

AGREEMENT BETWEEN

Mid-Management Association of the City of Santa Cruz, Represented by Operating Engineers Union Local #3, and the City of Santa Cruz June 11, 2020

The Mid-Management Association of the City of Santa Cruz, represented by Operating Engineers Union Local #3 (Mid-Managers), and the City of Santa Cruz (City) are parties to a Memorandum of Understanding (MOU) that expires on August 19, 2022.

Having met and conferred in good faith, the parties wish to memorialize their Agreement and modify their MOU with respect to furloughs effective June 27, 2020 through June 25, 2021 with a reopener on December 18, 2020 to meet and confer over the continuation of this side letter for the term as described above ending June 25, 2021, as follows:

I. Ongoing Meetings and Information Sharing

- a. The City agrees to keep the Mid-Managers informed about any significant changes in budget revenues, deficits, &/or surpluses for the duration of the agreed upon furlough period and at their regularly scheduled meetings.

II. Furlough Plan

- a. The primary purpose of the furlough is to offset the 2020-2021 budget shortfall in the General Fund. The furlough will also offset revenue losses in non-General Fund budgets.
- b. The furlough plan is guided by a number of principles, the most important of which are to maximize salary savings and to minimize the furlough's impact on City services and employees. If the furlough (or other agreement) does not yield sufficient budget savings, the City maintains its management right to implement reductions in force in accordance with the MOU. The City agrees to meet and confer with the Mid-Managers over the impacts prior to instituting any reductions in force.
- c. All represented employees will have their pay reduced by ten percent (10%) through a reduction from a forty (40) hour work week to a thirty-six (36) hour work week. The work week for employees who work less than forty (40) hours will be scheduled by their departments to meet the ten percent (10%) pay reduction. During the term of this agreement, the work week for represented employees may be as follows:

Example 1: Employees will work a thirty-six (36) hour work week consisting of four (4) days per week, nine (9) hours per day with

every Friday off. If the Department Head determines that for operational needs in a particular department or work group, a day other than Friday or a schedule other than the four (4), nine (9) hour days is appropriate, they will work with the employee(s) to determine an operationally effective schedule. The work site could remain open.

Example 2: Employees will work a thirty-six (36) hour work week consisting of five (5) days per week, eight (8) hours per day with every other Friday off. Under this scenario employees would alternate Fridays off so that the work site would remain open.

Department Heads shall make a reasonable effort to allow employees to work the schedule that best meets the needs of the individual employees and still meets the operational needs of the department.

- d. The City will notify Mid-Managers by July 17, 2020 of those departments or work groups where an alternate schedule is implemented. Within ten (10) calendar days, Mid-Managers may request to meet and confer regarding specific alternate schedules. Alternate schedules will maintain consecutive days off for employees. Individual employees may submit a request for other than consecutive days off to their Department Head who will approve the request if it does not disrupt operations or otherwise reduce service levels.
- e. No represented employee will be furloughed below the minimum number of hours required for health benefit eligibility as established by CalPERS, currently twenty (20) hours per week.
- f. No reduction of employment benefits, including health or leave benefits, will result from implementation of the furlough.
- g. The furlough will not affect retirement service credit accruals for employees working the minimum number of hours required to earn a full year's service credit, as established by CalPERS. Employees working less than the minimum number of hours required to earn a full year's service credit will earn service credit in accordance with CalPERS regulations.
- h. Currently, the minimum number of hours required by CalPERS to earn a full year's service credit is 1,720.
- i. No annual or other paid leave may be used in lieu of furlough hours.
- j. Employees cannot be required to work or perform official duties during their furlough. This does not remove, alter, or eliminate the requirements of extracurricular assignments identified in the MOU.
- k. If a holiday falls on a workday, the closure date will be taken on the preceding workday, unless the Department Head determines that for operational necessity another workday is better or the employee requests

and is granted another workday off. Furlough hours will not affect eligibility for holiday pay.

- l. The City agrees to not shift the productivity burden from furloughed to temporary employees or contractors and that furloughed employees will not be replaced by temporary employees or contractors. The City reserves the right to use temporary employees or contractors for peak and unusual work load fluctuations.
- m. For the duration of this agreement, the reinstatement period for represented employees defined in MOU Section 24.04 (Reinstatement) will be extended to thirty-six (36) months.
- n. For the duration of the furlough and eighteen months beyond, the accumulation of vacation time shall be expanded to allow three times the annual rate of accrual.
- o. The City shall institute the use of APO II-42 – Voluntary Time Off for the duration of the furlough to assist those employees who may need to have additional time off for childcare and other family needs that do not qualify for FMLA time off.
- p. The Library Mid-Management employees are incorporated into this agreement according to the terms of this side letter. The Library will implement the thirty six (36) hour workweek which will include scheduling on weekends and evenings.

Telecommuting

- a. The City is in the process of creating and approving a Telecommuting APO.
- b. The City shall consult with the Mid-Managers regarding the content and specific requirements of the Telecommuting APO.
- c. The Telecommuting APO shall apply to all Mid-Managers as described by the specific requirements contained in the APO, which may require some individuals in positions that can't be performed remotely to work from their normal workplace.

III. Applicability

The language of any section of the MOU not modified by this agreement shall remain in effect for the duration of the term of the original MOU.

**MID-MANAGEMENT ASSOCIATION
OF THE CITY OF SANTA CRUZ**

CITY OF SANTA CRUZ

6/15/20
Date

Michael Moore
Michael Moore

Katherine Donovan
Katherine Donovan

6/15/20
Date

Tim Davis
Tim Davis

Lisa Murphy
Lisa Murphy