MEMORANDUM OF UNDERSTANDING

Between
The City of Ukiah
And
Management Unit

This Memorandum of Understanding ("MOU") is entered into by and between the City of Ukiah ("City") and the Management Unit ("Unit") (collectively referred to as "Parties"). Having met and conferred in accordance with Government Code section 3500, *et. seq.*, the City and the Unit agrees to amend, add to, and clarify the Parties' current MOU as follows:

1. <u>TERM</u>

The term of this MOU shall be from September 19, 2025, through September 18, 2028.

2. SALARY

Year-1 Salary Step Addition

Effective the first full pay period following September 19, 2025, the City shall add a new top step to the unit's salary schedule. This additional step will generally be set at five percent (5%) above the current highest salary step. However, in recognition of recent equity and recruitment-related adjustments, the following classifications will instead receive an increase of two and one-half percent (2.5%) above the current highest step:

- Assistant Electric Utility Director
- Electric Superintendent
- Assistant Finance Director
- Senior Power Engineer
- Deputy Director of Public Works
- Deputy Director of Water Resources

For all other classifications, the new top step shall be set at five percent (5%) above the current highest salary step.

All unit members who, as of the effective date, have completed at least one (1) year of continuous City/District service and are at the current top step of the salary schedule shall be advanced to the new step.

All other unit members shall continue to progress in accordance with existing stepadvancement policies on their regular anniversary date.

Year-2 Salary Step Addition

Effective the first full pay period following September 19, 2026, the City shall add a new top step set at two and one-half percent (2.5%) for the following unit classifications:

Assistant Electric Utility Director

- Electric Superintendent
- Assistant Finance Director
- Senior Power Engineer
- Deputy Director of Public Works
- Deputy Director of Water Resources

Effective the first full pay period following September 19, 2026, the City shall add a new top step to the unit's salary schedule for all other unit classifications. This additional step shall be set at five percent (5%) above the current highest salary step, unless the local economic benchmark—defined as the combined total revenue collected in Fiscal Year 2025-26 for secured property tax, sales tax (Bradley-Burns and Measures P and Y), and transient occupancy tax—falls below the combined total for the most recently audited Fiscal Year 2024-25. In such case, the Year-2 Salary Step Addition shall instead be two and one-half percent (2.5%).

All unit members who, as of the effective date for the Year-2 Salary Step Addition, have completed at least one (1) year of continuous City/District service and are at the current top step of the salary schedule shall be advanced to the new step.

All other unit members shall continue to progress in accordance with existing stepadvancement policies on their regular anniversary date.

The Finance Director shall, in writing, provide the Fiscal Year 2025-26 revenue receipts and perform the comparison to the prior year's audited revenues.

Year-3 Salary Step Addition

Effective the first full pay period following September 19, 2027, the City shall add a new top step set at two and one-half percent (2.5%) for the following unit classifications:

- Assistant Electric Utility Director
- Electric Superintendent
- Assistant Finance Director
- Senior Power Engineer
- Deputy Director of Public Works
- Deputy Director of Water Resources

Effective the first full pay period following September 19, 2027, the City shall add a new top step to the unit's salary schedule for all other unit classifications. This additional step shall be set at five percent (5%) above the current highest salary step, unless the local economic benchmark—defined as the combined total revenue collected in Fiscal Year 2026-27 for secured property tax, sales tax (Bradley-Burns and Measures P and Y), and transient occupancy tax—falls below the combined total for the most recently audited Fiscal Year 2025-26. In such case, the Year-3 Salary Step Addition shall instead be two and one-half percent (2.5%).

All unit members who, as of the effective date for the Year-3 Salary Step Addition, have completed at least one (1) year of continuous City/District service and are at the current top step of the salary schedule shall be advanced to the new step.

All other unit members shall continue to progress in accordance with existing stepadvancement policies on their regular anniversary date. The Finance Director shall, in writing, provide the Fiscal Year 2026-27 revenue receipts and perform the comparison to the prior year's audited revenues.

3. HOLIDAYS

The City shall add Juneteenth (June 19) to the list of observed paid holidays.

4. EDUCATION PAY

<u>Certified Public Accountant Incentive:</u> The City shall recognize the licensure program for Certified Public Accountant (CPA) in California as governed by the California Accountancy Act (Division 3, Chapter 1, Sections 5000-5158 of the California Business and Professions Code, specifically Sections 5092, 5093, and 5027). Permanent employees in the classifications of Controller, Accountant Series, Financial Services Manager, and Management Analyst Series, who possess and maintain an *active* State of California license as a CPA shall be paid an additional seven and a half percent (7.5%) of the sum of the employee's base salary.

The City Manager may approve other classifications within the Management Unit for CPA Incentive pay during the duration of this Agreement, provided that the license is related to the duties of the classification for which the pay will be given.

5. **BOOT ALLOWANCE**

For appropriate classifications designated by the City, employees shall be eligible for reimbursement of up to three hundred dollars (\$300) per fiscal year for the purchase or repair of work boots, upon submission of receipts. This allowance may also be used for boot-related care items, such as laces, insoles, weatherproofing treatment, or resoling.

In addition to the allowance, the City will continue to provide rain gear and other personal protective equipment necessary for job performance. Boots and equipment purchased under this provision are intended for City-related work and are not to be used for non-work-related activities.

If work boots are destroyed in the performance of City duties, the department supervisor may authorize an additional reimbursement of up to three hundred dollars (\$300) within the same fiscal year.

6. **CONTINUATION**

The City and the Unit agree that all conditions of employment established by City policy, including all conditions affecting wages, hours, and working conditions that are not specifically addressed in this MOU, shall continue in effect and shall not be affected by the terms of this MOU.

The value or availability of the benefits provided in the MOU as originally worded or as amended from time to time may depend on their tax treatment by the state or federal government or the decisions of other government agencies or departments, such as, but not limited to, the Public Employees Retirement System. The City will endeavor to obtain the

most favorable treatment legally possible from these other governmental entities. However, the City makes no representation concerning the value of such benefits to Unit members or how they will be taxed or otherwise treated by other agencies or departments. The City's obligations under this MOU are limited to the direct cost of providing the salary and benefits as described in the MOU. The City shall have no additional financial obligation, even if the tax or other treatment of such salary or benefits by other agencies or departments reduces or eliminates their value to the employee.

This Memorandum of Understanding is ratified and adopted pursuant to the recommendations of the following representatives this 6th day of October 2025.

CITY OF UKIAH

Sage Sangiacomo, City Manager

MANAGEMENT UNIT

Jason Benson (Oct 8, 2025 16:16:11 PDT)

Jason Benson, Senior Civil Engineer

David Kirch (Oct 8 2025 16:24:50 PDT)

Dave Kirch, Fleet & Facilities Maintenance Mgr.

Kristine Lawler, City Clerk

Kushne Lanlu