



STAFF REPORT

TO: MAYOR AND MEMBERS OF THE CITY COUNCIL
MEETING DATE: AUGUST 18, 2025
FROM: CITY MANAGER DUBOIS
SUBJECT: APPROVAL OF AGREEMENT WITH POA

RECOMMENDATION:

Pass a resolution approving the agreed terms with SEIU for three years ending June 30, 2028.

BACKGROUND:

Representatives for the City and the POA labor union representing five city employees (four positions currently filled) met for several months to negotiate employment terms for the next three fiscal years. We have typically negotiated annual agreements, but each negotiation is costly in itself. A three year term gives the city budget certainty.

Through a series of closed sessions, council discussed terms and gave the City Manager clear negotiating authority, working with the City's employment attorney. This agreement was achieved within that authority.

DISCUSSION:

The signed Overall Tentative Agreement is attached and is currently being codified into an updated MOU, being reviewed by the Union. Council must approve the Resolution in order to finalize the good faith negotiations. With Council Approval, the City Manager will work with our attorney and the labor union to finalize the MOU.

City employees are the City's biggest assets.. Our employees are what makes Sutter Creek a city, and how everything is accomplished. Labor costs including salary, benefits, and pension costs are the City's largest expense. Benchmarking studies were done on nearby and similarly sized agencies to compare where we are in the market for comparable job classifications.

The new agreement also specified and clarified several items of importance to the City and the Union:

1. Updated bereavement leave policy to comply with state law.
2. Updated Union membership orientation language to comply with state law.
3. Switched uniform allowance to make it a lump sum payment with proration language for a new hire.

4. Increased contributions to employee health and welfare plans to \$2000 in year 2, and \$2100 in year 3 of the agreement (Currently at \$1898 a ninth).
5. Provided a 6% cost of living increase. Members in the Classic pension plan must pay an additional 1% employee contribution to their pension.
6. Defined the work week to be 80 hours in 14 days

With this agreement I believe the City has achieved a fair agreement, recognizing the value of our employees and providing a fair wage balanced with caution on spending tax payer funds.

Other agencies have increased pay to their police officers, making it very difficult for us to offer a competitive wage, retain current staff and recruit new officers. We were below 30th percentile in our benchmarks. With these increases over the next three years, we are nearer the 50th percentiles. We must continue to make Sutter Creek an attractive place to work as we can not compete solely on compensation.

Most of our officers do not use city benefits, and the negotiations focused on take home pay. However, the City wanted to make the benefits competitive as well, so benefit limits are increased in years 2 and 3.

BUDGET IMPACT:

Total financial impact is an increase of \$92,000 in FY25-26 over the previous year, This includes all costs - wages, benefits, uniforms, employment taxes, overtime assumptions, and pension costs. The amount has been accounted for in the approved budget. .

ATTACHMENTS:

1. Signed Overall Tentative Agreement
2. Resolution approving the Agreement