



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/02/2023

ITEM NO: 7

DATE: April 24, 2023
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Approve a Side Letter of Agreement Between the Town of Los Gatos and the Police Officers Association (POA) to Modify the Vacation Accrual Cap Through June 30, 2024 and Authorize the Town Manager to Execute the Side Letter

RECOMMENDATION:

Approve a Side Letter of Agreement (Attachment 1) between the Town of Los Gatos and the Police Officers Association (POA) to modify the vacation accrual cap through June 30, 2024 and authorize the Town Manager to execute the side letter.

BACKGROUND:

Current low staffing levels in the Police Department have prevented many POA members from using their accrued vacation leave. The Town's negotiating team met in good faith with POA representatives to negotiate a side letter (Attachment 1) regarding temporarily increasing POA members' vacation accrual maximum cap by 100 hours (from 344 hours to 444 hours), effective the pay period beginning December 2, 2022.

DISCUSSION:

If approved, the temporary vacation accrual maximum cap increase would end June 30, 2024. Effective July 1, 2024, the vacation accrual maximum cap would return to 344 hours. At that time, if an employee's vacation balance is above 344 hours, the hours will remain in the employee's vacation leave bank for future use or cash out per the terms of the Memorandum of Understanding (MOU), and vacation accruals will not resume until an employee's balance is below 344 hours. Attachment 2 contains the POA MOU.

PREPARED BY: Salina Flores
Human Resources Director

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

PAGE 2 OF 2

SUBJECT: Approve a Side Letter of Agreement Between the Town of Los Gatos and the Police Officer Association (POA) to Modify the Vacation Accrual Cap Through June 30, 2024 and Authorize the Town Manager to Execute the Side Letter

DATE: April 24, 2023

DISCUSSION (continued):

The parties agree that the preceding language temporarily modifies the maximum accrual of vacation hours as indicated in **Section 23. Vacation Schedule** of the 2021-2024 Memorandum of Understanding (Attachment 2). The parties acknowledge that this side letter is subject to Council approval.

The Department has multiple sworn staff vacancies as well as injured Officers who are on Workers' Compensation. The low staffing levels have required overtime work with reduced opportunities for vacations. The Side Letter provides for Officers to continue to accrue vacation in recognition of these challenges. The Police Department continues to recruit, hire, and train new Police Officers. Retention of existing Officers is critical in the current highly competitive labor market. This Side Letter is one part of a larger retention strategy.

This is a temporary side letter of agreement that will sunset on June 30, 2024.

CONCLUSION:

Staff has met its obligation to meet and confer with the Police Officers Association (POA) and therefore, it is recommended that the side letter of agreement be approved, and the Town Manager be authorized to execute the side letter.

FISCAL IMPACT:

The maximum fiscal impact of the side letter will be absorbed in the Police Department's Fiscal Year 2023/24 operating budget.

ENVIRONMENTAL ASSESSMENT:

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

Attachments:

1. 2023 Side Letter of Agreement
2. 2022-2024 POA Memorandum of Understanding