

Folsom City Council Staff Report

MEETING DATE:	9/9/2025
AGENDA SECTION:	New Business
SUBJECT:	Resolution No. 11459 - A Resolution Authorizing the City Manager to Execute a Memorandum of Understanding between the City of Folsom and the International Union of Operating Engineers, Local 39
FROM:	Human Resources Department

RECOMMENDATION / CITY COUNCIL ACTION

The Human Resources Director recommends that the City Council pass and adopt Resolution No. 11459 - A Resolution Authorizing the City Manager to Execute a Memorandum of Understanding between the City of Folsom and the International Union of Operating Engineers, Local 39.

BACKGROUND / ISSUE

The existing Memorandum of Understanding (MOU) between the City of Folsom and the International Union of Operating Engineers, Local 39 expired on June 30, 2025. The parties began negotiations on a new MOU on April 4, 2025, and reached a tentative agreement on August 14, 2025. Local 39 ratified the tentative agreement on August 28, 2025. The new proposed successor MOU is being presented to the City Council on September 9, 2025, for consideration and approval.

POLICY / RULE

Government Code Title 1, Division 4, Chapter 10 commonly known as the Meyers-Miliias-Brown Act requires that representatives of the Governing Body of a public agency shall meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of recognized employee organizations. Both parties shall endeavor to reach a tentative agreement within the scope of representation, and, if a tentative agreement is reached and ratified by the respective parties, they shall prepare a written memorandum of understanding.

ANALYSIS and FINANCIAL IMPACT

A tentative agreement was reached by the parties and the proposed successor Memorandum of Understanding, which will be effective July 1, 2025, contains the following changes that have some economic impact, as outlined below. The changed provisions are as follows:

1. The MOU term will be for three (3) years: July 1, 2025, through June 30, 2028.
2. A cost-of-living adjustment (COLA) is provided for each year of the agreement:
 - Year 1: Effective July 1, 2025
 - 3% for all classifications
 - The cost for the first year of the COLA will increase salary and benefits approximately \$757,674.
 - 1) General Fund (010) - \$389,536
 - 2) Water (520) - \$118,390
 - 3) Sewer (530) - \$71,715
 - 4) Solid Waste (540)- \$173,929
 - 5) Tree Rep (226) - \$4,104
 - Year 2: Effective July 1, 2026
 - 3% for all classifications
 - The cost for the second year of the COLA will increase salary and benefits approximately \$795,141.
 - 1) General Fund (010) - \$407,602
 - 2) Water (520) - \$124,376
 - 3) Sewer (530) - \$73,865
 - 4) Solid Waste (540) - \$185,071
 - 5) Tree Rep (226) - \$4,227
 - Year 3: Effective July 1, 2027
 - 3% for all classifications
 - The cost for the third year of the COLA will increase salary and benefits approximately \$818,995.
 - 1) General Fund (010) - \$419,830
 - 2) Water (520) – \$128,107
 - 3) Sewer (530) - \$76,081
 - 4) Solid Waste (540) - \$190,623
 - 5) Tree Rep (226) -\$4,354
3. Effective July 1, 2025, the following classifications shall be increased to the salary range which is closest to 5% above the current salary range:
 - a. Electrical and Instrument Technician
 - b. Fleet Operations Coordinator
 - c. Inventory Clerk
 - d. Lead Sr. Mechanic
 - e. Mechanic I/II
 - f. Senior Building Tradesworker
 - g. Senior Equipment Mechanic

- h. Traffic Control Device Technician
- i. Traffic and Control Lighting Tech I/II/Sr.
- j. Lead Plant Mechanic
- k. Wastewater Collection Technician I/II/III/Sr.
- l. Water Distribution Operator I/II/III
- m. Water Distribution Chief Operator
- n. Water Treatment Plant Mechanic
- o. Water Treatment Plant Operator I/II/III (shift and non-shift)
- p. Water Treatment Plant Chief Operator
- q. Water Quality Technician
- r. Water Utility Worker I/II/III/Sr.

Effective the first full pay period following July 1, 2025, the salary range for the Refuse Driver and Senior Refuse Driver classification shall be increased to the salary range closest to 2.5% above the current salary range.

The cost of the special salary increase will be approximately \$442,123 in the first year in salary and benefits.

General Fund (010) - \$71,797

Water (520) - \$155,120

Sewer (530) - \$84,576

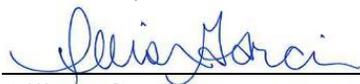
Solid Waste (540) - \$110,630

- 4. Uniform/Boot Allowance
 - New employees required to wear a uniform and/or boots will be entitled to a pro-rated amount of the allowance based on the number of full months remaining in the fiscal year.
- 5. Annual Leave Cash out
 - Eligible employees may cash out up to 60 hours of annual leave (currently 40 hours) per fiscal year, only if they have used at least 40 hours of annual leave during the year.
- 6. A variety of non-economic and clarification language changes were also agreed upon.

ATTACHMENTS

- 1. Resolution No. 11459 - A Resolution Authorizing the City Manager to Execute a Memorandum of Understanding between the City of Folsom and the International Union of Operating Engineers, Local 39.
- 2. Proposed Memorandum of Understanding between the City of Folsom and the International Union of Operating Engineers, Local 39 for the term of July 1, 2025, through June 30, 2028.

Submitted,



Allison Garcia

Human Resources Director