**Compensation**

**Section 1.** The City will maintain the current compensation structure for employees within the bargaining unit for the duration of this Agreement, unless the parties mutually agree to modify the compensation structure. Such agreement must be in writing and formally approved by City Council.

**Section 2.** Effective July 1, 2025, Schedule A wage rates will be revised as follows: Salary rates for classifications represented by CPPW for the period July 1, 2025 to June 30, 2026 are to be increased by one hundred percent (100%) of the annual increase in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) (as measured by the annual change in the index between the 2nd Half 2023 and the 2nd Half 2024) for the West Coast Size A, published by the Bureau of Labor Statistics, U.S. Department of Labor. However, in no event shall the salary increase be greater than three percent (3.0%).

**Section 3.** The City has commissioned a classification and compensation study that includes employees in the bargaining unit. CPPW will be provided an opportunity to provide input and feedback during the study. The City will promptly provide the results of the study to CPPW. Wage increases for subsequent years of the contract will be as mutually agreed by the parties under the process described in Article \_\_ (Duration and Reopener).

**Section 4.** Effective July 15, 2025, the individual base salary for each employee who has been continuously employed in a bargaining unit position for at least twelve (12) months will increase by the amount of the percentage “merit” increase paid to non-represented employees, unless the employee’s base salary is at or above the top of the salary range for their classification or the employee has received economic discipline in the previous twelve (12) months.