

**HERCULES CITY COUNCIL
RESOLUTION 2025-XX**

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HERCULES APPROVING A 2025-2027 MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF HERCULES AND THE HERCULES POLICE OFFICERS' ASSOCIATION AND APPROVING THE REVISED FISCAL YEAR (FY) 2025-2026 MASTER SALARY SCHEDULE

WHEREAS, the Memorandum of Understanding ("MOU") between the City of Hercules ("City") and the Hercules Police Officers' Association ("HPOA") expired on June 30, 2025; and

WHEREAS, the City and the HPOA engaged in the meet and confer process in accordance with state law and under direction provided by the City Council in Closed Session; and

WHEREAS, the City and the HPOA reached a Tentative Agreement ("TA") for a new MOU covering the period of July 1, 2025, through June 30, 2027; and

WHEREAS, on November 13, 2025, the HPOA voted to move forward with the TA, confirming its support for proceeding with the successor Memorandum of Understanding; and

WHEREAS, the TA includes cost of living ("COLA") and market equity adjustments ("MEA") to salaries, a one-time non-pensionable retention payment, and adjustments to education incentives, bilingual pay, uniform allowance, and other compensation provisions, as detailed in the staff report provided to the City Council; and

WHEREAS, the projected annual costs for administering the 2025-2027 Memorandum of Understanding (MOU) between the City and the HPOA are approximately \$74,000 for FY 2025-26 and \$152,000 for FY 2026-27. It is recommended that the City Council approve an appropriation to amend the adopted budget for FY 2025-26, allocating \$74,000 from the General Fund Reserve. Furthermore, it is essential to ensure that the budget for FY 2026-27 reflects the allocation of \$152,000; and

WHEREAS, the staff recommends that the City Council approve the necessary budget appropriations for a one-time non-pensionable retention payment totaling approximately \$87,000, to be drawn from the General Fund reserve. Furthermore, it is recommended that the adopted budget for Fiscal Year 2025-26 be amended accordingly.; and

WHEREAS, approval of the revised Fiscal Year 2025–2026 Master Salary Schedule effective July 6, 2025, and last updated November 17, 2025, is required to comply with California Public Employees Retirement System ("CalPERS") regulations.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Hercules as follows:

1. The Council hereby approves and authorizes the City Manager to sign and implement the Memorandum of Understanding between the City of Hercules and the Hercules Police Officers' Association for the term July 1, 2025, through June 30, 2027, as set forth in Exhibit 1.
2. The Council hereby approves budget appropriations for ongoing annual expenses, estimated at approximately \$74,000, and a one-time allocation for non-pensionable retention pay costs, totaling \$87,000. These modifications are intended to revise the FY 2025-26 adopted budget.
3. The Council hereby adopts the revised FY 2025-2026 Master Salary Schedule effective July 6, 2025, and last updated November 17, 2025, in accordance with CalPERS regulations, attached hereto as Exhibit 2.

The foregoing Resolution was duly and regularly adopted at a regular meeting of the City Council of the City of Hercules held on the 9th day of December 2025, by the following vote of the Council:

AYES:

NOES:

ABSENT:

ABSTAIN:

Dion Bailey, Mayor

ATTEST:

Eibleis Melendez, City Clerk