

**City of Sunnyvale**  
**And**  
**Sunnyvale Managers Association**

**Memorandum of Understanding**

July 1, ~~2015~~2019 to June 30, ~~2019~~2023



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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, ~~2019~~2023, 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any prior memoranda of understanding, over the matters between parties, whether formal or informal, are hereby superseded or terminated in their entirety.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 his/her duly authorized representative (address: 505 West Olive Avenue, Suite 200, Sunnyvale, CA 94086; telephone (408) 730-~~7495~~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 his/her 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 D/E as defined in the City's Salary Resolution. The range for each classification extends from 85% of the Control Point up to the Control Point (100%).

Effective the first full pay period in September 2019 (September 8, 2019), the City will increase the maximum of the Control Point by 2.5%. The range of the Control Point will be 17.5% (85% to 102.5%).

Effective the first full pay period in July 2021 (July 11, 2021), the City will increase the maximum of the Control Point by 2.5%. The range of the Control Point will be 20% (85% to 105%).

SMA employees will be eligible for the range change merit increase after completing 26 pay periods from the last merit increase, subject to an overall rating of achieves or exceeds expectations on the employee's most recent performance evaluation.

### 12.2 Salary Adjustments

- ~~1. Effective July 1, 2015: 3.5% across the board salary adjustment.~~
- ~~2. Effective the first full pay period in July 2016 (July 3, 2016): 2.5% across the board salary adjustment.~~
- ~~3. Effective the first full pay period in July 2017 (July 2, 2017): 1.5% across the board salary adjustment.~~
- ~~4. Effective the first full pay period in July 2018 (July 1, 2018): 2% across the board salary adjustment.~~
- ~~5. Effective the same pay period of ratification by the SMA membership and City Council approval (pay day December 23, 2015): Off salary schedule pay equal to 1% of current annual salary, reportable as special compensation for employees in tier 1 and tier 2 as defined in Article 13.14 Retirement.~~

1. Effective August 11, 2019: 3.0% across-the-board salary adjustment.
2. Effective the first full pay period in July 2020 (July 12, 2020): 4.0% across-the-board salary adjustment.
3. Effective the first full pay period in July 2021 (July 11, 2021): 3.0% across-the-board salary adjustment.
4. Effective the first full pay period in July 2022 (July 10, 2022): 3.0% 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-higher~~-level vacant position may receive placement within the ~~control-points~~salary range of the vacant position; or a percentage over current pay as designated by the City Manager.

Interim/acting assignments may not exceed 960 hours within a fiscal year.

### (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, and up to a maximum of one (1) year, and up to a maximum of 960 hours per fiscal 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 Control Point 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 Control Point 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 Control Point 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 95.0% of the Control Point for the new classification, except that upon recommendation of the Department Director and approval of the City Manager, the promoted employee's pay rate may be set at up to 100% of such Control Point. 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 his or her 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.

### **Article 13 Insurance Plans and Retirement**

#### **13.1 Medical Insurance**

Effective January of each year during the term of this agreement, the City will contribute the cost of the premium of the plan selected by the employee or the

lowest cost HMO premium for single coverage available through the CalPERS ~~Bay Area+Region #1 (formerly Bay Area)~~al medical plans, toward the cost of premiums for medical insurance under the Public Employees Medical and Hospital Care Act (PEMHCA) for each employee and his or her eligible dependents. Additionally, the City's contribution shall be no less than the highest City contribution for any of the other represented employee units.

### 13.2 Cafeteria Benefits Plan

The City will contribute to a Cafeteria Benefits Plan for the cost of medical premiums only. The City's Cafeteria Benefits Plan contribution will be capped at the cost of the premium of the highest priced plan between the CalPERS ~~Bay Area regional-Region #1~~ HMO plans or the PERS Choice PPO plan, based upon the plan level in which the employee is enrolled, and less the City Contribution as stated in Section 13.1 above.

### 13.3 Employee Contribution

The employee will pay Aany 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 ~~will be paid by the employee.~~

### 13.4 Premium Conversion

Insurance premium contributions are paid for on a pre-tax basis; however, the City agrees to continue to provide employees with an option to pay their insurance premium contributions on a post-tax basis, to the extent permitted by the Internal Revenue Code.

### 13.5 Cash In-Lieu of Medical Coverage

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

~~Effective with the first full pay period following ratification and approval by the City Council (December 20, 2015), p~~Payment shall be made on the following schedule:

Type of Coverage Waiving	Per Pay pPeriod 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 reimbursement.

Whenever an employee changes to no coverage, the employee shall provide proof of alternate coverage and sign a waiver stating that he or she does have alternate coverage and that he or she understands that he or she will no longer receive coverage through a City sponsored CalPERS provided medical plan.

If an employee decides to increase his or her level of coverage by either reentering a City sponsored CalPERS provided medical plan or including a dependent in his or her current coverage, he or she 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 at the current benefit level will continue to be provided for employees and eligible family members. The premium is fully paid by the City.

### **13.7 Vision Insurance**

Vision insurance at the current benefit level will continue to 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.

Employees who elected supplemental Life/AD&D insurance on or before December 31, 2011 but did not elect for the increased maximum coverage of \$250,000, have coverage amount equal to the employee's annual base salary, up to a combined basic and supplemental Life/AD&D insurance maximum coverage of \$175,000. Employees have the option to elect for the increased supplemental coverage up to \$250,000 during open enrollment, subject to approval by the carrier.

### **13.9 Long Term Disability Insurance**

~~To maintain current benefit level~~ The City ~~shall~~ will continue to provide Long Term Disability insurance at the current benefit level that provides 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. ~~Such insurance shall be at no cost to the employee.~~

### **13.10 Employee Assistance Program**

~~To maintain current benefit level~~ the Employee Assistance Program at the current benefit level will continue to be provided. Enrollment is mandatory, and the premium is fully paid by the City.

### **13.11 Dependent Care**

The City shall continue to 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:

~~Effective July 1, 2015, the City shall contribute three percent (3%) of the eight percent (8%) employee contribution. Employees shall pay the remaining five percent (5%) of the employee contribution on a pre-tax basis.~~

~~Effective the first full pay period in July 2016 (July 3, 2016), the City shall contribute two percent (2%) of the eight percent (8%) employee contribution. Employees shall pay the remaining six percent (6%) of the employee contribution on a pre-tax basis.~~

~~Effective the first full pay period inclusive of City Council approval (July 17, 2016),~~  
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 continue to 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:

~~Effective July 1, 2015, the City shall contribute three percent (3%) of the seven percent (7%) employee contribution. Employees shall pay the remaining four percent (4%) of the employee contribution on a pre-tax basis.~~

~~Effective the first full pay period in July 2016 (July 3, 2016), the City shall contribute two percent (2%) of the seven percent (7%) employee contribution. Employees shall pay the remaining five percent (5%) of the employee contribution on a pre-tax basis.~~

~~Effective the first full pay period inclusive of City Council approval (July 17, 2016),~~  
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 continue to 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.

### **13.15 Affordable Care Act**

At such time as regulations are issued implementing the Affordable Care Act (ACA), the City and the Union will meet and confer to review the impact of such regulations on the benefit plans then in force. If modifications to the health benefits, eligibility for coverage, employer or employee contribution to the cost of insurance or any other provisions of the benefit plans covered by this MOU will be modified by the ACA during the term of this agreement, it is agreed that the City and the Union will reopen the contract to meet and confer and determine how such mandated changes will be implemented. In the event of a reopener, the City will not unilaterally impose changes that would cause a reduction in City contributions toward benefits.

## 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 administrative 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

<b>Service Period Pay Periods of Service</b>	<b>Years</b>	<b>Hrs/ppAccrual Rate – Hours/Pay Period</b>	<b>Accrual Rate = Hrs/yrHours/Ye ar</b>
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
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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**

<b><u>Service-Period</u> <u>Pay Periods of</u> <u>Service</u></b>	<b><u>Years</u></b>	<b><u>Hrs/ppAccrual</u> <u>Rate –</u> <u>Hours/Pay</u> <u>Period</u></b>	<b><u>Accrual Rate =</u> <u>Hrs/yrHours/Ye</u> <u>ar</u></b>
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. PTO shall be paid off to the employee on the employee's last day of work (pay included in 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.

- (h) PTO and Paid Medical Leave (PML)

~~Effective the first full pay period following ratification by the SMA membership and City Council approval (December 20, 2015), the PML benefit will be provided as follows:~~

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 ~~401-121~~ through 90 calendar days of illness/injury. At this time, the City will require a doctor's note and medical information in accordance with current



Administrative Policy provisions. No PML will be provided until this requirement is satisfied.

To access the PML Benefit (full pay from ~~404-121~~ hours-90 calendar days), an employee must provide acceptable written medical documentation 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 ~~400-120~~ hours of a single illness/injury are charged to the employee's PTO bank. Hours ~~404-121~~ 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 ~~400-120~~ 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.

~~Effective July 1, 2017, 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 Paid Medical Leave Benefit.~~

(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, at this time, will have the option to use PTO or any other leave balance available to him/her, or keep it in his/her leave bank for future use upon his/her 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 have the option to cash-out up to ~~80-100~~ 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 he/she irrevocably elects to cash out. This cash-out will be allowed as long as the employee maintains a balance of

~~80-120~~ hours in his/her 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

~~Effective the first full pay period following ratification by the SMA membership and City Council approval (December 20, 2015), e~~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 his/her pro-rated allotment for the portion of the calendar year worked, shall have the balance paid to him/her on his/her final paycheck.

Any employee who has used more than his/her pro-rated allotment for the portion of the calendar year worked, shall have the overage offset against any available accrued leave, on his/her final paycheck. The employee may also authorize the deduction from his/her 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-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 Administrative Leave**

Administrative Leave of ~~forty-fifty~~ (4050) hours per payroll calendar year is subject to Department Director's approval and to the additional provisions in the Administrative Policy.

~~Effective the first full pay period following ratification by the SMA membership and City Council approval (December 20, 2015), administrative leave will be fifty (50) hours per 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 gross 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. Effective with fiscal year 2016/2017, 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 his or her 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.

## **Article 16 Working Conditions**

### **16.1 Special Work Schedule**

An employee may request an alternative work schedule based on the guidelines found in the City's Administrative Policy related to Work Schedules.

This policy specifically allows the establishment of alternative work schedules, including flextime schedules. 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 the above procedure 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 in writing.

### **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 his/her immediate supervisor through his/her 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 his/her 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.

## **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, ~~who SMA files with the City~~ shall submit a written request to the City that such deduction be made on their 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. As soon as administratively possible, the City shall make such remittance 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 ~~work location within one week of start date~~ department every pay period.

~~The Association may prepare a new employee information packet which shall be given by the City to employees during the Department of Human Resources orientation of new employees.~~

#### **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 his/her 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

~~18.1~~—Negotiations shall begin no later than ~~420-180~~ 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 Thursday following the end of the pay period, but may deviate because of a holiday ~~in the pay period~~ 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

~~Deanna J. Santana~~Kent Steffens, City  
Manager

~~Ernie DeFrenchi~~Tony Pineda, Vice  
President

~~Teri Silva~~Tina Murphy, Director of  
Human Resources

~~Ernie DeFrenchi~~, Vice  
President~~Stephen Napier~~, Treasurer

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: <del>Utility Billing</del>
0217	Affordable Housing Manager
0206	Assistant City Engineer
<del>0400</del>	<del>Assistant Director of Community Development</del>
0205	Assistant Director of Public Works/City Engineer
0367	Budget Analyst #1
0368	Budget Analyst #2
<del>0364</del>	<del>Budget Manager</del>
<del>0209</del>	<del>Manager of Business Operations</del> <del>Manager</del>
<del>0210</del>	<del>Superintendent of Chief Building Inspection</del> <del>Official</del>
0388	City Property Administrator
<del>0371</del>	<del>Civilian Assistant Fire Marshal</del>
0369	Civilian Fire Marshal
0316	Communications Officer
0342	Community Resources Manager
0213	Community Services Manager
0260	Economic Development Manager
0301	Employment Training Manager
0326	Environmental Programs Manager
<del>0361</del>	<del>Finance Manager</del>
<del>0361</del>	<del>Finance Manager: Accounting</del>
0380	Fleet Manager
0327	Golf Operations Manager
0302	Head Golf Professional
0202	Housing Officer
<del>0331</del>	<del>Manager, Information Technology Services</del> <del>Manager</del>
0338	Internal Auditor
<del>0211</del>	<del>Manager of Job Seeker Services</del> <del>Manager</del>
0390	Laboratory/Pretreatment Manager
0303	Library Circulation Manager
<del>0276</del>	<del>Management Analyst: Public Safety</del>
0274	Management Analyst: Employment Development
<del>0276</del>	<del>Management Analyst: Public Safety</del>
<del>0209</del>	<del>Manager of Business Operations</del>
<del>0211</del>	<del>Manager of Job Seeker Services</del>
<del>0332</del>	<del>Manager, Applications Development</del>
0324	Manager, Bureau of Technical Services – Public Safety
<del>0331</del>	<del>Manager, Information Technology Services</del>

<u>Job Code</u>	<u>Classification</u>
0204	Neighborhood Preservation Manager
0329	Operations Manager: Facilities
0330	Parks Manager
<u>0262</u>	<u>Permit Center Manager</u>
0230	Planning Officer
<u>0401</u>	<u>Principal Planner</u>
0375	Program Quality and Operations Manager
0245	Public Safety Communications Manager
0246	Public Safety Records Manager
0362	Purchasing Officer
0218	Regulatory Programs Division Manager
0373	Senior Engineer
0374	Senior Environmental Engineer
0339	Senior Internal Auditor
0322	Senior Management Analyst
0275	Solid Waste Programs Division Manager
0353	Street Operations Manager
<del>0210</del>	<del>Superintendent of Building Inspection</del>
0216	Superintendent of Community Services
0212	Superintendent of Facilities Maintenance
<u>0219</u>	<u>Superintendent of Libraries</u>
0222	Superintendent of Parks and Golf
0270	Superintendent of Public Works Operations
0223	Superintendent of Trees and Landscape
0310	Supervising Librarian
0290	Transportation and Traffic Manager
0363	Treasury Manager
0344	Urban Landscape Manager
0315	Utility Billing Manager
0352	Wastewater Operations Manager
0201	Water and Sewer Systems Division Manager
0351	Water Operations Manager
<del>0295</del>	<del>Water Pollution Control Division Manager</del>
0395	Water Pollution Control Maintenance Manager
0396	Water Pollution Control Operations Manager
<u>0295</u>	<u>Water Pollution Control Plant Division Manager</u>
0284	Youth and Family Resources Manager