




MEETING DATE: 03/03/08
ITEM NO. 1

COUNCIL AGENDA REPORT

DATE: February 25, 2008

TO: MAYOR AND TOWN COUNCIL

FROM: GREG LARSON, TOWN MANAGER 

SUBJECT: ADOPT RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE TOWN OF LOS GATOS AND THE LOS GATOS POLICE OFFICERS' ASSOCIATION FOR THE PERIOD JANUARY 1, 2008 THROUGH JUNE 30, 2011 AND AUTHORIZING THE TOWN MANAGER TO EXECUTE THE MOU

RECOMMENDATION:

Adopt resolution approving the Memorandum of Understanding (MOU) between the Town of Los Gatos and the Los Gatos Police Officers' Association for the Period January 1, 2008 through June 30, 2011 and authorizing the Town Manager to execute the MOU.

BACKGROUND:

In accordance with the Town's Employer-Employee Relations Resolution No. 1974-41, representatives of the Town and the Los Gatos Police Officers' Association met and conferred in good faith and within the scope of representation. The parties reached agreement on a package proposal and the employees represented by POA ratified the proposed agreement.

DISCUSSION:

The proposed agreement covers a three-and-one-half year period from January 1, 2008 through June 30, 2011. The agreement provides a retroactive 4% cost-of-living increase and a 4% equity adjustment in the first year-and-one-half of the agreement and a 4% cost-of-living increase for each subsequent year of the agreement. The proposal also includes a restructuring of the education incentive program. The restructure aligns the Town's pay practices for Peace Officers Standards and Training (POST) pay with other Bay Area police departments and additionally provides

PREPARED BY: **RUMI PORTILLO**
Human Resources Director 

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Reviewed by: PSJ Assistant Town Manager OK Town Attorney Clerk Administer
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MAYOR AND TOWN COUNCIL

SUBJECT: ADOPT RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE TOWN OF LOS GATOS AND THE LOS GATOS POLICE OFFICERS' ASSOCIATION FOR THE PERIOD JANUARY 1, 2008 THROUGH JUNE 30, 2011 AND AUTHORIZING THE TOWN MANAGER TO EXECUTE THE MOU

FEBRUARY 25, 2008

incentives for college degrees. The proposal also includes a slight increase in the comp time cap and a new holiday leave option that allows POA members to take time off instead of receiving holiday leave pay. Language has also been included in the proposal to permit employees to deposit accumulated sick leave into a Voluntary Employee Benefits Account (VEBA) for health expenses consistent with IRS regulations.

As previously adopted by resolution, Police Sergeants are provided the same salary adjustments granted to the employee association representing sworn positions. Therefore, salaries for Police Sergeants shall be adjusted consistent with the agreement as approved for POA.

CONCLUSION:

The POA and Town negotiators, with the assistance of the State Mediation and Conciliation Service, have worked diligently to develop this proposed agreement. The proposed agreement is intended to maintain salaries and benefits at a level that attracts and retains quality employees. Thus, the attached resolution approving the Memorandum of Understanding for POA-represented positions is recommended for adoption.

ENVIRONMENTAL ASSESSMENT:

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

FISCAL IMPACT:

Funds to implement this agreement are included in the Adopted FY 2007-08 Annual Budget. Funding for future years included in the agreement will be included in the proposed annual budgets for FY 2008-09, FY 2009-10 and FY 2010-11.

Attachment:

Resolution approving the Memorandum of Understanding between the Town of Los Gatos and the Los Gatos Police Officers' Association (w/Exhibit A: Proposed Agreement Ratified by the POA Membership and Exhibit B: Salary Exhibits)

RESOLUTION NO. 2008-

**RESOLUTION OF THE TOWN OF LOS GATOS
APPROVING THE MEMORANDUM OF UNDERSTANDING (MOU) BETWEEN THE
TOWN OF LOS GATOS AND THE LOS GATOS POLICE OFFICERS' ASSOCIATION FOR
THE PERIOD JANUARY 1, 2008 THROUGH JUNE 30, 2011 AND AUTHORIZING THE
TOWN MANAGER TO EXECUTE THE MOU**

WHEREAS, representatives of the Town and the Los Gatos Police Officers' Association, in accordance with the Town's Employer-Employee Relations Resolution No. 1974-41, have met and conferred in good faith within the scope of representation, and

WHEREAS, the representatives of the Los Gatos Police Officers' Association bargaining team have indicated that the union membership ratified the proposed Memorandum of Understanding (attached hereto as Exhibit "A" and incorporated herein by this reference).

RESOLVED, by the Town Council of the Town of Los Gatos, County of Santa Clara, State of California, that the Town Council approves the Memorandum of Understanding between the Town of Los Gatos and the Los Gatos Police Officers' Association (Exhibit A) for the period January 1, 2008 through June 30, 2011 and that the Town Manager is hereby authorized to sign the agreement on behalf of the Town.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 3rd day of March, 2008 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

ATTEST:

CLERK ADMINISTRATOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

**Town of Los Gatos Proposal for
POA Memorandum of Agreement**

I. Term – January 1, 2008 through June 30, 2011

II. Salaries

- A. For 2008, all salary steps will be increased by Four percent (4%) effective January 1, 2008 and an additional four percent (4%) effective July 1, 2008.
- B. For 2009, all salary steps will be increased by four percent (4%) effective July 1, 2009.
- C. For 2010, all salary steps will be increased by four percent (4%) effective July 1, 2010.

III. Reimbursement of Expenses

The Town is in the process of evaluating the travel and reimbursement policy. The new policy will address advancement of per diem costs. No change in MOU language.

IV. Dental Plan

The parties are committed to working together during the term of this agreement to address the issue of adequate dental coverage for Town employees. Therefore, the POA agrees to participate in the Town-wide Dental Benefits Committee, which will include representatives from the Town and other bargaining units. The committee will request quotes from various providers to be submitted to the Town by May 1, 2008. The will review alternative dental plans and make recommendations for increasing coverage and benefits. Committee recommendations are not binding upon the POA or the Town, and the parties must meet and confer before making negotiable changes in Dental benefits. It is the intent of both parties, if feasible, to recommend a new plan to the Town Council in time to have the plan implemented in the 2009 plan year.

V. Sick Leave Cash-Out Program

31.1 Annual Sick Leave Cash-Out

- Employees may cash-out up to 40 hours of their accumulated sick leave at 50% of current salary in December of each year (provided employee choice does not violate IRS requirements).
- Employees who have a minimum of 200 hours of accumulated sick leave as of December 1st of each year shall cash out forty hours of their accumulated sick leave at 100% of current salary in December of each year for deposit into the employee's VEBA.

**Town of Los Gatos Proposal for
POA Memorandum of Agreement**

31.3 Sick Leave Cash-Out Upon Retirement

All unit members who retire with a sick leave accrual balance of at least 200 hours shall convert 100% of this accumulated sick leave to a dollar equivalent at their hourly rate of pay at the time of retirement. This amount shall be ~~held in an account~~ **deposited into the employee's VEBA**. The employee's portion of the medical insurance premium will be withheld from their monthly retirement payment by PERS.

VI. Overtime

All overtime worked shall be compensated at time and one-half. The employee may choose whether overtime worked shall be paid in cash or accumulated as Compensatory Time Off (CTO), subject to a maximum accumulated CTO of one hundred and ~~twenty~~ **forty (120) (140)** hours.

VII. Holiday and Holiday Pays

Uniform personnel assigned to shift work (Patrol and Traffic) shall receive compensation in-lieu of holiday time off equal to eighty (80) hours of base pay annually. **Employees shall have the option of taking Holiday leave off equal to eighty hours (80) or receive in-lieu compensation. If the employee selects to receive in-lieu compensation, forty (40) hours of holiday pay will be received in the last payroll of November and the second forty (40) hours will be received in the last payroll of May, and will be included on the regular check. In-lieu pay shall cease whenever an employee is reassigned to other than shift work. The employee shall observe holidays as described above.**

(Parties to discuss administration of those employees selecting leave in lieu of compensation. All annual holiday hours must be taken in leave or compensation each calendar year.)

In the event that an additional holiday is observed by the Town during the term of this agreement, the in-lieu compensation shall be increased by the additional hours holiday time made available to on-uniform personnel.

VIII. Eliminate re-qualification requirement from Education Incentives and re-structure Education and Retention Incentive as follows:

- Increase Intermediate Certificate pay to 5% of base salary.
- Increase Advanced Certificate pay to 7.5% of base salary.
- Additional 2.5% of base salary for any member who possesses a four year degree.
- For employees hired prior to January 1, 2008; who qualify to participate in the Town's Education Incentive program prior to July 1, 2008; served a minimum of fifteen years with the Town of Los Gatos; and possess an Associates of Arts Degree or meet the minimum requirements to obtain an Associates of

**Town of Los Gatos Proposal for
POA Memorandum of Agreement**

Arts Degree in a related field, shall be eligible for an additional 2.5% increase in base salary effective the first full pay period following their fifteenth anniversary date from his/her hire date (members with a four year degree are not eligible for this benefit).

- For employees who are in the process of being hired prior to January 1, 2008; who qualify to participate in the Town's Education Incentive program within six months of hire; served a minimum of fifteen years with the Town of Los Gatos; and possess an Associates of Arts Degree or meet the minimum requirements to obtain an Associates of Arts Degree in a related field, shall be eligible for an additional 2.5% increase in base salary effective the first full pay period following their fifteenth anniversary date from his/her hire date (members with a four year degree are not eligible for this benefit).
- Eliminate Retention Incentive pay for ten and fifteen years.

XI. Los Gatos Police Officers Association to withdraw all remaining Association proposals.

X. All remaining provisions of the current MOU stay in place

**TOWN OF LOS GATOS
AND
LOS GATOS POLICE OFFICERS' ASSOCIATION
MEMORANDUM OF UNDERSTANDING 2007-2011**

POLICE OFFICER SALARY SCHEDULE

Effective December 30, 2007
4% increase

	RANGE	STEP	HOURLY RATE
POLICE OFFICER	711	1	\$37.79
		2	\$39.68
		3	\$41.66
		4	\$43.74
		5	\$45.93

Effective June 29, 2008
4% increase

	RANGE	STEP	HOURLY RATE
POLICE OFFICER	711	1	\$39.30
		2	\$41.26
		3	\$43.33
		4	\$45.49
		5	\$47.77

Effective June 28, 2009
4% increase

	RANGE	STEP	HOURLY RATE
POLICE OFFICER	711	1	\$40.87
		2	\$42.91
		3	\$45.06
		4	\$47.31
		5	\$49.68

Effective June 27, 2010
4% increase

	RANGE	STEP	HOURLY RATE
POLICE OFFICER	711	1	\$42.50
		2	\$44.63
		3	\$46.86
		4	\$49.20
		5	\$51.67

**TOWN OF LOS GATOS
AND
LOS GATOS POLICE OFFICERS' ASSOCIATION
MEMORANDUM OF UNDERSTANDING 2007-2011**

CORPORAL SALARY SCHEDULE

Effective December 30, 2007
4% increase

	RANGE	STEP	HOURLY RATE
CORPORAL	715	1	\$39.67
		2	\$41.65
		3	\$43.74
		4	\$45.92
		5	\$48.22

Effective June 29, 2008
4% increase

	RANGE	STEP	HOURLY RATE
CORPORAL	715	1	\$41.26
		2	\$43.32
		3	\$45.49
		4	\$47.76
		5	\$50.15

Effective June 28, 2009
4% increase

	RANGE	STEP	HOURLY RATE
CORPORAL	715	1	\$42.91
		2	\$45.05
		3	\$47.31
		4	\$49.67
		5	\$52.15

Effective June 27, 2010
4% increase

	RANGE	STEP	HOURLY RATE
CORPORAL	715	1	\$44.62
		2	\$46.86
		3	\$49.20
		4	\$51.66
		5	\$54.24

TOWN OF LOS GATOS

**POLICE TRAINEE
95% OF POLICE OFFICER STEP 1
TEMP EMPLOYEE W/MISC PERS**

**Effective December 30, 2007
4% increase**

		RANGE	STEP
POLICE TRAINEE		710	1
		base pay	\$35.90

**Effective June 29, 2008
4% increase**

		RANGE	STEP
POLICE TRAINEE		710	1
		base pay	\$37.33

**Effective June 28, 2009
4% increase**

		RANGE	STEP
POLICE TRAINEE		710	1
		base pay	\$38.83

**Effective June 27, 2010
4% increase**

		RANGE	STEP
POLICE TRAINEE		710	1
		base pay	\$40.38