

Agenda Report

January 9, 2023

TO: Honorable Mayor and City Council

FROM: Human Resources Department

**SUBJECT: APPROVAL OF MEMORANDUM OF UNDERSTANDING BETWEEN
THE CITY OF PASADENA AND THE PASADENA FIREFIGHTERS
MANAGEMENT ASSOCIATION FOR THE TERM OF JANUARY 1, 2023
- DECEMBER 31, 2026**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action herein is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA guidelines Section 15061(b)(3) (Common Sense Exemption); and
2. Approve an Amended Memorandum of Understanding (MOU) between the City of Pasadena (City) and the Pasadena Firefighters Management Association (PFMA), for the term of January 1, 2023 through December 31, 2026.

BACKGROUND:

The Pasadena Firefighters Management Association represents seven full-time employees in the classification of Fire Battalion Chief. 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 current Memorandum of Understanding between the City and the PFMA was set to expire on January 31, 2023.

Negotiations for a successor MOU began on September 8, 2022 and the parties reached a tentative agreement on a new multi-year contract on November 29, 2022. The proposed 48-month agreement will have a term of January 1, 2023, thereby ending the term of the current contract one month early, and continue through December 31, 2026.

Salary increases in the proposed contract will be driven by a contractually guaranteed salary differential of 19% between the maximum pay rate for Fire Captain EMT and the minimum pay rate for Fire Battalion Chief which will provide for cumulative base pay increases of 15.0% over the term of the contract. These increases will establish equity with similarly situated sworn bargaining groups in the City and enhance the Pasadena Fire Department's ability to incentivize promotion and retain its skilled personnel.

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

1. Term: January 1, 2023 – December 31, 2026
2. Salary Increases:
 - a. Pay period that includes January 1, 2023: 4.4% (approved by the City Council on November 14, 2022)
 - b. Pay period that includes January 1, 2024: 4.5%
 - c. Pay period that includes January 1, 2025: 4.0%
 - d. Pay period that includes January 1, 2026: 2.0%
3. Education Pay: Battalion Chiefs who hold a Bachelor's degree will receive education premium pay in the amount of \$425 per month (from \$350).
4. Paramedic Premium: Battalion Chiefs who possess a valid paramedic certification will receive Paramedic Premium pay in the amount of \$100 per month (from \$1,000 biennially).
5. Vacation Accrual:
 - a. The vacation accrual structure will be modified by collapsing the accrual table from 12 tiers to 2 tiers. These changes will support employee wellness and retention by bringing PFMA's vacation accruals from the middle to the top tier of the labor market.
 - i. Tier 1 – Hire date through 8 years of service:
 - 192 hours annually for shift employees (from a current range of 72 to 180 hours annually, depending on years of service)
 - 128 hours annually for non-shift employees (from a current range of 48 to 120 hours annually, depending on years of service)

ii. Tier 2 - 9+ years of service:

- 288 hours annually for shift employees (from a current range of 192 to 264 hours annually, depending on years of service)
- 192 hours annually for non-shift employees (from a current range of 128 to 176 hours annually, depending on years of service)

b. Effective the pay period that includes January 1, 2025, vacation accrual will be increased by 24 hours annually for shift employees and 16 hours annually for non-shift employees.

6. Retiree Health Contribution: Effective the pay period that includes January 1, 2025, the City's post-retirement medical trust contribution on behalf of bargaining unit members who are "new members" of CalPERS as defined in the Public Employees Pension Reform Act of 2013 will be increased to 4.0% of base pay (from 3% of base pay).

7. Non-economic language changes: This agreement includes non-economic changes to language related to health benefits, and floating holidays.

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 the proposed 48-month agreement is approximately \$1.38 million over the term of the contract, with ongoing expenses of approximately \$469,000 annually following expiration of the contract, 100% of which will impact the General Fund.

\$429,000 of the ongoing expenses is allocated toward maintaining the contractually guaranteed salary differential over the term of the contract, with an additional \$40,000 allocated for supplemental contractual enhancements.


The pro-rated FY 2023 cost of the agreement is approximately \$73,000. The Fire Department's FY 2023 Operating Budget includes additional funding in anticipation of negotiated wage increases. However, staff will monitor personnel expenses and request a supplemental appropriation during the fiscal year if necessary.

Respectfully Submitted,




TIFFANY JACOBS-QUINN
Acting Human Resources Director

Prepared by:

for 
Alex Souto
Human Resources Manager

Approved by:


MIGUEL MARQUEZ
City Manager

Attachments: (1)

Pasadena Firefighters Management Association Memorandum of Understanding –
January 1, 2023 – December 31, 2026