



City Council Agenda Item

City Council Meeting Date: April 21, 2026

TO: Dean Albro, City Manager

FROM: Amabelle Apolinario, Principal Human Resources Analyst
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SUBJECT: Adoption of Resolution No. 6809(26) Approving Amendment No. 2 to the Lompoc Police Officers' Association Memorandum of Understanding 2025-2027 to Ensure Compliance With CalPERS Requirements

Recommendation:

Staff recommends the City Council adopt Resolution No. 6809(26) (Attachment 2), which will approve Amendment No. 2 to the Lompoc Police Officers' Association (LPOA) Memorandum of Understanding 2025-2027 (LPOA MOU 2025-27) to incorporate revised language related to Holiday Pay, Temporary Upgrade Pay (Acting Pay), and Education Incentive, and ensure compliance with CalPERS requirements.

Background:

On July 15, 2025, the City Council adopted Resolution No. 6765(25) approving the LPOA MOU 2025-27.

On December 16, 2025, the City Council adopted Resolution No. 6793(25) approving Amendment No. 1 to the LPOA MOU 2025-27, which increased the City's health premium contributions.

Subsequently, the California Public Employees' Retirement System (CalPERS), through its Compensation & Compliance Services Division, conducted a review of compensation reported by the City and determined that certain items, including Holiday Pay and Temporary Upgrade Pay, did not meet the requirements for "compensation earnable" under applicable Government Code sections and California Code of Regulations.

In response to those findings, the City, in consultation CalPERS, developed revised language to ensure compliance with applicable statutory and regulatory requirements. The City and LPOA met and conferred in good faith regarding the changes and reached an agreement on April 1, 2026, subject to City Council approval.

Discussion:

Amendment No. 2 to the LPOA MOU 2025-27 incorporates revisions to the provisions governing certain pay, including Holiday Pay, Temporary Upgrade Pay (Acting Pay), and Education Incentive Pay, to ensure such compensation meets the definition of reportable special compensation under CalPERS regulations.

The revised language has been reviewed and approved by CalPERS for compliance with the Public Employees' Retirement Law (PERL) and implementing regulations.

The applicable sections of the MOU will be updated accordingly. A redlined version of the proposed changes is included below for reference.

ARTICLE 4

SALARIES AND COMPENSATION

4-8 Special Assignment Pay (Training Premium): ~~Effective January 2, 1999,~~ Police Officers, who are certified as Field Training Officers, will receive an additional 5% of base pay plus Acting special-a Assignment Pay and Educational Incentive Pay (if applicable) while they are actively performing assigned duties as a field trainer for officers.

Dispatcher-Jailers, who are qualified to serve as a dispatcher-jailer trainer, will receive ~~five an additional percent (5% of base pay plus Acting A) special assignment p~~Pay and Educational Incentive Pay (if applicable) while they are actively performing assigned duties of a trainer for dispatcher-jailers.

4-10 Educational Incentive Pay:

The City provides an Educational Incentive Pay to recognize completion of higher education degrees and certificates that enhance an employee's ability to perform the duties of their classification. The City finds that the following degrees and certificates enhance an employee's ability to perform their job duties.

a. ~~The City provides an Educational Incentive Plan for the classifications of~~Sworn Personnel (-Police Officer, Corporal & Sergeant) as follows:

- AA/AS Degree OR Intermediate POST Certification: 2.5% of base pay

- BA/BS Degree OR Advanced POST Certification: 5.0% of base pay

~~— Possession of an AA/AS Degree OR Intermediate POST Certification ————— + 2.5%~~

~~— Possession of a BA/B.S. Degree OR Advanced POST Certification ————— + 5.0%~~

- b. Upon approval and adoption of this MOU, the City shall provide an Educational Incentive Plan for the classifications of Non-Sworn Personnel (Police Dispatcher, Police Jailer, and Community Service Officer, and Evidence & Property Specialist) (CSO) as follows:**

Effective July 29, 2023, employees in the classifications of Police Dispatcher, Police Jailer, and Community Service Officer may receive Educational Incentive Plan based on the following:

- AA/AS Degree: 2.5% of base pay
- BA/BS Degree: 5.0% of base pay

Effective September 20, 2025, employees in the classification of Evidence & Property Specialist are eligible to receive the Educational Incentive Plan under the same criteria listed above.

The maximum Educational Incentive Pay that an employee may receive under this section is 5% of base pay. Incentives are not cumulative; an employee may receive the higher applicable incentive, but not both.

Eligibility requires documentation of the degree or POST certification, demonstrating that it enhances the employee's knowledge and ability to perform job duties.

~~— Possession of an AA/AS Degree ————— + 2.5%~~

~~— Possession of a BA/B.S. Degree ————— + 5.0%~~

~~During probation following appointment or promotion, evaluation cannot fall below "Satisfactory". Continued accrual of Educational Incentive Pay shall require maintaining a minimum overall annual performance evaluation rating of "Satisfactory".~~

4-13 Dispatcher Custodial Search Pay: The City will provide an additional 2.5% of base pay plus Acting Assignment Pay (if applicable) paid bi-weekly to all ~~full-time~~represented dispatchers who complete the City's in-house search and custodial control training and receive a certificate of completion. This special pay and related duties will require dispatchers to perform booking searches as necessary. Officers will make every effort to transport the detainee to the secure portion of the police station where the dispatcher will perform the search.

Only in extreme cases, and with the supervisor's approval, will a dispatcher be asked to conduct a search in the field. During any field search, officers will ensure the scene is secure and stabilized prior to ~~bring~~ bringing the dispatcher to the location of the search.

ARTICLE 8

Effective December 21, 2021, and upon City Council approval of Amendment No. 2 to this Memorandum of Understanding (MOU), Article 8 shall be as follows:

HOLIDAYS

8-1 Observed:

- a. ~~Regular full-time employees that have not elected to forfeit the ability to accrue holidays during the period of this MOU shall receive~~ Employees shall receive the following paid holidays:

January 1
Third Monday in January – Martin Luther King Day
Third Monday in February
Third Monday in April
Last Monday in May
June 19 – Juneteenth
July 4
First Monday in September
November 11
Thanksgiving Day
Friday following Thanksgiving Day
December 24
December 25

- b. Public holiday proclaimed by the President or Governor and Mayor of the City of Lompoc.
- c. Employees assigned to divisions operating on a 24-hour basis ~~or schedule~~ who work without regard to holidays shall be entitled to ~~equivalent time off in lieu~~ eight (8) hours time off per holiday in lieu of holidays, at the discretion of the department head and in accordance with the ~~Overtime and Holiday Accrual section of the MOU.~~

- d. Employees who are not assigned to divisions operating on a 24-hour basis or schedule shall observe December 24 as follows:

If December 24th is on:	Holiday Observed on:
Wednesday	Friday
Thursday	Thursday
Friday	Thursday
Saturday	Friday
Sunday	Tuesday
Monday	Monday
Tuesday	Tuesday

8-2 Holiday Sell-back for Employees Assigned to Divisions Operating on a 24-Hour Basis or Schedule: ~~Effective January 1, 2004, e~~ Employees covered under this MOU ~~would~~ have the option of selling back the above holidays, on a quarterly basis, subject to the following:

- a. The value of holiday pay shall be base pay, plus the following incentives applicable to each employee: education incentive and dispatcher custodial search pay.—
1. Voluntary Quarterly Holiday Payout – Optional sell back of accrued holiday balances is available the first and third quarters each calendar year (January to March and July to September). Voluntary quarterly holiday payout will occur in the last pay period which includes a workday in the first or third quarters of the calendar year. Only holidays that have accrued may be sold back.
 2. ~~b.~~—Any holiday balance at the calendar year end will ~~be occur~~ paid out in the last pay period which ends in the fourth quarter of the calendar year (October to December).
 3. ~~c.~~—Any holiday balance at the fiscal year end will ~~occur~~ be paid out in the last pay period which ends in the second quarter of the calendar year (April to June).
 - ~~3.4.~~ Holiday Pay is not reportable for CalPERS new members.

ARTICLE 11

Effective December 21, 2021, and upon City Council approval of Amendment No. 2 to this Memorandum of Understanding, Article 11 shall be as follows:

ACTING ASSIGNMENT PAY

Any person temporarily appointed to serve in a higher classification and serving continuously in said classification for fourteen (14) working days shall receive temporary upgrade pay. The value of temporary upgrade pay shall be determined as follows: The City will take the employees' base pay, plus the following incentives applicable to each employee: education incentive, dispatcher custodial search pay, and Field Training Officer (FTO) pay. If, after considering the incentives, the employee is below Step 0 on the salary schedule, the employee will be placed on Step 0. Otherwise, the employee will be placed on the next highest step.

For example, if Step 0 was \$25 per hour and Step 1 was \$30 per hour, and the employee's base pay plus applicable incentives was \$22 per hour, the employee would be moved to Step 0. If the employee's base pay plus applicable incentives was \$26, the employee would be moved to Step 1. In the first example, the value of the acting assignment would be \$3 (\$25-\$22). In the second example, it would be \$4 (\$30-\$26).

The classification of Community Services Officer shall receive the above-described compensation for the higher classification, effective the first day of service.

In accordance with Personnel Procedures Manual, Chapter 47 – Working Out of Class Policy, temporary upgrade pay exceeding Step 0 or the five percent (5%) minimum increase may be authorized by the City Manager. In such cases, the department/division must complete and submit the appropriate “Acting Pay” form.

~~compensation established for the higher classification for the entire period of service in said classification.~~

~~Under the following conditions the classification of Community Services Officer shall receive the above-described compensation for the higher classification effective the first day of service:~~

~~When determined fully qualified to perform dispatcher-jailer duties and the acting appointment has been authorized by the Chief of Police;~~

~~When working out of class as part of the basic staffing patterns in the jail or dispatch center; or~~

~~An assignment made to cover relief of personnel in the jail or dispatch center, which is for a minimum of one eight (8) hour shift.~~

Fiscal Impact:

There is no fiscal impact associated with the proposed revisions to the MOU.

Conclusion:

Adoption of Resolution No. 6809(26) will approve Amendment No. 2 to the LPOA MOU 2025-27 and authorize the implementation of the revised provisions to ensure compliance with CalPERS requirements.

Respectfully submitted,

Amabelle Apolinario, Principal Human Resources Analyst

Gabriel Garcia, Human Resources Director

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Dean Albro, City Manager

Attachment: Resolution No. 6809(26)