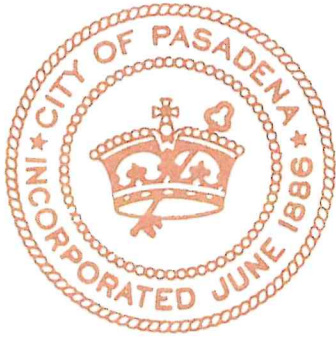




Agenda Report

September 29, 2026

TO: Honorable Mayor and City Council

FROM: Human Resources Department

SUBJECT: **APPROVE A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF PASADENA AND THE LABORERS INTERNATIONAL UNION OF NORTH AMERICA FOR THE TERM OF JULY 1, 2026 - JUNE 30, 2029**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action herein is exempt from the California Public Resources Code Section 21065 and within the meaning of California Environmental Quality Act ("CEQA") Guidelines Section 15378(b); and
2. Approve a Memorandum of Understanding (MOU) between the City of Pasadena (City) and the Laborers International Union of North America (LIUNA) for the term of July 1, 2026 through June 30, 2029.

BACKGROUND:

The Laborers International Union of North America (LIUNA) represents approximately 350 employees in a variety of clerical and technical classifications in all City departments. The existing Memorandum of Understanding (MOU) between the City and LIUNA expired on June 30, 2026. Negotiations for a successor MOU began on March 5, 2026. The parties engaged in the labor negotiations process over the subsequent six months. LIUNA's membership ratified the tentative agreement during the week of August 31, 2026.

The following is a summary of the key contract provisions. Unless otherwise indicated below, all changes take effect the first pay period following Council adoption of the MOU:

1. Term: July 1, 2026 – June 30, 2029

2. Salary Increases:
 - a. Effective the pay period following Council adoption of the MOU: 3.5%
 - b. Effective the pay period that includes July 1, 2027: 3.0%
 - c. Effective the pay period that includes July 1, 2028: 1.5%
 - d. Effective the pay period that includes July 1, 2028, increase the differential between steps of the salary schedule from 3.5% to 4.5%
3. One-Time Non-PERSable Lump Sum: All current bargaining unit members actively employed by the City of Pasadena shall receive a one-time payment of seven-hundred dollars (\$700), subject to all applicable taxes and deductions. Employees who have separated from the City are not eligible to receive the one-time payment.
4. One-Time Floating Holiday: Effective with the first paycheck in January, for the calendar year of 2027 only, each unit member will receive one (1) additional floating holiday credited to the holiday bank.
5. Bilingual Pay: Bilingual pay shall be paid at a rate of \$150 per month.
6. Standby Pay (Forensics Unit):
 - a. Stand-by pay for bargaining unit members in the classification of Forensic Specialist, Senior Forensic Specialist and Computer Forensic Specialist will be compensated as follows:
 - i. For each day assigned to stand-by that falls on the employee's regular day off or a City holiday, employees will be compensated at the rate of two (2) hours of base pay at their current hourly rate.
 - ii. For all other days assigned to stand-by, employees will be compensated at the rate of one (1) hour of base pay at their current hourly rate.
7. Training Duty: Police Dispatchers who are assigned to perform training duties shall receive \$2.50 per hour while training.
8. Certification pay: Helicopter Maintenance Technicians who receive and maintain a Federal Aviation Administration Inspector certificate will receive 5.0% of base pay as certification pay.
9. Tool Allowance: Effective with the first paycheck in January 2027, and each January thereafter, the City will provide a five-hundred-dollar (\$500) tool allowance for employees in the classification of Helicopter Maintenance Technician to support the purchase of required tools.

10. Helicopter Maintenance Technician Signing Bonus: Newly hired Helicopter Maintenance Technicians shall receive a lump sum payment of \$5,000 upon successful completion of six months of service, and an additional lump sum payment of \$5,000 upon successful completion of the probationary period.
11. Tuition Reimbursement: Regular employees shall be eligible for tuition reimbursement of up to five thousand dollars (\$5,000) per fiscal year.
12. Boot Reimbursement: Employees who incur an additional cost over the provided \$125 Safety Boot/Shoe Allowance for approved safety boots/shoes will be reimbursed up to an additional \$175 upon presentation of a receipt.
13. This agreement includes a number of non-economic language cleanup items and incorporates previous side-letter agreements.

COUNCIL POLICY CONSIDERATION:

Approval of staff's recommendation supports the City Council's strategic goals of maintaining fiscal responsibility and stability and ensuring public safety.

ENVIRONMENTAL ANALYSIS:

The proposed action is not a "project" subject to the California Public Resources Code Section 21065 and within the meaning of California Environmental Quality Act ("CEQA") Guidelines Section 15378(b). The proposed action constitutes a continuing administrative or organizational activity that will not result in a direct or reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT:

The fully burdened fiscal impact of the proposed 3-year agreement is approximately \$7.8 million over the term of the contract, with ongoing expenses of approximately \$3.9 million dollars annually following expiration of the contract. The FY 2027 cost of the agreement is approximately \$1.5 million, and 48% of the costs will impact the General Fund. The FY 2027 Operating Budget includes funding in anticipation of negotiated wage increases. However, staff will monitor personnel expenses and request a supplemental appropriation during the fiscal year if necessary.

Respectfully Submitted,



TIFFANY JACOBS-QUINN
Human Resources Director

Prepared by:



Jaime Arellano
Principal Human Resources Analyst

Approved by:



MATTHEW E. HAWKESWORTH
Interim City Manager

Attachments:

Attachment A – Laborers International Union of North America Memorandum of Understanding – July 1, 2026 – June 30, 2029