

RESOLUTION NO. 2022 -74

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUNTINGTON BEACH
AMENDING THE CITY'S CLASSIFICATION PLAN AND MEMORANDUM OF
UNDERSTANDING BETWEEN THE CITY AND THE HUNTINGTON BEACH FIRE
MANAGEMENT ASSOCIATION (FMA) BY ADOPTING THE SIDE LETTER OF
AGREEMENT

WHEREAS, on March 15, 2021, the City Council of Huntington Beach approved an agreement with Public Sector Personnel Consultants, Inc., to conduct a citywide Classification and Compensation Study to review, simplify, and modernize the City's classification plan, and to conduct a comparison of salary and benefits within the City's employment market, which was defined as the cities of Anaheim, Santa Ana, Irvine, Garden Grove, Orange, Fullerton, Costa Mesa, and Newport Beach; and,

WHEREAS, on December 21, 2021, the City Council of Huntington Beach adopted Resolution No. 2021-67 approving the MOU between the City and FMA through the term ending December 31, 2023, which transitioned all classifications to a new master salary schedule with pay ranges that are one percent (1%) apart and consist of seven (7) steps that are five percent (5%) apart that provides additional flexibility in assigning pay ranges and creates greater alignment across associations; and,

WHEREAS, FMA desires to amend the provisions of the retiree medical plan administered by the PORAC Retiree Medical Trust as outlined in Article IX – Health and Other Insurance Benefits, Section E, to contribute the value of their members' unused earned General Leave and Sick Leave banks upon separation from the City to the Trust, and that these changes are at no cost to the City; and,

WHEREAS, the City's Human Resources Division, with assistance from Public Sector Personnel Consultants, has met and conferred with the impacted associations and individual employees through the Request for Reconsideration process; and the proposed Classification and Compensation Study implementation plan improves internal alignment, more clearly defines career ladders, and brings classifications whose pay range maximums were behind the market average of similar positions in the City's employment market as close to market average as feasible within the authorized budget and constraints of the City's existing classification and compensation plan; and,

Subsequent to the adoption of the MOU, the City of Huntington Beach and FMA has met and conferred and agreed to changes, corrections, and clarifications to the MOU that are reflected in a Side Letter of Agreement attached hereto as Exhibit A and incorporated herein by this reference.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Huntington Beach as follows:

1. The Side Letter of Agreement attached hereto as Exhibit A is approved and adopted.
2. The Side Letter of Agreement amends the MOU between the City of Huntington Beach and FMA.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the 15th day of November, 2022.

Mayor

REVIEWED AND APPROVED:

APPROVED AS TO FORM:

City Manager

City Attorney *mu*

INITIATED AND APPROVED:

B. Mello

Director of Administrative Services

**SIDE LETTER OF AGREEMENT
BETWEEN
THE CITY OF HUNTINGTON BEACH
AND THE
HUNTINGTON BEACH FIRE MANAGEMENT ASSOCIATION (FMA)**

Representatives of Huntington Beach Fire Management Association (FMA) and the City of Huntington Beach (City) have met and conferred regarding this Side Letter of Agreement to modify the following sections of the FMA MOU dated July 1, 2021, through December 31, 2023:

ARTICLE II – REPRESENTATIONAL UNIT/CLASS

The City of Huntington Beach proposes to add/modify the following classifications to the City's Classification Plan and the FMA MOU (see Exhibit A – Salary Schedule):

ADD CLASSIFICATION

Job Title	Range	Minimum	Maximum
Fire Deputy Chief	262	\$156,395	\$209,581

MODIFY CLASSIFICATIONS

Job Title
Fire Battalion Chief
Fire Division Chief

The parties agree that this side letter agreement will take effect on the pay period beginning February 4, 2023. If the City is unable to complete implementation of these changes by this pay period due to competing year-end priorities, the parties agree that these changes will be retroactive to the pay period beginning February 4, 2023.

Each employee will be placed on the step (A-G) of their classification's assigned salary range that is nearest to their current base salary step without being less. If the preceding methodology would result in an employee moving more than one step below their current step (e.g., Step F to Step D), then the employee will instead be placed one step below their current step (e.g., Step F to Step E).

The parties agree that some of the above classifications are new and that the class specifications and minimum qualifications have not been completed. The parties agree to meet and confer on these class specifications and minimum qualifications before final implementation of the new classifications.

The parties agree that the policies and procedures surrounding the addition of new full-time equivalent authorized positions and positional adjustments via the budgeting process remain in effect. The creation of a new job classification does not equate to a new authorized position, nor an upgrade to an existing position, and that if and when a position is added or upgraded, the policies surrounding the promotional process remain in effect.

The parties agree that the implementation of this side letter will not change the anniversary date of employees that are being reclassified or retitled. Employees will receive their merit-based step advancement on their current anniversary date, in accordance with the Personnel Rules.

The parties agree that no incumbent employee shall be required to serve a probationary period as a result of being reclassified, retitled, or placed under new supervision or a new reporting relationship as a result of this implementation.

The parties agree that if a classification that has been merged or modified is listed elsewhere in the MOU, those sections will continue to remain in full effect.

The parties agree that all of the intended additions or deletions of FMA positions are encompassed in this side letter agreement. If the City proposes any further additions and/or deletions to FMA positions following the adoption of this agreement, the parties agree to meet and confer on those matters.

ARTICLE VIII – WORK SCHEDULE/COMPENSATORY PAY/TIME OFF

B. Compensatory Pay

2. Prior approval to work any hours in addition to regular schedule

Fire Battalion Chiefs, Fire Division Chief, and the Marine Safety Division Chief must gain approval to work any hours that are in addition to their regular schedule in advance from a Fire Deputy Chief. Fire Deputy Chiefs must gain approval to work any hours that are in addition to their regular schedule in advance from the Fire Chief.

ARTICLE IX – HEALTH AND OTHER INSURANCE BENEFITS

E. Retiree Medical Trust (RMT)

The City authorizes the FMA to participate in a retiree medical plan administered by the PORAC Retiree Medical Trust (“Retiree Medical Trust” or “RMT”), with the following conditions:

3. The City shall withhold \$100.00 per month on a pre-tax basis for each represented employee to participate in the program. The withholding amount

could change, and if it does, it shall be in an amount as designated in writing by the FMA and shall be applicable to each employee. Deductions shall be taken on the first two checks of each month.

Participation and contributions are required for every member of the bargaining unit represented by the Association. However, this requirement will not apply to an employee who is entitled to receive full retiree medical coverage due to their service in the United States military (Military Exception).

- ~~9. Upon retirement of an employee, the City shall transfer to the Trust, an amount equal to the employee's payout outlined in the City of Huntington Beach Separation Agreement and General Release. The City shall contribute the monies on a pre-tax basis. The monies contributed to the Trust fund shall only be used for retiree health insurance premiums or health care services expenses. There shall be no employee election to take such amount in cash.~~

ARTICLE X - LEAVE BENEFITS

A. General Leave

1. Accrual

Employees accrue General Leave at the accrual rates outlined below. General Leave may be used for any purpose, including vacation, and sick leave and personal leave.

4. Transfer of the Value of General Leave at Separation

At the time of separation, the value of any unused earned General Leave (earned up to the last day of employment) will be transferred to either the employee's deferred compensation account or to the Retiree Medical Trust outlined in Article IX, Section E, on a pre-tax basis. The value of each hour of General Leave will be the employee's base rate of pay at separation.

The employee must make the election for the transfer (to either deferred compensation or the Retiree Medical Trust) no later than the pay period prior to the employee's last day of employment. If no election is made, all unused earned General Leave will be transferred to the Retiree Medical Trust upon separation. If the employee elects to place some of the General Leave into their deferred compensation account or reaches the maximum annual deferral into their deferred compensation account, the remaining amount will be transferred to the Retiree Medical Trust.

5. General Leave Pay at Separation for Employees Exempt from the Retiree Medical Trust

Upon separation of employment, employees exempt from the Retiree Medical Trust shall be paid for unused General Leave at their current regular rate of pay for all unused, earned General Leave to which they are entitled up to and including the last day of employment.

B. Sick Leave

5. Pay Off At Termination

f. Transfer of the Value of Sick Leave at Separation

Upon separation of employment, the value of any unused sick leave, as determined in accordance with sections a-e above, will be transferred to either the employee's deferred compensation account or to the Retiree Medical Trust on a pre-tax basis.

g. Sick Leave Pay at Separation for Employees Exempt from the Retiree Medical Trust

Upon separation of employment, employees exempt from the Retiree Medical Trust shall be paid for unused sick leave in accordance with sections a-e above.

Side Letter Implementation

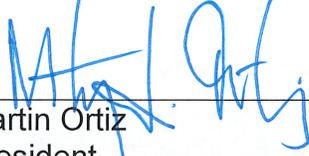
Should the MOU between FMA and the City of Huntington Beach continue beyond December 31, 2023, either through a successor MOU or an extension of the current MOU, all terms and conditions of this side letter shall remain in full force and effect unless changes are mutually agreed to by both parties.

IN WITNESS WHEREOF, the parties have caused this SIDE LETTER AGREEMENT to be executed by and through their authorized officers on _____.

City of Huntington Beach

Fire Management Association

By: _____
Al Zelinka
City Manager

By: 

Martin Ortiz
President

By: _____
Travis Hopkins
Assistant City Manager

By: 

Tim Andre
Vice President

By: 

Brittany Mello
Administrative Services Director

APPROVED AS TO FORM:

Michael Gates
City Attorney

Side Letter Implementation

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Brittany Mello
Administrative Services Director

APPROVED AS TO FORM:

Michael Gates *me*
City Attorney

**FIRE MANAGEMENT ASSOCIATION
EXHIBIT A – SALARY SCHEDULE**

40 Hour Rate (Hourly)

Job Description	Range	A	B	C	D	E	F	G
Fire Battalion Chief	248	65.41	68.68	72.12	75.72	79.51	83.48	87.66
Fire Division Chief	248	65.41	68.68	72.12	75.72	79.51	83.48	87.66
Marine Safety Division Chief	248	65.41	68.68	72.12	75.72	79.51	83.48	87.66
Fire Deputy Chief	262	75.19	78.95	82.9	87.04	91.39	95.96	100.76

56 Hour Rate (Hourly)

Job Description	Range	A	B	C	D	E	F	G
Fire Battalion Chief	248	46.72	49.06	51.51	54.09	56.79	59.63	62.61
Fire Division Chief	248	46.72	49.06	51.51	54.09	56.79	59.63	62.61
Marine Safety Division Chief	248	46.72	49.06	51.51	54.09	56.79	59.63	62.61
Fire Deputy Chief	262	53.71	56.39	59.21	62.17	65.28	68.54	71.97