



## AGENDA REPORT SUMMARY

**Meeting Date:** November 27, 2018

**Subject:** Resolution No. 2018-45: LAMEA MOU Side Letter Agreement – Defined 9/80 Work Schedule

**Prepared by:** Jennifer Leal, Human Resources Manager

**Reviewed by:** Sharif Etman, Administrative Services Director

**Approved by:** Chris Jordan, City Manager

**Attachment(s):**

1. Resolution No. 2018-45
2. LAMEA MOU – Side Letter Agreement

**Initiated by:**

Staff

**Previous Council Consideration:**

June 27, 2017; Approved three-year MOU between the City and LAMEA

**Fiscal Impact:**

None

**Environmental Review:**

Not applicable

**Policy Question(s) for Council Consideration:**

- Does the Council wish to adopt Resolution 2018-45 amending LAMEA’s MOU with a Side Letter Agreement that removes one eight-hour floating holiday a year starting January 1, 2019 and changes the amount of paid holiday hours accrued by LAMEA employees for City Holidays from 8-hours to 9-hours?

**Summary:**

- This is a revision to the MOU between the City and LAMEA in order to implement a defined 9/80 schedule to reduce greenhouse emissions, provide less commuting for employees and support employee retention.
- The City’s and LAMEA’s representatives met and conferred in good faith on July 17, 2018 and July 23, 2018 concerning the terms and conditions of the Side Letter Agreement.
- The key changes to the MOU are that employees will receive nine hours of paid holiday if a City holiday falls on a nine-hour workday instead of eight hours. In exchange, effective January 1, 2019, LAMEA employees will give up one eight-hour floating holiday annually.



**Subject:** Resolution No. 2018-45: LAMEA MOU Side Letter Agreement – Defined 9/80 Work Schedule

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**Staff Recommendation:**

Adopt Resolution No. 2018-45 to update LAMEA's MOU with a Side Letter Agreement (Attachment 2, Appendix C) that replaces Article 9.1 and 11.1 in their entirety and keep Article 11.2 unchanged



**Subject:** Resolution No. 2018-45: LAMEA MOU Side Letter Agreement – Defined 9/80 Work Schedule

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### **Purpose**

Approval of the modifications to the LAMEA MOU reducing the number of paid floating holidays from two days to one day annually in order to implement the Defined 9/80 schedule.

### **Background**

The City has allowed eligible employees to work alternative work schedules (either a 9/80 or 4/10 work schedule) since August of 2002. Over the past 16 years, City employees have been encouraged to adopt compressed work schedules as operational needs allowed, and this has already been successful in most departments. However, this has caused difficulty at times with employees being off on different days and several employees not being eligible to participate in alternative work schedules.

### **Discussion/Analysis**

The conversation about implementing a Defined 9 /80 Work Schedule began in February 2018 through the Workplace Innovation Team. A Defined 9 /80 Work Schedule consists of employees working 80 hours over nine days in a two week pay period. Employees work nine hours Monday through Thursday both weeks, and work one defined Friday of eight hours. Every other Friday, City Hall is closed to both staff and the public.

This new work schedule was supported by management to align existing alternative work schedules by defining the day that City offices will be closed. Another benefit of this work schedule is that it allows a greater number of employees to participate in a compressed work schedule thereby further reducing the number of commute trips (and associated greenhouse gas emissions) required of City employees by 10% and aligning with the City's Climate Action Plan - Goal 5.3 Support Sustainable Employee Travel. The reduction in commute trips aids employee retention efforts while also providing the benefit of being used as a recruitment tool for future employees.

The City met and conferred in good faith on July 17, 2018 and July 23, 2018 with LAMEA representatives over the terms and conditions of the Defined 9/80 Work Schedule and a Tentative Agreement was signed by both City and LAMEA representatives. The key changes to the MOU are that employees will receive nine hours of paid holiday if a City holiday falls on a nine-hour workday instead of eight hours. In exchange, effective January 1, 2019, LAMEA employees will give up one eight-hour floating holiday annually.



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### Options

1) Adopt Resolution 2018-45

**Advantages:** Reduces the number of paid floating holidays from two days to one day annually for LAMEA employees

**Disadvantages:** None

2) Do not adopt Resolution 2018-45

**Advantages:** None

**Disadvantages:** Staff will be required to account for one hour of vacation for every paid holiday; staff will retain both floating holidays currently listed in the MOU

### Recommendation

City staff recommends Option 1.

**RESOLUTION NO. 2018-45**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LOS ALTOS  
AMENDING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE  
CITY OF LOS ALTOS (“THE CITY”) AND THE LOS ALTOS MUNICIPAL  
EMPLOYEES ASSOCIATION (“LAMEA”) BY ADOPTING THE SIDE LETTER  
AGREEMENT**

**WHEREAS**, an Alternative Work Schedule Administrative Instruction was signed by the City Manager and put into effect on August 5, 2002; and

**WHEREAS**, the conversation about implementing a Defined 9/80 Work Schedule began in February 2018 through the Workplace Innovation Team; and

**WHEREAS**, the Defined 9/80 Work Schedule was supported by management to align existing alternative work schedules by defining the day that City offices will be closed; and

**WHEREAS**, this Work Schedule aligns with the City’s Climate Action Plan - Goal 5.3 Support Sustainable Employee Travel; and

**WHEREAS**, the City met and conferred in good faith on July 17, 2018 and July 23, 2018 with the LAMEA representatives over the terms and conditions of the Defined 9/80 Work Schedule; and

**WHEREAS**, to offset the additional one hour of time off associated with each holiday, LAMEA has agreed to a reduction in a personal holiday provided by LAMEA MOU; and

**WHEREAS**, a Tentative Agreement was signed by representatives from the City and LAMEA on August 9, 2018; and

**WHEREAS**, cities throughout California have successfully adopted Defined 9/80 schedules, with office closures on alternate Fridays; and

**WHEREAS**, City Council action is required for changes to Memorandums of Understanding.

**NOW THEREFORE, BE IT RESOLVED**, that the City Council of the City of Los Altos hereby adopts the November 8, 2018 Side Letter Agreement between the City and LAMEA.

**I HEREBY CERTIFY** that the foregoing is a true and correct copy of a Resolution passed and adopted by the City Council of the City of Los Altos at a meeting thereof on the \_\_\_\_ day of \_\_\_\_, 2018 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

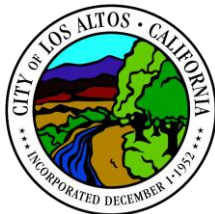
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Jean Mordo, MAYOR

Attest:

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Jon Maginot, CMC, CITY CLERK



**1 North San Antonio Road  
Los Altos, California 94022-3087**

November 9, 2018

Sean K. Gallegos, President  
Los Altos Municipal Employees Association  
P.O. Box 684  
Los Altos, California 94023

Dear Mr. Gallegos,

Pursuant to the provisions of the Meyers-Millias-Brown Act (“MMBA”), this Side Letter Agreement is entered into on November 08, 2018 between the City of Los Altos (“City”) and the Los Altos Municipal Employees Association (“LAMEA”) (“Side Letter Agreement”) as an amendment to the Memorandum of Understanding (“MOU”) effective July 1, 2017 through June 30, 2020. LAMEA and the City are collectively referred to herein as the “Parties” It is understood and agreed that the specific provisions contained in this Side Letter Agreement shall supersede any previous agreements, whether oral and written, regarding the matters contained herein. Except as provided herein, all wages, hours and other terms and conditions of employment shall remain in full force and effect.

The Parties have met and conferred in good faith on July 17, 2018 and July 23, 2018 concerning the terms and conditions of this Side Letter Agreement and its implementation and agree that the following language will replace Article 9.1 and 11.1 in its entirety, and Article 11.2 will remain unchanged.

The Parties agree with the following updates in the MOU with Appendix C.

Sincerely,

Jennifer Leal  
Human Resources Manager  
City of Los Altos

**9.1 Work Schedule:**

A Defined 9/80 Work Schedule consists of employees working 80 hours over nine days in a two week pay period. Employees work nine hours Monday through Thursday both weeks, and work one defined Friday of eight hours. With this schedule, City Hall and MSC are closed on the same Friday to both staff and the public. Police Department employees represented by LAMEA are exempt from the Defined 9/80 Work Schedule but may continue to have an alternate work schedule as defined in the policy.

M	TU	W	TH	F
<b>Week 1</b>				
9 hours	9 hours	9 hours	9 hours	8 hours
<b>Week 2</b>				
9 hours	9 hours	9 hours	9 hours	0 hours

All offices of the City, except those for which special regulations are required, shall be kept open for business on all days of the year except Defined 9/80 Fridays, Saturdays, Sundays and Holiday. Departments for which necessity requires a different schedule from that generally applied, shall work according to regulations prepared by the respective department head and approved by the City Manager.

Employees shall be assigned to work shifts with scheduled starting and quitting times. Should it be necessary, in the interest of efficient operations, or due to a special event or circumstances to establish daily or weekly work schedules departing from the normal work day or the normal work week, the City shall give at least five (5) working days’ notice days. Work schedules shall not be unjustly changed. If an employee is required to return to work more than sixteen (16) hours in a twenty-four (24) hour period, the employee shall have at least eight (8) hours rest between shifts, except in the case of emergencies.

Appendix D provides the City of Los Altos Administrative Instruction for Alternative Work Schedules for employees eligible to participate. It is mutually agreed that the intention is to try the schedule on a year-round basis. All parties acknowledge, however, the City’s right to revert to a standard 10/80 schedule if needed for efficient municipal management. The Administrative Instruction for Alternative Work Schedule will provide guidance for the change in work schedules.



### 11.1 Scheduled Holidays:

The following shall be paid holidays for all eligible employees:

New Year's Day	Thanksgiving Day
Martin Luther King Day	Friday after Thanksgiving Day
President's Day	Christmas Day
Memorial Day	Floating Holiday (accrues on April 1)
Independence Day	Floating Holiday (accrues on October 1)

Floating holidays may be taken anytime upon approval of the Department Head or his/her designee.

Effective January 1, 2019, employees will receive one (1) nine (9) hour floating holiday each fiscal year starting with the first pay period in July 2019. In the instance that the City needs to revert to a standard 10/80 Work Schedule, LAMEA members shall return to receiving two (2) eight (8) hour floating holidays each fiscal year. LAMEA members listed under Police Services in Appendix A are exempt from this modification and will continue to receive two (2) eight (8) Floating holidays (one in April and one in October).

Additional holidays may be taken anytime upon approval of City Council.

Effective August 27, 2018, employees will receive nine (9) hours paid for holidays listed under 11.1. LAMEA members listed under Police Services in Appendix A are exempt from this change and will follow Section 11.2 or receive eight (8) hours paid holiday.

Holidays, which fall on Saturday, will be observed the day before on Friday, and holidays, which fall on Sunday, will be observed the day after on Monday.

Integration with holidays and paid leave before January 1, 2019:

- a. When a holiday falls on an employee's regularly scheduled ten (10) hour work day, the employee shall receive nine (9) hours of paid holiday. When a holiday falls on an employee's regularly scheduled nine (9) hour work day, the employee shall receive nine (9) hours of paid holiday. When a holiday falls on an employee's regularly scheduled eight (8) hour work day, the employee shall receive eight (8) hours of paid holiday.
- b. When an observed holiday falls on a non-working Friday, the employee will receive nine (9) hours of paid holiday the Thursday before the holiday instead of receiving holiday pay the day of the holiday, in accordance with the employee's regularly scheduled hours for those days.
- c. If the Thursday before the scenario in section b is also a holiday, the employee shall receive nine (9) hours of holiday pay the Wednesday before the holiday in accordance with the employee's regularly scheduled hours for those days. (For example, if a non-working Friday falls on the day after Thanksgiving, employees would maintain their non-working Friday and receive nine (9) hours of holiday pay on Wednesday and Thursday instead of receiving holiday pay on Thursday and Friday).
- d. Employees on a 4/10 Schedule will need to use either floating holiday, vacation or compensatory time to cover the difference between their regularly scheduled hours and the compensated time received for holidays.

Appendix C – Approved November 09, 2018

- e. Employees who take a full day off on a ten (10) hour workday will be charged ten (10) hours of leave. Employees who take a full day off on a nine (9) hour workday will be charged nine (9) hours of leave. Employees who take a full day off on an eight (8) hour workday will be charged eight (8) hours of leave.
- f. This section only applies to employees that participate in the Defined 9/80 Schedule as defined in the employee's labor agreement.

Integration with holidays and paid leave after January 1, 2019:

- a. Sections a through e will carry forward.
- b. To ensure that employees on different work schedules do not receive disproportionate amounts of holiday hours per year, employees on a 9/80 schedule or a 4/10 schedule will only accrue one (1) nine (9) hour floating holiday in the first full pay period in July 2019.
- c. This section only applies to employees that participate in the Defined 9/80 Schedule as defined in the employee's labor agreement.

**11.2 Holiday Pay**

Records personnel in the Police Department required to work an alternative work schedule will receive hourly compensation for the holiday based on the employees current regularly scheduled work shift assignment. For holidays that do not fall on a regularly scheduled workday, the holiday compensation will be 8 hours.



**APPENDIX D**  
**CITY OF LOS ALTOS ADMINISTRATIVE POLICY**  
**ALTERNATIVE WORK SCHEDULES**

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**PURPOSE**

Alternative work schedules are intended to benefit the City of Los Altos (“City”) by decreasing the number of commute trips (and associated greenhouse gas emissions) required of City employees by 10% and align with the City’s Climate Action Plan - Goal 5.3 Support Sustainable Employee Travel. The City also recognizes the benefit of a compressed work week for City employees. Reducing the number of commute trips aids employee retention efforts while also providing the benefit of being used as a recruitment tool for future employees.

**POLICY**

**Policy Overview:**

Upon written request by an employee, the department director (or his or her designee) along with the employee’s immediate supervisor/manager shall consider allowing the employee to work an alternative work schedule. This schedule will only be approved if it maintains established levels of service and is transparent to the public. In addition, this scheduling will be subject to the conditions, limitations and procedures outlined in the City’s Administrative Policies.

Work schedules have been and will continue to be determined by City Departments based upon the need to provide service to the public. These schedules will continue to be administered by the Department. The department director (or his or her designee) will work with the employee’s immediate supervisor/manager and the employee to determine the appropriate alternative work schedule, break times, and work schedules.

**Alternative Work Schedule Options:**

**4/10 Work Schedule**

A 4/10 work schedule consists of four (4) workdays of ten (10) hours within a seven (7) day work week. For this schedule, the workweek begins Sunday at 12:00 AM and ends Saturday at 11:59 PM.

**9/80 Work Schedule**

A 9/80 is a work schedule of eighty (80) work hours, scheduled over the course of nine (9) workdays during a single biweekly pay period. The typical 9/80 schedule consists of eight (8) work days of nine (9)-hours, Monday through Thursday of each week, with one eight (8)-hour work day on one of the Fridays. For this schedule, the workweek shall begin exactly four (4) hours after the start time of the day of the week that the employee’s eight (8) hour work day is scheduled.

**Defined 9/80 Work Schedule**

City employees whose primary work location is City Hall, MSC, and full-time employees within the Recreation Department will be scheduled to work a Defined 9/80 Work Schedule consisting of eight (8) work days of nine (9) hours, Monday through Thursday of each week, and one (1) defined Friday of eight (8) hours. The non-working Friday will be the day that City Hall and MSC are closed to staff and the public. The Fridays that these locations will be closed shall be posted annually on the City’s website calendar. City employees at these locations may work a 4/10 Work Schedule, with department head approval, so long as their four workdays align with the days that City Offices will be open under the Defined 9/80 Schedule.

## Appendix D – Approved November 09, 2018

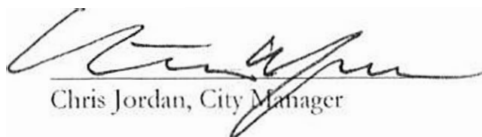
Employees shall be entitled to either a thirty minute or a one (1) hour unpaid meal period during each eight (8), nine (9), or ten (10) hour work shift unless an employee's labor agreement or existing policies at the Department level specify otherwise. Whenever possible, this meal period shall be scheduled at the middle of each shift. Breaks are considered paid time and cannot be combined with the lunch period to shorten the work schedule unless an employee's labor agreement specifies otherwise. Any other schedule modifications will not be permitted without prior approval by the employee's Supervisor/manager.

### **Procedure:**

1. An employee scheduled to work an alternative work schedule or an employee requesting to work an alternative work schedule shall submit an "Alternative Work Schedule Form" to his or her immediate supervisor and to the department director for approval. Human Resources must receive a copy of the approved form.
2. Upon receipt of an employee's written request to work an alternative schedule, the department director will work with the employee's immediate supervisor/manager to determine whether the department can approve the employee's alternative work request.
  - a. In determining whether the department can approve the request, the department shall first consider its obligation is to the public.
  - b. If the department head determines that the alternative work schedule will not cause harm to the public service, he or she shall next consider whether the department can adequately manage the requested alternative schedule.
  - c. Finally, the department director will consider and allow the requested alternative schedules as long as it does not diminish the quality of the employee's work, the availability of City services, or result in increased costs.
3. In certain circumstances, and depending on workload and department initiatives, the department director (or his or her designee) may take the employee off their alternative work schedule unless an employee's labor agreement specifies otherwise. This may occur due to public service needs, the department's ability to manage the employee, the employee's performance or productivity, or for any other lawful reasons. In such instances, the department director (or his or her designee) will make an effort to notify the employee ahead of time of any scheduling change.
4. Employees working an alternative work schedule cannot move their regular day off or "flex" or adjust work hours forward or backward on the alternating regular work day without written approval by their supervisor.
5. Starting and ending times for the work day for an employee working an alternative work schedule continue to be subject to approval by the employee's supervisor/manager. The supervisor / manager may adjust the employee's start and end times from time to time, as necessary to provide adequate staffing and coverage.

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6. Integration with holidays and paid leave before January 1, 2019:
  - a. When a holiday falls on an employee’s regularly scheduled ten (10) hour work day, the employee shall receive nine (9) hours of paid holiday. When a holiday falls on an employee’s regularly scheduled nine (9) hour work day, the employee shall receive nine (9) hours of paid holiday. When a holiday falls on an employee’s regularly scheduled eight (8) hour work day, the employee shall receive eight (8) hours of paid holiday.
  - b. When an observed holiday falls on a non-working Friday, the employee will receive nine (9) hours of paid holiday the Thursday before the holiday instead of receiving holiday pay the day of the holiday, in accordance with the employee’s regularly scheduled hours for those days.
  - c. If the Thursday before the scenario in section 6b is also a holiday, the employee shall receive nine (9) hours of holiday pay the Wednesday before the holiday in accordance with the employee’s regularly scheduled hours for those days. (For example, if a non-working Friday falls on the day after Thanksgiving, employees would maintain their non-working Friday and receive nine (9) hours of holiday pay on Wednesday and Thursday instead of receiving holiday pay on Thursday and Friday).
  - d. Employees on a 4/10 Work Schedule will need to use either floating holiday, vacation, compensatory time, or management leave to cover the difference between their regularly scheduled hours and the compensated time received for holidays unless an employee’s labor agreement specifies otherwise.
  - e. Employees who take a full day off on a ten (10) hour workday will be charged ten (10) hours of leave. Employees who take a full day off on a nine (9) hour workday will be charged nine (9) hours of leave. Employees who take a full day off on an eight (8) hour workday will be charged eight (8) hours of leave.
  - f. This section only applies to employees that participate in the Defined 9/80 Work Schedule as defined in the employee’s labor agreement.
  
7. Integration with holidays and paid leave after January 1, 2019:
  - a. Sections 6a through 6e will carry forward.
  - b. To ensure that employees on different work schedules do not receive disproportionate amounts of holiday hours per year, employees on a Defined 9/80 Work Schedule or employees on a 4/10 Work Schedule at Defined 9/80 locations will only accrue one (1) eight (8) hour floating holiday in the first full pay period in July unless an employee’s labor agreement specifies otherwise.
  - c. This section only applies to employees that participate in the Defined 9/80 Work Schedule as defined in the employee’s labor agreement.
  
8. Overtime provisions
  - a. Overtime if any, must be approved in advance by the immediate supervisor.
  - b. Overtime for eligible non-exempt employees will be paid for all hours worked in excess of forty (40) hours in the employee’s seven (7) day workweek or as defined in the employee’s labor agreement.



Chris Jordan, City Manager

Effective Date: August 5, 2002  
Revision Date: April 20, 2006  
Revision Date: August 12, 2015  
Revision Date: November XX, 2018