



CITY OF

NEWPORT BEACH

City Council Staff Report

July 22, 2025
Agenda Item No. 11

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Resolution No. 2025-50: Approving Side Letters of Agreement with the Newport Beach Fire Association Related to Move Up Pay and the Holiday Benefit Conversion Ratio

ABSTRACT:

Recently, a successor memorandum of understanding (MOU) was entered into between the City of Newport Beach and the Newport Beach Fire Association. Upon implementing the new terms of the MOU, it was determined that a side letter is needed to clarify certain MOU language related to holiday pay. Another side letter is needed to resolve an issue regarding "move up" payments.

RECOMMENDATIONS:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
- b) Adopt Resolution No. 2025-50, *A Resolution of the City Council of the City of Newport Beach, California, Approving Side Letters of Agreement with the Newport Beach Firefighters Association Related to Move Up Pay and the Holiday Benefit Conversion Ratio.*

DISCUSSION:

Since entering into a multi-year agreement with the Newport Beach Fire Association (NBFA or Association), it became apparent during implementation of the new MOU terms that two side letters are needed to 1) clarify holiday pay language and 2) resolve an issue regarding payments related to "move up" assignments, when an employee is temporarily assigned to a higher position.

If the City Council adopts Resolution No. 2025-50, City staff will work to implement the provisions as soon as practicable.

FISCAL IMPACT:

One of the side letters recommends that the City reinstate the holiday benefit conversion ratio provided under the prior MOU by distinguishing between safety and non-safety employees and adjusting the holiday benefit for safety employees accordingly. This proposed change would reinstate the conversion ratio from the previous MOU and would not have a budgetary impact, as the current budget already assumes the ratio used in the prior MOU.

Another side letter proposes that the City not pursue repayment from individuals who were moved up from fire captain to battalion chief between December 12, 2018, and October 11, 2024. The total amount at issue for all affected individuals is less than \$1,000. Approving this side letter would also not have a budgetary impact, as the current budget does not assume these funds will be recovered.

The side letters are included as exhibits to Resolution No. 2025-50.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENT:

Attachment A – Resolution No. 2025-50