

**FIRST AMENDMENT TO MEMORANDUM OF UNDERSTANDING BETWEEN THE  
CITY OF SANTA MARIA AND THE SERVICE EMPLOYEES INTERNATIONAL  
UNION LOCAL 620  
FEBRUARY 20, 2024 – DECEMBER 31, 2025**

This First Amendment to the Memorandum of Understanding between the City of Santa Maria and the Service Employees International Union Local 620 February 18, 2024 – December 31, 2025 (“SEIU MOU 2024-2025”) is made and entered into by and between the City of Santa Maria, a municipal corporation (“City”), and the Santa Maria Service Employees International Union Local 620 (“SEIU”).

R E C I T A L S:

WHEREAS, the City and SEIU entered into the SEIU MOU 2024-2025 which was approved by City Council on or about February 20, 2024; and

WHEREAS, the City and SEIU subsequently determined that changes to the SEIU MOU 2024-2025 were needed for clarity and CalPERS compliance issues, including issues regarding education incentive specialty pay; and

WHEREAS, the City and SEIU labor representatives have met and conferred on the issues referenced above, and agreed that the tentatively agreed upon changes to the SEIU MOU 2024-2025 would require a formal MOU amendment approved by City Council; and

WHEREAS, it is therefore necessary to amend the SEIU MOU at Article IV, Section 4.13 “Educational Incentive Pay” to accomplish the above goals as set forth below.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. Educational Incentive Pay as currently drafted does not clarify the intent of the parties to apply this specialty pay to all qualified positions when an employee achieves education beyond that which is minimally required for the job specifications as outlined in their respective positions. Whereas past practice by the City’s Utilities Department was to provide educational pay to those employees whose education exceeded minimal requirements for their respective positions, certain classifications of employees were unintentionally excluded from the 2024-2025 SEIU MOU. On or around February 2024, after the ratification of the 2024-2025 SEIU MOU, new requests for educational incentive pay were no longer accepted. The parties hereby agree that, in compliance with past practice, those employees who did not receive educational incentive pay as a result of the inadvertent exclusion of their classifications in the 2024-2025 SEIU MOU will retroactively receive such pay dating back to July 10, 2025.

Further, the delineation between current classifications and legacy classifications requires clarity as it relates to the opportunity to receive educational incentive pay

for each achievement beyond minimally required job specifications for each position. Additionally, certain specific certifications for Code Compliance Officers, Building Inspectors, or Plans Examiners will create an eligibility, rather than an entitlement, to two and one-half percent (2.5%) educational incentive pay. Finally, and in conjunction with the abolishment of the classifications of Water Distribution Supervisor and Water Resources Supervisor pursuant to Resolution No. 2014-73 abolishing those classifications as of July 11, 2015, those classifications are hereby removed from the 2024-2025 SEIU MOU by virtue of this amendment.

The City and SEIU labor representatives met and conferred on the issues and agreed to revise the language regarding educational incentive pay for various job specifications as outlined below.

The original language of Article IV, Section 4.13 “Educational Incentive Pay,” subsection A states:

A. All employees upon hire, shall be eligible to receive the following education incentive pay according to CAM 76-4 when said education is in addition to the regular requirements of the job specification and is work-related:

- AA Degree or 60 recognized college unit or equivalent = 2½%
- BA Degree = 5%
- MA Degree = 5%

Article IV, Section 4.13 “Educational Incentive Pay,” subsection A is hereby retained, however, will be utilized as an introductory paragraph and therefore is no longer referred to as subsection A.

The original language of Article IV, Section 4.13 “Educational Incentive Pay,” subsection A under “For Full Time (FT) Employees” states:

A. Upon the approval of the City Manager, educational incentive pay shall be paid in addition to regular pay when education is in addition to the regular requirements of the job specifications and is work-related. An employee may not receive more than a five percent (5%) increase.

Article IV, Section 4.13 “Educational Incentive Pay,” subsection A under “For Full Time (FT) Employees” is hereby stricken, and replaced in its entirety with the language as follows:

A. Upon the approval of the City Manager, educational incentive pay shall be paid in addition to regular pay when education is in addition to the regular requirements of the job specifications and is work-related. An employee may not receive more than a maximum total of five percent (5%) from all educational incentive sources outlined in this Section 4.13.

The original language of Article IV, Section 4.13 “Educational Incentive Pay,” subsection B under “For Full Time (FT) Employees” states:

B. Educational incentive pay shall be paid in addition to regular pay when education is in addition to the regular requirements of the job specifications for Water Resources Operators, Water Systems Operators, and Wastewater Treatment Plant Operators. For the classifications listed above, those employees who achieve certification above the requirements contained in the job specification for that position will be eligible for 2.5% incentive pay for each certificate achieved. An employee may not receive more than a maximum total of 5% educational pay from all sources.

Article IV, Section 4.13 “Educational Incentive Pay,” subsection B under “For Full Time (FT) Employees” is hereby stricken, and replaced in its entirety with the language as follows:

B. Upon approval of the City Manager, educational incentive pay of two and one-half percent (2.5%) of base pay shall be provided to employees in the following classifications within the Utilities Department (Water and Wastewater Divisions), for each valid certification held by the employee that exceeds the minimum certification requirement as outlined in the job specifications for their position. This incentive shall be paid in addition to the employee’s regular pay and is subject to the maximum total incentive cap stated in Subsection A. Educational incentive pay provided under this section shall be immediately discontinued upon the expiration of any qualifying certificate. Certification pay may only be reinstated upon renewal and verification of a valid certificate. An employee may not receive more than a maximum total of 5% education pay from all sources.

- Water Operator I/II/III
- Lead Water Operator
- Water Supervisor
- Wastewater Operator I/II/III
- Lead Wastewater Operator
- Wastewater Supervisor

The original language of Article IV, Section 4.13 “Educational Incentive Pay,” subsection C under “For Full Time (FT) Employees” states:

C. For the classifications listed above, those employees who possess a certification that is in addition to that which is required to meet minimum job requirement and utilized in the job specification for that position and City service shall be eligible for 1.5% incentive pay for each certificate achieved. An employee may not receive more than a maximum total of 5% educational pay from all sources. This incentive is limited to only unit members hired prior to December 13, 2014.

1. For example: A Water Systems Operator II possesses a Treatment II and Distribution II certification, the Distribution II certification does not qualify the Operator for the incentive as it is minimum job requirement; however, the possession of a Treatment II qualifies the Operator for the 2.5% incentive pay because this certificate exceed the minimum qualifications.

2. For example: A Water Systems Operator II possesses a Treatment I and Distribution II certification, the Distribution II certification does not qualify the Operator for the incentive as it is minimum job requirement; however, the possession of a Treatment I qualifies the Operator for the 1.5% incentive pay because this certificate is in addition, but not exceed, the minimum qualifications.

Article IV, Section 4.13 “Educational Incentive Pay,” subsection C under “For Full Time (FT) Employees” is hereby stricken, and replaced in its entirety with the language as follows:

C. Legacy classifications are defined as those classifications that are being phased out and are no longer eligible positions to be fulfilled by new applicants or newly hired employees. Employees currently in a legacy classification shall remain in the classification until they leave the position through retirement, transfer, resignation, or promotion. Once the classification is no longer occupied by any personnel, a formal abolishment of said unoccupied classification will be presented to Council.

Upon approval of the City Manager, employees in the following legacy classifications are eligible for educational incentive pay of two and one-half percent (2.5%) of base pay for each valid certification held that exceeds the minimum requirements outlined in the job specification for their position. This incentive is subject to a maximum total incentive cap stated in Subsection A. Educational incentive pay provided under this section shall be immediately discontinued upon the expiration of any qualifying certificate. Certification pay may only be reinstated upon renewal and verification of a valid certificate. An employee may not receive more than a maximum total of 5% education pay from all sources.

- Water Systems Operator I/II
- Water Resources Operator
- Water Resources Lead Operator

The original language of Article IV, Section 4.13 “Educational Incentive Pay,” subsection D under “For Full Time (FT) Employees” states:

D. Upon the approval of the City Manager, educational incentive pay shall be paid in addition to regular pay when education is in addition to the requirements of the job specifications for Water Distribution Supervisor, Water System Operator I, and Water System Operator II. For the classifications listed above, those employees who achieve certification above the requirements contained in the job specifications

for the above stated position will be eligible for 2.5% incentive pay for each certification achieved. An employee may not receive more than a maximum total of 5% educational pay from all sources.

Article IV, Section 4.13 “Educational Incentive Pay,” subsection D under “For Full Time (FT) Employees” is hereby stricken in its entirety.

The original language of Article IV, Section 4.13 “Educational Incentive Pay,” subsection E under “For Full Time (FT) Employees” states:

E. Upon approval of the City Manager, educational incentive pay shall be paid in addition to regular pay when education is in addition to the regular requirements of the job specification for Building Permit Technicians. Building Permit Technicians who have three years’ experience with a public sector permitting agency performing permit fee calculations, reading blueprints of minor construction projects, and are conversant with the International Building Code and who have completed a three-unit semester International Building Code course with a passing grade of “C” or better, are eligible for 2.5% incentive pay. Building Permit Technicians who are eligible to receive the 2.5% incentive pay and have five years’ experience and have obtained their ICBO or International Code Council (ICC) Building Permit Technician Certification will be eligible for 5% incentive pay. An employee may not receive more than a maximum total of 5% education pay from all sources.

Article IV, Section 4.13 “Educational Incentive Pay,” subsection E under “For Full Time (FT) Employees” is hereby stricken, re-numbered as subsection D, and replaced in its entirety with the language as follows:

D. Upon approval of the City Manager, Building Permit Technicians who have three (3) years’ experience with a public sector permitting agency performing permit fee calculations, reading blueprints of minor construction projects, and are conversant with the International Building Code and who have completed a three (3) unit semester International Building Code course with a passing grade of “C” or better, are eligible to receive two and one-half percent (2.5%) educational incentive pay. Building Permit Technicians who are eligible to receive the two and one-half percent (2.5%) educational incentive pay and have five (5) years’ experience and have obtained their ICBO or International Code Council (ICC) Building Permit Technician Certification are eligible to receive five percent (5%) educational incentive pay. An employee may not receive more than a maximum total of 5% education pay from all sources.

The original language of Article IV, Section 4.13 “Educational Incentive Pay,” subsection F under “For Full Time (FT) Employees” states:

F. Educational incentive pay shall be paid in addition to regular pay when education is in addition to the regular requirements of the job specification for Code

Compliance Officer, Building Inspector or Plans Examiner. Code Compliance Officers, Building Inspectors or Plans Examiners who have two ICBO, ICC or IAPMO certifications (in plumbing, mechanical, electrical, building or plan examiner) plus two years' experience as a Code Compliance Officer, Building Inspector or Plans Examiner with the City of Santa Maria shall be entitled to receive 2.5% incentive pay. Code Compliance Officers, Building Inspectors or Plans Examiners who have four ICBO, ICC or IAPMO certifications or combination certifications (in plumbing, mechanical, electrical, building or plan examiner) plus four years' experience as a Code Compliance Officer, Building Inspector or Plans Examiner with the City of Santa Maria shall be entitled to receive 5% incentive pay. To retain the incentive pay, each certificate holder must pass a re-examination every three years, as the new codes are published.

Article IV, Section 4.13 "Educational Incentive Pay," subsection F under "For Full Time (FT) Employees" is hereby stricken, re-numbered as subsection E, and replaced in its entirety with the language as follows:

E. Upon approval by the City Manager, Code Compliance Officers, Building Inspectors or Plans Examiners who have two ICBO, ICC or IAPMO certifications (in plumbing, mechanical, electrical, building or plan examiner) plus two (2) years' experience as a Code Compliance Officer, Building Inspector or Plans Examiner with the City of Santa Maria are eligible to receive two and one-half percent (2.5%) educational incentive pay. Code Compliance Officers, Building Inspectors or Plans Examiners who have four (4) ICBO, ICC or IAPMO certifications or combination certifications (in plumbing, mechanical, electrical, building or plan examiner) plus four (4) years' experience as a Code Compliance Officer, Building Inspector or Plans Examiner with the City of Santa Maria are eligible to receive five percent (5%) educational incentive pay. To retain the educational incentive pay, each certificate holder must pass a re-examination every three years, as the new codes are published. An employee may not receive more than a maximum total of 5% education pay from all sources.

The original language of Article IV, Section 4.13 "Educational Incentive Pay," subsection G under "For Full Time (FT) Employees" states:

G. The City agrees to extend a 2.5% educational incentive pay benefit to two employees in the Parks Division and two employees in Public Works that have a Qualified Applicators Certificate. It is agreed that the process to decide on who is eligible to receive the 2.5% incentive pay will be developed through the Labor/Management process.

Article IV, Section 4.13 "Educational Incentive Pay," subsection G under "For Full Time (FT) Employees" is hereby stricken, re-numbered as subsection F, and replaced in its entirety with the language as follows:

F. Upon approval by the City manager, the City agrees to extend a two and one-half percent (2.5%) educational incentive pay to two (2) employees in the Parks Division and two (2) employees in Public Works that have a Qualified Applicators Certificate. It is agreed that the process to decide on who is eligible to receive the two and one-half percent (2.5%) educational incentive pay will be developed through the Labor/Management process. An employee may not receive more than a maximum total of 5% education pay from all sources.

The original language of Article IV, Section 4.13 “Educational Incentive Pay,” subsection H under “For Full Time (FT) Employees” states:

H. The City agrees to extend a 5% educational incentive pay benefit in addition to regular pay when education is in addition to the requirements of the job specifications for Special Districts Technician and Special Districts Supervisor in the Recreation and Parks Department, and other job specifications, where the certification is desired in order to perform the key functions of the position and deemed appropriate by the City Manager for employees that have a Qualified International Society of Arboriculture (“ISA”) Certified Arborist Certificate such as ISA Certified Arborist, ISA Certified Arborist Utility Specialist, ISA Certified Arborist Municipal Specialist, ISA Certified Master Arborist, ISA Tree Risk Assessment Qualification. It is agreed that the process to decide who is eligible to receive the 5% incentive pay will be developed through the Labor/Management process.

Article IV, Section 4.13 “Educational Incentive Pay,” subsection G under “For Full Time (FT) Employees” is hereby stricken, re-numbered as subsection G, and replaced in its entirety with the language as follows:


G. Upon approval by the City Manager, the City agrees to extend a five percent (5%) educational incentive pay benefit in addition to regular pay when education is in addition to the requirements of the job specifications for Special Districts Technician and Special Districts Supervisor in the Recreation and Parks Department, and other job specifications, where the certification is desired in order to perform the key functions of the position and deemed appropriate by the City Manager for employees that have a Qualified International Society of Arboriculture (“ISA”) Certified Arborist Certificate such as ISA Certified Arborist, ISA Certified Arborist Utility Specialist, ISA Certified Arborist Municipal Specialist, ISA Certified Master Arborist, ISA Tree Risk Assessment Qualification. It is agreed that the process to decide who is eligible to receive the five percent (5%) educational incentive pay will be developed through the Labor/Management process. An employee may not receive more than a maximum total of 5% education pay from all sources.

The representatives of the City and of the SEIU have jointly prepared this First Amendment to the SEIU MOU 2024-2025, which has been ratified by the SEIU on September 10, 2025, and is jointly presented to City Council of the City of Santa Maria for determination pursuant to Government Code section 3505.1. Except as expressly provided for in this First Amendment, all


other provisions of the SEIU MOU 2024-2025 shall remain in full force and effect. The parties also acknowledge that this First Amendment shall not be in full force and effect until adopted by resolution by the City Council of the City of Santa Maria. Subject to the foregoing and in witness whereof, this First Amendment is hereby executed by the authorized representatives of the City and the Service Employees International Union Local 620 and entered into as of this 16<sup>th</sup> day of September, 2025.

CITY OF SANTA MARIA

SERVICE EMPLOYEES  
INTERNATIONAL UNION LOCAL 620

  
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