



CITY COUNCIL STAFF REPORT

ITEM NO. 5.9

DATE: July 14, 2025

TO: Honorable Mayor and City Council

FROM: Tina Olson, Administrative Services Director

SUBJECT: Resolution approving the Memorandum of Understanding between the City of Livermore and the Livermore Management Group (LMG).

RECOMMENDED ACTION

Staff recommends that the City Council adopt a resolution authorizing the execution of the Memorandum of Understanding (MOU) between the City of Livermore and the Livermore Management Group (LMG) for the period of July 1, 2025, through June 30, 2029.

SUMMARY

The Livermore Management Group (LMG) Memorandum of Understanding expired on June 30, 2025. LMG currently represents approximately 78 full-time equivalent positions and is the exclusive bargaining unit for the City's mid-level managers. On April 24, 2025, negotiations with LMG on a successor agreement commenced. The City and LMG met six (6) times on the terms to be contained in the successor MOU. As a result of the meetings between the City and LMG, the parties reached a tentative agreement, subject to City Council approval, on terms and conditions of employment as set forth in Attachment 1 – Redlined Memorandum of Understanding.

DISCUSSION

The following is a summary of the proposed substantive changes to the previous LMG MOU which expired on June 30, 2025:

Term: July 1, 2025 – June 30, 2029 (4 years)

General Wage Adjustment

General wage adjustments will be provided to all employees holding classifications assigned to LMG as follows:

Effective July 14, 2025 – 5%

Effective July 13, 2026 – 3%

Effective July 12, 2027 – 3%

Effective July 10, 2028 – 3%

Recognition of Rising Medical Costs

In recognition of increases in medical costs, the MOU includes the following increases to base salary:

Effective July 14, 2025 – 1%

Effective July 13, 2026 – 1%

Bilingual Pay: Increase Bilingual Pay to \$60/per pay period.

Acting Pay: Acting pay for assignments greater than 30 days due to vacancy or extended leave may be eligible for a temporary increase over the employee's current base salary rate of up to 7.5%.

FISCAL AND ADMINISTRATIVE IMPACTS

The increase in the City's cost to salaries and benefits for Livermore Management Group employees for the first year of the contract is \$675,655. By the fourth year of the MOU the salary and benefit modifications will be \$2,214,768 greater than the FY 2024-25 budget for LMG employees. Council's approval of the MOU includes the appropriation of funds as follows:

Fund #	Fund	FY 2025-26 LMG Allocation	FY 2026-27 LMG Allocation
100	General Fund	\$426,796	\$728,399
200	Low Income Housing Fund	18,155	30,984
210	Horizons	9,612	16,404
224	Grant - CDBG	3,278	5,595
283	City Street Sweeping Fee	806	1,376
289	Solid Waste & Recycling Fee	8,626	14,722
310	Downtown LMD	2,016	3,440
311	Other LMD	10,078	17,200
600	Airport	24,674	42,110
610	Stormwater	18,460	31,506
620	Wastewater	55,281	94,346
640	Water	31,697	54,097
720	Information Technology	52,468	89,546
730	Fleet & Equipment Services	8,063	13,760
740	Facilities Rehab Pgm	5,644	9,632
	Total	\$675,655	\$1,153,118

COMMUNITY PILLAR

5: A City That Works

GOAL

8: Attract, develop, engage, and retain a diverse and highly skilled workforce across the organization.

ATTACHMENTS

1. Memorandum of Understanding - Redlined
2. Resolution
3. Exhibit A - LMG MOU 2025 - 2029

Prepared by: Amanda Sabolish
Human Resource Analyst I

Approved by:



Marianna A. Burch
City Manager

Fiscal Review by:



Tina Olson
Administrative Services Director