

1. All amendments shall be effective upon ratification by the City except as set forth below. For purposes of this Agreement, ratification will be complete when the Agreement has been formally approved by all necessary representatives of the parties and all implementing legislation has been adopted.

2. Article XIII, Section 1 of the Basic Labor Agreement is hereby further amended to read as follows (additions indicated by underlining):

   ARTICLE XIII
   Vacations

Section 1.

A. All current City employees shall earn paid vacation leave in accordance with the Schedule A-1 that follows. Employees hired after the ratification of this Third Amendment shall earn paid vacation in accordance with Schedule A-2. All vacation leave that non-probationary employees earn in a calendar year will be made available on January 1st of that calendar year, provided that the employee is in an active status to earn leave. Probationary employees may only use earned vacation leave and, upon completion of the probationary period, such employees shall have available the applicable, prorated allotment of vacation leave in accordance with the following schedule:

   SCHEDULE A-1

<table>
<thead>
<tr>
<th>Service Requirement</th>
<th>Allotment in Hours for 7.5-Hour/Day Employees</th>
<th>Allotment in Hours for 8-Hour/Day or 12-Hour/Day Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Month 1-12</td>
<td>5.00 hours per month</td>
<td>5.34 hours per month</td>
</tr>
</tbody>
</table>
### Service Requirement

<table>
<thead>
<tr>
<th>Service Requirement</th>
<th>Allotment in Hours 7.5-Hour/Day Employees</th>
<th>Allotment in Hours for 8-Hour/Day or 12-Hour/Day Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Months 13-36</td>
<td>6.88 hours per month</td>
<td>7.34 hours per month</td>
</tr>
<tr>
<td>Months 37-96</td>
<td>10.63 hours per month</td>
<td>11.34 hours per month</td>
</tr>
<tr>
<td>Months 97-168</td>
<td>15.00 hours per month</td>
<td>16.00 hours per month</td>
</tr>
<tr>
<td>Months 169-Separation</td>
<td>18.75 hours per month</td>
<td>20.00 hours per month</td>
</tr>
</tbody>
</table>

SCHEDULE A-2
Employees Hired Post-Ratification

<table>
<thead>
<tr>
<th>Service Requirement</th>
<th>Allotment in Hours 7.5-Hour/Day Employees</th>
<th>Allotment in Hours for 8-Hour/Day or 12-Hour/Day Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Month 1-12</td>
<td>5.00 hours per month</td>
<td>5.34 hours per month</td>
</tr>
<tr>
<td>Months 13-36</td>
<td>6.88 hours per month</td>
<td>7.34 hours per month</td>
</tr>
<tr>
<td>Months 37-96</td>
<td>10.63 hours per month</td>
<td>11.34 hours per month</td>
</tr>
<tr>
<td>Months 97- Separation</td>
<td>13.74 hours per month</td>
<td>14.67 hours per month</td>
</tr>
</tbody>
</table>

All service requirements are calculated from the date of hire and vacation leave is earned on a monthly basis in accordance with the employee’s seniority date.

B. Up to forty-five (45) days of vacation can be carried over into the next calendar year. Any employee who cannot adhere to the carry-over limitations set forth in this section because of work requirements may request the Bureau Director’s approval to carry over additional vacation, which approval shall not be unreasonably withheld.

3. Article XIV, Section 3 of the Basic Labor Agreement is hereby amended to read as follows (additions indicated by underlining):

**ARTICLE XIV**

**Sick Leave**

**Section 3.**

A. In the event an employee with at least ten (10) years of service leaves the employ of the Employer for any reason, except termination for just cause, such employee shall be compensated for fifty percent (50%) of all sick leave that was accumulated up to a maximum of one hundred twenty (120) days. The maximum sick leave buy-back permitted under this provision is sixty (60) days. In the event an employee with at least five (5) years of service leaves the employ of the Employer for any reason, except termination for just cause, such employee shall be compensated for twenty-five percent (25%) of sick leave that was accumulated, up to a maximum of one hundred twenty (120) days. The maximum
sick leave buy-back permitted under this provision is thirty (30) days. All sick leave days will be bought back at the rate of the employee’s base hourly wage as of December 31st of the year in which the days were accrued.

B. In lieu of the compensation set forth in Section 3(A) above, an employee who, after being vested, leaves City employment, for any reason except termination for just cause, may elect to convert one hundred percent (100%) of all sick leave to pension service credits, except that no employee may convert sick leave to pension service credits for the purpose of meeting the Rule of 85 requirements pursuant to Section 11 (Article XXXIV) below. If the employee chooses this option, the Employer will make the required pension contributions on behalf of the employee for the amount of service credited.

C. Any employee who has used more than his/her pro-rated and/or earned allotment shall have the value of the excess allotment used deducted from his/her final paycheck. If the value of the excess allotment is greater than the amount of the employee’s final paycheck, the employee shall reimburse the Employer in a lump sum or sign a judgment note in the City’s favor for the total amount due and execute a payment plan prior to receiving his/her final paycheck.

4. Article XVI of the Basic Labor Agreement is hereby amended to read as follows (additions indicated by underlining):

**ARTICLE XVI**

**Compensation**

**Section 1.** The compensation package for all bargaining unit employees shall be as follows:

1. 10/2007 ....................... $750 Lump Sum Per Employee
2. 05/2008 ....................... $1000 Lump Sum Per Employee
3. 01/01/2009 .................... 2%
4. 01/01/2010 .................... 3%
5. 01/01/2011 .................... 4%
6. 01/01/2012 .................... 3%
7. 01/01/2013 .................... 30%
8. 01/01/2014 .................... 30%
9. 01/01/2015 .................... 1%
10. 01/01/2016 .................... 1%

**Section 2.**

Employees shall receive longevity pay, in addition to their regular base pay salary, in an amount based on the following formula:

1. After five (5) years of service, employees shall receive a $50.00 annual payment on the first pay date of December.
2. After ten (10) years of service, employees shall receive a $100.00 annual payment on the first pay date of December.

3. After fifteen (15) years of service, employees shall receive a $150.00 annual payment on the first pay date of December.

Such payment shall be subject to all applicable taxes.

**Section 3.** Effective 2008, employees shall receive longevity pay, in addition to their regular base pay salary, in an amount based on the following formula:

1. After five (5) years of service, employees shall receive one-quarter percent ($\frac{1}{4}\%$) of base pay;

2. After ten (10) years of service, employees shall receive one-half percent ($\frac{1}{2}\%$) of base pay;

3. After fifteen (15) years of service, employees shall receive three-quarters percent ($\frac{3}{4}\%$) of base pay;

4. After twenty (20) years of service, employees shall receive one percent (1%) of base pay.

Effective 2011, employees shall receive longevity pay, in addition to their regular base pay salary, in an amount based on the following formula:

1. After five (5) years of service, employees shall receive one-half percent ($\frac{1}{2}\%$) of base pay;

2. After ten (10) years of service, employees shall receive one percent (1%) of base pay;

3. After fifteen (15) years of service, employees shall receive one and one-half percent (1 1/2%) of base pay;

4. After twenty (20) years of service, employees shall receive two percent (2%) of base pay.

Longevity payments will be made annually on the first pay date in December. Employees must have reached the years of service requirement by the Monday before paychecks are issued to be eligible for a longevity payment in that year. Longevity payments shall be subject to all applicable taxes.

**Section 4.**
Employees who are eligible for and receiving longevity as of the date of ratification of the Third Amendment shall have their longevity payment frozen at its then current rate through December 31, 2016. Employees hired on or prior to December 31, 2012 who are not receiving longevity as of the date of ratification of the Third Amendment shall not be paid longevity during the extended term of this Third Amendment. Longevity pay shall not be paid to any employees hired on or after ratification of this Third Amendment.

5. Article XXI Section 1 of the Basic Labor Agreement is hereby amended to read as follows (additions indicated by underlining):

**ARTICLE XXI**

**Medical and Hospital Benefits**

**Section 1.**

(a) The City shall make available for the employees and his/her eligible dependents, including a domestic partner (at the time of the request, the employee must be in compliance with all requirements of the City’s Domestic Partner Benefits Program to qualify for the benefit and such benefit will not be retroactively approved), the following medical coverage:

- Effective January 1, 2005, all AFSCME employees will be enrolled in the PPO Blue 100 plan.

It is understood that there is no Major Medical coverage under the PPO Blue 100 plan.

The lifetime maximum for a PPO Blue 100 Plan, or its equivalent under another provider, is $2,000,000.00.

For the life of this contract, to include extensions, all employees hired on or after September 1, 2007, will contribute a percentage of their base salary pay toward the cost of health care benefits as follows:

1. Single Coverage: 2%
2. Two-Person Coverage: 4%
3. Three-Person Coverage: 5%
4. Four or More Person Coverage: 6%

1. Effective as soon as the parties are able to arrange implementation following ratification of the Third Amendment, the base health care plan provided to all active employees shall be Select PPO Blue – 100%/80% Co-insurance; $250/$500 In-Network Deductible; $20/$40 Office Visits (“OV”) Co-pay; $100 Emergency Room (“ER”) Co-pay. Effective January 1, 2014, the base health care plan provided to all active employees shall be the PPO Blue –
90%/70% Co-insurance; $250/$500 In-Network Deductible; $20/$40 O 

2. Effective October 1, 2013 the later of ratification or October 1, 2013, all employees shall contribute to the premium cost of medical and hospital insurance in accordance with the below schedule, which is based on the percentage of base salary earned by an employee. Bases salary shall not include longevity, shift differential or overtime.

**Percent of Base Salary**

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Single coverage</td>
<td>1.0%</td>
<td>1.5%</td>
<td>2.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>2 person coverage</td>
<td>2.0%</td>
<td>2.5%</td>
<td>3.0%</td>
<td>4.0%</td>
</tr>
<tr>
<td>3 person coverage</td>
<td>2.5%</td>
<td>3.0%</td>
<td>4.0%</td>
<td>5.0%</td>
</tr>
<tr>
<td>4 or more person coverage</td>
<td>3.0%</td>
<td>4.0%</td>
<td>5.0%</td>
<td>6.0%</td>
</tr>
</tbody>
</table>

All employee contributions shall be by payroll deductions. Such contributions will become effective on the employee’s date of hire and will be deducted beginning with the employee’s first paycheck. Employees hired on or after 9/1/07 shall have their contribution modified to the schedule above.

(b) Employees who document to the city that they are adequately covered by health insurance from a source other than the City may, upon such documentation and written request to the City, opt to receive a monthly payment of one hundred dollars ($100.00) in lieu of receiving health insurance from the City pursuant to this Article. This payment shall be made on the first pay of every month.

Employees may re-enroll in the City’s health insurance plan by giving the City thirty (30) days’ advance written notice, provided that once an employee re-enrolls, he/she may not opt to withdraw again prior to the end of the then current contract year.

6. Article XXI Section 3 of the Basic Labor Agreement is hereby amended to read as follows (additions indicated by underlining):

**ARTICLE XXI**

**Medical and Hospital Benefits**
Section 3.

(a) Employer shall have the right to purchase equivalent medical, hospital, and dental benefits from a different, qualified carrier. Employee benefits shall not be reduced as a result of any change of carrier(s).

(b) In addition, the City may change the health insurance plan to PEBTF coverage if approved by PEBTF at any time during the term of the Agreement as extended by the Third Amendment and any subsequent amendments. In the event a change in the City’s health insurance plan is made to move to PEBTF coverage, the base year for cost sharing for increases in health care costs provided for in Paragraph (c) below shall be re-set.

(c) Beginning with the calendar year commencing January 1, 2015, if the City’s increases in its medical and health insurance COBRA rates exceed six percent (6%) over the prior year’s rates, the City and AFSCME shall negotiate changes in the design of the health care plans to reduce the amount of the City’s increases in its share of the costs of monthly contributions. For purposes of calculating increases in costs, the COBRA rates established by the City’s third party administrator(s) shall be used, and the annual increase shall be determined based on the effective date of the plan year. In calculating the six percent (6%) increase, the percentage shall be based on the amount paid by the City and shall not include employee contributions. In the event the City and AFSCME are unable to reach agreement on plan design changes, the plan design changes shall be subject to an expedited interest arbitration procedure. Either party may request the appointment of a neutral arbitrator selected pursuant to the arbitration step of the grievance procedure in Article XXVIII of this Agreement. The decision of the arbitrator on this issue shall be issued within forty-five (45) calendar days of the notice of submission to arbitration.

7. Article XXI Section 4 of the Basic Labor Agreement is hereby amended to read as follows (additions indicated by underlining):

ARTICLE XXI
Medical and Hospital Benefits

Section 4.

(a) Effective with the upon ratification of the Third Amendment to the Agreement, any—retirees eligible for coverage shall receive post-retirement health care coverage under the same health plan provided to active employees, which coverage may be modified to the extent the coverage for active employees is modified. All conditions and restrictions applied to current employees, such as
co-payment amounts or changes in plan design or coverage, shall be applied to retirees receiving post-retirement health care coverage.

(b) Effective upon ratification of the Third Amendment to the Agreement, for retirees retiring under the Rule of 85 retirement window provided for in Section 11 (Article XXXIV), the City shall pay one hundred (100%) percent of the cost of health insurance up to Medicare eligibility, provided that the retiree has attained the age of fifty-five (55) by 12/31/2013. Retirees retiring under the Rule of 85 retirement window who have not attained the age of fifty-five (55) by 12/31/2013 shall be eligible only for the 60% payment toward coverage provided for below up to Medicare eligibility.

(c) Effective upon ratification of the Third Amendment to the Agreement, for those retirees retiring at the age of sixty (60) with twenty (20) years of service, but who do not retire during the Rule of 85 retirement window, the employee shall pay an amount equal to the amount which the employee would pay for individual coverage as of the date of retirement. In order to be and remain eligible to receive post-retirement health care coverage, retirees must be receiving their pension benefit. The retiree’s remittances for the cost of coverage shall be paid monthly in advance by direct deduction from the pension payments and direct payment to the City; retirees shall sign all necessary paperwork to permit such direct deductions and payments; provided, further, that if such direct deductions and payments from the pension payments are not authorized as required by law then the parties shall negotiate another method to guarantee payment. Upon reaching Medicare eligibility, a retiree shall be eligible only for the reimbursement provided for in subsection (f)(1) below. For the life of this contract, to include extensions, the City agrees to pay one hundred percent (100%) of the cost of health insurance for employees retiring on or after June 1, 2007, at the age of sixty (60) with twenty (20) years of service. This coverage does not include prescription drugs, dental or vision coverage.

(d) The City agrees to pay sixty percent (60%) of the cost of health insurance for employees retiring on or after January 1, 2002, with twenty (20) or more years of service or at least fifteen (15) years of service at age sixty-five (65). This coverage does not include prescription drug, dental or vision coverage. Upon reaching Medicare eligibility, a retiree shall be eligible only for the reimbursement provided for in subsection (f)(1) below.

(e) Retirees who are not eligible for Medicare:

1. Coverage under this Section shall include the health care product in effect for the retiree only until the retiree is Medicare eligible. When the employee becomes Medicare eligible, Signature 65 coverage will be provided, if the employee enrolls in Medicare Part A and Part B, as
The retiree may elect to continue to cover his/her eligible dependents, until the dependents are Medicare eligible, by paying the full cost of the coverage.

3. The dependent’s portion of the premium cost will be deducted from the retiree’s monthly pension payment.

4. Dependent coverage will cease if the retiree fails to pay the required cost when due or when the dependent is Medicare eligible, regardless of whether the dependent enrolls in Medicare.

5. If the retiree should die, the surviving spouse and eligible dependents may continue coverage under the same conditions as when the retiree was alive, provided the surviving spouse or dependent pays the full cost of the coverage.

(b)(f) Retirees who are eligible for Medicare:

1. Coverage under this Section shall include a Medicare supplemental plan, known as Signature 65, if the employee enrolls Medicare Part A and Part B, as required by the City’s provider. Effective upon the ratification of the Third Amendment to the Agreement, retirees eligible for coverage shall receive post-retirement health care under this Agreement only until the date said retiree reaches the age of Medicare eligibility. Following a retiree’s attainment of Medicare eligibility, the entitlement to receive post-retirement health care shall cease and retirees shall be entitled to receive only cash reimbursement in an amount not to exceed $250 per month for supplemental insurance purchased by the retiree, increasing up to a maximum of $350 per month reimbursement under the following schedule:

<table>
<thead>
<tr>
<th>Year</th>
<th>Maximum Monthly Reimbursement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thru 12/31/2016</td>
<td>$250</td>
</tr>
<tr>
<td>2017</td>
<td>$260</td>
</tr>
<tr>
<td>2018</td>
<td>$270</td>
</tr>
<tr>
<td>2019</td>
<td>$280</td>
</tr>
<tr>
<td>2020</td>
<td>$290</td>
</tr>
<tr>
<td>2021</td>
<td>$300</td>
</tr>
<tr>
<td>2022</td>
<td>$310</td>
</tr>
<tr>
<td>2023</td>
<td>$320</td>
</tr>
<tr>
<td>2024</td>
<td>$330</td>
</tr>
<tr>
<td>2025</td>
<td>$340</td>
</tr>
<tr>
<td>2026</td>
<td>$350</td>
</tr>
</tbody>
</table>
AFSCME may file a grievance on behalf of a retiree under this section in accordance with the grievance and arbitration procedures set forth in the Basic Labor Agreement.

2. The retiree may elect to continue to cover his/her eligible dependents by paying the full cost of coverage.

3. The dependent portion of the premium cost will be deducted by the retiree’s monthly pension payment.

4. Dependent coverage will cease if the retiree fails to pay the required cost when due or when the dependent is Medicare eligible, regardless of whether the dependent enrolls in Medicare.

5. If the retiree should die, the surviving spouse and eligible dependents may continue coverage under the same conditions as when the retiree was alive, provided the surviving spouse or dependent pays the full cost of coverage.

(e)(g) Retirees shall not be eligible for post-retirement health care benefits if the retiree has available health insurance coverage elsewhere at a reasonably comparable benefit level and at the same or lower cost, including by way of example, available coverage through a spouse or other employer. In such circumstance, the retiree’s coverage under the City’s plan shall be suspended. Coverage under the City’s plan may be reinstated upon proof of the termination of coverage or eligibility for such coverage under the alternative plan. AFSCME may file a grievance on behalf of a retiree whose coverage is suspended or denied reinstatement to the City’s plan under this section in accordance with the grievance and arbitration procedures set forth in the CBAA. A retiree may suspend coverage under the plan if the retiree and/or spouse become covered under the plan of another employer. Coverage may be reinstated only upon proof of the termination of coverage under the other employer’s plan.

(h) Employees not meeting the above requirements may elect to continue the coverage set forth above by paying the full monthly cost via deduction from the monthly pension payment.

(i) The above provisions related to post-retirement health care shall not be applicable to any individuals hired after the date of ratification of the Third Amendment to the Agreement, and no post-retirement health care or reimbursement will be available to such employees.
8. Article XXII of the Basic Labor Agreement is hereby amended to read as follows (additions indicated by underlining):

**ARTICLE XXII**

**Vision And Prescription Benefits**

**Section 1.** The City shall provide vision benefits for each employee and his/her eligible dependents, including domestic partners (at the time of the request, the employee must be in compliance with all requirements of the City's Domestic Partner Benefit Program to qualify for the benefit and such benefit will not be retroactively approved), through the provider of choice, at no substantial reduction in the current benefit level.

**Section 2.** The City shall provide prescription drug benefits through the provider of its choice, at no substantial reduction in the current benefit level, as follows:

1. Participating Pharmacy: 25% of the prescription cost per prescription
2. Mail Order: $10 or 15%, whichever is less, for up to a 90-day supply

There shall be no co-pay for generic drugs.

Effective as soon as the parties are able to arrange implementation following ratification of this Third Amendment, prescription co-payments for all employees shall be as follows for the term of this Agreement:

<table>
<thead>
<tr>
<th>Prescription Type</th>
<th>Co-Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Generic</td>
<td>$25</td>
</tr>
<tr>
<td>Brand Restricted</td>
<td>$50</td>
</tr>
<tr>
<td>Brand</td>
<td>$75</td>
</tr>
</tbody>
</table>

Where and when available, employees shall be required to purchase generic prescriptions and shall be required to select mail order delivery.

The co-payments set forth above shall be the same for a 30 day supply from a participating pharmacy or a 90 day supply if using mail order.

**Participating pharmacy – 30 day supply**
**Mail order – 90 day supply**

Where and when available, employees shall be required to purchase generic prescriptions and shall be required to select mail order delivery.

**Section 3:** All existing and future retirees will be provided with a pass-through prescription benefit which will apply to both retail and mail order programs.

Employees retiring on or after 06/01/07 will have the ability to purchase prescription drug coverage at the City's rates, provided the cost of such is deducted from the employee's
pension benefit and provided that it is understood that coverage may periodically change to mirror the coverage available to active employees.

**Section 4:** Prescription drug co-pays for employees hired on or after 09/01/07 shall be as follows:

<table>
<thead>
<tr>
<th>Type</th>
<th>Retail 1</th>
<th>Mail Order 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Brand Restricted 3</td>
<td>$25.00</td>
<td>$50.00</td>
</tr>
<tr>
<td>2. Brand</td>
<td>$30.00</td>
<td>$60.00</td>
</tr>
</tbody>
</table>

1. Up to maximum 30 day supply.
2. Up to maximum 90 day supply.
3. Restricted means that no generic substitute is available.

There shall be no co-pay for generic drugs.

9. **Article XXXI** Section 4 of the Basic Labor Agreement is hereby amended to read as follows (additions indicated by underlining):

**ARTICLE XXXI**

**Miscellaneous**

**Section 4.** Residency:

Effective upon the date of ratification of the Third Amendment to the Agreement, the residency requirement contained in prior Collective Bargaining Agreements and prior versions of the Agreement between the parties is eliminated and employees, regardless of hiring date, shall not be required to establish or maintain a residence within the corporate limits of the City of Harrisburg. New members of the bargaining unit hired on or after March 1, 1999 will be required to live within the corporate limits of the City of Harrisburg within one (1) year of their date of hire. During their employment with the City of Harrisburg, bargaining unit members hired prior to March 1, 1999 will not be required to live within the corporate limits of the City of Harrisburg, nor to move into the corporate limits of the City of Harrisburg if they change residence.

The Residency Ordinance, Chapter 2-711, Subsection 2.7116 Exception B (Those Employees whose work stations are located more than fifteen (15) miles beyond the City limits shall be exempt from provisions of this chapter) shall be amended to apply equally to bargaining unit employees.
In addition, new members of the bargaining unit hired on or after 09/01/07 will be required to live within the corporate limits of the City of Harrisburg within twelve (12) months of the completion of their probationary period.

10. Article XXXI Section 11 of the Basic Labor Agreement is hereby added to read as follows (additions indicated by underlining):

**ARTICLE XXXI**

**Miscellaneous**

**Section 11. Leave Payouts**

Employees who retire under the Rule of 85 retirement window through December 31, 2014 and are otherwise entitled to a pay out of accrued leave pursuant to Article XIII or XIV of the Agreement shall receive such pay out as follows:

- Up to $12,500 per employee no later than June 30, 2014
- Up to an additional $12,500 per employee no later than June 30, 2015
- Any remaining payout no later than April 30, 2016

Pay outs of accrued leave for Water and Sewer employees being transferred to the Harrisburg Authority may occur sooner if necessary to utilize Water and Sewer funds or shall be paid out by The Harrisburg Authority upon transfer of the Water and Sewer operations to the Authority in accordance with an agreement between AFSCME and The Harrisburg Authority.

11. Article XXXIV Sections 5 and 6 of the Basic Labor Agreement are hereby added to read as follows (additions indicated by underlining):

**ARTICLE XXXIV**

**Pension**

**Section 5. Early Retirement Window**

Effective for the period of time beginning on the date of ratification of the Third Amendment to the Agreement and ending December 31, 2014, any employee who would meet a Rule of 85 (where a combination of an employee’s age and years of service add up to 85) by no later than December 31, 2013 shall be eligible for normal retirement without an early retirement reduction being applied.

**Section 6. Employee Contributions**

The present five (5) percent employee contribution toward the pension shall be reduced to the percentage rates stated below for the following years only as follows:

- 2013 (effective 10/01/2013) – 3%
12. Article XXXV of the Basic Labor Agreement is hereby amended to read as follows:

**Article XXXV  Successors**

Pursuant to an agreement reached between the City of Harrisburg and the Harrisburg Municipal Authority, the work performed by bargaining unit employees of the Department of Public Works, Bureaus of Water and Sewer will be transferred to the Harrisburg Municipal Authority. Bargaining unit employees of the Department of Public Works, Bureaus of Water and Sewer will be offered employment with the Harrisburg Municipal Authority pursuant to an agreement reached between AFSCME District Council 90 and the Harrisburg Municipal Authority.

In the event the Employer leases, transfers or assigns any of its facilities to other sub-divisions, corporations, or persons, and such sale, lease, transfer or assignment would result in the layoff, furlough or termination of employees covered by this Agreement, the Employer shall attempt in good faith to arrange for the placement of such employees with the new Employer. The Employer shall notify the Union, in writing, at least thirty (30) days in advance of any such sale, lease, transfer, or agreement.

13. Article XXXVI of the Basic Labor Agreement is hereby amended to read as follows (additions indicated by underlining):

**ARTICLE XXXVI  
TERM OF AGREEMENT**

This Agreement shall be in full force and effect from January 1, 2007 through December 31, 2016.

FOR THE  
CITY OF HARRISBURG:  
MAYOR  
DATE  

FOR  
AFSCME COUNCIL 90, LOCAL 521:  
DIRECTOR, COUNCIL 90  
DATE