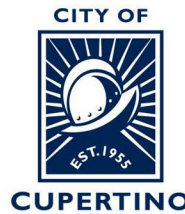


Operating Engineers Local Union No. 3



NEGOTIATIONS 2025

Correspondence

FINAL COMPREHENSIVE TENTATIVE AGREEMENT

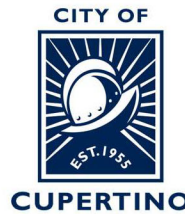
DATE: July 30, 2025

TIME: 1:00 PM

The following represents a comprehensive tentative agreement between the City of Cupertino ("City") and the Operating Engineers, Local 3 ("OE3" or "Union") as a result of labor negotiations for a Memorandum of Understanding (effective July 1, 2025 through June 30, 2028).

MOU Section	City's Proposal / Response
Term	3-Year term effective July 1, 2025 through June 30, 2028.
Section 10.1 – Salary Range	<p>For all bargaining unit members, employed with the City as of July 2, 2025, and retroactive to the first full pay period after July 1, 2025, a 5.0% salary increase will be added to the salary range of each classification in this bargaining unit. Employees must be an active employee at the time of the retroactive payout in order to receive said retroactive pay to the first full pay period after July 1, 2025. Retroactive pay will be processed pursuant to the attached schedule.</p> <p>Effective the first full pay period after July 1, 2026, a 3.0% salary increase will be added to the salary range of each classification in this bargaining unit.</p> <p>Effective the first full pay period after July 1, 2027, a 3.0% salary increase will be added to the salary range of each classification in this bargaining unit.</p>
One-Time Lump Sum Payment	<p>The City will pay all bargaining unit members, employed with the City as of July 2, 2025, a one-time, non-pensionable lump sum of \$1,000, which shall be subject to all applicable payroll tax and withholding. The parties agree that this one-time payment shall not be PERSable (i.e. counted towards base salary or final compensation for CalPERS retirement calculation). Payment shall be made through payroll following the City Council's approval of a successor MOU. Employees must be an active employee at the time of the retroactive payout in order to receive said \$1,000 lump-sum payment. Retroactive pay will be processed pursuant to the attached schedule.</p>

Operating Engineers Local Union No. 3



NEGOTIATIONS 2025

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Section 12 – Health and Welfare Benefits

The City agrees to make available a plan of comprehensive health and welfare benefits for eligible employees. Any such benefits program must have the continued approval of the Board of Administration, Public Employees Retirement System. For each participating employee, the City shall contribute toward premium cost of the following amount per month during the term of this agreement.

Effective July 1, 2025, for each participating employee, the City shall contribute toward premium cost the following amount per month during the term of this agreement.

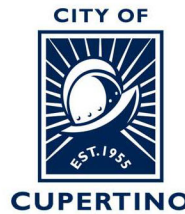
July 1, 2025	City Max Health Contribution	City Max Dental Contribution	City Total Max Contribution
Employee	\$1,112.90	\$114.30	\$1,227.20
Employee + 1	\$2,225.80	\$114.30	\$2,340.10
Employee + 2	\$2,893.54	\$114.30	\$3,007.84

With regards to any change in the monthly medical plan premium charged by CalPERS in the plan years subsequent to 2025 (specifically, the CalPERS healthcare rate increases effective January 1, 2026, January 1, 2027 and January 1, 2028), the City's maximum contributions shall be tied to the CalPERS Kaiser Permanente plan increases and shall be capped at no more than 20% of any such total increase in aggregate during the course of this 2025 – 2028 MOU. Any required contribution amounts exceeding the premium contribution of the City are the responsibility of the employee.

The City will no longer pay medical insurance cash back (excess of the monthly premium less the cost of the medical coverage) for any employee.

Effective July 1, 2010, employees that retire or resign from service with

Operating Engineers Local Union No. 3



NEGOTIATIONS 2025

Correspondence

	<p>the City of Cupertino and who are not eligible for retiree medical benefits, as defined in the summary of benefits, can continue on the Cupertino medical and dental plans provided that they pay the premiums in full.</p> <p>Dental Coverage: Effective the first month after OE3 ratification and Council adoption of MOU, dental coverage is capped at \$2,500.00 per dependent per annual plan year for the term of this contract.</p>
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All outstanding proposals to which there is no Tentative Agreement or which are not addressed above are to be withdrawn or deemed denied.

The City and OE3 jointly acknowledge that this comprehensive tentative agreement has already received: i) the City Council's approval; and, ii) ratification by OE3's membership, and that this comprehensive tentative agreement shall be binding to the parties upon execution.

For the City

For the Union

Kristina Alfaro 8/6/2025
 Kristina Alfaro Date
 Director of Administrative Services

M Moore
 Michael Moore Date
 Business Representative

Vanessa Guerra
 Vanessa Guerra Date
 Human Resources Manager

Sean Filbeck 8/9/25
 Sean Filbeck Date

Christopher Boucher 8/6/25
 Christopher Boucher Date
 Labor & Employment Counsel

Item	Paycheck Date
New pay rate effective pay period ending September 19, 2025.	September 26, 2025
\$1,000 lump sum payment	October 10, 2025
Retroactive payments from July 12 – September 5, 2025	October 24, 2025
Retroactive payments for any cash outs (July vacation/admin leave cash outs)	October 24, 2025
New benefit rates and retroactive adjustments	November 7, 2025












2025-07-30 Tentative Agmt

Final Audit Report

2025-08-06

Created:	2025-07-30
By:	Siu Ley (siul@cupertino.org)
Status:	Signed
Transaction ID:	CBJCHBCAABAAAdLVGqgmtWoaWXrtO7jU8_Xwiy2hJUsv

"2025-07-30 Tentative Agmt" History

-  Document created by Siu Ley (siul@cupertino.org)
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-  Document emailed to mmoore@oe3.org for signature
2025-07-30 - 11:26:04 PM GMT
-  Email viewed by mmoore@oe3.org
2025-07-31 - 4:45:18 AM GMT- IP address: 174.194.198.201
-  Signer mmoore@oe3.org entered name at signing as Michael Moore
2025-07-31 - 4:46:31 AM GMT- IP address: 174.194.198.201
-  Document e-signed by Michael Moore (mmoore@oe3.org)
Signature Date: 2025-07-31 - 4:46:33 AM GMT - Time Source: server- IP address: 174.194.198.201
-  Document emailed to seanf@cupertino.gov for signature
2025-07-31 - 4:46:35 AM GMT
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-  Email viewed by seanf@cupertino.gov
2025-08-05 - 6:30:03 PM GMT- IP address: 34.227.101.130
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2025-08-06 - 3:53:04 PM GMT- IP address: 54.210.174.137
-  Signer seanf@cupertino.gov entered name at signing as Sean Filbeck
2025-08-06 - 9:43:18 PM GMT- IP address: 64.165.34.3
-  Document e-signed by Sean Filbeck (seanf@cupertino.gov)
Signature Date: 2025-08-06 - 9:43:20 PM GMT - Time Source: server- IP address: 64.165.34.3

 Document emailed to christopher@boucher.law for signature

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2025-08-06 - 9:43:29 PM GMT- IP address: 74.125.209.133

 Signer christopher@boucher.law entered name at signing as Christopher Boucher

2025-08-06 - 9:49:52 PM GMT- IP address: 68.108.96.227

 Document e-signed by Christopher Boucher (christopher@boucher.law)

Signature Date: 2025-08-06 - 9:49:54 PM GMT - Time Source: server- IP address: 68.108.96.227

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2025-08-06 - 9:50:04 PM GMT- IP address: 54.80.74.125

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2025-08-06 - 9:51:35 PM GMT- IP address: 64.165.34.3

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Signature Date: 2025-08-06 - 9:51:37 PM GMT - Time Source: server- IP address: 64.165.34.3

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2025-08-06 - 9:51:38 PM GMT

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2025-08-06 - 9:51:47 PM GMT- IP address: 44.221.45.1

 Signer vanessag@cupertino.gov entered name at signing as Vanessa Guerra

2025-08-06 - 9:54:37 PM GMT- IP address: 64.165.34.3

 Document e-signed by Vanessa Guerra (vanessag@cupertino.gov)

Signature Date: 2025-08-06 - 9:54:39 PM GMT - Time Source: server- IP address: 64.165.34.3

 Agreement completed.

2025-08-06 - 9:54:39 PM GMT