



City of Huntington Beach

File #: 21-889

MEETING DATE: 11/16/2021

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Oliver Chi, City Manager

PREPARED BY: Brittany Mello, Interim Administrative Services Director

Subject:

Introduction of the Proposed Memorandum of Understanding Between the Huntington Beach Fire Management Association (FMA) and the City of Huntington Beach for July 1, 2021, through December 31, 2023

Statement of Issue:

The Memorandum of Understanding (MOU) between the City of Huntington Beach and the Huntington Beach Fire Management Association (FMA) expired on September 30, 2017. Subsequently, the City and FMA engaged in good-faith negotiations, ultimately reaching tentative agreement on terms in October 2021 on a 2.5 year contract covering the period of July 1, 2021, through December 31, 2023.

Financial Impact:

Pursuant to the terms agreed upon with FMA, the Finance Department estimates the total projected cost of the MOU to be \$201,220 in Year 1; \$24,453 in Year 2; and \$17,721 in Year 3. This results in an average annual cost increase of \$97,357 per year during the life of the agreement.

Recommended Action:

Approve the introduction of the proposed Memorandum of Understanding between the Huntington Beach Fire Management Association and the City of Huntington Beach for the period of July 1, 2021, through December 31, 2023.

Alternative Action(s):

Do not approve the introduction of the proposed successor MOU for FMA employees, and direct staff to: (1) continue to meet and confer with the Association, or (2) utilize the impasse procedures contained within the City's Employer-Employee Relations Resolution.

Analysis:

The Huntington Beach Fire Management Association (FMA) represents 8 employees in the City.

Representatives for the City and FMA engaged in active negotiations over an extended period, and

have ultimately reached tentative agreement on contract terms for a 2.5 year period. Key changes in the proposed MOU include the following:

Term of Agreement

July 1, 2021, through December 31, 2023

Salary Range Adjustment

- Effective July 1, 2021, employees will shift to a new, seven-step salary range (A - G). Employees will be placed on the nearest step in the new range without losing any wages.
- Employees who have reached the top step (Step G) in their assigned range will be eligible for an annual, merit-based performance bonus of up to three percent (3%) of their base rate of pay.

CalPERS Cost Sharing

- Classic member safety employees shall contribute an additional 2% contribution towards CalPERS costs (for a total of 13% contribution) beginning July 1, 2021.
- New member safety employees shall contribute an additional 1.25% contribution towards CalPERS costs (for a total employee contribution of 13%) beginning July 1, 2021.

Medical Benefits

- Beginning January 1, 2022, the City's maximum monthly contribution to medical plan rates will increase to \$745.83 for employee only; \$1,468.95 for two party; and \$1,837.83 for family coverage.
- Beginning January 1, 2023, the City's maximum monthly contribution will increase to \$769.16 for employee only; \$1,492.28 for two party; and \$1,861.16 for family coverage.

Special Pays

- Additional contract adjustments with regard to specialty pay types were made with regard to educational incentive pay, EMT pay, strike team leader, and longevity pay.

These key changes and all other negotiated provisions are included in the proposed Memorandum of Understanding.

Environmental Status:

Not applicable.

Strategic Plan Goal:

Non Applicable - Administrative Item

Attachment(s):

1. Summary of Memorandum of Understanding Modifications
2. Fiscal Impact Report
3. Proposed Memorandum of Understanding