



## REGULAR MEETING AGENDA

**Date:** 5/27/2025  
**Time:** 6:00 p.m.  
**Location:** [Zoom.us/join](https://zoom.us/join) – ID# 832 1285 7140  
City Council Chambers  
751 Laurel St., Menlo Park, CA 94025

## EARLY STAFF REPORT RELEASE NOTICE

Pursuant to the requirements of City Council Procedure #CC-11-0001, the following staff report is being released 15 days in advance of the City Council meeting:

Consider and adopt a resolution to approve the successor agreement between the City of Menlo Park and the Menlo Park Police Sergeants' Association expiring Oct. 31, 2027 ([Staff Report #25-075-CC](#))

This notice is posted in accordance with Government Code §§54954.2(a) or 54956. Members of the public can view electronic agendas and staff reports by accessing the city website at [menlopark.gov/agendas](https://menlopark.gov/agendas) and can receive notifications of agenda postings by subscribing at [menlopark.gov/subscribe](https://menlopark.gov/subscribe). Agendas and staff reports may also be obtained by contacting the City Clerk's Office at 650-330-6620. (Posted 5/12/2025)



## STAFF REPORT

### City Council

**Meeting Date:**

**5/27/2025**

**Staff Report Number:**

**25-075-CC**

### Regular Business:

**Consider and adopt a resolution to approve the successor agreement between the City of Menlo Park and the Menlo Park Police Sergeants' Association expiring Oct. 31, 2027**

## Recommendation

Adopt a resolution to approve the successor agreement between the City of Menlo Park and the Menlo Park Police Sergeants' Association (PSA) expiring Oct. 31, 2027 (Attachment A).

## Policy Issues

City Council retains sole authority to enter into a memoranda of understanding (MOU) with recognized labor units. Negotiations related to MOUs are governed by the Meyers-Milias-Brown Act (MMBA), Government Code §3500 et seq. MMBA requires that local agencies meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized collective bargaining units. MMBA further requires that the City fully consider proposals made by collective bargaining unit representatives before determining policy or course of action.

## Background

The City Council held its initial hearing to receive public input before launching negotiations with the PSA Jan. 14. After the public input hearing, City Council appointed Charles Sakai of Sloan Sakai Yeung & Wong LLP to serve as the City's chief negotiator. Mr. Sakai received direction to negotiate the successor MOU with the PSA and successor negotiations, which commenced in February 2025. The Parties met both on and off-the-record and resolved matters by joint recommendation in April 2025.

The existing PSA MOU contains a salary provision that requires a minimum base pay differential of 15% between top step police corporal and top step police sergeant. In effect, this means that the PSA receives a wage increase commensurate to that negotiated with the Menlo Park Police Officers' Association (POA). City Council previously approved an appropriation of \$68,906 for the corresponding wage increases for the PSA as part of the salary schedule amendment approved Aug. 27, 2024 (Attachment B).

## Analysis

Service to the community requires a skilled workforce that is committed to providing the level of public safety, customer service, and responsiveness expected by the City Council, residents, businesses, and other community sectors in Menlo Park. The PSA is comprised of supervisory level personnel, representing the classification of Police Sergeant with 9 budgeted full-time equivalents (FTEs) in PSA in fiscal year 2024-25.

This report summarizes the joint recommendation negotiated in good faith with PSA representatives. PSA ratified the tentative agreement on or about April 29. While the Parties' joint recommendation conforms to the authority provided to Mr. Sakai, the final action requires City Council approval at a public meeting. Table 1 summarizes the tentative agreement terms with financial impacts. A redline version incorporating these terms into the current MOU will be transmitted for City Council adoption at least 72 hours in advance of its May 27 meeting (Exhibit A of Attachment A).

Table 1: Tentative agreement items with financial impact to City		
Item	Description	Cost / (savings)
Term	The tentative agreement provides for a two-year and four-month term beginning July 1, 2025, and ending Oct. 31, 2027. Given that negotiation of a successor agreement is not required for fiscal years 2025-26 and 2026-27, the City is estimated to save approximately \$30,000 per year, which reflects legal costs and internal staff time required to support negotiations.	(\$60,000)
Pay rates – Overtime	The tentative agreement adds clarifying language on the existing practice of how overtime is calculated, consistent with language in the POA agreement.	No-cost item.
Pay rates – Market-based adjustments	<p>The tentative agreement includes market-based adjustments tied to the current POA agreement (Sept. 1, 2024 – Aug. 31, 2027).</p> <ul style="list-style-type: none"> <li>Effective the first full pay period in February 2025 (i.e., Feb. 9, 2025), the City added a new salary step to the salary schedule for the classification of Police Sergeant. The new salary step was set 5% above the existing Step E. Immediately upon the establishment of the new salary step, the existing Step A was deleted and salary steps were renamed A-E.</li> </ul>	No additional cost. This formalizes an adjustment that occurred in February 2025 to retain the set salary differential with the POA.
Special pay – Longevity pay adjustments	<p>The tentative agreement includes a modification to the existing longevity pay provision to recognize continuous service time as a full-time sworn police officer, rather than recognizing only the years of service with the City, to help attract lateral police employees, align with the POA agreement, and encourage promotions. Additionally, the existing longevity pay tiers are being adjusted to further incentivize employee retention.</p> <p>Effective the first full pay period following Sept. 1, 2025, sergeants who have at least one year of service as a full-time sworn police employee with the City will be credited with 0.5 years of service for every one year of service as an 830.1 Peace Officer for any other California agency. The</p>	

Table 1: Tentative agreement items with financial impact to City		
Item	Description	Cost / (savings)
	<p>longevity pay tiers will be as follows:</p> <ul style="list-style-type: none"> <li>• 3% upon completing seven years of service</li> <li>• 5% upon completing 11 years of service</li> <li>• 8% upon completing 15 years of service</li> <li>• 10% upon completing 20 years of service</li> </ul>	\$92,925
Special pay – Education incentive	<p>PSA members currently receive special pay for obtaining a Peace Officer Standards and Training (POST) intermediate certificate (5%) or advanced certificate (10%) to incentivize continuous learning, meeting professional standards, preparing for career advancement, and ultimately improving public safety with specialized skills and knowledge.</p> <p>The tentative agreement adds an incentive for POST supervisory certificate (11.5%) effective the first full pay period following Sept. 1, 2026. The POST supervisory certificate requires completion of a minimum of 60 semester units from an accredited college or university or possession of an accredited degree; completion of the POST supervisory course; possession of or eligibility to possess the POST intermediate certificate; and a minimum of two years of law enforcement experience at the supervisor level or higher.</p> <p>These incentives are not additive and employees are only entitled to the highest level of POST certificate pay completed.</p>	\$18,926
Indirect costs tied to employee wages	<p>These costs include the corresponding increase to the normal CalPERS contribution, other City-provided benefits and special pays that are tied to wages (i.e., life insurance, long-term disability insurance, accidental death and dismemberment insurance, Medicare and workers' compensation).</p>	\$29,453
Employee retirement cost share	<p>The City and PSA previously entered into a cost-sharing agreement whereby CalPERS Tier 3 – PEPRAs members contribute the greater of half of the normal cost or 12%. This equates to a minor additional cost to the employee and an added administrative burden to the City. Additionally, the employee retirement cost share was reduced in 2023 and then eliminated in July 2024 for other employee groups. The tentative agreement includes the following adjustments to the employee retirement cost</p>	<p>The PSA bargaining unit does not currently have any PEPRAs members. In addition, the cost of increasing the City's contribution to the full CalPERS employer rate would be offset by savings in staff time spent calculating the rate difference.</p>

Table 1: Tentative agreement items with financial impact to City		
Item	Description	Cost / (savings)
	share, aligning with the POA MOU: <ul style="list-style-type: none"> <li>Effective the first full pay period following July 1, 2025, the cost share shall end and PEPRA members will contribute half the normal cost as calculated by CalPERS on an annual basis.</li> </ul>	
Flexible benefits plan contribution	The tentative agreement includes the current contribution rates for 2025 plus an across the board increase in flexible benefits plan contribution based on the annual Consumer Price Index (CPI) for the San Francisco Bay Area: <ul style="list-style-type: none"> <li>2026 – Incorporates a 2.7% CPI increase</li> <li>2027 – CPI increase between 2-4%</li> </ul>	\$14,285
Call back pay	The tentative agreement amends the existing call back pay provision to be consistent with language in the POA agreement, including adding language for off-duty court appearances.	Call back pay varies each year and is not budgeted for separately.
Bereavement leave	The tentative agreement allows employees to take up to two additional days off per instance of bereavement for eligible family members using the employee's eligible leave banks. This is being updated to comply with new State law.	No-cost item.
MOU language cleanup	The parties agree to cleanup additional language in the MOU for added clarity and standardization and to comply with CalPERS or legal requirements.	No-cost item.
<b>Total</b>	<b>Year 1</b>	<b>\$45,700</b>
	<b>Year 2, incremental</b>	<b>\$80,630</b>
	<b>Year 3, incremental</b>	<b><u>\$29,259</u></b>
	<b>Two-year and four-month contract term total</b>	<b>\$155,589</b>

The tentative agreement provides nearly two and half years of stability and known increases for PSA across all areas of wages and benefits. The economic package outlined above balances the need for fiscal sustainability with the goal of recruiting and retaining top talent in service to the community. One measure of fiscal sustainability is the relationship between the tentative agreement's economic package and inflation as measured by the Consumers Price Index, All Urban Consumers (CPI-U), for the San Francisco area. The San Francisco Area CPI as of February 2025 showed an increase of 2.7% as compared to February 2024. Another measure of fiscal sustainability is the relationship between the tentative agreement and the amounts budgeted in the fiscal year 2024-25 budget and General Fund five-year forecast. These items include 3% placeholder wage increases and 4% increases to benefit costs, taking into consideration increasing costs for employee pension and inflationary assumptions for non-salary items.

The terms of the successor agreement are an important component of recruiting and retaining quality police employees. Competition for top talent is significant. Providing a compensation package that improves the City's market position and provides incentives for longevity and promoting within the City supports recruitment and retention of our highly qualified and experienced staff.

### **Impact on City Resources**

The average annual cost of this two-year and four-month agreement is approximately \$66,681. Staff will incorporate these wage and benefit adjustments into the fiscal year 2025-26 budget that is anticipated to be adopted June 24.

### **Environmental Review**

This action is not a project within the meaning of the California Environmental Quality Act (CEQA) Guidelines §§15378 and 15061(b)(3) as it will not result in any direct or indirect physical change in the environment.

### **Public Notice**

Public notification was achieved by posting the report 15 days prior to the City Council meeting of May 12. The redline version of the MOU (Exhibit A of Attachment A) will be posted at least 72 hours prior to May 27.

### **Attachments**

- A. Resolution to adopt the successor MOU with PSA (July 1, 2025 – Oct. 31, 2027)
- B. Hyperlink – Aug. 22, 2024 SR #24-146-CC: [menlopark.gov/files/sharedassets/public/v/1/agendas-and-minutes/city-council/2024-meetings/agendas/20240827/h4-20240827-cc-salary-schedule-amend.pdf](https://menlopark.gov/files/sharedassets/public/v/1/agendas-and-minutes/city-council/2024-meetings/agendas/20240827/h4-20240827-cc-salary-schedule-amend.pdf)

Report prepared by:

Charla Freckmann, Human Resources Manager

Brittany Mello, Administrative Services Director

**RESOLUTION NO. XXXX**

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MENLO PARK  
APPROVING AND ADOPTING THE COMPREHENSIVE MEMORANDUM OF  
UNDERSTANDING WITH MENLO PARK POLICE SERGEANTS'  
ASSOCIATION WITH A TERM OF JULY 1, 2025 THROUGH OCTOBER 31,  
2027**

WHEREAS, the City of Menlo Park received a report on expiring labor agreements Jan. 14 in accordance with City Council's policy on Public Input and Outreach Regarding Labor Negotiations; and

WHEREAS, the memorandum of understanding ("MOU") between the City of Menlo Park ("City") and the Menlo Park Police Sergeants' Association ("PSA") expires June 30; and

WHEREAS, Negotiators for the City and PSA began the meet and confer process in February, and met both on and off-the-record and resolved matters by tentative agreement in April; and

WHEREAS, City and the PSA have met and conferred in good faith and have agreed to the attached comprehensive successor MOU (Exhibit A); and

WHEREAS, the PSA bargaining unit ratified the tentative agreement on or about April 29; and

WHEREAS, the terms of the successor MOU make changes to the wages, the CalPERS employee cost sharing agreement, flexible benefit plan contributions, various cleanup language regarding noneconomic terms, and has a term July 1, 2025, to Oct. 31, 2027.

NOW, THEREFORE, BE IT RESOLVED, by the Menlo Park City Council that:

1. City approves the tentative agreement with PSA for a successor MOU with a term of July 1, 2025, through Oct. 31, 2027, as set forth in Exhibit A attached and incorporated by reference; and
2. City Council directs that all relevant additional costs related to implementation of the successor MOU be incorporated into the proposed fiscal year 2025-26 budget; and
3. City Council authorizes the city manager or their designee to execute the successor MOU; and
4. City manager may approve formatting edits to the successor MOU.

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I, Judi A. Herren, City Clerk of Menlo Park, do hereby certify that the above and foregoing City Council Resolution was duly and regularly passed and adopted at a meeting by said City Council on the twenty-seventh day of May, 2025, by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this \_\_ day of May, 2025.

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Judi A. Herren, City Clerk

Exhibit:

A. Successor Memorandum of Understanding



Exhibit A will be available on or before May 24.