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DATE: January 29, 2008
TO: Mayor and City Council
FROM: Human Resources Director
SUBJECT: Adoption of Resolution to Approve Contract with the Hayward Fire Management Employees

RECOMMENDATION

That Council adopt the attached resolution which approves a new five-year agreement with the Hayward Fire Management Employees effective July 1, 2007 pertaining to wages, hours, benefits and other terms and conditions of employment.

SUMMARY

City negotiators have reached an agreement on a new five-year agreement with the Hayward Fire Management Employees Association (HFMA). The HFMA represents the Deputy Fire Chiefs, Fire Marshal, and Battalion Chiefs. The principal economic component of the HFMA agreement provides for the Battalion Chiefs salary to be 10% above the Fire Staff Captain (the highest paid IAFF local 1909 position), the Fire Marshall to be 10% above the Battalion Chief, and the Deputy Chiefs to be 10% above the Fire Marshall.

BACKGROUND

The City Council has given direction to City negotiators to be as consistent with each of our bargaining units as possible in the methods utilized to determine salary increases and in the provision of health care and other benefits. Council has also directed City staff to achieve savings where ever possible. As a result of this direction, staff has negotiated a contract with the HFMA, with the following results.

The current contract expired June 30, 2007. The City and HFMA have reached agreement on a number of issues. First, the HFMA has requested to change their name to the Hayward Fire Chiefs Association (HFCA). Secondly, it is customary with a management group such as this to have the salaries set in relation to the positions below which are in the Local 1909 union. To date this has not been the case resulting in uneven relationships between positions. The HFMA and City have agreed to set the Battalion Chief salary at 10% above the highest paid 1909 position, which is currently the Staff Captain. The Fire Marshal and Deputy Chief salaries will follow with 10%

between each. This standardizes the salaries in the same manner as the Police Management salaries (Captains are 10% above Lieutenants) and maintains the 10% relationship used in most instances City wide between supervisory and non-supervisory positions.

A third issue is Effective January 1, 2009 the City will pay 100% of health care up to the second highest health care family plan offered which is currently Blue Shield. Employees selecting a more costly plan will pay any additional costs. For the HFMA this will result in an annual savings of approximately \$13,000. In exchange the City has agreed to allow HFMA members who have EMT and/or Paramedic licenses to receive additional pay for the licenses. 1909 members receive additional pay for the licenses. However when employees promote to HFMA they lose this additional compensation which has been a disincentive to promote. This ultimately harms the City if good candidates are not interested in promoting because they will lose salary. Lastly, the City has agreed to increase the Medical after Retirement payment for retirees from \$261.31/month to \$300 per month.

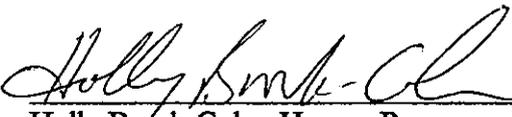
FISCAL IMPACT

The cost of the first year (FY 2007/08) salary increase for HFMA will be approximately \$100,000 for a total salary cost of \$875,224.98. Future increases over the five year contract will be dependent on the salary survey formula in the 1909 and are difficult to estimate at this time. It is anticipated that increases for both 1909 and HFMA will be approximately 5% for the next few years based on increases given to other survey agencies.

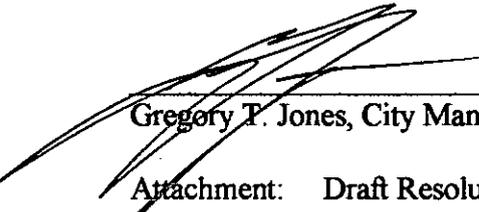
These costs will be offset in part by Healthcare savings estimated at approximately \$13,000 per year for the HFMA.

Due to the length of the documents, the agreements are not attached, but are available for review in the City Clerk's office.

Recommended by:


Holly Brock-Cohn, Human Resources Director

Approved by:


Gregory T. Jones, City Manager

Attachment: Draft Resolution (1)

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward