

City of Sunnyvale
And
Sunnyvale Managers Association

Memorandum of Understanding

July 1, 2023 to June 30, 2027



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Article 1 Preamble

This Memorandum of Understanding (MOU) is between the City of Sunnyvale (City) and the duly authorized representatives of the Sunnyvale Managers Association (SMA). Its purpose is to promote harmonious relations between the City, the Association, and employees (Employees) by setting forth the understanding of the parties reached as a result of meeting and conferring in good faith regarding the wages, hours, and certain other terms and conditions of employment of employees in the classifications comprising this Bargaining Unit (Unit).

Article 2 Recognition

The Sunnyvale Managers Association (Association) is hereby acknowledged as the exclusively recognized employee organization for those full-time employees in the classifications listed in Exhibit A as it currently reads or as modified by agreement of the parties during the term of the MOU.

The City shall notify the Association of the development of a new or revised management classification and, upon written request from the Association within seven (7) work days from the City's notice, shall consult with the Association concerning the new classification.

Article 3 Ratification

It is agreed that the provisions of this MOU are of no force or effect until ratified by the Association and duly adopted by the City Council of the City of Sunnyvale.

Article 4 Term

The term of this Agreement shall be upon ratification of the parties and through June 30, 2027, and will thereafter continue in effect until the parties reach agreement on a successor Agreement or the City Council takes action after meeting and conferring in good faith to modify the wages, hours, and terms and conditions of employment provided hereunder.

Article 5 Full Understanding, Modifications, and Waivers

This Agreement sets forth the full and entire agreement of the parties regarding the matters set forth herein, and any other prior or existing understanding or agreements, including any prior memoranda of understanding, over the matters between parties, whether formal or informal, are hereby superseded or terminated in their entirety.

It is agreed and understood that, except as set forth herein, each party hereto voluntarily and unqualifiedly waives its right to negotiate, and agrees that the other party shall not be required to negotiate with respect to any subject or matter covered herein or with respect to any other matters within the scope of representation, during the term of this Agreement.

No agreement, alteration, understanding, variation, waiver, or modification of any of the terms or provisions contained herein shall in any manner be binding upon the parties hereto unless made and executed by all parties hereto, and if required, approved by the City and ratified by the membership of the Association.

The waiver of any breach, term or condition of this Agreement by either party shall not constitute a precedent in the future enforcement of all its terms and provisions.

Article 6 Severability

In the event any provision of this MOU is declared invalid or unenforceable by a court of competent jurisdiction, the remaining provisions of the MOU shall remain in full force and effect.

If a provision is declared invalid or unenforceable as provided above, at the written request of either party submitted to the other within ten (10) work days of such action by the court, the parties shall meet promptly to negotiate the impact of such declaration by the court.

Article 7 Ordinances, Codes, and Resolutions

Any written City ordinances, codes, or resolutions currently in effect that cover subjects within the scope of representation shall not be changed during the term of this Agreement without first giving the Association the opportunity to meet and confer concerning such changes, except as otherwise provided by this Agreement.

Such meeting and conferring shall be up to and including mediation.

Article 8 Scope of Negotiations

The scope of representation shall include all matters relating to employment conditions, and employer-employee relations including but not limited to wages, hours, and other terms and conditions of employment, as provided by the Meyers-Milias-Brown Act and as may be amended.

Pursuant to the Meyers-Milias-Brown Act, as it currently exists, or may be amended, the City agrees to meet and confer with the Association in advance regarding any proposed

changes in working conditions within the scope of representation, except as provided elsewhere in this Agreement.

The City is required to comply with federal and state laws, and to the extent the City is required to meet and confer about any changes in federal or state law, it will do so; however, if there is no requirement to meet and confer, the City will implement any required policies and/or procedures.

Article 9 Authorized Agents

For purposes of administering the terms and provisions of this Agreement:

City's principal authorized representative shall be the City's Director of Human Resources or duly authorized representative (address: 456 West Olive Avenue, 4th Floor, Sunnyvale, CA 94086; telephone (408) 730-7490) except where a particular management representative is specifically designated in connection with the performance of a specified function or obligation set forth herein.

The Association's principal authorized agent shall be the President of the Sunnyvale Managers Association or duly authorized representative. The Association's official mailing address is P.O. Box 70083, Sunnyvale, CA 94086.

Article 10 Non-Discrimination

The parties agree that they and each of them shall adhere to the City's policies concerning Equal Employment Opportunity (EEO) and non-discrimination, and other applicable Federal and State non-discrimination laws.

The parties agree that they and each of them shall not discriminate against any employee because of membership or non-membership in the Association, or because of any authorized activity on behalf of the Association, or because of the exercise of rights under this Agreement.

Article 11 Negotiation Preparation

Up to three (3) Association negotiating team members and one note taker will be compensated for negotiation sessions that occur during their regular work schedules, notwithstanding leaves of absence. The City will compensate the negotiation team members for up to one (1) hour of preparation time either before or after the scheduled meeting. All other time spent on Association business will be on the member's own time. Only negotiation team members shall attend the negotiation sessions, unless mutually agreed otherwise.

Article 12 Wages/Compensation

12.1 Salaries

Pay rates for each classification within the Unit shall be assigned to a pay grade as set forth currently in Pay Plan Category E as defined in the City's Salary Resolution. The salary range for each classification is 20% between the bottom and the top of the range.

12.2 Salary Adjustments

1. Effective the first full pay period following Council approval (July 9, 2023): 6.5% across-the-board salary adjustment.
2. Effective the first full pay period in July 2024 (July 7, 2024): 4.0% across-the-board salary adjustment.
3. Effective the first full pay period in July 2025 (July 6, 2025): 4.0% across-the-board salary adjustment.
4. Effective the first full pay period in July 2026 (July 5, 2026): 3.5% across-the-board salary adjustment.

12.3 Interim/Acting or Out-of-Class Pay

(a) Interim/Acting Pay

Employees who are appointed by the City Manager in an acting/interim status to a higher-level vacant position may receive placement within the salary range of the vacant position; or a percentage over current pay as designated by the City Manager.

In accordance with Government Code 20480, an employee assigned to work in an out-of-class assignment may not exceed 960 hours in a fiscal year if the employee is appointed to an upgraded position or higher classification that is vacant during recruitment for a permanent appointment. This limitation does not apply to a position that is temporarily available due to a leave of absence.

(b) Out-of-Class Pay for Special Assignment Work

The City Manager or designee may authorize a temporary pay adjustment for an employee given a specific temporary assignment clearly beyond the scope of the regular job description as determined by the Director of Human Resources or designee. Such assignment is to be made only as necessary to meet the business needs of the department. A request for such an assignment must be made to the City Manager or designee, in writing, from the Department Director prior to commencement of the assignment. Work in such assignment

shall be at a minimum of two (2) consecutive weeks, up to a maximum of one (1) year.

The request for special assignment shall describe the assignment, justify why it is to be performed by the designated employee, and give a specific duration for completion of the assignment with start and end date. Special assignment pay is five percent (5%) above the employee's normal pay rate. The special assignment and related compensation may be revoked at any time at the discretion of the Department Director, or the City Manager or designee. Special assignment pay is not reportable compensation to CalPERS.

Special assignment pay shall be based on the full period of actual hours worked during the assignment and received for the full period of time in which the employee works in the assignment, provided that such special assignment and related compensation has been authorized in advance by the Department Director, has been approved by the City Manager or designee, and has been processed by the Human Resources Department. Special assignment pay shall not be made retroactively. Special assignment pay shall not be paid for Paid Time Off, Holidays, Paid Medical Leave or any other leave during the special assignment; nor shall such leave days be considered a break in the special assignment.

The special assignment pay shall be discontinued on the date originally identified for completion of the assignment, unless an extension of specific duration is approved by the City Manager or designee prior to the end of the original assignment end date. Extension may be granted for up to an additional one (1) year for the same assignment.

12.4 Merit Increase

Upon completion of 13 pay periods of service, employees who receive an overall rating of achieves or exceeds expectations on their most recent performance evaluation shall receive an increase in salary above the rate to which they were initially assigned, up to but not exceeding the salary range. Consideration for each subsequent increase in salary will be given following the completion of 26 pay periods from the prior increase in salary, up to but not exceeding the salary range. Increases in salary shall be granted effective the start of the pay period in which the day after the employee completes 26 pay periods from the prior increase in salary occurs. The pay rate adjustment is subject to an overall rating of achieves or exceeds expectation on the employee's most recent performance evaluation.

12.5 Change in Pay Upon Promotion

Employees who are promoted to a classification which has been assigned a salary range greater than the classification from which the employee is being promoted shall be entitled to assignment to a pay rate in the new salary range which provides

at least 5% above the employee's current pay rate, or the rate which the employee would have received with a meeting or exceeding expectations of performance within 2 pay periods had the promotion not been made, provided the increase does not exceed the salary range for the new classification. Thereafter, the employee is considered for merit increases in the same manner as other employees.

12.6 Change in Pay Upon Reclassification

When a position is reclassified to a classification with a higher pay range and the incumbent employee retains the position, the employee shall be placed at a pay level commensurate with their skills, knowledge and experience and within the range for the new position, or a salary 5% above the employee's present salary, whichever is higher.

12.7 Call Back Pay

Effective the pay period beginning July 23, 2023, employees in the classifications of Facilities Manager, Information Technology Manager, Golf Operations Manager, Public Safety Communications Manager, and Public Safety Records Manager will be compensated for Call Back as outlined with Department Head approval. Call Back applies when: 1) the employee previously left City premises, 2) is called back to the work location outside of regular scheduled working hours, and 3) the call back is for an emergency arising out of situations involving real or potential loss of service, property, or personal danger. Employees called back will be expected to respond directly to the location of the problem.

Compensation per Call Back will be paid as follows:

- Monday through Friday: \$140 per day
- Saturday through Sunday: \$200 per day

The classifications eligible for Call Back Pay may be adjusted annually by Sunnyvale Managers' Association, provided no more than five classifications are eligible.

Article 13 Insurance Plans and Retirement

13.1 Insurance Plan – General Information

The City shall provide group medical, dental, vision, life/accidental death & dismemberment (AD&D), long term disability (LTD) insurance plans, and employee assistance program (EAP).

13.2 City Contribution

(a) Total Medical and Cafeteria Plan Contributions

The total medical and cafeteria plan contributions provided by the City shall be:

- Equal to the highest premium amount of all HMO plans or the PERS Platinum PPO plan available through the CalPERS Region 1 medical plans; and
- Based upon the coverage level (employee only, employee plus 1, employee plus family) of the medical plan selected by the employee.

Both the medical and cafeteria plan contributions shall be applied to medical plan premium only.

Breakdown of the medical and cafeteria plan contributions are outlined in Section 13.2(b) and 13.2(c) below.

(b) Medical Contribution

The medical contribution provided by the City under the Public Employees Medical and Hospital Care Act (PEMHCA) shall be equal to:

- The single coverage premium amount of the lowest cost CalPERS Region 1 HMO medical plan; and
- No less than the highest medical contribution for any other represented employee units.

(c) Cafeteria Plan Contribution

The cafeteria plan contribution provided by the City shall be the difference of the amount in Section 13.2(a) and 13.2(b) above.

(d) Unused Medical and Cafeteria Plan Contributions

There shall be no cash payments for any unused medical or cafeteria plan contributions.

13.3 Employee Contribution

The employee will pay any difference between the total cost of the employee's medical plan (for employee only, employee plus one or employee plus family) and the amount contributed by the City. The difference will be a pre-tax deduction.

13.5 Cash In-Lieu of Medical Coverage

The City will provide employees with the option to waive medical coverage and receive payment of a portion of what otherwise would be the City contribution.

Payment shall be made on the following schedule:

Type of Coverage Waiving	Per Pay Period Payment
Employee only coverage	\$38.00
Employee +1 coverage	\$76.00
Employee + family coverage	\$98.50

If the employee is currently a dependent of a City employee and covered by a CalPERS Health Plan, the employee is not eligible for cash-in-lieu.

When an employee elects no coverage, the employee shall provide proof of alternate coverage and sign a waiver stating they have alternate coverage and understand that they will no longer receive coverage through a City sponsored medical plan.

If an employee decides to increase the level of coverage by either reentering a City sponsored medical plan or adding a dependent in current coverage, the employee may enroll in accordance with CalPERS procedures.

Procedures for exercising this option and for reentering the City sponsored CalPERS provided medical plans shall be established by CalPERS.

Employees receiving cash in-lieu payments must provide documentation to verify their dependents' eligibility.

13.6 Dental Insurance

Dental insurance will be provided for employees and eligible family members. The premium is fully paid by the City.

13.7 Vision Insurance

Vision insurance will be provided for employees and eligible family members. The premium is fully paid by the City.

13.8 Life/AD&D Insurance

The City shall provide Basic Life and Accidental Death and Dismemberment (Life/AD&D) insurance for each employee in an amount equal to that employee's annual base salary, up to a maximum coverage of \$175,000.

Such insurance shall be at no cost to the employee, except that, insurance amounts above \$50,000 provided by the City shall be subject to tax law provisions.

At the time of hire, an employee may purchase supplemental Life/AD&D insurance in an amount equal to the employee's annual base salary, up to a maximum coverage of \$250,000.

Current employees who did not purchase supplemental Life/AD&D insurance at the time of hire, may purchase supplemental Life/AD&D insurance during open enrollment, in an amount equal to the employee's annual base salary, up to a maximum coverage of \$250,000, subject to approval by the carrier.

The supplemental life coverage is paid by the employee.

13.9 Long Term Disability Insurance

The City will provide Long Term Disability insurance at 67% of the employee's annual base salary to a maximum of \$11,000 per month of paid benefits, subject to the terms of the contract with the carrier. The premium is fully paid by the City.

13.10 Employee Assistance Program

An Employee Assistance Program will be provided. Enrollment is mandatory, and the premium is fully paid by the City.

13.11 Dependent Care

The City shall provide a plan in accordance with the Internal Revenue Code Section 129, which provides an option for employees to pay for dependent care expenses on a pre-tax basis.

13.12 Medical Reimbursement Account

A Section 125 medical reimbursement plan will be offered to all employees on a voluntary basis.

13.13 Commuter Transportation Benefits

The City shall provide a plan in accordance with the Internal Revenue Code Section 132(f) that provides an option for employees to pay for qualified work-related transportation expenses for mass transit, van pools, and parking on a pre-tax basis. The monthly election limit is regulated by the IRS.

13.14 Retirement

The City has contracted with CalPERS and shall provide pension benefits for miscellaneous employees, including employees in this Unit, in a manner consistent with State law and will comply with the Public Employees' Pension Reform Act (Government Code Section 7522 et seq.).

Employees' payment to their employee contribution to CalPERS shall be made pursuant to IRC Section 414(h)(2).

Tier 1 – Local Miscellaneous 2.7% at age 55

Employees hired before December 23, 2012 shall receive Local Miscellaneous 2.7% at age 55 retirement formula. Final compensation shall be calculated using the single highest year model.

The City agrees to contribute to CalPERS on behalf of employees as follows:

The City shall contribute four percent (4%) of the eight percent (8%) employee contribution. Employees shall pay the remaining four percent (4%) of the employee contribution on a pre-tax basis.

The City's payment of employees' CalPERS contribution is based upon authority from CalPERS and upon tax treatment permitted by the Internal Revenue Service and revenue rulings related thereto, and by the California Franchise Tax Board. It is understood that the State Legislature or Congress may alter the statutory authority for this tax treatment, and the Franchise Tax Board, or the IRS or the United States Department of Treasury may alter the current revenue rulings, either by other rulings or regulations.

The City shall report the value of the employer-paid member contributions (EPMC) as additional compensation for each employee.

Tier 2 – Local Miscellaneous 2.0% at age 60

Employees hired on or after December 23, 2012 who are also classic CalPERS members shall receive the Local Miscellaneous 2.0% at age 60 retirement formula. Final compensation shall be calculated using the single highest year model.

The City agrees to contribute to CalPERS on behalf of employees as follows:

The City shall contribute four percent (4%) of the seven percent (7%) employee contribution. Employees shall pay the remaining three percent (3%) of the employee contribution on a pre-tax basis.

The City's payment of employees' CalPERS contribution is based upon authority from CalPERS and upon tax treatment permitted by the Internal Revenue Service and revenue rulings related thereto, and by the California Franchise Tax Board. It is understood that the State Legislature or Congress may alter the statutory authority for this tax treatment, and the Franchise Tax Board, or the IRS or the United States Department of Treasury may alter the current revenue rulings, either by other rulings or regulations.

The City shall report the value of the employer-paid member contributions (EPMC) as additional compensation for each employee.

Tier 3 - Local Miscellaneous 2.0% @ 62

Employees hired on or after January 1, 2013 who are also new CalPERS members shall receive the Local Miscellaneous 2.0% at age 62 retirement formula. Final compensation shall be calculated using the highest 36-consecutive month model.

Employees will pay fifty percent (50%) of normal cost as the employee contribution on a pre-tax basis. The normal cost is subject to change on a fiscal year basis as determined by CalPERS.

Article 14 Leaves

14.1 Paid Time Off Leave (PTO), Paid Medical Leave (PML), and Workers' Compensation

(a) Employees are eligible to accrue and use Paid Time Off Leave (PTO). Such leave shall be used for vacation, medical appointment, illness/injury, family emergency, and may also be used for personal business, care of sick children or other family members, school visits, etc. Leaves not included in PTO which remain separate leaves are bereavement, jury duty, military duty, management leave, workers' compensation, floating holiday, and holiday.

Except for illness or emergency, all PTO shall be pre-planned and pre-approved. The recommended advance notice is 1 week. Shorter periods of advance notice may be acceptable with supervisor or Director's approval. The City may at any time require written verification from a physician for a non-pre-planned absence for illness, family emergency or visits to a doctor, dentist or licensed mental health practitioner.

(b) PTO begins accruing on the first day of employment and is prorated on an hourly basis for each paid hour. PTO shall not accrue during any unpaid leave except as provided in Article 14.1(i). Time off is paid provided there is adequate PTO accrued to cover the absence. Time off in excess of PTO accruals and other available leave shall be leave without pay. As employees

use PTO, the time used shall be deducted from the employee's current PTO balance.

- (c) The accrual rates are listed below:

TABLE A

Pay Periods of Service	Years	Accrual Rate – Hours/Pay Period	Accrual Rate – Hours/Year
1-26.99	0 to 1	6.5	169
27-130.99	1+ to 5	7.5	195
131-260.99	5+ to 10	9.0	234
261-442.99	10+ to 17	10.5	273
443-650.99	17+ to 25	11.5	299
651+	25+	12.0	312

For new hire or promoted employees, the City Manager may authorize a higher accrual rate within the PTO accrual table.

- (d) Eligible employees will accrue at the rates shown in Table A for the first 870 hours. After 870 hours are accrued, the employee will start accruing at the reduced rate levels of Table B.

TABLE B

Pay Periods of Service	Years	Accrual Rate – Hours/Pay Period	Accrual Rate – Hours/Year
1-130.99	0 to 5	5.0	130
131-650.99	5+ to 25	6.5	169
651+	25+	8.0	208

Accruals at this level will stop at 1040 hours (maximum cap) until total accrual is reduced below 1040.

- (e) If at any time the total accrual falls below 870 hours, the accrual rate will revert to the rates in Table A.
- (f) No minimum usage per year is required. Accruals carry over from one payroll calendar year to the next.
- (g) PTO and Separation/Retirement

PTO accrues and is prorated on an hourly basis for each paid hour during the last pay period of service. All accrued PTO shall be paid to the employee on the

employee's final paycheck. The City Manager may, however, approve the utilization of available accrued PTO to extend the date of retirement, and in special circumstances, the date of separation within the same calendar year.

(h) PTO and Paid Medical Leave (PML)

After 26 consecutive pay periods of service, the City shall provide full pay for a medically certified (same occurrence) illness/injury, beginning with work hour 121 through 90 calendar days of illness/injury. No PML will be provided unless the requirements of the Administrative Policy provisions are satisfied.

To access the PML Benefit (full pay from 121 hours-90 calendar days), an employee must provide acceptable written medical documentation (a doctor's note and medical information in accordance with current Administrative Policy) showing that the illness/injury is a single illness/injury, whether continuous time off has been taken or not for that illness/injury. The first 120 hours of a single illness/injury are charged to the employee's PTO bank. Hours 121 up through the maximum of calendar day 90 are eligible for coverage under the PML Benefit.

After 90 calendar days of (same occurrence) illness/injury, the employee shall be eligible to apply for Long Term Disability coverage. In addition, if, after having been off work for 120 hours on a same illness/injury and becoming eligible for PML pay, the employee continues to be unable to return to work full-time, but is able to work partial days, the employee remains eligible for PML pay for the part of the day that the employee is unable to work.

(i) PTO and Workers' Compensation

During the first 26 pay periods of service, the employee will be eligible for Workers' Compensation benefits as provided by state law. The employee will have the option to use PTO or any other leave balance available, or keep it in the leave bank for future use upon their return.

After 26 consecutive pay periods of service, the City shall provide full pay for a medically certified work-related (same occurrence) illness/injury, beginning with workday 1 through 60 calendar days of illness/injury. After 90 calendar days of (same occurrence) work-related illness/injury, the employee shall be eligible to apply for Long Term Disability coverage. Employees will accrue full seniority for the first 90 days of Workers' Compensation leave regardless of whether they use PTO to supplement Workers' Compensation benefits.

- (j) If an employee has no available leave hours, pay may be deducted for any hours short of 40 worked in a week. This policy is established pursuant to principles of public accountability.

- (k) Employees who accrue less than 9.6 hours in the last pay period of the December prior to the year of cash out have the option to cash-out up to 130 hours of PTO effective the last pay day in October of each calendar year. Employees who accrue 9.6 hours or more in the last pay period of the December prior to the year of cash out have the option to cash-out up to 200 hours of PTO effective the last pay day in October of each calendar year. To be eligible to cash out PTO, an employee must submit an irrevocable election form in the calendar year preceding the cash-out specifying the number of hours that the employee irrevocably elects to cash out. This cash-out will be allowed as long as the employee maintains a balance of 120 hours in their bank. If the employee elects this option, the minimum number of hours that may be cashed-out is 8.

14.2 Holiday Leave

(a) Holidays

Employees who were on pay status both before and after each holiday shall be entitled to take leave on each of the following holidays:

- New Year's Eve
- New Year's Day
- Martin Luther King Jr. Day
- Presidents' Day
- Memorial Day
- Independence Day
- Labor Day
- Thanksgiving Day
- Day after Thanksgiving
- Christmas Eve
- Christmas Day

When a City holiday falls on a Saturday the holiday will be observed on the Friday; when a holiday falls on a Sunday, the holiday will be observed on Monday; or as designated by the City Council.

(b) Floating Holiday

Employees shall be credited with thirty (30) hours of floating holiday leave on the first day of the first pay period in the payroll calendar year.

Newly hired employees shall be credited with a pro-rata share of floating holiday hours, based upon the proportion of the payroll calendar year remaining after their date of hire. Use of floating holiday leave shall be subject to approval in advance by the employee's supervisor.

Employees separating City employment shall have their allotment of floating holiday leave for that year pro-rated based upon their date of separation.

Any employee who has used less than the pro-rated allotment for the portion of the calendar year worked, shall have the balance paid on their final paycheck.

Any employee who has used more than the pro-rated allotment for the portion of the calendar year worked, shall have the overage offset against any available accrued leave, on their final paycheck. The employee may also authorize the deduction from their final compensation. If the employee's final paycheck is insufficient to repay the overage, the employee shall reimburse the City immediately.

Unused floating holiday leave at the end of the payroll calendar year will be paid out in cash.

14.3 Bereavement Leave

Employees are entitled to bereavement leave where death has occurred to an employee's:

spouse or registered domestic partner, father, step-father, mother, step-mother, son, daughter, brother, sister, grandparents, or grandchildren;

or to the father, step-father, mother, step-mother, son, daughter, brother, or sister, grandparents or grandchildren of an employee's spouse or registered domestic partner.

Employees are entitled to bereavement leave in an amount not to exceed 40 work hours per eligible incident immediately upon employment. Except as provided herein, all bereavement leave must be used within six calendar months of the date of the eligible incident. Employees who are designated as the executor for a qualifying decedent's estate may use bereavement leave beyond the six-month limitation. Any use of bereavement leave more than six months after the eligible incident requires the approval of the Human Resources Director.

The City reserves the right to require proof of death from the employee including, but not limited to: death certificates, obituaries, and funeral cards.

14.4 Jury Leave

An employee is entitled to jury leave in accordance with State Law and/or City Policy.

14.5 Military Leave

Employees assigned to active military duty are entitled to military leave in accordance with the provisions of applicable State and Federal laws and/or City policy.

14.6 Management Leave

Effective the first full pay period following Council approval (July 9, 2023), the annual Management Leave will increase from 50 to 60 hours. Employees who received the 2023 annual Management Leave will receive the difference of the increased leave hours for use in the remaining pay periods in 2023.

Employees shall be credited with 60 hours of Management Leave at the beginning of the first pay period of the payroll calendar year. Unused time may not rollover to the next year, and there is no cash value for Management Leave time.

For employees who are new to SMA (e.g., promotion from another bargaining unit, new hire), the amount of credited Management Leave in the initial calendar year of appointment will be prorated based on the pay period of hire. Employees will then be granted 60 hours of Management Leave in the first pay period of the payroll calendar year.

Article 15 Additional Benefits

15.1 Workers' Compensation Benefits

Workers' Compensation Benefits will be provided as required by law, and in accordance with the provisions of the City's Salary Resolution.

15.2 Deferred Compensation

Employees are eligible to participate in a 457 deferred compensation plan approved by the City. A 401 (a) plan is available, and procedures for contribution to such plan will be established by the City. With respect to any employee who enrolls in either of the two deferred compensation plans (457 or 401 (a)), the City shall contribute to such plan on behalf of the employee an amount equal to 2% of the employee's base pay per pay period. Employees shall not be entitled to receive any or all of such payment except as payment into a deferred compensation account.

15.3 Tuition Reimbursement

Employees are eligible for tuition reimbursement as provided in the City's Administrative Policy. The maximum amount an employee may receive is \$2,000 per employee per fiscal year.

No reduction of City services will result due to the tuition reimbursement program.

15.4 City-Wide Employee Emergency Leave Relief Fund

The City-Wide Employee Emergency Leave Relief Fund is available to employees pursuant to the provisions contained in the City's Salary Resolution. Donations are made based on an hour-for-hour conversion.

15.5 Direct Deposit

The City shall make available deposit of all or a portion of an employee's net pay to financial institutions of their choice via direct electronic paycheck deposit.

15.6 Personal Vehicle Use

An employee eligible to receive an automobile allowance under the City's administrative policy shall receive \$310 per month. Effective the month coinciding with Council approval (July 2023), the amount will increase to \$410 per month.

Article 16 Working Conditions

16.1 Special Work Schedule

An employee may request an alternative work schedule or telework arrangement based on the guidelines found in the City's Administrative Policies related to Work Schedules and Telework Program.

City policy specifically allows the establishment of alternative work schedules, including flextime schedules or telework. It also requires that the City establish schedules that are attentive to the needs of individual employees while also assuring prompt, efficient and cost effective public service.

A special work schedule implemented according to City policy may be terminated at the end of a pay period by the City Manager, the Department Director, or upon request of the employee upon three (3) weeks written notice to each other.

The City agrees to consider the needs and desires of employees requesting a special schedule. If the City denies a request for a special schedule, then the City will give the employee(s) the reasons for the denial.

16.2 Reduction-In-Force

If the City implements a reduction-in-force that affects employees in this Unit, it will be administered pursuant to the City's Administrative Policy related to Reduction-in-Force: that is, SMA members will have the bumping rights to a current or previously held classification in any Unit.

16.3 Grievance Procedure

Any employee covered by the Memorandum of Understanding may file a grievance.

(a) Purpose

To assure prompt and fair treatment of employee grievances related to employment.

(b) Definition

A grievance is defined as an alleged violation, misinterpretation or misapplication of the provisions of this Memorandum of Understanding or the City's Administrative Policy.

(c) Limitations

A grievant and representative shall be allowed reasonable time during work hours to meet regarding any grievance as provided in this article without loss of pay. It is understood that the grievant and representatives shall:

- (i) provide their supervisor(s) with advance notice and request for such time;
- (ii) that such request will not be arbitrarily denied;
- (iii) that such time shall be charged on the grievant's/representative's timecard to the designated program code, if applicable.

Time limits may be extended by written mutual agreement of the parties.

(d) Procedures

Step I

The grievant will first attempt to resolve the grievance through informal discussions with successive levels of supervision beginning with their

immediate supervisor through the department head. These discussions must be initiated within ten (10) work days following knowledge of the incident upon which the grievance is based. Every attempt will be made by the parties to settle the issue at this level.

Step II

If the grievance is not resolved through the informal discussions, the employee may submit a written appeal to their department head within ten (10) work days after the informal meeting.

The written appeal must contain in clear, factual, and concise language:

1. A brief statement as to the date of the occurrence on which the grievance is based and the facts, as the grievant sees them;
2. The rule, regulation or act on which the grievance is based;
3. The action the grievant believes will resolve the grievance;
4. Signature of the employee.

The department head shall have ten (10) work days following receipt of the appeal to review the matter and prepare a written response. Copies shall go to all parties involved and the Human Resources Department.

Step III

If the grievance is not resolved, the grievant may, and upon approval of the Association, within five (5) work days following receipt of the department head's response, appeal to the City Manager, stating in writing the basis for the appeal. The grievant may, and upon approval of the association, have the option to request advisory arbitration. If advisory arbitration is requested the parties shall mutually agree on an arbitrator or request a list of five arbitrators from the California State Mediation and Conciliation Service. An arbitrator shall then be selected by the parties by alternately striking names. A hearing before the arbitrator shall be held as soon as practical and the arbitrator shall render a decision which shall be advisory to the City Manager.

The City Manager shall render a written decision to all parties directly involved within fifteen (15) work days following the date of the hearing with the City Manager or the optional advisory arbitration. This decision will be final.

16.4 Disciplinary Appeal Procedure

Any employee holding a regular appointment who is suspended, demoted, dismissed or had a salary reduction shall be entitled to be heard before the Personnel Board at a duly constituted meeting in accordance with the provisions contained in the City's Administrative Policy.

Article 17 Association Provisions

17.1 Bulletin Boards

The Association shall have the use of designated bulletin board space to post material related to Association business.

The City shall determine the placement of bulletin boards and the portion of the board to be made available to the Association.

Any materials posted must be dated and initialed by the Association representative responsible for the posting.

At the time of the posting, a copy of the material must be given to the management representative designated for that bulletin board.

The Association shall remove posted material after it has served its purpose, usually within 30 days.

The Association agrees that nothing of a libelous, obscene, defamatory, or of a partisan political nature, shall be posted.

The Association agrees that this Article provides the right to post materials only on designated bulletin boards.

Any material posted in violation of this Article may be removed by the management representative designated for a particular bulletin board. If material is removed, the City shall notify the Association in writing of the removal and the reasons therefore.

Additional conditions in regard to the use of City bulletin boards are provided in the Sunnyvale Municipal Code Chapter 2.24.120 Employer-Employee Relations Code.

17.2 Use of City Facilities and Equipment

The Association may be granted the use of City facilities subject to the following conditions:

- the meeting is during non-work hours;
- the meeting is for City employees;
- the meeting is not for organizing activities;
- the meeting is not for a membership drive;
- the Association makes a written request at least 24 hours in advance of the day it wants to use the facility, and stating the purpose of the meeting; and

- space is available.

The parties agree the City has the right to assess reasonable charges for the use of such facilities.

Use of City equipment, other than items normally used in the conduct of such business meetings, such as desks, chairs, and black/whiteboards, is strictly prohibited, the presence of such equipment in approved City facilities notwithstanding.

17.3 Use of City E-mail System

The Association may use the City's e-mail system outside of work hours to post notices and results of elections, appointments of officers, to schedule and post notices of meetings, and to post notices of recreational, social and other organization events.

Per Section 2.24.100 of the Municipal Code, employees may only review and respond to such during non-work times.

17.4 Dues Deduction

Association dues and such other deductions as may be properly requested and lawfully permitted shall be deducted, in accordance with applicable state law, bi-weekly by the City from the salary of each employee. SMA shall submit a written request to the City that such deduction be made on the employee's behalf.

Remittance of the aggregate amount of all deductions made pursuant to this Article shall be made to the Association by the City within thirty (30) days after such deductions are made. Such remittance shall be made by electronic transfer to the financial institution(s) as designated by the Association.

17.5 New Employee Roster/Orientation

The City shall provide the Association with a list of new Association hires including name, date of hire, classification and department every pay period.

17.6 Release Time When Meeting with The City

If the President of the Association attends a mutually agreed upon meeting with the City, the President and up to three (3) designated Association Representatives, shall have reasonable release time to attend such meeting. Employees shall notify their supervisor or designee as soon as possible in advance of such meeting. Travel time is included within the reasonable release time.

17.7 Association/Management Committee

The parties agree that regular meetings to explore mutual problems and issues will be beneficial to the relationship between the City and the Association. Consequently, the parties agree to meet as needed to discuss any issue concerning the rights of either party or the relationship between the City and the Association or the City and employees the Association represents. The purpose of the meetings is to exchange information and to solve problems and issues.

The Association may have up to three (3) representatives attend these meetings. Association representatives shall receive reasonable release time to participate in these meetings.

The specific schedule and agenda shall be mutually agreed by the parties.

Article 18 Renegotiations

Negotiations shall begin no later than 180 calendar days prior to the termination date of the agreement.

If either party is unable to meet the timeline, it shall not result in any waiver of rights. The parties shall meet as soon as possible.

It is the intent of both parties to try and reach a successor Agreement prior to the expiration of this Agreement. However, it is by no means a mandatory obligation of the parties to do so.

Article 19 Pay Date

Pursuant to the City's Compensation Policy, payday is normally on the Friday following the end of the pay period, but may deviate because of a holiday or due to an emergency. It is understood that at such time that the payday is changed City-wide, such change shall be applied to the Association.

Article 20 HRIS/Financial System

The City contemplates implementing a new HRIS / Financial System during the term of this MOU. Accordingly, the parties agree to re-open MOU terms, as necessary, in order to implement any new system. The City agrees that the re-opener negotiations will not result in any material diminution in compensation.

City of Sunnyvale

Sunnyvale Managers Association

Kent Steffens, City Manager

Ernie DeFrenchi, President

Tina Murphy, Director of Human
Resources

Sherine Nafie, Representative At-Large

Date

Date

Exhibit A – Classifications Represented by the Sunnyvale Managers Association

<u>Job Code</u>	<u>Classification</u>
0305	Administrative Librarian
0309	Administrative Services Manager
0217	Affordable Housing Manager
0206	Assistant City Engineer
0400	Assistant Director of Community Development
0205	Assistant Director of Public Works/City Engineer
0367	Budget Analyst 1
0368	Budget Analyst 2
0364	Budget Manager
0209	Business Operations Manager (Grant Funded)
0210	Chief Building Official
0388	City Property Administrator
0371	Civilian Assistant Fire Marshal
0369	Civilian Fire Marshal
0316	Communications Officer
0342	Community Resources Manager
0260	Economic Development Manager
0301	Employment Training Manager (Grant Funded)
0326	Environmental Programs Manager
0312	Equity, Access & Inclusion Manager
0212	Facilities Manager
0361	Finance Manager
0380	Fleet Manager
0327	Golf Operations Manager
0302	Head Golf Professional
0343	Homeless Services Manager
0202	Housing Officer
0331	Information Technology Manager
0338	Internal Auditor
0211	Job Seeker Services Manager (Grant Funded)
0390	Laboratory/Pretreatment Manager
0303	Library Circulation Manager
0276	Management Analyst
0274	Management Analyst (Grant Funded)
0324	Manager, Bureau of Technical Services – Public Safety
0204	Neighborhood Preservation Manager
0329	Operations Manager: Facilities
0330	Parks Manager
0262	Permit Center Manager

<u>Job Code</u>	<u>Classification</u>
0230	Planning Officer
0401	Principal Planner
0402	Principal Transportation Engineer/Planner
0375	Program Quality & Operations Manager
0245	Public Safety Communications Manager
0246	Public Safety Records Manager
0362	Purchasing Officer
0213	Recreation Services Manager
0218	Regulatory Programs Division Manager
0373	Senior Engineer
0374	Senior Environmental Engineer
0339	Senior Internal Auditor
0322	Senior Management Analyst
0346	Senior Management Analyst (Grant Funded)
0292	Senior Traffic Engineer
0275	Solid Waste Programs Division Manager
0353	Street Operations Manager
0219	Superintendent of Libraries
0222	Superintendent of Parks & Golf
0270	Superintendent of Public Works Operations
0216	Superintendent of Recreation Services
0223	Superintendent of Trees & Landscape
0310	Supervising Librarian
0290	Transportation & Traffic Manager
0363	Treasury Manager
0344	Urban Landscape Manager
0315	Utility Billing Manager
0352	Wastewater Operations Manager
0201	Water & Sewer Systems Division Manager
0351	Water Operations Manager
0395	Water Pollution Control Maintenance Manager
0396	Water Pollution Control Operations Manager
0295	Water Pollution Control Plant Division Manager
0284	Youth & Family Resources Manager