



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of July 11, 2017

TO: Members of the City Council

SUBMITTED BY: David Biggs, City Manager
Annie To, Finance Director
Lori Martin, Director of Administrative Services

SUBJECT: Approve Memorandum of Understanding with the Hercules Police Officers Association

RECOMMENDED ACTION: Adopt a Resolution Approving Memorandum of Understanding with the Hercules Police Officers Association.

COMMISSION/SUBCOMMITTEE ACTION AND RECOMMENDATION: Not Applicable

FISCAL IMPACT OF RECOMMENDATION: Approval of these new labor related items will result in costs, both on-going and one time in nature. The on-going costs for the employees covered through these approvals will be \$121,936. The one-time costs will be \$98,685. Approximately 80% of the costs would be General Fund costs.

The on-going costs can be accommodated in the FY 2017/18 budget as adopted on June 27, 2017. The on-going and one-time costs were identified as Decision Package # 18-5: Employee Concession Mitigation & Labor Agreements.

DISCUSSION: Existing Memorandums of Understanding (MOU) and agreements with employees have terms which end June 30, 2017. The City has been engaged in the meet and confer process as required by law with the represented employees and in a consultation process with non-represented employees. The City Council has been providing the City's labor negotiator with direction in closed sessions over the past few months. On June 27, 2017, the City Council approved new Memorandums of Understanding with Teamsters Local 315 and new Pay Plans for unrepresented employees.

Based on currently available resources, the City has negotiated a new MOU with the Hercules Police Officers Association, subject to ratification by the POA, and a summary of the changes proposed is set forth below:

Group	Summary of Terms
Police Officers Association	<ul style="list-style-type: none"> • MOU Term to June 30, 2018 • COLA of 3.8% effective July 1, 2017. • One-time 5% non-PERSable retention payment with employees able to elect to direct payment to deferred comp or RHS accounts if desired. • Modifying the existing Education Incentive from a flat monthly amount to a percentage of salary – starting at 2.5%. • Telephone Standby Pay for Court • Agreement to undertake a Compensation Study to be done by February 1, 2017, in consultation with the POA as to comparable jurisdictions. • Telephone Standby Pay for Court

In addition to the changes outlined above, there are minor additional corrections and changes contained in the attached MOU.

ATTACHMENTS:

1. Resolution
2. Draft Memorandum of Understanding with the HPOA

<i>Financial Impact</i>			
Description:			
Funding Source:			
Budget Recap:			
Total Estimated cost:	\$	New Revenue:	\$
Amount Budgeted:	\$	Lost Revenue:	\$
New funding required:	\$	New Personnel:	\$
Council Policy Change: Yes <input type="checkbox"/> No <input type="checkbox"/>			