REPORT TO THE CITY COUNCIL *City of Salinas, California*

DATE: September 13, 2016

FROM: Ray E. Corpuz, Jr., City Manager

BY: Marina Horta-Gallegos, Human Resources Officer Donna Williamson, Attorney, Liebert, Cassidy & Whitmore

SUBJECT: SALINAS POLICE OFFICERS ASSOCIATION MEMORANDUM OF UNDERSTANDING

RECOMMENDATION:

It is recommended that the City Council adopt a Resolution authorizing the City Manager to sign a new Memorandum of Understanding (MOU) between the City of Salinas and the Salinas Police Officers' Association for a three-year term through December 31, 2018.

DISCUSSION:

The MOU between the City of Salinas and the Salinas Police Officers' Association (POA) expired on December 31, 2015. From the outset, and in the interest of public safety, the POA and the City have been working together to aggressively address the common goal of recruiting and retaining the best police officers for the City of Salinas. The City's negotiating team and the POA leadership have completed negotiations for a new MOU for a term through December 31, 2018. A Tentative Agreement was reached between the City and POA and the POA membership voted in favor of the Agreement on August 25, 2016.

The recommended MOU includes significant changes to the existing agreement. The main changes include term, base salary, longevity pay, a Master Police Officer Program, a flexible compensation plan, and a greater CalPERS retirement contribution by POA members.

SPOA MOU Tentative Agreement summary:

- 1) **Salary:** The new agreement includes adjustments to base salary (including market equity and general adjustment) totaling 4% effective with the pay period of September 12, 2016, 4% effective January 2017, and 3% effective January 2018.
- 2) **PERS Contribution:** Classic CalPERS members (the majority of POA members) will immediately contribute an additional one percent (1%) toward their pension cost, an additional one percent effective January 2017, and an additional one percent effective January 2018, for a total pension contribution of twelve percent (12%).

- 3) **Master Police Officer:** Effective January 2017, the City will establish a Master Police Officer program for POA members with at least 12 years of law enforcement experience as a sworn peace officer, along with other agreed upon criteria.
- 4) **Longevity:** Effective September 12, 2016, POA members with ten (10) years of service with the City of Salinas Police Department shall receive a three percent (3%) longevity pay incentive.
- 5) **Term:** The three-year contract expires on December 31, 2018.
- 6) Other negotiated items in the agreement include an \$850 signing bonus, Peace Officer Standard Training (POST) certificate pay, a flexible compensation plan, MOU language adjustments, and the potential in future years for POA members to contribute to health benefits, depending on the overall cost.

ISSUE:

Shall the City Council approve a Resolution authorizing the City Manager to sign a new Memorandum of Understanding (MOU) between the City of Salinas and the Police Officers' Association for a term through December 31, 2018?

FISCAL IMPACT:

The fiscal impact of the MOU compensation adjustments are significant and will require fiscal discipline and budget adjustments on the part of the City in the current year and the coming fiscal years. The projected cumulative total of the MOU base salary and premium pay adjustments totals \$11.6 million through Fiscal Year 18/19.

TIME CONSIDERATIONS:

It is recommended that the City Council act immediately. Completing the negotiation process with the POA will hopefully assist the City in recruiting and retaining the best officers for the City of Salinas.

ALTERNATIVE:

The City Council could choose not to approve the resolution. This is not recommended as the identified negotiation process has resulted in the completion of a tentative agreement.

Back Up Pages: Resolution Tentative Settlement Agreement POA MOU – Pending; Available for review 9/9/2016

RESOLUTION NO. _____ (N.C.S.)

A RESOLUTION APPROVING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF SALINAS AND THE SALINAS POLICE OFFICERS ASSOCIATION FOR A TERM ENDING DECEMBER 31, 2018 AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE MOU ON BEHALF OF THE CITY

BE IT RESOLVED BY THE CITY COUNCIL OF SALINAS that the City Manager is hereby authorized and directed for and on behalf of the City of Salinas to execute the attached Memorandum of Understanding between the City of Salinas and the Salinas Police Officers' Association for a term through December 31, 2018.

PASSED AND ADOPTED this 13th day of September 2016, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Joe Gunter, Mayor

ATTEST:

Patricia M. Barajas, City Clerk