

**City of Richmond and Service Employees International Union, Local 1021
2025 Successor MOU Negotiation**

Package Tentative Agreement

November 18, 2025

The parties agree on this package tentative agreement as follows:

1. Wages

Article II(A) will be amended as follows:

"II A. SALARY

The salary schedule for classifications represented in the bargaining unit is attached to this MOU as Attachment "A."

~~1. Each employee shall receive a lump sum payment in the amount of \$3,800.00 (pro rata for benefited part time employees) minus applicable payroll deductions. The Parties do not intend for this lump sum payment to be CalPERS compensable wages. The lump sum payment will be paid to employees on a check separate from the employee's bi-weekly paycheck. The City shall issue the lump sum payment checks within the first two pay periods after this City Council adopts this Memorandum of Understanding.~~

2. Effective the pay period including ~~January 1, 2023~~ July 1, 2025, the City shall increase the monthly pay rate listed in Attachment A by 5.0% of the monthly pay rate in effect before such increase takes effect.

3. Effective the pay period including ~~January 1, 2024~~ July 1, 2026, the City shall increase the monthly pay rate listed in Attachment A by ~~4.0%~~ 5.0% of the monthly pay rate in effect before such increase takes effect.

4. Effective the pay period including ~~January 1, 2025~~ July 1, 2027, the City shall increase the monthly pay rate listed in Attachment A by ~~4.0%~~ 5.0% of the monthly pay rate in effect before such increase takes effect.

~~During the term of the MOU, the Parties shall reopen labor negotiations concerning base wage increases (no decreases) after the City receives a finalized classification and compensation study from The Segal Group, Inc."~~

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2. **Longevity**

A longevity incentive pay provision shall be added to the MOU in a new section as follows:

"Effective the first full pay period after Council approves this MOU:

Fulltime and permanent part-time employees who have completed their tenth (10th) year of permanent service with the City of Richmond shall receive an additional 1% above base salary. Fulltime and permanent part-time employees who have completed their fifteenth (15th) year of permanent service with the City of Richmond shall receive an additional 2% above base salary for a total of 3% longevity pay. Fulltime and permanent part-time employees who have completed their twentieth (20th) year of permanent service with the City of Richmond shall receive an additional 2% above base salary for a total of 5% longevity pay."

3. **City Proposal 3 – Article II(J) Promotion – Effect on Rate of Compensation**

Article II(J) will be amended as follows:

"II J. PROMOTION – EFFECT ON RATE OF COMPENSATION

Whenever an employee is promoted to a higher class, they shall be entitled to receive in the new position the nearest higher monthly salary step range which attaches to the higher class. Such increase must be at least five percent."

4. **City Proposal 4 – Article III(A)(1.1) Medical Benefit Cafeteria Plan**

Article III(A)(1.1) will be amended as follows:

"III A. 1.1 CalPERS Health Insurance Plans

The City contracts with the California Public Employees' Retirement System (PERS) Health Benefits Program to provide medical insurance for all active employees, retirees and eligible survivors (including those in the City of Richmond General Pension Fund) of retirees. Eligibility of retirees and survivors of retirees to participate in this program shall be in accordance with the regulations promulgated by PERS. Unless prohibited by PERS or by law, the health plan coverage described herein shall apply to persons retired.

The City shall pay the CalPERS Minimum Employer Contribution Amount ("MEC") required by law.

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Cafeteria Plan for Additional City Medical Insurance Premium Contribution

~~The City shall make an additional monthly contribution beyond the CalPERS Minimum Employer Contribution Amount for each active employee eligible for medical coverage who has enrolled in one of the PERS medical insurance plans offered by the City. Payment shall be sufficient to cover the premium of the Kaiser Bay Area Region medical plan minus the CalPERS Minimum Employer Contribution Amount required by law. For employees with no dependents, the monthly contribution shall be at the single premium rate; for employees with one dependent, the monthly contribution shall be the two-party rate; and for employees with more than one dependent, the monthly contribution shall be the family rate. For the term of this Agreement only, should the premium for the Kaiser Bay Area Region medical plan change, the City shall change the monthly contribution to be paid toward this benefit by the same amount as the premium change. If any employee chooses a plan more expensive than the Kaiser Bay Area Region plan, the City contribution shall be no more than the Kaiser Bay Area Region premium minus the CalPERS Minimum Employer Contribution Amount at the appropriate single, two-party or family rate, and the excess premium cost shall be paid by the employee.~~

For each active employee eligible for medical coverage who has enrolled in one of the PERS medical insurance plans offered by the City, the City's monthly contribution toward the Cafeteria Plan will be based on their enrollment status as follows:

Employee Plus Two or More Dependents: The City's contribution shall be set at one hundred percent (100%) of the monthly premium of the Public Employees' Medical and Hospital Care Act (PEMHCA) Region 1 Kaiser Permanente family rate (employee plus two or more dependents) minus the PEMHCA MEC for those enrolling with employee plus two or more dependents.

Employee Plus One Dependent: The City's contribution shall be set at one hundred percent (100%) of the PEMHCA Region 1 Kaiser Permanente employee+1 rate minus the PEMHCA MEC.

Employee Only: The City's contribution shall be set at one hundred percent (100%) of the PEMHCA Region 1 Kaiser Permanente employee only rate minus the PEMHCA MEC.

The City's Cafeteria Plan contribution can be used toward PEMHCA medical insurance only. Any unused (unspent) Cafeteria Plan contributions are not retained by the employee.

An employee whose Health Insurance plus Cafeteria Plan contribution is insufficient to fully pay the employee's selected health insurance plan's premium

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shall have the remaining health insurance premium deducted from their pay on a pre-tax basis. The employee though may direct the Director of Finance, through a form designated by the Director of Finance, to have said remaining health insurance premium deducted on an after-tax basis."

5. **City Proposal 5 – Article III(A)(1.2) Medical Insurance Opt-Out**

Article III(A)(1.2) will be amended as follows:

"III A. 1.2 Medical Benefit Opt-Out

An employee who provides proof of alternate health insurance coverage which is Patient Protection and Affordable Care Act compliant, may opt-out of the City's medical insurance coverage and Employees who opt not to use the City's medical insurance, and who can document in the manner required by law that they have alternative Patient Protection and Affordable Care Act compliant group health insurance shall receive one hundred fifty dollars (\$150.00) per month for employees eligible for employee-only medical insurance coverage and two hundred dollars (\$200.00) per month for employees eligible for two-party or family medical insurance coverage. The Federal legal requirements are as follows:-

Under the Patient Protection and Affordable Care Act, the eligible opt-out arrangement conditions that must be satisfied in order for an employee to opt-out of the City's health care coverage are as follows:

- a. The employee certifies that the employee and all individuals in the employee's tax family for who coverage is waived, have alternative Minimum Essential Coverage as defined by the Patient Protection and Affordable Care Act through a provider other than a Federal marketplace, a State exchange, or an individual policy. The employee and the employee's Tax Family must have (or will have) minimum essential coverage through another source (other than coverage in the individual market, whether or not obtained through Covered California);
- b. A Tax Family means all individuals for whom the employee reasonably expects to claim a personal exemption deduction for the taxable year(s) that cover the employee's plan year for which the eligible opt-out arrangement applies;
- c. The employee must provide reasonable evidence of the alternative minimum essential coverage for the employee and their Tax Family for the applicable period. Reasonable evidence may include an attestation by the employee;
- d. The employee must provide the evidence/attestation every plan year;

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- e. The employee must provide the evidence/attestation no earlier than a reasonable time before coverage starts (e.g. open enrollment). The evidence/attestation may also be provided within a reasonable time after the plan year starts; and
- f. The compensation for opting out cannot be made if the City knows or has reason to know that the employee or a member of the employee's Tax Family does not have alternative minimum essential coverage.

During the City's annual open enrollment period, the employee must complete an annual written attestation that the employee and the employee's Tax Family are enrolled in alternative Minimum Essential Coverage. The employee agrees to notify the City no later than 30 days after the employee or other member(s) of the employee's Tax Family lose coverage under the alternative Minimal Essential Coverage Plan.

The employee understands that the City is legally required to immediately stop conditional opt-out payments if the City learns that the employee and/or members of the employee's family do not have the alternative Minimal Essential Coverage.

The City reserves the right to modify at any time, the amount an employee is eligible to receive under this paragraph, if required by IRS regulations, other legislation or Federal and/or California agency guidance.

This option is available at any time. If an employee loses the alternative medical insurance the City will allow immediate reinstatement to the City's health plan at the employee's eligibility level. Bargaining unit members receiving money in lieu of benefits may apply the money towards the IRS Section 457 Deferred Compensation Plan or receive the money as a taxable addition to their salary."

6. **City Proposal 6 – Article III(B)(2) Bereavement Leave**

Article III(B)(2) will be amended as follows:

"III B. 2. Bereavement Leave

~~Only City e~~Employees working fulltime and continuously in a regularly established City position and permanent part-time employees shall be eligible for the Bereavement Leave under the provisions specified below. Use of leave under this Section runs concurrently with leave under Administrative Policy 313.

- A. Upon the In case of death of an employee's "family member" as that term is defined in this Section, the within the immediate family of an eligible employee, that employee shall have a right to take up to five (5) days of Bereavement Leave~~leave of absence with full pay to a maximum period of~~

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~~four (4) consecutive workdays for each such death. The days of Bereavement Leave need not be consecutive. The Bereavement Leave shall be completed within three months of the date of the death of the family member. Such leave must have one or more of these purposes: Making arrangements for burial services; enabling employee and family members to recover from emotional upsets; and settling property, estate and similar problems. Up to four (4) workdays of Bereavement Leave shall be paid. The remainder of the five days of Bereavement Leave shall be unpaid, except that an employee may use vacation, sick leave, or other paid leave that is otherwise available to the employee.~~ In unusual cases, additional full pay leave may be granted by the City Manager, provided that the eligible employee justifies the need in writing and the department head and Director of Human Resources Management recommend approval.

- B. Use of Bereavement Leave is subject to the approval of the City Manager or designee.
- C. One (1) day of paid Bereavement Leave is available to attend services for relatives not meeting the definition of "family member" as defined in this section. These would include nieces, nephews, and cousins.
- D. "Family Member" for purposes of this section is defined as spouse, child, stepchild, parent, stepparent, guardian, grandparent, grandchild, uncle, aunt, sibling, step-sibling, parent-in-law, sibling-in-law, minors living as a member of the family, and registered domestic partners.
- E. Absence by eligible employees due to the death of persons other than those specified in this Section shall be either in no-pay status or as vacation and/or compensatory time-off in amounts needed.

~~Absence by eligible employees to attend burial services of persons other than those specified in this Section shall be either as compensatory time off, in no pay status, or as vacation in amounts needed.~~

~~Usage of the foregoing provisions of this section shall be subject to the approval of the department head, City Manager, or their fully authorized representative.~~

~~One (1) day of bereavement leave is available to attend services for relatives not meeting the definition of "immediate family" as listed in the Definitions Section of this agreement. These would include nieces, nephews, and cousins."~~

Attachment B—Definitions

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"IMMEDIATE FAMILY: The immediate family of an employee shall include: wife, husband, mother, father, grandmother, grandfather, sister, brother, child, father-in-law, mother-in-law, brother-in-law, sister-in-law, stepchild, stepfather, stepmother, legal guardian, grandchildren, aunt, ~~unable~~, domestic partner, as defined, and all minors living as a member of the family. In unusual cases, the City Manager may make exceptions to these restrictions.

~~Domestic partners are two adults who have chosen to share on another's lives in an intimate and committed relationship of mutual caring, who live together, and who have agreed to be jointly responsible for basic living expenses incurred during the domestic partnership."~~

7. City Proposal 9 – Article III(C) Holidays

Article III(C) will be amended as follows:

"III C. Holidays

1. All regular, full-time classified employees shall have the following paid The City recognizes the following paid holidays:

<u>New Year's Day</u>	<u>January 1</u>
<u>Martin Luther King, Jr.</u>	<u>Third Monday in January</u>
<u>Presidents Day</u>	<u>Third Monday in February</u>
<u>Cesar Chavez Day</u>	<u>March 31</u>
<u>Memorial Day</u>	<u>Last Monday in May</u>
<u>Juneteenth</u>	<u>June 19</u>
<u>Independence Day</u>	<u>July 4</u>
<u>Labor Day</u>	<u>First Monday in September</u>
<u>Admission Day</u>	<u>September 9</u>
<u>Columbus Day</u>	<u>Second Monday in October</u>
<u>Veterans Day</u>	<u>November 11</u>
<u>Thanksgiving Holidays</u>	<u>Fourth Thursday in November</u> <u>and the following Friday</u>
<u>Christmas Day</u>	<u>December 25</u>
<u>New Year's Day</u>	<u>January 1</u>
<u>Martin Luther King Jr's</u>	<u>Third Monday in January</u>
<u>Birthday</u>	
<u>President's Day</u>	<u>Third Monday in February</u>
<u>Memorial Day</u>	<u>Last Monday in May</u>

2. Employees who are regularly-scheduled to work forty (40) hours per week shall receive eight (8) hours of paid time-off per holiday. Employees who are regularly-scheduled to work thirty-seven and one-half (37.5) hours per week shall receive seven and one-half (7.5) hours of paid time-off per holiday. If the employee's regularly-scheduled shift exceeds these defined hours (e.g. for

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employees on 9/80 schedules), the employee may use accrued compensatory time-off or vacation to make-up the difference. For example, if an employee in a 37.5 hour per week classification is currently working a ten (10) hour shift, and a holiday falls on a ten (10) hour regular day, the employee must use two and one-half (2.5) hours of compensatory time-off or vacation to receive ten hours of pay for the holiday.

3. 2. In addition to the holidays listed in the preceding paragraph 1 above, each employee shall be granted six (6) days and two (2) hours paid "floating holiday" time per calendar year which may be taken at any time during the calendar year subject to the approval of the employee's department head. Said holiday time must be taken during each calendar year and may not be carried over from one calendar year to the next. To be eligible for such holiday, an employee must have been working for the City prior to September 1 of the calendar year. With the exception of the two-hour floating holiday credit, the floating holiday must be taken as a full day, and not in hourly increments.
3. ~~It is understood that one of these floating holidays has been created in recognition of Caesar Chavez Birthday and in the event that day becomes generally observed as a fixed holiday, the Parties agree to convert one floating holiday to that fixed holiday.~~
4. When a holiday falls on Sunday, the Monday following shall be considered as a holiday. When a holiday falls on Saturday, the Friday preceding shall be considered as a holiday. When a such holiday falls on an employee's regular day off, the employee shall request be entitled to an additional day off, with pay when they request it and staffing permits. The request shall be granted if staffing permits. If the additional day-off is granted, the employee will receive seven and one-half (7.5) hours of pay for thirty-seven and one-half (37.5) hour classifications or eight (8) hours of pay for forty (40) hour classifications. If the employee's regularly-scheduled shift exceeds the seven and one-half (7.5) or eight (8) hours (e.g. for employees on 9/80 schedules), the employee may use accrued compensatory time-off or vacation to make-up the difference. When staffing does not permit an additional day-off, the employee shall receive an additional seven and one-half (7.5) hours for thirty-seven and one-half (37.5) hour classifications and (8) hours for forty (40) hour classifications day of pay at the employee's straight time rate.
5. Employees will be paid overtime for all regularly scheduled hours that they work on a holiday. Employees who work more than one shift on a holiday shall only receive credit for one holiday but shall receive time and one-half for all hours worked. For purposes of determining whether hours worked are on a holiday, a holiday is the 24-hour period of the day listed in Article 3(C)(1) above, starting at 0000 hours and ending at 2400 hours. Employees do not receive overtime for hours worked before or after the holiday during shifts that include hours over two consecutive calendar days, one of which is a holiday, unless



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required by law.

6. All permanent part time employees shall receive holiday pay only if the holiday falls on their regularly scheduled workday."

8. **Professional Development**

Article III(D)(2) will be amended as follows:

"III D. ALLOWANCES – 2. Personal/Professional Development

Upon the submission of appropriate documentation and approval by the City, employees represented by the Union shall be eligible to receive up to \$750 ~~per calendar year~~ \$1,250 per fiscal year for personal and professional development, or purchase of computer hardware or software, or items directly related to a regular, continuous physical fitness program (no clothing), for example, fitness center dues or exercise equipment."

9. **City Proposal 10 – Article IV(A) Bulletin Boards**

Article IV(A) will be removed as follows:

~~"IV. A. BULLETIN BOARDS-~~

~~The City agrees to designate bulletin board space on existing bulletin boards for the sole use of Local 1021. The parties agree to mutually explore and review such areas where insufficient bulletin boards exist and the City shall install same."~~

10. **City Proposal 11 – Article VI(A) Grievance Definition**

Article VI(A) will be amended as follows:

"VI. A. GRIEVANCE DEFINITION AND PROCEDURE

This article establishes a procedure to hear and resolve grievances concerning issues subject to the procedure.

A grievance is an allegation by the Union or one or more employees that the City has violated the Memorandum of Understanding (MOU) concerning the interpretation, enforcement, or application of a specific provision of this MOU. An alleged violation that can be raised as a defense of any kind to a disciplinary action must be raised in the appeal to the disciplinary action and may not be grieved under this Section."

Article VI(A)(1) will be amended as follows:

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1. "Time Limits: The employee and/or the Union must initiate a grievance within ~~fourteen (14)~~ twenty-one (21) calendar days (all time limits in this section use "days" to mean "calendar days") of the occurrence of the dispute or ~~fourteen (14)~~ twenty-one (21) days from such time as the employee could have been aware of the problem. At each grievance procedure step, the City representatives shall have fourteen (14) days to respond to the grievance, unless specified otherwise below. The Union or employee shall have fourteen (14) days from receiving notice of a rejected grievance to forward the grievance to the next higher step. The time limits of the grievance procedure (including those for meetings) may be extended by mutual agreement of the parties. Failure of the Union or employee to act within the specified time limits, unless mutually extended, shall dismiss and nullify the grievance. Failure of the City to observe such time limits, unless mutually extended, shall cause the grievance to be moved to the next higher step. Furthermore, by mutual agreement in writing, the parties may bypass meetings or steps set forth in this process."

Article IV(A)(3) will be amended as follows:

"3. Procedure

...
Step 3: Director of Human Resources. If the parties do not resolve the grievance at Step 2, the Union or employee shall submit the grievance in writing to the Director of Human Resources. The Director of Human Resources will meet with the grievant within ~~fourteen (14)~~ twenty-one (21) days of having received the grievance and shall reply within ten (10) days following said meeting."

11. City Proposal 12, Version 2 – Article VI(B)(2.3) Disciplinary Action

Article VI(B)(2.3) will be amended as follows:

"After receiving the recommendation from the Skelly Officer following the Skelly meeting, or if the employee elects to respond in writing, does not respond in writing, or is untimely in responding in writing (or requesting to respond orally), then the City shall issue a Notice of Discipline or a notice rescinding the Notice of Intent to Discipline.

~~No disciplinary action or reprimand may be implemented more than six months after the alleged inappropriate behavior has come to the attention of a management representative. Related conduct may be referenced in a disciplinary action.~~

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No action to impose discipline against an employee shall be initiated more than ninety (90) days from the date of the conclusion of a timely formal investigation except for conduct which would constitute the commission of a crime. Initiation of discipline for the purposes of this provision is the date of the charging letter or notice. The discipline imposed may take into account conduct which is documented in the employee's personnel file or was the subject of a prior disciplinary action."

12. City Proposal 13 – Article VIII(A) Term

Article VII(A) will be amended as follows:

"VII A. TERM OF AGREEMENT

This Memorandum of Understanding shall be in full force commencing July 1, 2024 2025, and ending June 30, ~~2025~~ 2028."

13. MOU Merging

The parties will merge the Memoranda of Understanding (MOUs) for the Part-Time and Intermittent Unit and the General Employees Bargaining Unit into a single MOU. This consolidation shall not modify, alter, or eliminate any existing terms and conditions of employment applicable to either bargaining unit. The distinct provisions applicable to each unit shall be clearly identified and retained within the combined MOU.

14. Other Issue

Any City or Union proposal or counter-proposal not listed as a tentative agreement or addressed in this package will not be included in the successor MOU unless later mutually agreed by the Parties. The Parties will update other content in the MOU, such as applicable dates and removing expired content, as part of their crafting of the successor agreement.

For the City: Jack [Signature]
Date: 11-18-25

For the Union: [Signature] / [Signature]
Date: 11/18/25
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