

**Council Meeting: August 10, 2010****SUBJECT: Memorandum of Understanding with the Public Safety Management Association****BACKGROUND**

In May 2009 the City of Sunnyvale received a petition signed by employees in Public Safety management classifications indicating their desire to be represented in labor relations with the City by a newly formed employee association named the Public Safety Managers Association (PSMA). After providing notification pursuant to the City of Sunnyvale's Employee Employer Relations Code, Section 2.24.120, upon expiration of the required 30-day notice period, and verification of signatures showing a majority of the employees in the classifications in the proposed unit supported such recognition, the City recognized the new Association.

Negotiators for the City and PSMA began the meet and confer process in March 2010. Negotiations sessions completed in June 2010 with a tentative agreement between both parties. City negotiators have been notified that PSMA has ratified the proposed agreement.

EXISTING POLICY

7.3 Legislative Management Sub-Element. Goal 7.3D: Maintain a quality workforce, consistent with state and federal laws, City Charter, and adopted policies in order to assure that City services are provided in an effective, efficient, and high quality manner. Policy 7.3D.1: Maintain a recruitment and selection process that ensures a highly competent workforce. Action Statement 7.3.D.1a: Maintain a competitive pay and benefit package for employees.

DISCUSSION

The proposed MOU documents compensations, benefits and working conditions which are currently provided to Public Safety management employees. Further, the MOU will provide some comparability with the Public Safety Officers Association in regards to proposed salary increases. The first year includes a 2.87% salary increase and the implementation of the members contribution of the employee portion of PERS up to three percent (3%) over the first eighteen (18) months of the MOU.

FISCAL IMPACT

This agreement has a positive budgetary impact to the General Fund. The combination of a 2.87% salary increase and a 3% contribution to the employee share of the CalPERS pension expense represents a modest savings in comparison to what was budgeted for the total compensation increase for PSMA in FY 2010/2011.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's Web site.

ALTERNATIVES

1. Adopt the Memorandum of Understanding with the Public Safety Managers Association, and adopt the related amendment to the Salary Resolution.
2. Do not adopt the MOU with the Public Safety Managers Association, nor amend the Salary Resolution, and direct staff to notify PSMA of the City Council's desire to continue further negotiations.

RECOMMENDATION

Staff recommends adoption of Alternative #1: Adopt the Memorandum of Understanding with the Public Safety Managers Association, and adopt the related amendment to the Salary Resolution.

Reviewed by:

Teri Silva
Director of Human Resources
Prepared by: Teri Silva, Director of Human Resources

Approved by:

Gary Luebbers
City Manager

Attachments

- A. Public Safety Managers Association (PSMA) Memorandum of Understanding.
- B. Resolution to amend the Salary Resolution.

CITY OF SUNNYVALE
AND
PUBLIC SAFETY MANAGERS ASSOCIATION

MEMORANDUM OF UNDERSTANDING

May 1, 2009 to June 30, 2013

TABLE OF CONTENTS

| Article | | Page |
|---------|----------------------------------------------------------|------|
| Article | 1 - Preamble | 1 |
| Article | 2 - Recognition | 1 |
| Article | 3 - Ratification | 1 |
| Article | 4 - Term | 1 |
| Article | 5 - Full Understanding, Modifications, and Waivers | 1 |
| Article | 6 - Severability | 2 |
| Article | 7 - Ordinances, Codes, and Resolutions | 2 |
| Article | 8 - Scope of Negotiations | 2 |
| Article | 9 - Authorized Agents | 3 |
| Article | 10 - Non-Discrimination | 3 |
| Article | 11 - Negotiation Preparation | 3 |
| Article | 12 - Wages/Compensation | 4 |
| | 12.1 Salaries | 4 |
| | 12.2 Salary Adjustments | 4 |
| | 12.3 Interim/Acting Pay | 4 |
| | 12.4 Merit Increase | 4 |
| | 12.5 Change in Pay Upon Promotion | 4 |
| | 12.6 Change in Pay Upon Reclassification | 4 |
| | 12.7 Deployment Overtime | 5 |
| Article | 13 - Insurance Plans and Retirement | 5 |
| | 13.1 Medical Insurance | 5 |
| | 13.2 Cafeteria Benefits Plan | 5 |
| | 13.3 Employee Contribution | 6 |
| | 13.4 Premium Conversion | 6 |
| | 13.5 Cash In-Lieu of Medical Coverage | 6 |
| | 13.6 Dental Insurance | 7 |
| | 13.7 Vision Insurance | 7 |
| | 13.8 Life/AD&D Insurance | 7 |
| | 13.9 Long Term Disability Insurance | 7 |
| | 13.10 Employee Assistance Program | 8 |
| | 13.11 Dependent Care | 8 |
| | 13.12 Medical Reimbursement Account | 8 |

| | | | |
|---------|-------|------------------------------------------------------|----|
| | 13.13 | Retirement | 8 |
| Article | 14 | - Leaves | 9 |
| | 14.1 | Paid Time Off Leave (PTO) | 9 |
| | 14.2 | Holiday Leave | 11 |
| | 14.3 | Bereavement Leave | 12 |
| | 14.4 | Jury Leave | 12 |
| | 14.5 | Military Leave | 12 |
| | 14.6 | Administrative Leave | 12 |
| Article | 15 | - Additional Benefits | 12 |
| | 15.1 | Workers' Compensation Benefits | 12 |
| | 15.2 | Deferred Compensation | 12 |
| | 15.3 | Tuition Reimbursement | 12 |
| | 15.4 | City-Wide Employee Emergency Leave Relief Fund | 13 |
| | 15.5 | Direct Deposit | 13 |
| | 15.6 | Personal Vehicle Use | 13 |
| Article | 16 | - Working Conditions | 13 |
| | 16.1 | Special Work Schedule | 13 |
| | 16.2 | Reduction-In-Force | 13 |
| | 16.3 | Grievance Procedure | 13 |
| | 16.4 | Disciplinary Appeal Procedure | 15 |
| Article | 17 | - Association Provisions | 15 |
| | 17.1 | Use of City E-mail System | 15 |
| | 17.2 | Dues Deduction..... | 15 |
| | 17.3 | Release Time when Meeting with the City..... | 15 |
| | 17.4 | Association/Management Committee | 16 |

Article 1 PREAMBLE

This Memorandum of Understanding (MOU) is between the City of Sunnyvale (City) and the duly authorized representatives of the Public Safety Managers Association (PSMA). 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 Public Safety Managers Association (Association) is hereby acknowledged as the exclusively recognized employee organization for those full-time employees in the classifications of Public Safety Captain and Deputy Chief of Public Safety.

The City shall notify the Association of any proposed new or revised Public Safety 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, 2013, and will thereafter continue in effect until the parties reach agreement on a successor Agreement or the City Council takes action 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.

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 mandated 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) 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 Public Safety Managers Association or his/her duly authorized representative. The Association's official mailing address is P.O. Box 62166, Sunnyvale, CA 94088.

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 & SESSIONS

Up to two (2) 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.

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%).

12.2 Salary Adjustments

1. First full pay period of July 2010 – 2.87%
2. Members in the bargaining group will receive the same percentage of salary increase as the PSOA Lieutenant position (pay range 309BE) at the same time (effective date) and retroactive if applicable, throughout the term of the agreement.

12.3 Interim/Acting Pay

Employees who are appointed by the City Manager in an acting/interim status to a higher level vacant position will receive either 5% or be placed at the step associated with the minimum salary range of the higher level position, whichever is greater. Such interim/acting appointments shall be for one week or longer in duration.

12.4 Merit Increase

Upon completion of 13 pay periods of service, employees who meet or exceed expectations of performance will receive the standard increase in salary above the rate to which they were initially assigned, up to the Control Point.

The pay rate for employees will be considered for adjustment beyond that granted after the first 13 pay periods of service at the beginning of each new fiscal year, up to but not exceeding the Control Point in effect the first full pay period of the Fiscal Year. The pay rate adjustment is subject to a "meets" or "exceeds" performance evaluation. Increases of more than 5% require approval of the City Manager.

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 expectation 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. 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.

12.7 Deployment Overtime

Captains and Deputy Chiefs will receive additional pay, commonly referred to as "overtime" for reimbursable deployments, outside the City of Sunnyvale, when initiated by local, state and federal mutual aid agreements. The employee will be compensated for off-duty time during the deployment or assignment at the prevailing reimbursable rate not to exceed 1.5 times the employee's hourly rate.

As an example, an employee who is deployed for 7 days on an out-of-county wildland deployment would receive additional pay, at 1.5 times their hourly rate, for the entire time of deployment above and beyond their 40 hour work week.

Reimbursable deployments are defined as events that the City of Sunnyvale is reimbursed for the costs associated with the incident, including costs of personnel assigned to the event. Represented employees will not receive deployment pay for deployments outside the City of Sunnyvale that are not reimbursable, as verified by the Finance Department.

Article 13 INSURANCE PLANS AND RETIREMENT

13.1 Medical Insurance

The City will contribute the cost of the premium or \$565.60 per month, whichever is less 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. Effective January of each year during the term of this Agreement, the City's contribution will be the lesser of: the cost of the premium or the lowest cost HMO premium for single coverage of the lowest cost HMO plan available through the CalPERS Bay Area regional medical plans. 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

To maintain current benefit level the City will contribute to a Cafeteria Benefits Plan for the cost of medical premiums for the employee and his or her eligible dependents. 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 HMO plans or the PERS Choice PPO plan, less the City Contribution as stated in Section 13.1 above. Section 13.1 and 13.2 are inseparable sections describing the total medical insurance benefit with the intent that the total medical premium for all members and annuitants represented by this agreement shall be fully paid for the employee and his/her eligible dependents up to the limits allowed in this section 13.2.

13.3 Employee Contribution

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 will be paid by the employee.

13.4 Premium Conversion

The City agrees to continue to provide employees with an option to pay their insurance premium contributions on a pre-tax basis, as provided in the Internal Revenue Code.

13.5 Cash In-Lieu of Medical Coverage

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

To be eligible for this plan, an employee must either:

- Change from full family to employee plus one or employee only (Available only when the employee continues to be eligible for full family coverage);
- Change from employee plus one to employee only (Available only when the employee continues to be eligible for employee plus one coverage),
- Change from any level coverage to no coverage; or
- A new employee may choose no coverage.

Payment shall be made on the following schedule:

| <u>CURRENT</u> | <u>NEW</u> | <u>PER PAY PERIOD</u> | <u>MONTHLY</u> |
|----------------|------------|-----------------------|----------------|
| E + 2 | None | \$98.50 | \$213.42 |
| E + 2 | E | \$60.50 | \$131.08 |
| E + 2 | E + 1 | \$22.50 | \$ 48.75 |
| E + 1 | None | \$76.00 | \$164.67 |
| E + 1 | E | \$38.00 | \$ 82.33 |
| E | None | \$38.00 | \$ 82.33 |
| NEW | None | \$38.00 | \$ 82.33 |

The cash in-lieu payment shall not, when combined with the City's contribution for medical insurance and the cafeteria benefits plan, exceed the combined City contribution for medical insurance and the cafeteria benefits plan.

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 she or he does have alternative

coverage and that she or he 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 remain the same as current administrative policy.

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 base annual salary.

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 additional Life/AD&D insurance in an amount equal to the coverage provided by the City, up to a combined maximum coverage of \$175,000.

Current employees, who did not purchase additional Life/AD&D insurance at the time of hire, may purchase additional Life/AD&D insurance in an amount equal to the coverage provided by the City, up to a combined maximum coverage of \$175,000, subject to approval by the carrier.

Upon renewal of the coverage, the City will make a good faith effort to increase the voluntary coverage to \$250,000 subject to the approval of the carrier.

13.9 Long Term Disability Insurance

To maintain current benefit level the City shall provide Long Term Disability insurance that provides 2/3 of the employee's base annual salary to a maximum of \$11,000 per month of paid benefits, subject to the terms of the contract with the carrier. Such insurance shall be at no cost to the employee.

13.10 Employee Assistance Program

To maintain current benefit level the Employee Assistance Program 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 Retirement

A) The City has contracted with CalPERS to provide for sworn/safety employees, including employees in this Unit, the Retirement formula commonly called, "Local Safety 3.0% @ 50".

B) The City currently contributes nine percent (9%) of salary for the employee's contribution and two and one quarter percent (2¼%) to fund the cost of the "single highest year" retirement benefit. 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.

C) The City currently reports the value of employer paid member contribution (EPMC) of the nine percent (9%) contribution as additional compensation of each employee.

D) Effective the first full pay period of July 2010 the City contribution to the employee's contribution shall be reduced by 1% which will be paid by the employee. EPMC as described in 13.13 (C) will be eight percent (8%).

E) Effective the first full pay period of January 2011 the City's contribution to the employee's contribution will be decreased an additional one percent (1%) which will be paid by the employee. EPMC as described in 13.13(C) will be seven percent (7%).

F) Effective the first full pay period of July 2011 the City's contribution to the employee's contribution will be decreased by an additional one percent (1%) which will be paid by the employee. EPMC as described in 13.13(C) will be six percent (6%).

G) Employees payment of their required employee contribution shall be made on a pre-tax basis pursuant to IRC Section 414(h)(2).

H) It is understood the City is considering various strategies to address the rising cost of its pension plan including the establishment of a two-tier retirement system. The PSMA agrees to support the concept of a two-tiered plan for future Safety employees. If a future Memorandum of Understanding with the Public Safety Officers Association includes the adoption of a two-tier retirement plan, that plan will also include PSMA.

Article 14 LEAVES

14.1 Paid Time Off Leave (PTO)

(a) Employees are eligible to accrue and use Paid Time Off Leave (PTO). Such leave shall be used for vacation, medical appointment, disability/illness, 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. 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

| Service Period Pay Periods | Years | Hrs/pp | Accrual Rate Hrs/yr | Days/yr |
|-------------------------------|--------------|--------|------------------------|---------|
| 1-26 | 0 to 1 | 6.5 | 169 | 21 |
| 27-130 | 1+ to 5 | 7.5 | 195 | 24 |
| 131-260 | 5+ to 10 | 9.0 | 234 | 29 |
| 261-650 | 10+ to 25 | 10.5 | 273 | 34 |
| 651+ | 25+ | 12.0 | 312 | 39 |

(d) Accruals at this level will stop at 1040 hours (maximum cap) until total accrual is reduced below 1040. Eligible employees will accrue at the rates shown in Table A for the first 870 hours (21.75 weeks, 108.75 work days). After 870 hours are accrued, the employee will start at the reduced rate levels of Table B

TABLE B

| Service Period Pay Periods | Years | Hrs/pp | Accrual Rate Hrs/yr | Work Days/yr |
|---------------------------------------|--------------|---------------|--------------------------------|-------------------------|
| 1-130 | 0 to 5 | 5.0 | 130 | 16 |
| 131-650 | 5+ to 25 | 6.5 | 169 | 21 |
| 651+ | 25+ | 8.0 | 208 | 27 |

(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 Disability. After 26 consecutive pay periods of service, the City shall provide full pay for a medically certified (same occurrence) disability, beginning with work hour 81 through 90 calendar days of disability. At this time, the City will require a doctor's note and medical information in accordance with current Administrative Policy provisions. No disability leave will be provided until this requirement is satisfied.

To access the Disability Leave Benefit (full pay from 10-90 calendar days), an employee must provide acceptable written medical documentation showing that the disability is a single disability, whether continuous time off has been taken or not for that disability. The first 80 hours of a single disability are charged to the employee's PTO bank. Hours 81 up through the maximum of calendar day 90 are eligible for coverage under the Disability Leave Benefit.

After 90 calendar days of (same occurrence) disability, the disabled employee shall be eligible to apply for Long Term Disability coverage. In addition, if, after having been off work for 80 hours on a same disability and becoming eligible for disability leave pay, the disabled employee continues to be unable to return to work full-time, but is able to work partial days, the employee remains eligible for disability pay for the part of the day that the employee is unable to work.

(i) 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.

(j) Employees have the option to cash-out up to 80 hours of PTO once at the end of each payroll calendar year. This cash-out will be allowed as long as the employee maintains a balance of 80 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 City holidays (currently):

- 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 twenty (20) 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 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 may be paid out in cash or rolled over into PTO leave subject to maximum accrual limits specified in this Agreement.

14.3 Bereavement Leave

Employees are entitled to bereavement leave where death has occurred to an employee's spouse or registered domestic partner, father, mother, son, daughter, brother, sister, grandparents, or grandchildren, or to the father, 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.

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 (40) hours per calendar year is subject to Department Director's approval and to the additional provisions in the Administrative Policy.

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 has been 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.

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.

Subject to review by other bargaining units the City will change the program provisions to provide for dollar-to-dollar conversion as opposed to the current 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 Vehicle Use

Certain employees of the PSMA are eligible to receive an automobile allowance, under the City's administrative policy, and shall receive \$310 per month.

The assignment of vehicles and eligibility for vehicle allowances depend upon specific work assignments as identified in Exhibit 1 of the MOU. PSMA understands and agrees to the change in the vehicle use policy and practice outlined in Exhibit 1.

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.

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. The rating or content of performance evaluations shall not be subject to the grievance process.
- 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 ten (10) work days following receipt of the department head's response, appeal to the City Manager, stating in writing the basis for the appeal.

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. 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 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.

17.2 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 files with the City a written request that such deduction be made on their 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.

17.3 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 two (2) 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.

17.4 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 two (2) 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.

Signed this _____ day of _____ 2010

CITY OF SUNNYVALE

PUBLIC SAFETY
MANAGERS ASSOCIATION

Robert Walker
Assistant City Manager



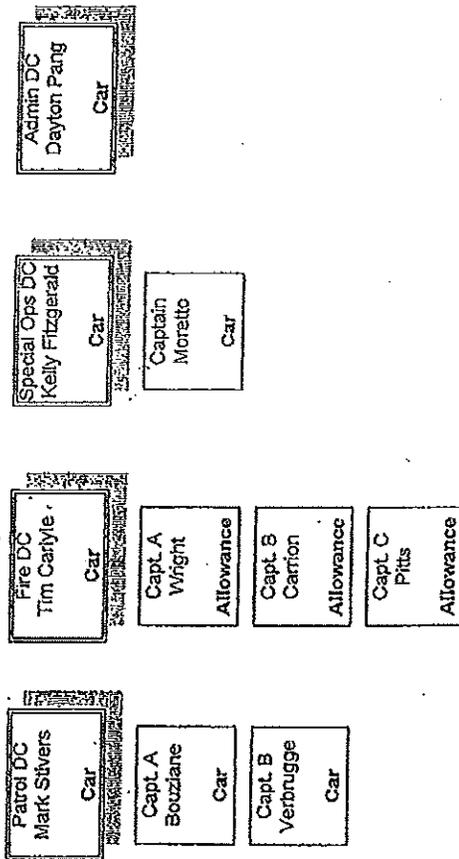
Mark Stivers
President

Teri Silva
Director of Human Resources



Kelly Fitzgerald
Vice President

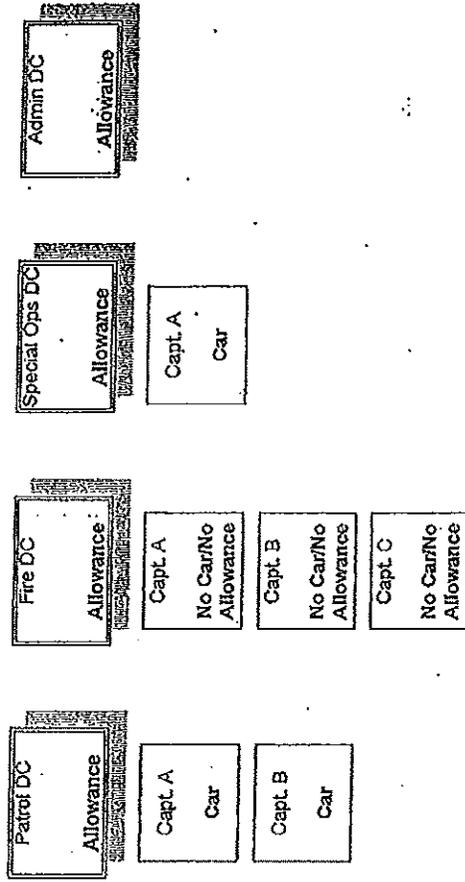
CURRENT



- Deputy Chief incumbents are provided 24-Hour Vehicles for use during the 9/80 Workweek.
- Patrol Team Captain incumbents are provided 24-Hour Vehicles for use during the 4/11 Workweek to provide Management oversight of Patrol Field Operations for a 24 hour Patrol Team (Team A or Team B); Patrol Captains frequently respond to emergency scenes from their homes during off hours.
- Fire Team Captain incumbents are afforded a car allowance, and are provided a Response Vehicle for use during their 24 hour shift (Team A, Team B, or Team C). Fire Team Captains do not typically respond to emergencies during off hours.
- The Special Operations Captain is provided a 24 Hour Vehicle for use during the 9/80 Workweek to provide Management oversight of Special Operations. The Patrol Special Operations Captain frequently responds to emergency scenes during off hours.

Note: All Command Staff incumbents should retain the use of a 24 hour vehicle or a car allowance as is afforded under current position assignments.

FUTURE



- All Command Staff incumbents should retain the use of a 24 hour vehicle or a car allowance as is afforded under current position assignments as authorized by City Administrative Policy; however, the recently promoted Fire Deputy Chief will be afforded a car allowance as the first step in transitioning to fewer vehicles.
- All Future Command Staff will be required to meet all response requirements as outlined in the City Administrative Policy Manual.
- Future Deputy Chiefs will be afforded a car allowance as allowed by the City Administrative Policy Manual.
- Future Patrol Team Captains will be provided 24-Hour Vehicles for use during the 4/11 Workweek to provide Management oversight of Patrol Field Operations for a 24 hour Patrol Team (Team A or Team B); Patrol Captains are expected to respond to emergency scenes during off hours.
- Future Fire Team Captains will *not* be provided a 24 Hour Vehicle, *nor* will they be afforded a car allowance; the City will continue to provide a Response Vehicle for use during the 24 hour Fire shift.
- The Special Operations Captain will be provided a 24 Hour Vehicle for use during the 9/80 Workweek to provide Management oversight of Special Operations. The Patrol Special Operations Captain is expected to respond to emergency scenes during off hours.

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE AMENDING THE CITY'S SALARY RESOLUTION, BY AMENDING THE SCHEDULE OF PAY FOR PAY PLAN CATEGORY D/E FOR THOSE CLASSIFICATIONS REPRESENTED BY THE SUNNYVALE PUBLIC SAFETY MANAGERS ASSOCIATION

WHEREAS, pursuant to the Memorandum of Understanding (MOU) between the City of Sunnyvale and the Public Safety Managers Association (PSMA), and past practice, an amended pay plan schedule must be included in the City's Salary Resolution;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SUNNYVALE THAT:

1. Section 2.300 of the City's Salary Resolution is hereby amended by amending the pay rates in Pay Plan Category D/E for those classifications represented by PSMA, AS SET FORTH IN Exhibit "A" attached and incorporated by reference.
2. All other provisions of the City's Salary Resolution shall remain in full force and effect.
3. The pay rates noted above shall be effective for the first full pay period in July 2010.

Adopted by the City Council of the City of Sunnyvale at a regular meeting held on August 10, 2010, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

ATTEST:

APPROVED:

City Clerk

Mayor

(SEAL)

APPROVED AS TO FORM AND LEGALITY:

David Kahn, City Attorney

Section 2.300 continued

ASSIGNMENT OF GRADES AND PAY RANGES TO PAY PLAN

CATEGORY D/E

APPLIES TO CLASSIFIED MANAGEMENT EMPLOYEES -
IN PUBLIC SAFETY SWORN AND CONFIDENTIAL MANAGEMENT CLASSIFICATIONS

| Job Code | Job Title | Grade | Range Minimum | Range Maximum |
|------------------------------------------------|--------------------------------------------|--------------|----------------------|----------------------|
| Public Safety Sworn Classifications | | | | |
| 0341 | Deputy Chief Public Safety | 20/PS | \$161,011 | \$189,425 |
| 0236 | Public Safety Captain | 19/PS | \$143,761 | \$169,130 |
| Confidential Management Classifications | | | | |
| 0320 | Assistant to the City Manager | 20CONF | \$121,985 | \$143,511 |
| 0364 | Finance Manager: Budget | 20CONF | \$121,985 | \$143,511 |
| 0282 | Human Resources Manager | 19CONF | \$108,915 | \$128,135 |
| 0203 | City Clerk | 18CONF | \$99,014 | \$116,486 |
| 0321 | Senior Management Analyst: Human Resources | 18CONF | \$99,014 | \$116,486 |
| 0334 | Principal Human Resources Analyst | 17CONF | \$90,012 | \$105,897 |

Effective: 07/11/10

Note: In addition to base pay indicated above, employees assigned to Confidential classifications receive a 3.5% confidential premium.