

Agenda Report

September 18, 2017

TO: Honorable Mayor and City Council

FROM: Human Resources Department

SUBJECT: APPROVAL OF MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF PASADENA AND THE PASADENA FIRE MANAGEMENT ASSOCIATION FOR THE TERM OF JULY 1, 2016 - JUNE 30, 2020

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the action proposed herein is not a "project" as defined in the California Environmental Quality Act (CEQA), Public Resources Code Section 21065 and Section 15378(b)(2) of the State CEQA Guidelines and, as such, is not subject to environmental review.
2. Approve a Memorandum of Understanding (MOU) between the City of Pasadena (City) and the Pasadena Fire Management Association (PFMA) for the term of July 1, 2016 through June 30, 2020.

BACKGROUND:

The Pasadena Fire Management Association (PFMA) represents the Battalion Chiefs of the Pasadena Fire Department. Battalion Chiefs operate at the division head level and are responsible for the administration of a variety of departmental programs and operations, including fire suppression, training, fire and environmental safety, and emergency medical services. The existing three-year memorandum of understanding between the City and the PFMA expired on June 30, 2016. Negotiations for a successor MOU began on September 28, 2016, and the parties reached a tentative agreement on August 25, 2017. On August 29, 2017 PFMA notified the City that its members had ratified the tentative agreement.

On July 10, 2017, the City Council approved a new MOU with the Pasadena Firefighters Association (PFFA) that provides for base pay increases in the amount of 3.5% in FY

18, 2.5% in FY 19, and 3.5% in FY 20. Battalion Chief salaries throughout the term of this contract will be established pursuant to Article 10.B of the PFMA MOU which establishes an 18% differential between the maximum rate for Fire Captain EMT, a position represented by the PFFA, and the minimum rate for Battalion Chief.

Additionally, this contract establishes parity with the PFFA in a number of key areas, including premium pays and retirement contributions. PFFA members currently contribute 12% toward retirement, which is comprised of the 9% full member contribution plus an additional 3% cost-sharing contribution. By July 2018, PFMA members will be making a 3.0% cost-sharing pension contribution with 1.5% being effective on September 18, 2017 and the second 1.5% contribution effective in July 2018. This agreement is expected to keep Battalion Chief compensation competitive in the labor market while maintaining an internal alignment structure designed to encourage promotion to the rank of Battalion Chief.

As a result of this MOU provision, PFMA salary increases for FY 18 will become effective retroactive to July 10, 2017 in order to maintain the salary differential with Fire Captains EMT. All other changes will become effective upon Council adoption of this agreement.

The following is a summary overview of the key contract modifications:

1. Term: July 1, 2016 – June 30, 2020
2. Salaries - The minimum rate of the salary range for Battalion Chief shall be eighteen percent (18%) above top step of 40-hour Fire Captain EMT throughout the term of this contract. The minimum rate shall be 90% of the control rate. PFMA member salaries will be adjusted as follows:
 - FY 18 Salary Increase: 3.5%
 - FY 19 Salary Increase: 2.5%
 - FY 20 Salary Increase: 3.5%
3. CalPERS Retirement Contributions - Employees currently contribute 9% of pensionable income towards retirement on a pre-tax basis.
 - a. Effective September 18, 2017, employees will contribute an additional 1.5% towards retirement on a pre-tax basis as cost-sharing for a total retirement contribution of 10.5%.
 - b. Effective the pay period that includes July 1, 2018, employees will contribute an additional 1.5% towards retirement on a pre-tax basis as cost-sharing for a total retirement contribution of 12%.

4. One-time lump sum payment – Upon City Council approval of the 2016-2020 PFMA MOU, all Battalion Chiefs will receive a one-time lump sum payment of \$1,350. Battalion Chiefs currently certified as Paramedics will receive an additional one-time lump sum payment of \$1,000.
5. Education Incentive Pay: Bachelor's Degree: Increase to \$350 per month. Currently \$275 per month.
6. Strike Team Engine (STEN) and California Incident Command Certification System (CICCS) Chief Officer Certification Bonus:
 - a. STEN Certification – One-time payment of \$2,000 upon attainment of STEN certificate. Currently \$1,000.
 - b. CICCS Chief Officer Certification – One-time payment of \$2,000 upon attainment of Chief Officer certificate. Currently \$1,000.
7. Emergency Medical Services Coordinator Pay – Increase to \$250 per month. Currently \$150 per month.
8. Paramedic Pay: Effective January 1, 2018, each eligible Battalion Chief will receive \$1,000 on a biennial basis timed with proof of Paramedic License recertification.
9. EMT-D premium pay in the amount of 4% of base pay which is currently paid to all Battalion Chiefs will be incorporated into the base rate of pay and eliminated as a premium pay.
10. Special events to be paid at 1.5 times the employee's 40-hour rate of pay. Currently paid at 1.5 times top step of the 40-hour rate.
11. Movie Detail Rate: Increase to \$63 per hour. Currently \$55 per hour.
12. This agreement addresses a number of non-economic language clarification and cleanup items.

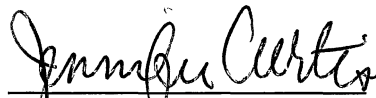
COUNCIL POLICY CONSIDERATION:

Approval of staff's recommendation supports the City Council's strategic goals of maintaining fiscal responsibility and stability and ensuring public safety.

FISCAL IMPACT:

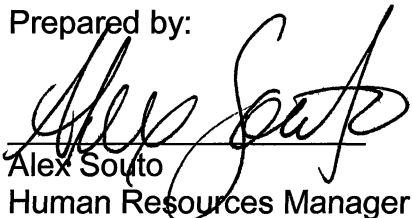
The fully burdened fiscal impact of this agreement is approximately \$490,000 dollars through the term of the contract, inclusive of anticipated increases to retirement costs on all pensionable bargaining unit compensation. The FY 2018 fiscal impact is estimated at \$77,000, followed by increases of \$85,000 in FY 2019 and \$136,000 in FY 2020. The FY 2018 cost is expected to be absorbed in the Fire Department's FY 2018 Operating Budget.

Respectfully Submitted,



Jennifer Curtis
Director of Human Resources

Prepared by:



Alex Souto
Human Resources Manager

Approved by:



Steve Mermell
City Manager

Attachments:

1. Pasadena Fire Management Association Memorandum of Understanding - July 1, 2016 – June 30, 2020