



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 04/16/2024

DATE: April 11, 2024
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Approve and Authorize the Town Manager to Execute a Memorandum of Understanding Between the Town of Los Gatos and the Police Officers' Association, and Authorize an Expenditure Budget Adjustment in the Amount of \$154,376 from the Available General Fund Capital/Special Projects Reserve

RECOMMENDATION:

Approve and authorize the Town Manager to Execute a Memorandum of Understanding between the Town of Los Gatos and the Police Officers' Association (POA), and authorize an expenditure budget adjustment in the amount of \$154,376 from the available General Fund Capital/Special Projects Reserve.

BACKGROUND:

In accordance with the Town's Employer-Employee Relations Resolution No. 1974-41, representatives of the Town and POA have met and conferred in good faith and within the scope of representation to reach agreement for a successor Memorandum of Understanding (MOU). The revised agreement showing the changes from the previous MOU is contained in Attachment 1. The MOU is a labor agreement that identifies specific terms and conditions of employment applicable to the employees represented by that agreement.

The Town has two other represented groups, the American Federation of State, County and Municipal Employees (AFSCME) and the Town Employees' Association (TEA). Negotiations with these groups are not yet completed.

DISCUSSION:

The Town's current agreement with POA expires on June 30, 2024. In October 2024, the Town and POA began negotiating for a successor agreement. Both parties shared a common goal to

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Assistant Town Manager

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

DISCUSSION (continued):

address recruitment and retention challenges experienced by the Police Department. The Town is hopeful that the proposed MOU will support successful recruitment and retention efforts moving forward. A tentative agreement for a three-year term was reached in April 2024 and POA membership ratified on April 8, 2024. The Town is appreciative of the hard work of our Police Officers and of the collaboration of the POA negotiating team.

The following is a summary of the major provisions of the agreement:

1. **Term:** April 1, 2024 to June 30, 2027
2. **Salary:**
 - a. Effective the pay period containing April 1, 2024, the Town will provide a 6.5% salary increase.
 - b. Effective the first full pay period in July 2025, the Town will provide a 5% salary increase.
 - c. Effective the first full pay period in July 2026, the Town will provide a 4% salary increase.
3. **PORAC Retiree Medical Plan Employer Contributions:**
 - a. Effective July 2024, the Town shall contribute \$25 per month to the PORAC Retiree Medical Plan for all members hired after October 1, 2018.
 - b. Effective July 2025, the Town shall contribute \$50 per month to the PORAC Retiree Medical Plan for all members hired after October 1, 2018.
4. **Paid Parental Leave:** Upon request from POA between July and December 2024, the Town and POA shall meet to agree and implement paid parental leave benefits that are equal or greater than those provided under the California Paid Family Leave program.
5. **Therapy Canine Pay:** Effective July 2024, officers assigned to handle a canine under the Department's Therapy Canine Program shall receive one half hour of pay per day, totaling seven hours per pay period, at an hourly rate of one and one-half times the State minimum wage.
6. **Outside Employment:** Requests to work temporarily serve as a member of another law enforcement agency will automatically be denied unless the requesting employee has at least five years of experience as a sworn peace officer in a position that requires a basic POST certificate and has at least four years of service with the Town.
7. **Vacation Accrual:** Effective April 1, 2024, the individual rate of accrual for all members and future members shall be increased to account for total years of experience working in a sworn peace officer position that requires possession of a basic POST certificate.

The Town and POA have also agreed to various MOU language updates. These updates clarify existing language, delete obsolete language, and ensure compliance related to the Town's contract for retirement and medical benefits provided under the California Public Employees' Retirement System (CalPERS) and PEMHCA. The updates do not change existing benefits nor is there a related fiscal impact (see Attachment 1).

PAGE 3 OF 3

SUBJECT: Memorandum of Understanding with POA

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CONCLUSION:

The POA agreement has been prepared within the parameters provided to the Town's negotiators by the Town Council and has been ratified by the POA membership. It is recommended that the Town Council approve the MOU, authorize the Town Manager to execute the MOU, and authorize an expenditure budget adjustment in the amount of \$154,376.

COORDINATION:

This report was coordinated with the Town Manager's Office, Finance Department, and outside legal counsel.

FISCAL IMPACT:

The anticipated fiscal impact for all salary and benefit adjustments in FY 2023/24 is \$154,376. The requested budget adjustment in this amount will provide the necessary funding to cover this cost.

Funding to support the FY 2024/25 costs will be incorporated into the proposed budget and the ongoing cost each year will be incorporated into the proposed future year budgets for Council approval.

ENVIRONMENTAL ASSESSMENT:

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

Attachments:

1. Proposed POA MOU through June 30, 2027
2. Salary Schedule for POA effective pay period containing April 1, 2024
3. Salary Schedule for POA effective first full pay period July 2025
4. Salary Schedule for POA effective first full pay period in July 2026