



MEETING DATE: 12/19/05
ITEM NO.

8

COUNCIL AGENDA REPORT

DATE: December 14, 2005
TO: MAYOR AND TOWN COUNCIL
FROM: DEBRA J. FIGONE, TOWN MANAGER
SUBJECT: ADOPT RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE TOWN OF LOS GATOS AND THE LOS GATOS POLICE OFFICERS' ASSOCIATION FOR THE PERIOD JANUARY 1, 2006 THROUGH DECEMBER 31, 2007 AND AUTHORIZING THE TOWN MANAGER TO EXECUTE THE MEMORANDUM OF UNDERSTANDING

RECOMMENDATION:

Adopt resolution approving the Memorandum of Understanding between the Town of Los Gatos and the Los Gatos Police Officers' Association (POA) for the period January 1, 2006 through December 31, 2007 and authorizing the Town Manager to execute the memorandum of understanding.

DISCUSSION:

In accordance with the Town's Employer-Employee Relations Resolution No. 1974-41, representatives of the Town and the Los Gatos Police Officers' Association have met and conferred in good faith and within the scope of representation. Adoption of the attached resolution approving the Memorandum of Understanding for POA-represented positions is recommended.

The Memorandum of Understanding reflects economic and non-economic changes for POA-represented employees. A summary of the changes is attached. The Memorandum of Understanding covers a two-year period effective January 1, 2006 through December 31, 2007. Changes in compensation will occur for 2006 on January 1, 2006, and for 2007 on December 31, 2006.

PREPARED BY:

Rumi Portillo
RUMI PORTILLO
Human Resources Director

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Reviewed by: _____ Assistant Town Manager *OK* Town Attorney _____ Clerk *SO* Finance
_____ Community Development Revised: 12/15/05 3:13 pm

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MAYOR AND TOWN COUNCIL

SUBJECT: ADOPT RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE TOWN OF LOS GATOS AND THE LOS GATOS POLICE OFFICERS' ASSOCIATION FOR THE PERIOD JANUARY 1, 2006 THROUGH DECEMBER 31, 2007 AND AUTHORIZING THE TOWN MANAGER TO EXECUTE THE MEMORANDUM OF UNDERSTANDING

DECEMBER 14, 2005

The employees represented by the POA have ratified the proposed agreement. POA representatives are coordinating with Town staff to finalize specific language to be incorporated in the MOU. The attached resolution provides the Town Manager the authority to execute the Memorandum of Understanding.

In accordance with the Management Compensation Plan adopted previously 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.

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 2005-06 Annual Budget. Funding for future years will be included in the proposed FY 2006-07 and FY 2007-2008 Annual Budgets.

Attachments:

1. Summary of changes in the Memorandum of Understanding between the Town of Los Gatos and the Los Gatos Police Officers' Association
2. Resolution approving the Memorandum of Understanding between the Town of Los Gatos and the Los Gatos Police Officers' Association for the period January 1, 2006 through December 31, 2007 and authorizing the Town Manager to execute the Memorandum of Understanding

**SUMMARY OF CHANGES IN THE
MEMORANDUM OF UNDERSTANDING
BETWEEN THE
TOWN OF LOS GATOS
AND
THE LOS GATOS POLICE OFFICERS' ASSOCIATION**

- Term: 2 years (January 1, 2006 through December 31, 2007)
- Compensation: For 2006: 2.5% salary increase on January 1, 2006
For 2007: 3.5% salary increase on December 31, 2006
- Cash Allocation for Benefits: The cash allocation for benefits is currently linked to the cost of Kaiser family medical insurance coverage. Effective January 1, 2006, the cash allocation is frozen at \$922 for existing employees and capped at \$400 per month for employees hired after January 1, 2006. This does not change the level of benefit paid by the Town for employees who choose medical coverage under the insurance program.
- Uniform Allowance: Effective January 1, 2007, the Town will pay bargaining unit employees a uniform allowance of \$50 per month, paid on the first two pay periods of each month.
- Compensatory Time Off (CTO): The CTO cap is increased from 100 to 120 hours per year. Additionally, employees may cash out up to 40 hours of CTO per year at their regular hourly rate, payable each December.
- Longevity Pay: Longevity Pay is re-titled to Recruitment Retention Pay. The qualifying years of service is reduced from 20 and 15 years to 15 and 10 years. The rate of 2.5% remains the same.
- Family Medical Leave: Employees may use accrued sick time for any FMLA-approved leave. This change will be stated in the Town-wide Personnel Policies.
- Sick Leave Cash Out Upon Termination: Employees in the Sick Leave Cash Out Program must terminate in good standing (not for disciplinary cause.)
- Retiree Medical Premiums: A new section on Retiree Medical Premiums references the Town's contribution toward retiree medical under the CalPERS PEMHCA Program. POA will participate in a Town-wide Health Benefits Committee to explore options to reduce medical premiums.

**SUMMARY OF CHANGES IN THE MOU
BETWEEN THE TOWN OF LOS GATOS
AND THE LOS GATOS POLICE OFFICERS' ASSOCIATION**

Changes in language for clarifying purposes, with no change to existing practice:

- PERS Optional Benefits
- Canine Pay (Side Letter Incorporated in Special Pays Section)
- Tuition Reimbursement
- Insurance Programs (re-titled to Health and Welfare Benefits and Rate of Town Contribution)
- Sick Leave Cash Out
- Bereavement Leave
- Outside Employment
- Probationary Period

RESOLUTION NO. 2005-

**RESOLUTION OF THE TOWN OF LOS GATOS
APPROVING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE TOWN OF
LOS GATOS AND THE LOS GATOS POLICE OFFICERS' ASSOCIATION FOR
THE PERIOD JANUARY 1, 2006 THROUGH DECEMBER 31, 2007 AND AUTHORIZING
THE TOWN MANAGER TO EXECUTE THE MEMORANDUM OF UNDERSTANDING**

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,

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 for the period January 1, 2006 through December 31, 2007 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 19th day of December, 2005 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED: /s/ Diane McNutt

**MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA**

ATTEST:

**/s/ MarLyn J. Rasmussen
CLERK ADMINISTRATOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA**