

Capitola City Council

Agenda Report



Meeting: July 25, 2024

From: City Manager Department

Subject: Memorandum of Understanding with Police Captains Employee Group

Recommended Action: 1) Authorize the City Manager to execute a successor agreement to the existing Memorandum of Understanding with negotiated changes for the Police Captain employee group; and 2) adopt a resolution approving the updated salary schedule, effective July 21, 2024.

Background: The City of Capitola's employees are divided into five bargaining groups, with associated agreements. The City's Employee Memoranda of Understanding (MOUs) expired at the end of June 2024. As required by state law, the City has participated in good faith negotiations with the bargaining groups on working conditions, salary, and benefit changes. The City of Capitola and all employee bargaining groups began negotiation meetings in March 2024. The City Council gave the City's negotiator fiscal authority based on the City's ten-year budget forecast, the results of a Salary Survey, and known concerns regarding healthcare plan costs. Four of the City's five bargaining groups have signed contracts through June 30, 2027.

Discussion: On June 28, 2024, the Police Captain employee group tentatively agreed with the City's offer and signed a tentative agreement on July 8. The proposed MOU includes significant formatting changes. Rather than a red-lined document, the MOU is included as Attachment 1 with the 2021 – 2024 MOU as Attachment 2 for comparison.

Fiscal Impact: In fiscal year 2024-25, the estimated fiscal impact of the negotiated changes to the Police Captain Employee MOU is \$18,750. This total includes \$12,750 in Cost of Living Adjustments (COLAs); and \$6,000 in healthcare contributions.

Attachments:

1. Proposed 2024 – 2027 MOU
2. 2021-2024 MOU
3. Proposed Resolution with Exhibit A: Salary Schedule

Report Prepared By: Chloé Woodmansee, Assistant to the City Manager

Reviewed By: Julia Gautho, City Clerk; Jim Malberg, Finance Director; Samantha Zutler, City Attorney

Approved By: Jamie Goldstein, City Manager