



STAFF REPORT

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

RECOMMENDATION:

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

BACKGROUND:

Representatives for the City and the SEIU labor union representing six city employees 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 and Union dues to comply with state law and union requests
2. Documented conditions of existing vehicle take home policy.

3. Aligned holiday policy to be 12 holidays with 3 floating holidays, rules for overtime pay on holidays, and stops the practice of automatically creating an additional paid holiday if the State or Federal Government declares a new one.
4. Clarifies City's rights to determine work schedule and how overtime pay is calculated
5. Increased uniform allowances for those that are required on the job to help with cost increases
6. Increased contributions to employee health and welfare plans by 5%
7. Provided a 4% COLA along with an increase in employee contribution to pension costs
8. Provided a Market rate adjustment for a position that was well below market rates

With this agreement I believe the City has achieved a fair agreement, recognizing the value of our employees and proving a fair wage balanced with caution on spending tax payer funds. The City, like all employers, is seeing large increases in benefit costs - in this agreement those cost increases are being shared with employees and not just being absorbed by the city. We also benefit by retaining experienced staff. Our compensation is 50th percentile for similar and comparable agencies.

BUDGET IMPACT:

Total financial impact is an increase of \$69,000 in FY25-26 over the previous year, This includes all costs - wages, benefits, 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