



STAFF REPORT

Meeting Type: Board of Directors
Title: Proposed Amendments to Memorandum of Understanding with Service Employees International Union Local 1021 for Represented Employees and Resolution No. 8760 for Unrepresented Employees
From: Vikkie Garay, Human Resources Manager
Through: Ben Horenstein, General Manager
Meeting Date: February 24, 2026

TYPE OF ITEM: X Approve Review and Comment

RECOMMENDATION: Approve proposed amendments to the Memorandum of Understanding (MOU) between the District and Service Employees International Union (SEIU) Local 1021 for represented employees and Resolution No. 8760 for unrepresented employees establishing the salaries and other terms and conditions of employment for these employee groups through June 30, 2029

SUMMARY: Staff recommends that the Board of Directors approve amendments to the MOU, covering working conditions for represented employees, and a new resolution amending and restating Resolution No. 8760, covering working conditions for unrepresented employees,. The proposed amendments provide for Cost of Living (COLA) adjustments of 4% annually for fiscal year FY 27, FY 28 and FY 29 for represented and unrepresented employees. The proposed amendment to the MOU also provides a 6% equity adjustment for the Engineering and Treatment Plant Operator classifications and the extension of a due date for the completion of a benchmark compensation study.

DISCUSSION: The District and SEIU participated in a comprehensive bargaining process in 2023, which provided the parties with the current MOU. The MOU covers working conditions for represented employees. Resolution No. 8760, also adopted in 2023, covers unrepresented employees and mirrors the MOU with few exceptions.

In January 2026, District staff and SEIU representatives met to discuss a modification and an extension of the current MOU. The parties reached a tentative agreement, pending Board approval, to modify the COLA during the last year of the current MOU (FY 27) and to extend the MOU for two additional years through June 30, 2029 with the following terms: (1) COLA adjustments of 4%, effective the first full pay period following July 1, for each fiscal year of the proposed modified and extended contract including FY 27, FY 28 and FY 29; (2) a 6% salary equity adjustment for the Treatment Plant Operator classifications and Engineer classifications; and (3) extend the due date for a benchmark study to be

completed at least six (6) months prior to the expiration of the MOU. If approved, the term of the MOU will be extended through June 30, 2029.

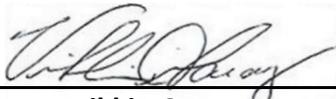
A meeting was also held with unrepresented employees regarding the proposed amended and restated resolution. The proposed amendments to the resolution will provide for a COLA mirroring the proposed COLA for represented employees, which includes adjustments of 4%, annually during FY 27, FY 28 and FY 29. The District Division Directors (considered “department heads” for purposes of California Government Code section 54953(d)(3)) will receive an annual salary adjustment of 5.25% in FY 27, to reflect the additional 1.25% increase already approved for FY 27, which will be offset by an additional contribution requirement to the Employer Paid Member Contribution to CalPERS, and an annual adjustment of 4% in FY 28 and FY 29.

ENVIRONMENTAL REVIEW: Not Applicable.

FISCAL IMPACT: For all employees, represented and unrepresented, the total fully benefited cost associated with the proposed Cost of Living Adjustment (COLA) is \$1,646,900 in FY 27. The cost increase attributable to the equity adjustments for specified job classifications is an additional \$79,150 in FY 26 and \$235,165 in FY 27. Funding for the FY 26 and FY 27 salary adjustments is currently available in the approved budget for FY 2025-27. The cost of living adjustments for FY 28 and FY 29 are \$1,722,185 and \$1,791,075, respectively, and will be included in the proposed FY 2027-29 budget.

ATTACHMENT(S):

1. Proposed Amendment No.1 to the MOU between District and SEIU
2. Proposed Resolution Replacing Resolution No. 8760

DEPARTMENT OR DIVISION	DEPARTMENT MANAGER	APPROVED
Human Resources Department		
	Vikkie Garay Human Resources Manager	Ben Horenstein General Manager