

**MEMORANDUM OF UNDERSTANDING**

**Between  
The City of Ukiah  
And  
Operating Engineers, Local 3 – Water Utilities & Mechanics Unit**

This Memorandum of Understanding (“MOU”) is entered into by and between the City of Ukiah (“City”) and the Water Utilities & Mechanics 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. Replace: Article 2. TERM**

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

**2. Replace: Article 3. 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 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 step-advancement 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 to the unit’s salary schedule. 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 step-advancement 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 to the unit's salary schedule. 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 step-advancement 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. **Replace: Article 9. HOURS OF WORK/OVERTIME**

Employees are entitled to contractual overtime when working hours in excess of their regular schedule as follows:

- a. Non-exempt employees on a 5/8, 4/10, or 9/80 schedule are entitled to overtime if they work hours in excess of forty (40) per week in their designated workweek.
- b. Overtime will be charged in increments of one-half hour. Any time worked from 1 to 30 minutes shall be computed as one half-hour of overtime.
- c. For purposes of determining contractual overtime eligibility, paid leave hours shall be counted as hours worked.

4. **Add: Article 10. PAID LEAVE, Section C. HOLIDAYS**

The following shall be recognized and observed as paid holidays:

1. January 1 – New Year's Day
2. Third Monday in January – Martin Luther King, Jr. Day
3. Third Monday in February – Presidents' Day (Washington's Birthday)
4. Last Monday in May – Memorial Day
5. June 19 – Juneteenth
6. July 4 – Independence Day
7. First Monday in September – Labor Day
8. Second Monday in October – Columbus Day
9. November 11 – Veterans Day
10. Fourth Thursday in November – Thanksgiving Day
11. Friday following Thanksgiving Day
12. December 24 – Christmas Eve
13. December 25 – Christmas Day
14. December 31 – New Year's Eve

In addition to the above, each employee shall be provided eight (8) hours of leave with pay as a floating holiday. The floating holiday shall be credited to the employee's vacation accrual balance in July of each year.

Should any of these holidays fall on a Saturday, the preceding Friday shall be considered the paid holiday. Should any of these holidays fall on a Sunday, the following Monday shall be considered the paid holiday.

5. **Replace: Article 10. Paid Leave, Section E. VACATION CASH OUT**

Employees may cash out one (1) week (40 hours) vacation, not to exceed two (2) times per fiscal year. To be eligible, the employee must have a remaining vacation balance of at least one hundred twenty (120) hours after the cash out. Approval of cash-out requests is subject to the City's payroll processing timelines and applicable administrative procedures.

6. **Update/Add: Article 12. SPECIAL PAYS**

All special pays and incentives provided under this Agreement are subject to review and approval by CalPERS to determine whether they qualify as reportable compensation under applicable laws and regulations governing "Special Compensation." The City makes no guarantee that any special pay will be considered PERSable unless and until CalPERS issues such determination.

7. **Replace: Article 12. SPECIAL PAYS, Section B.1 Specialty Pay**

1. **Pesticide Spray:**

Any employee who applies pesticides which require a County Identification Number or Restricted Permit for purchase must hold and maintain a valid Qualified Applicator's Certificate or License. Employees who possess and maintain such certificate or license shall receive additional compensation equal to two percent (2%) of base salary. This incentive shall remain in effect only while the employee maintains the required certification or license in good standing and performs corresponding tasks when assigned.

8. **Add: Article 12. SPECIAL PAYS, Section B.3 Specialty Pay**

3. **Homeless Encampment Clean-Up:**

Any unit member who is assigned to work a noticed homeless encampment cleanup will be paid at a rate of \$3.00 per hour over salary for every hour spent on the cleanup.

9. **Replace: Article 13. MISCELLANEOUS PROVISIONS, Section B. 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.

**10. Replace: Article 13. MISCELLANEOUS PROVISIONS, Section D. Compensatory Time Off**

In lieu of payment for overtime hours worked, employees may elect to receive compensatory time off (CTO) at the rate of one and one-half (1.5) hours of CTO for each overtime hour worked. Employees may accrue up to a maximum of eighty (80) hours of CTO at any given time. Use of CTO is subject to supervisory approval, which shall take into account operational needs as well as the vacation and sick leave schedules of other employees.

**11. Replace: Article 13. MISCELLANEOUS PROVISIONS, Section O. Probationary Period**

Newly hired employees shall serve a probationary period of twelve (12) months. Employees promoted to a new position shall serve a probationary period of six (6) months.

During this period, you and the City can evaluate each other to determine if employment should continue. The probationary period is used to closely observe your work. It may be extended by your Department Head for up to six (6) additional months if your performance warrants it. You may be terminated during the probationary period at any time without approval of the Civil Service Board, without cause, and without the right of appeal.

A promoted employee has the right to be reassigned to his/her original position during the probationary period.

Within four weeks of the conclusion of the probationary period you will, and at any time during the probationary period you may, receive a performance evaluation. These evaluations provide you and your supervisor or manager an opportunity to assess your performance to date, evaluate your on-the-job skills, and determine your ongoing relationship with the City.

Regardless of classification status or length of service, you are expected to meet and maintain City standards for job performance and behavior throughout your employment with the City.

Vacation and sick time accrued during the probationary period may be used as it is accrued.

**12. Replace: Article 13. MISCELLANEOUS PROVISIONS, Section T. Standby Pay**

Standby Pay is at the rate of two (2) hours pay at straight time on weekdays and four (4) hours pay at straight time on weekends and holidays.

**13. Replace: Article 13. MISCELLANEOUS PROVISIONS, Section X. Administrative Clean-Up Language of MOU Provisions**

The parties recognize that certain provisions of this MOU may become outdated, redundant, or inconsistent with current laws, regulations, or City policies. The parties agree to meet and confer in good faith to make non-substantive updates, corrections, or eliminations of such provisions during the term of this MOU. These administrative clean-up revisions may be documented by mutual written agreement of the parties and do not require separate City Council approval, provided they do not materially change employee wages, benefits, or other substantive terms and conditions of employment. The parties further agree that the first item to be addressed under this process will be Article 13. Miscellaneous Provisions, Section N. Rest Period Agreement, and agree to meet and confer within six (6) months of ratification of this agreement.

**14. 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 \_\_\_\_ day of \_\_\_\_\_ 2025.

**CITY OF UKIAH**

**ADMINISTRATIVE AND MAINTENANCE UNIT**

\_\_\_\_\_  
Sage Sangiacomo, City Manager

\_\_\_\_\_  
Alejandro Vargas, Lead WWTP Lead Operator

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Jack Gulbrandsen, Lead Equipment Mechanic

**OPERATING ENGINEERS LOCAL 3**

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Marc Beauchamp, Business Representative