



Honorable Mayor and Members of the Hermosa Beach City Council

ADOPT A RESOLUTION TO APPROVE A MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY OF HERMOSA BEACH AND THE HERMOSA BEACH POLICE OFFICERS' ASSOCIATION BARGAINING GROUP EFFECTIVE JULY 1, 2025 – JUNE 30, 2028

(Human Resources Manager Tiffany Nguyen)

Recommended Action:

Staff recommends City Council adopt a Resolution (**Attachment 1**) approving the Memorandum of Understanding (MOU) between the City of Hermosa Beach and the Hermosa Beach Police Officers' Association (POA) Bargaining Group (**Attachment 2**) for the period of July 1, 2025 through June 30, 2028.

Executive Summary:

Negotiations for a successor to the Memorandum of Understanding (MOU) between the City and the Hermosa Beach Police Officers' Association (POA) have resulted in a tentative agreement. The City and the Hermosa Beach POA met and conferred in accordance with the Meyers-Milias Brown Act and have reached a tentative agreement on the terms and conditions of employment. The terms of the tentative agreements are summarized in the Discussion section below.

The total estimated cost of the negotiated changes is \$2,163,000 for FY 2026-2028.

Background:

The Meyers-Milias Brown Act requires that local public agencies negotiate with its respective bargaining units regarding wages, hours, and working conditions. Existing agreements with the City's bargaining units expired on June 30, 2025 and, under direction from the City Council, the Council-approved City negotiating team has been in negotiations with each of the bargaining units for new terms.

The City's aim through labor negotiations is to maintain competitive wages, hours, and working conditions in a high-cost geographic labor market in order to retain and attract a high-quality workforce to serve our community across a range of services. Most position classifications in the City are comparable to those in other municipalities. The City contracted with Reward Strategy Group to conduct a compensation study using eleven benchmark cities in the region for labor market comparisons.

The City's negotiating team met and conferred with representatives of the Hermosa Beach POA to discuss wages, hours, and other terms and conditions of employment contained in the MOU that expired on June 30, 2025.

This bargaining unit consists of the following classifications:

Police Officer

Police Sergeant

The parties have reached a tentative agreement within the authority provided by City Council and on the terms described below. The membership of the Hermosa Beach POA met and ratified the terms of the tentative agreement on August 12, 2025, set forth in the new MOU, hereby submitted to the City Council for approval.

Discussion:

The tentative MOU between the City and the and the Hermosa Beach POA, include the following negotiated terms:

1. Term of the agreement to be July 1, 2025 - June 30, 2028.
2. Article 13 – Base Pay. The parties agreed to the following salary increases over the next three years.
 - A. Effective July 1, 2025, the the base salary table will be increased by 11% for all classiciations. This increase includes a market adjustment (8%) and a cost-of-living increase (3%).
 - B. Effective July 1, 2026, and after the implementation of median adjustments, where applicable, the salary table for all classifications shall be increased by three percent (3.0%).
 - C. Effective July 1, 2027, and after the implementation of median adjustments, where applicable, the salary table for all classifications shall be increased by three percent (3.0%).
3. Article 11 – Work Schedule
 - A. Officers and Sergeants assigned to patrol, traffic and K-9 shall work a 3/26 schedule and shall work eight payback days per year, which may be scheduled throughout the year.
 - B. Detectives shall work a year-round schedule of 9.5 hours per week.

4. Article 14 – Overtime Practices

M. 1. When an officer is physically called to court, they shall be credited on an hour-for-hour basis for the time actually spent in court. They shall receive a minimum four (4) hours paid at time and a half for the first appearance on a given day and a minimum two (2) hours paid at time and a half for a second appearance on the same day. Travel time shall be included for any subpoenaed appearance other than to the Torrance Courthouse.

5. Article 15 – Insurance Coverage

A. Life Insurance

The City shall provide a life insurance policy for each employee, payable in the amount of \$150,000 upon such employee's death.

6. Article 16 - Deferred Compensation.

The City shall make a monthly contribution on behalf of each unit employee in the amount of \$50 to either (1) Employee's 457(b) deferred compensation account, or (2) the PORAC RMT based upon the bargaining unit's election.

7. Articles 17, 19, 21, and 24 – Lateral Employee Incentive

Article 17 – Retirement (retiree medical – Tier III), Article 19 – Vacation, Article 21 – Sick Leave, and Article 24 – Longevity, shall be modified so that lateral employees be provided with credit for up to ten years of sworn law enforcement service with another agency towards meeting the City's service time requirements for each benefit, subject to verification and certification by Human Resources.

8. Article 19 – Vacation

A. Effective July 1, 2025, vacation accrual rates for all unit employees shall be as follows:

1. Upon hire, at the rate of 96 hours/year.
2. Commencing with the 5th year, at the rate of 120 hours/year.
3. Commencing with the 8th year, at the rate of 136 hours/year.
4. Commencing with the 15th year, at the rate of 160 hours/year.
5. Commencing with the 16th year, at the rate of 168 hours/year.
6. Commencing with the 17th year, at the rate of 176 hours/year.
7. Commencing with the 18th year, at the rate of 184 hours/year.
8. Commencing with the 19th year, at the rate of 192 hours/year.
9. Commencing with the 20th year, at the rate of 200 hours/year.

- B. An employee covered by this Agreement may accrue vacation time to a maximum of 270 hours. Cash out of any earned but unused vacation accrual in excess of 270 hours (as of January 31st each year) shall be automatically cashed out as part of the February 20th payroll.
- C. A unit member with a minimum of ten (10) years of consecutive service as a sworn law enforcement officer with another law enforcement agency may request and be credited with up to ten (10) years of prior service for purposes of setting the unit member's vacation accrual rate under this provision, subject to verification and certification by Human Resources.

9. Article 20 – Holidays

- A. Effective July 1, 2025, all employees shall be credited each month with 12 hours of paid holiday leave.

10. Article 29 – Special Assignment Premiums, Acting Pay

N. Acting Pay.

1. Employees covered by this Agreement who are temporarily assigned to perform the full range of a higher classification because of emergency conditions, Sick Leave, Vacation and/or relief shall receive a higher rate of pay commencing after 80 consecutive hours of such assignment. Employee shall be placed on a step in the salary range of the position in which they are temporarily assigned that provides at least a 5% increase to their current salary. During acting assignments, employees remain affiliated with and continue to be covered by this Agreement.
2. In accordance with Gov. Code Section 20480, if an employee is placed in an Acting position that is vacant as a result of a vacancy, the hours worked by the employee shall be reported to PERS and shall not exceed 960 hours per fiscal year.

11. Article 30 – Physical Fitness Time

Employees shall receive 30 minutes of Comp Time (CTO) for working out a minimum of 30 minutes, prior to, or after, an assigned work shift, with a maximum credit of 60 hours per year. Employees will notify the watch commander (or designee) when they have worked out, immediately prior to, or immediately after, an assigned work shift, and will certify the total workout time by completing a request for CTO and submitting documentation of their work-out within the same pay period for which CTO credit is requested.

12. New Article: Article 41 – Bilingual Pay

The City shall pay one hundred dollars (\$100) per month to each employee who has demonstrated oral proficiency in Spanish or another language which has been demonstrated to be of value to the City in its law enforcement operations. Employees will be tested for oral skill in the designated language by a vendor selected by the Human Resources Director/Manager and must successfully pass the examination to be eligible for bilingual premium. Periodic evaluation of incumbents receiving bilingual skill premium may be required. This pay shall be reported to CalPERS as “compensation earnable” pursuant to CCR 571(a)(4) and as “pensionable compensation” pursuant to CCR 571.1 (a)(3) – Bilingual Premium.

13. Reopeners

The parties agree to the following reopener clauses:

A. Article 15 – Insurance Coverage

- a. The parties agree to reopen negotiations concerning an increase to the City’s medical insurance contribution should the medical insurance premium for the lowest cost family HMO plan exceed the City contribution.

B. Article 36 – Discipline

- a. The City has notified the Association of its desire to rescind Chapter 5, Police Officer Rules and Regulations (Blue Section) of the HBPD Policy and Procedure Manual to align with updated policies and procedures. The parties agree that during the term of this MOU, if requested by the City, Article 36 and Exhibit A of this MOU shall be reopened for the purpose of meeting and conferring regarding a Proposed Progressive Discipline Policy and related rescission of Chapter 5, Police Officer Rules and Regulations (Blue Section) and modification to Article 36.

Fiscal Impact:

The total cost of the negotiated changes is estimated to be \$2,163,000 for FY 2026-2028, which will be included in each subsequent year’s proposed budgets. Staff will budget the applicable change in each subsequent fiscal year’s proposed budgets.

Attachments:

1. Draft Resolution
2. MOU Between the City of Hermosa Beach and Hermosa Beach Police Officers’ Association

Respectfully Submitted by: Tiffany Nguyen, Human Resources Manager

Concur: Brandon Walker, Administrative Services Director

Noted for Fiscal Impact: Brandon Walker, Administrative Services Director

Legal Review: Todd Leishman, Interim City Attorney

Approved: Steve Napolitano, Interim City Manager