



Office of the City Manager

CONSENT CALENDAR
November 18, 2025

To: Honorable Mayor and Members of the City Council

From: Paul Buddenhagen, City Manager

Submitted by: Janelle Rodrigues, Director, Human Resources

Subject: Adoption of Side Letter Agreements between the City of Berkeley and the Berkeley Fire Fighters Association (BFFA), Berkeley Fire EMS Professionals Association (BFEMSA), and Berkeley Fire Chief Officers Association (BFOA) to clarify the calculation and reporting of special compensation under CalPERS regulations

RECOMMENDATION

Adopt a Resolution approving Side Letter Agreements between the City of Berkeley and the Berkeley Fire Fighters Association (BFFA), Berkeley Fire EMS Professionals Association (BFEMSA), and Berkeley Fire Chief Officers Association (BFOA) to clarify the calculation and reporting of special compensation under CalPERS regulations.

FISCAL IMPACTS OF RECOMMENDATION

There are no fiscal impacts of the recommendation. The Side Letter Agreements memorialize and clarify the original intent and current practices of the City in how calculation and reporting of special compensation is conducted.

CURRENT SITUATION AND ITS EFFECTS

This report requests City Council adopt a resolution memorializing the three Side Letter Agreements with the City's Fire Associations to align reporting practices for special compensation with CalPERS regulations. Each Side Letter memorializes the method by which specific incentive and premium pays are reported to CalPERS to ensure ongoing compliance.

The City and its Fire labor groups have collaborated to review CalPERS reporting requirements for specialty and incentive pays. The proposed Side Letters clarify how such compensation is calculated and reported in compliance with Government Code sections 20630, 20636, 7522.34 and related regulations. Specifically, the Side Letter Agreements address, confirm, and clarify that holiday pay was intended to be, has been, and will continue to be utilized in the calculation of regular rate of pay from which other incentive and specialty pay calculations were determined.

Adoption of Side Letter Agreements between the City of Berkeley and the Berkeley Fire Fighters Association (BFFA), Berkeley Fire EMS Professionals Association (BFEMSA), and Berkeley Fire Chief Officers Association (BFOA) to clarify the calculation and reporting of special compensation under CalPERS regulations

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BACKGROUND

The City's review of pension reporting practices in collaboration with CalPERS identified a need for clarity regarding special compensation reporting for Fire classifications. These Side Letters confirm alignment with CalPERS' guidance and ensure consistent application across all Fire bargaining units.

The City met and conferred with the BFFA, BFEMSA, and BFOA on each of the agreed upon Side Letters. Thereafter, CalPERS MOU Unit and Compliance Units reviewed and affirmed compliance between the agreements and the regulations, so long as the agreements were memorialized and a resolution adopted by the governing body, together with other administrative implementation requirements.

The parties have agreed to enter into the Side Letters as provided in this resolution and this resolution would support the compliance requirements for the City to provide the specialty compensation and incentive pay as originally intended.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

There are no environmental or climate impacts.

RATIONALE FOR RECOMMENDATION

Adoption of these Side Letters provides regulatory compliance, accuracy in pension reporting, and transparency across labor agreements.

ALTERNATIVE ACTIONS CONSIDERED

No alternatives are recommended. Not approving the resolution could result in continued ambiguity and risk of reporting noncompliance.

CONTACT PERSON

Janelle Rodrigues, Director, Human Resources, 510-981-6807

Attachments:

1: Resolution

Exhibit A: Side Letter Agreement Between the City of Berkeley and the Berkeley Fire Fighters Association Regarding CalPERS Reporting of Special Compensation

Exhibit B: Side Letter Agreement Between the City of Berkeley and the Berkeley Fire EMS Professionals Association Regarding CalPERS Reporting of Special Compensation

Exhibit C: Side Letter Agreement Between the City of Berkeley and the Berkeley Fire Chief Officers Association Regarding CalPERS Reporting of Special Compensation

RESOLUTION NO. ##,###-N.S.

ADOPTING SIDE LETTER AGREEMENTS WITH THE BERKELEY FIRE FIGHTERS' ASSOCIATION, BERKELEYCHIEF OFFICERS ASSOCIATION, AND BERKELEY FIRE EMS PROFESSIONALS' ASSOCIATION REGARDING CALPERS REPORTING OF SPECIAL COMPENSATION

WHEREAS, the City of Berkeley and the Berkeley Fire Fighters Association (BFFA) are parties to a Memorandum of Understanding effective July 1, 2023, through June 30, 2026, and both parties desire to clarify the reporting of special compensation to CalPERS; and

WHEREAS, the City of Berkeley and the Berkeley Fire EMS Professionals Association (BFEMSA) are parties to a Memorandum of Understanding effective July 1, 2023, through June 30, 2026, and both parties desire to clarify the reporting of special compensation to CalPERS; and

WHEREAS, the City of Berkeley and the Berkeley Fire Chief Officers Association (BFOA) are parties to a Memorandum of Understanding effective July 1, 2023, through June 30, 2026, and both parties desire to clarify the reporting of special compensation to CalPERS; and

WHEREAS, each Side Letter Agreement confirms that special compensation shall be calculated and reported in accordance with California Government Code Sections 20630, 20636, and 7522.34 and California Code of Regulations Sections 571 and 571.1; and

WHEREAS, the City Council has reviewed and considered the Side Letter Agreements as presented by the City Manager.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute the Side Letter Agreements with the Berkeley Fire Fighters Association, the Berkeley Fire EMS Professionals Association, and the Berkeley Fire Chief Officers Association.

Exhibits

A: Side Letter Agreement Between the City of Berkeley and the Berkeley Fire Fighters Association Regarding CalPERS Reporting of Special Compensation

B: Side Letter Agreement Between the City of Berkeley and the Berkeley Fire EMS Professionals Association Regarding CalPERS Reporting of Special Compensation

C: Side Letter Agreement Between the City of Berkeley and the Berkeley Fire Chief Officers Association Regarding CalPERS Reporting of Special Compensation

***Amendment No. 1
To The
Memorandums of Understanding
Between The
City of Berkeley
And
Berkeley Fire Fighters Association***

Effective immediately as of the latest execution date below by either the City of Berkeley (the “City”) or Berkeley Fire EMS Professionals Association (“Association”) (collectively, the “Parties”), the current Memorandum of Understanding (“MOU”) between the Parties effective July 1, 2023 to June 30, 2026, is amended to include the following provision, which is incorporated by reference and given full effect as if originally included in each MOU:

SPECIAL COMPENSATION

For purposes of clarity, the City and the Association hereby confirm, acknowledge, and ratify that all current and former employees covered under this, and prior Agreements will have special compensation calculated and reported to CalPERS as follows:

- (1) Special compensation is calculated for all employees covered under this Agreement based on the currently effective pay schedule adopted by the governing body of the City, as revised from time to time and posted on a publicly available pay schedule; and
- (2) Special compensation is calculated for all employees covered under this Agreement based on all reportable hours in compliance with Government Code 2 Sections 20630, 20636, 7522.34 and California Code of Regulations Sections 571 and 571.1, as amended, and the guidance issued thereunder; and
- (3) In compliance with the above regulations, and for the avoidance of doubt, the parties agree to the following which shall be incorporated into the agreement under Article 2 Section 12 CERTIFICATION, SKILL, AND EDUCATION INCENTIVES:

The special compensation listed in this section 11 shall be paid at the indicated rate or percentage of base pay. When a holiday occurs, the employee's regular rate of pay for purposes of calculating the special compensation will include base pay plus the hourly equivalent of holiday pay. Holiday pay will only be included in the pay period in which the holiday is accrued, and some pay periods may not include holiday pay if no holidays occur during that time.

and;

- (4) The above paragraphs #1 through #3 represents the understanding of the Parties for all periods covered by the current and prior Agreements.

EXECUTION

By signing below, I affirm and certify that I am authorized to execute this Amendment on behalf of the represented organization as noted.

For the Berkeley Fire EMS Professionals Association:

Name (Printed)

Signature

Date

Title

For the City of Berkeley:

Name (Printed)

Signature

Date

Title

***Amendment No. 1
To The
Memorandums of Understanding
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City of Berkeley
And
Berkeley Fire Fighters Association***

Effective immediately as of the latest execution date below by either the City of Berkeley (the “City”) or Berkeley Fire EMS Professionals Association (“Association”) (collectively, the “Parties”), the current Memorandum of Understanding (“MOU”) between the Parties effective July 1, 2023 to June 30, 2026, is amended to include the following provision, which is incorporated by reference and given full effect as if originally included in each MOU:

SPECIAL COMPENSATION

For purposes of clarity, the City and the Association hereby confirm, acknowledge, and ratify that all current and former employees covered under this, and prior Agreements will have special compensation calculated and reported to CalPERS as follows:

- (1) Special compensation is calculated for all employees covered under this Agreement based on the currently effective pay schedule adopted by the governing body of the City, as revised from time to time and posted on a publicly available pay schedule; and
- (2) Special compensation is calculated for all employees covered under this Agreement based on all reportable hours in compliance with Government Code 2 Sections 20630, 20636, 7522.34 and California Code of Regulations Sections 571 and 571.1, as amended, and the guidance issued thereunder; and
- (3) In compliance with the above regulations, and for the avoidance of doubt, the parties agree to the following which shall be incorporated into the agreement under Article 2 Section 12 CERTIFICATION, SKILL, AND EDUCATION INCENTIVES:

The special compensation listed in this section 11 shall be paid at the indicated rate or percentage of base pay. When a holiday occurs, the employee's regular rate of pay for purposes of calculating the special compensation will include base pay plus the hourly equivalent of holiday pay. Holiday pay will only be included in the pay period in which the holiday is accrued, and some pay periods may not include holiday pay if no holidays occur during that time.

and;

- (4) The above paragraphs #1 through #3 represents the understanding of the Parties for all periods covered by the current and prior Agreements.

EXECUTION

By signing below, I affirm and certify that I am authorized to execute this Amendment on behalf of the represented organization as noted.

For the Berkeley Fire EMS Professionals Association:

Name (Printed)

Signature

Date

Title

For the City of Berkeley:

Name (Printed)

Signature

Date

Title

***Amendment No. 1
To The
Memorandums of Understanding
Between The
City of Berkeley
And
Berkeley Chief Fire Officers Association***

Effective immediately as of the latest execution date below by either the City of Berkeley (the “City”) or Berkeley Chief Fire Officers Association (“BFCOA” or “Association”) (collectively, the “Parties”), the current Memorandum of Understanding (“MOU”) between the Parties effective July 1, 2023 to June 30, 2026, and all prior MOU’s between the Parties, including those dated July 1, 2021 to June 30, 2023; July 1, 2020 to June 30, 2021; June 16, 2017 to June 27, 2020; July 1, 2015 to June 17, 2017; June 24, 2012 to June 30, 2015; June 27, 2010 to June 23, 2012; July 2, 2006 to June 26, 2010; July 9, 2000 to July 1, 2006; June 30, 1996 to July 8, 2000; and all other MOUs between the Parties effective prior to June 30, 1996, are amended to include the following provisions, which is incorporated by reference and given full effect as if originally included in each MOU:

SPECIAL COMPENSATION

For purposes of clarity, the City and the Association hereby confirm, acknowledge, and ratify that all current and former employees covered under this, and prior Agreements will have special compensation calculated and reported to CalPERS as follows:

- (1) Special compensation is calculated for all employees covered under this Agreement based on the currently effective pay schedule adopted by the governing body of the City, as revised from time to time and posted on a publicly available pay schedule; and
- (2) Special compensation is calculated for all employees covered under this Agreement based on all reportable hours in compliance with Government Code 2 Sections 20630, 20636, 7522.34 and California Code of Regulations Sections 571 and 571.1, as amended, and the guidance issued thereunder; and
- (3) In compliance with the above regulations, and for the avoidance of doubt, the parties agree to the following which shall be incorporated into the agreement as additions to each corresponding Sections 2.1.9 (Emergency Medical Technician Differential); 2.1.12 (Longevity Pay); 2.3 (Bilingual Premium Pay); 2.8 (Incident Command Systems Certification Pay):

The special compensation listed in this section shall be paid at the indicated rate or percentage of base pay. When a holiday occurs for a member eligible for holiday pay, the employee's regular rate of pay for purposes of calculating the special compensation will include base pay plus the hourly equivalent of holiday pay. Holiday pay will only be included in the pay period in which the holiday is accrued, and some pay periods may not include holiday pay if no holidays occur during that time.

and;

- (4) The above paragraphs #1 through #3 represents the understanding of the Parties for all periods covered by the current and prior Agreements.

EXECUTION

By signing below, I affirm and certify that I am authorized to execute this Amendment on behalf of the represented organization as noted.

For the Berkeley Chief Fire Officers Association:

Name (Printed)

Signature

Date

Title

For the City of Berkeley:

Name (Printed)

Signature

Date

Title

