

**Council Meeting: April 26, 2011**

SUBJECT: Adoption of the Sunnyvale Managers Association (SMA) Memorandum of Understanding, and Amendment to the Salary Resolution

BACKGROUND

In the summer of 2010 the City of Sunnyvale received a request from SMA to start discussions with the City on their MOU. At that time there was no agreement that was made, however, discussions continued to move forward until reaching a tentative agreement in March 2011. SMA has taken the agreement to their general membership and they have 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 7.3D.1a: Maintain a competitive pay and benefit package for employees.

DISCUSSION

The proposed MOU provides for concessions by SMA through the extended term of June 30, 2014.

The MOU includes the following:

- No salary increase during the extension of the term of the MOU.
- July 2012 employees shall pay three percent (3%) of their retirement contribution.
- At any time the second tier retirement formula is implemented for new miscellaneous employees, SMA agrees to immediately accept implementation of the same retirement formula.
- SMA members will have the bumping rights to a current or previously held classification in any Unit.

All other compensation and benefits remain at the currently provided level.

FISCAL IMPACT

Beginning with FY 2012/13 the City will start to see a savings in the amount of \$345,954 and again in FY 2013/14 there will be a savings in the amount of \$536,598. Over the term of the MOU the City will realize a savings in the amount of \$882,552 and a 20 years savings at \$12,440,039. These savings are based on the amounts currently budgeted.

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 Sunnyvale Managers Association, and adopt the related amendment to the Salary Resolution.
2. Do not adopt the MOU with SMA nor amend the Salary Resolution, and direct staff to notify the SMA of the City Council's desire to continue further negotiations.

RECOMMENDATION

Staff recommends adoption of Alternative #1: Adopt the Memorandum of Understanding with the Sunnyvale 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

Reviewed by:

Grace Leung, Director of Finance

Approved by:

Gary Luebbers
City Manager

Attachments

- A. Sunnyvale Employees Association (SMA) Memorandum of Understanding
- B. Resolution to Amend the Salary Resolution

**CITY OF SUNNYVALE
AND
SUNNYVALE MANAGERS ASSOCIATION**

MEMORANDUM OF UNDERSTANDING

July 2008 to June 30, ~~2012~~2014

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	5
Article	13 - Insurance Plans and Retirement	5
	13.1 Medical Insurance	5
	13.2 Cafeteria Benefits Plan	5
	13.3 Employee Contribution	5
	13.4 Premium Conversion	5
	13.5 Cash In-Lieu of Medical Coverage	5
	13.6 Dental Insurance	6
	13.7 Vision Insurance	7
	13.8 Life/AD&D Insurance	7
	13.9 Long Term Disability Insurance	7
	13.10 Employee Assistance Program	7
	13.11 Dependent Care	7
	13.12 Medical Reimbursement Account	7
	13.13 Retirement	8

Article	14	- Leaves	8
	14.1	Paid Time Off Leave (PTO)	8
	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	12
	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	Bulletin Boards	15
	17.2	Use of City Facilities and Equipment	16
	17.3	Use of City E-mail System	16
	17.4	Dues Deduction	16
	17.5	New Employee Roster/Orientation	16
	17.6	Release Time When Meeting With The City	17
	17.7	Association/Management Committee	17

Exhibit

A - Classifications Represented by the Sunnyvale Managers Association

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, [20122014](#), 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) 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%).

12.2 Salary Adjustments

1. July 2008- no adjustment.
2. The pay period that include July 1, 2009-2%
3. First full pay period of July 2010-2%
4. First full pay period of July 2011-3%
5. [First full pay period of July 2012-0%](#)
6. [First full pay period of July 2013-0%](#)

12.3 Interim/Acting Pay

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

12.4 Merit Increase

Upon completion of 13 pay periods of service, employees who meet or exceed expectations of performance may receive an increase in salary above the rate to which they were initially assigned, up to but not exceeding 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 after employment, up to but not exceeding the Control Point. 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, 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

To maintain current benefit level, the City will contribute the cost of the premium or \$544.69 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 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 HMO plans or the PERS Choice PPO plan, less the City Contribution as stated in Section 13.1 above.

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 be established by the City.

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 find a carrier who will increase the voluntary coverage to \$250,000.

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

The City has contracted with CalPERS to provide for miscellaneous employees, including employees in this Unit, the Retirement formula commonly called, "Local Miscellaneous 2.7% @ 55".

The City shall contribute seven percent (7%) of salary for the employee's share of CalPERS. Employees shall pay one percent (1%) of their required employee contribution; such payment shall be made on a pre-tax basis pursuant to IRC Section 414(h)(2). Effective with the first full pay period of July 2012, the employees shall pay three percent (3%) of their required employee contribution; such payment shall be made on a pre-tax basis pursuant to IRC Section 414(h)(2). The three percent (3%) contribution amount shall apply to all SMA members, both current and future.

The City shall continue to report the value of the employer paid member contribution (EPMC) of seven percent (7%) as additional compensation for each employee.

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.

13.14 Retirement Second Tier

At any time the second tier retirement formula is implemented for new employees, Sunnyvale Managers Association (SMA) agrees to immediately accept implementation of the same retirement formula.

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) 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 accruing 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

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 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) 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, have it paid off, 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) disability, beginning with workday 1 through 90 calendar days of disability. After 90 calendar days of (same occurrence) work-related disability, the disabled employee shall be eligible to apply for Long Term Disability coverage.

(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 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 holidays:

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

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

(b) Floating Holiday

Employees shall be credited with 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 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.

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 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 ay 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 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.

17.5 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.

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.

Signed this _____ day of _____ 2009.

CITY OF SUNNYVALE

SUNNYVALE MANAGERS
ASSOCIATION

~~Erwin Young, Gary Luebbers, City Manager~~
~~Black Tim Kirby, President~~
~~Director of Human Resources~~

~~Curtis~~

~~Teri Silva, Director of Human Resources~~
~~Yvette Blackford, Lorrie Gervin, Vice President~~

Team Member

~~Pete Gonda~~ Mark Bowers, Negotiating

EXHIBIT A

Classifications Represented by the Sunnyvale Managers Association

<u>Job Code</u>	<u>Classification</u>
0302	Administrative Assistant: Golf Services
0303	Administrative Assistant: Library Circulation
0305	Administrative Librarian
0309	Administrative Services Manager— Utility Billing
0217	Affordable Housing Manager
0206	Assistant City Engineer
0205	Assistant Director of Public Works/City Engineer
0258	Assistant to the Director of Parks and Recreation
0367	Budget Analyst I
0368	Budget Analyst II
0388	City Property Administrator
0316	Communications Officer
0342	Community Resources Manager
0260	Economic Development Manager
0301	Employment Training Manager
0295	Environmental Division Manager
0361	Finance Manager: Accounting
0363	Finance Manager: Treasury
0380	Fleet Manager
0327	Golf Operations Supervisor
0202	Housing Officer
0286	Intergovernmental Relations Officer
0338	Internal Auditor
0390	Laboratory/Pretreatment Manager
0274	Management Analyst: Employment Development
0276	Management Analyst: Public Safety
0209	Manager of Business Operations
0211	Manager of Job Seeker Services
0332	Manager, Applications Development
0324	Manager, Bureau of Technical Services-Public Safety
0331	Manager, Information Technology Services
0204	Neighborhood Preservation Manager

<u>Job Code</u>	<u>Classification</u>
0329	Operations Manager: Facilities
0330	Parks Supervisor
0230	Planning Officer
0375	Program Quality and Operations Manager
0350	Public Works Supervisor
0362	Purchasing Officer
0213	Recreation Supervisor
0326	Recycling Manager
0315	Revenue Systems Supervisor
0339	Senior Internal Auditor
0317	Senior Management Analyst: Community Development
0318	Senior Management Analyst: Finance
0314	Senior Management Analyst: Public Safety
0275	Solid Waste Program Manager
0210	Superintendent of Building Inspection
0212	Superintendent of Facilities Maintenance
0270	Superintendent of Field Services
0222	Superintendent of Parks and Golf
0216	Superintendent of Recreation
0223	Superintendent of Trees and Landscape
0310	Supervising Librarian
0290	Transportation and Traffic Manager
0344	Urban Landscape Manager
0345	Urban Landscape Supervisor
0351	Water Operations Manager
0395	Water Pollution Control Maintenance and Facility Manager
0396	Water Pollution Control Operations Manager
0284	Youth and Family Resources Manager

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SUNNYVALE AMENDING THE CITY'S SALARY RESOLUTION, BY AMENDING THE SALARY AND RETIREMENT BENEFITS FOR SUNNYVALE MANAGERS ASSOCIATION (SMA)

WHEREAS, pursuant to the Memorandum of Understanding (MOU) between the City of Sunnyvale and the Sunnyvale Managers Association (SMA) extension to the current Memorandum of Understanding to June 30, 2014, an amended salary and retirement benefit 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 2.000 of the City's Salary Resolution will be amended to reflect a zero percent (0%) salary increase for the first full pay period of July 2012 and a zero percent (0%) salary increase for the first full pay period of July 2013.
2. Section 5.730 of the City's Salary Resolution is hereby amended by the addition of the following language: At any time the second tier retirement formula is implemented for new employees, SMA agrees to immediately accept implementation of the same retirement formula.
3. Section 5.740 (a) the City's Salary Resolution is hereby amended to include the following language: For employees covered by SMA in categories D/E, effective with the first full pay period of July 2012, the employees shall pay three percent (3%) of their required employee contribution; such payment shall be made on a pre-tax basis pursuant to IRC Section 414(h)(2).

Adopted by the City Council of the City of Sunnyvale at a regular meeting held on April 26, 2011, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

ATTEST:

APPROVED:

City Clerk
(SEAL)

Mayor

APPROVED AS TO FORM AND LEGALITY:

David Kahn, City Attorney