SIDELETTER AGREEMENT BETWEEN THE CITY OF BUENA PARK AND

BUENA PARK MANAGEMENT UNIT AND EXECUTIVE EMPLOYEES

The unprecedented suspension of some City services and the significant loss of tax revenue (specifically Sales Taxes and Transient Occupancy Taxes) resulting from the COVID-19 pandemic is anticipated to impact the City's financial condition for this current fiscal year through June 30, 2021 (and possibly beyond). The City desired to reopen the Compensation Plan to collaborate with employees to identify cost savings, and enter into a Sideletter Agreement which expires June 25, 2021.

The parties have satisfied their obligations to meet and consult in good faith concerning the terms and conditions of this Sideletter Agreement.

In an attempt to address the effects of COVID-19, the parties mutually agree to this Sideletter Agreement between the City of Buena Park and the Buena Park Management Unit (Management Unit) resulting from the COVID-19 emergency amending the terms of the current Compensation Plan to read as follows:

SECTION 1 – TERM

This Sideletter Agreement amends the current Compensation Plan and shall expire at midnight on June 25, 2021.

Between June 27, 2020, and June 25, 2021, the City will not exercise its right to lay off any Management employees. The City retains the unilateral right to lay off unit employees effective beginning June 26, 2021. If the City intends to exercise that right, it shall provide the Management Unit written notice thereof at least 30 calendar days in advance of the effective date of the first layoff. The Management Unit may then propose an alternative to layoffs. The City is not required to agree to any such proposal.

SECTION 3 – SALARY SCHEDULE

C. Effective June 26, 2020, previously agreed cost of living adjustments included in Exhibit B are postponed until the end of next fiscal year, June 26, 2021.

D. Due to the economic uncertainty that has resulted from the COVID-19, the City may request to meet and discuss further modifications to this Sideletter Agreement and the Management Unit's Compensation Plan, however, any further changes or modifications shall be achieved by mutual agreement of the Management Unit and the City, only.

SECTION 14 – MEDICAL INSURANCE

E. SERVICE RETIREMENT ACCOUNT (SRA).

11. The City will waive the requirement to have 480 hours of accumulated sick leave as described in sections (2) and (3) above if the employee was unable to accumulate the required sick leave due to COVID-19 related reasons. Furthermore, COVID-19 related sick leave will not be calculated as hours used in this section.

SECTION 20 – HOLIDAYS

C. In addition to the above, one floating holiday per fiscal year may be earned by Mid-Management Group Employees (Executive Management Group Employees are not eligible). This floating holiday shall be designated by the employee and requires management approval, in advance, before it is taken. New hires must be employed for three months before becoming eligible for the floating holiday.

Notwithstanding the above paragraph, the City will waive the three month waiting period for eligibility for the floating holiday to be used for COVID-19 related reasons.

SECTION 21 – VACATION LEAVE

B. <u>ACCUMULATION.</u> Accumulation of vacation leave in excess of that earned in two years is prohibited. All vacation leave exceeding the authorized accumulation shall be forfeited.

Notwithstanding the above paragraph, the City will waive the accumulation cap described above as long as vacation leave does not exceed the authorized accumulation cap by June 25, 2021. All vacation leave exceeding the authorized accumulation after June 26, 2021, shall be forfeited.

- C. <u>USAGE.</u> Vacation leave taken shall not be in excess of that actually earned at the time the vacation starts.
 - 5. No employee shall be entitled to any vacation until completion of 12 months of continuous service, with the exception of using Management Leave and Floating Holiday.

Notwithstanding the above paragraph, the City will waive the 12 month waiting period for eligibility for vacation leave to be used for COVID-19 related reasons.

D. ANNUAL CONVERSION.

 Mid-Management - Once each fiscal year, an employee may elect to convert up to 55 hours of vacation leave into a cash payment at the employee's then-current rate of base pay. To be eligible for this option, the employee must utilize 40 hours of vacation leave in the preceding fiscal year. Unused Management Leave may not be used for cash payment. Notwithstanding the above paragraph, an employee may convert up to a maximum of 80 hours of annual vacation leave into a cash payment as long as the employee has 240 hours, or more, of annual vacation leave "on the books" after the conversion

The City will waive the requirement to utilize 40 hours of vacation leave in the preceding fiscal year if unable due to COVID-19 related reasons. The City will waive the requirement to have 240 hours, or more, of vacation leave "on the books" after the conversion if unable due to COVID-19 related reasons.

2. Executive Management - Once each fiscal year, an employee may elect to convert up to 80 hours of any combination of vacation and/or management leave into a cash payment at the employee's then-current rate of base pay.

The maximum payment for those executive management employees receiving longevity pay shall be limited to 55 hours. However, an employee receiving longevity pay may convert up to a maximum of 80 hours of any combination of vacation and/or management leave into a cash payment as long as the employee has 240 hours or more of annual vacation leave "on the books" after the conversion.

The City will waive the requirement to have 240 hours, or more, of vacation leave "on the books" after the conversion if unable due to COVID-19 related reasons.

ARTICLE 23 – SICK LEAVE

F. ANNUAL BUYBACK PROGRAM.

- 1. To be eligible an employee must have:
 - a. 480 hours of accumulated sick leave as of the first pay period of July of the preceding year, and
 - b. 480 hours of accumulated sick leave remaining after the cash out.

The City will waive the requirement to have 480 hours of accumulated sick as described in sections (a) and (b) above if the employee was unable to accumulate sick leave due to COVID-19 related reasons.

H. <u>COVID-19 RELATED ADVANCED LEAVE.</u> In the event an employee has exhausted all leave banks (i.e. vacation, sick leave, and compensatory time off, etc.), an employee has the option to be advanced (borrow) **up to 80 hours** of sick leave or the option to use leave without pay for COVID-19 related reasons.

To be advanced leave, the employee must enter into an agreement to repay such leave *within one year* from the date of the last day of approved leave used under this agreement using all available future leave banks (i.e. Sick, Vacation, Comp Time, Floating Holiday, Administrative Leave, etc.) and agree to all terms and conditions of the agreement.

All future monthly and annual leave accruals earned, including any applicable Sick Leave, Vacation Leave, Floating Holidays, Administrative Leave, Management Leave, Holiday Banked, Compensatory Time, and etc. shall be used to repay the advanced sick leave.

Except as modified by this Policy, all City policies, procedures, regulations, and Memoranda of Understanding remain in full force and effect. This is an emergency agreement due to COVID-19 and is not a binding practice. This Policy is subject to change at any time, based on changing circumstances and information known about the COVID-19 virus. The City will notify employees of any changes to this Policy and will comply with all applicable laws regarding notice to bargaining units, as required.

ADDITIONAL TERMS AND CONDITIONS

The City agrees to include first responders in Families First Coronavirus Response Act (FFCRA), which includes access to E-Sick Leave and EFMLA benefits.

This Sideletter Agreement identifies those articles, sections, and subsections of the Compensation Plan that the City has agreed to revise. All other terms of the Compensation Plan shall remain in full force and effect and shall not be construed to modify or supersede any other section.