



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 10/15/2024

ITEM NO: 8

DATE: October 10, 2024
TO: Mayor and Town Council
FROM: Katy Nomura, Interim Town Manager
SUBJECT: Approve and Authorize the Town Manager to Execute a Side Letter Agreement with the Los Gatos Police Officers' Association to Increase Holiday in Lieu Compensation, Add Veterans Day as a Holiday, and Authorize an Expenditure Budget Adjustment in the Amount of \$35,000 from the Available General Fund Capital/Special Projects Reserve

RECOMMENDATION:

Approve and authorize the Town Manager to execute a side letter agreement (Attachment 1) with the Los Gatos Police Officers' Association (POA) to increase holiday in lieu compensation, add Veterans Day as a holiday, and authorize an expenditure budget adjustment in the amount of \$35,000 from the available General Fund Capital/Special Projects Reserve.

BACKGROUND:

In April 2024, the Town and the POA agreed to a successor Memorandum of Understanding (MOU); however, at the time, the parties did not add Veterans Day as a Town holiday. There were two other bargaining units, TEA and AFSCME, who were still in the process of negotiating their respective MOUs. During the TEA and AFSCME negotiations, the Town and the bargaining units agreed to add Veterans Day as a Town recognized holiday for the employees represented in those unions. TEA represents several classifications within the Police Department including the Communication Dispatcher series and Police Records series.

The Los Gatos-Monte Sereno Police Department is a 24/7 operating law enforcement agency. As such, the Police Department is not able to close operations on a holiday like the majority of the other Town departments. Holiday in lieu pay compensates employees who are unable to observe a holiday through additional pay throughout the year. In the TEA MOU, the inability to close for Veterans Day was recognized by an increase to the holiday in lieu pay to 5.0 percent, which was an increase from 4.6 percent.

PREPARED BY: Cheryl Parkman
Human Resources Director

Reviewed by: Interim Town Manager, Town Attorney, and Finance Director

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SUBJECT: Authorize the Town Manager to Execute a Side Letter Agreement with the Los Gatos Police Officers' Association to Increase Holiday in Lieu Compensation, Add Veterans Day as a Holiday, and Authorize an Expenditure Budget Adjustment in the Amount of \$35,000 from Available Funds

DATE: October 10, 2024

DISCUSSION:

On September 3, 2024, the Town Council approved adding Veterans Day to the list of official Town holidays in Town Code section 1.10.075. Although the POA MOU is closed through the term of April 1, 2024 – June 30, 2027, due to the addition of the official holiday, the Town proposed an increase to POA's holiday in lieu pay from 4.4 percent to 5.0 percent, the same as TEA. If approved, this increase would be effective the pay period containing November 11, 2024 and would provide parity across the represented employee groups for this Town-recognized holiday.

CONCLUSION:

Staff has met its obligation to meet and confer with POA on the proposed side letter. The POA membership voted to approve the side letter. Therefore, it is recommended that the holiday in lieu side letter be approved, and the Town Manager be authorized to execute the side letter.

COORDINATION:

This memo has been coordinated with the Town Attorney's Office and the Finance Director.

FISCAL IMPACT:

The increase of the holiday in lieu pay to 5.0 percent of base salary requires an expenditure budget adjustment of \$35,000 from the General Fund Capital/Special Projects Reserve.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Los Gatos POA Side Letter – Holiday in Lieu