



STAFF REPORT TO THE CITY COUNCIL

DATE: Regular Meeting of July 14, 2020

TO: Members of the City Council

SUBMITTED BY: David Biggs, City Manager
Lori Martin, Director of Administrative Services/City Clerk

SUBJECT: Side Letter with Hercules Police Officers Association

RECOMMENDED ACTION: Approve a Side Letter with the Hercules Police Officers Association modifying the existing Memorandum of Understanding effective through June 30, 2021.

FISCAL IMPACT OF RECOMMENDATION: Deferral of the contractually obligated one-time 3% retention payment for 2020 to 2021 reduces required expenditures in FY 2020-21 by \$67,000.

DISCUSSION: A two-year Memorandum of Understanding with the Hercules Police Officers Association was approved for the period of July 1, 2019, to June 30, 2021, by resolution No. 19-048. One of the provisions in the second year of this two year labor agreement was the provision of a one-time 3% retention payment to be made in August 2020. The City recently requested that the POA consider modifications to the existing MOU as a means to assist the City in navigating the difficult financial times being caused by the COVID-19 Pandemic and the recessionary economy.

The Hercules POA has agreed to defer the 3% one-time payment to August 2021 and both sides have agreed to re-opening language should circumstances change and these provisions have been incorporated into the subject side letter.

ATTACHMENTS:

1. Side Letter

Financial Impact

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"/>		