



City of Huntington Beach

File #: 20-1547

MEETING DATE: 4/6/2020

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Oliver Chi, City Manager

PREPARED BY: Travis Hopkins, Assistant City Manager

Subject:

Introduction of the Proposed Memorandum of Understanding Between the Huntington Beach Municipal Teamsters and the City of Huntington Beach for October 1, 2019, through September 30, 2020

Statement of Issue:

The Memorandum of Understanding (MOU) between the City of Huntington Beach and the Huntington Beach Municipal Teamsters (HBMT) expired on September 30, 2019. Subsequently, the City and HBMT engaged in good-faith negotiations, ultimately reaching tentative agreement on terms in February 2020 on a 1-year contract covering the period October 1, 2019, through September 30, 2020.

Financial Impact:

Pursuant to the terms reached in the MOU with HBMT, the total projected cost of the labor pact as estimated by the Finance Department is \$944,512. This constitutes a 0.6% increase in the City's overall FY 2019/20 personnel budget of \$162.04 million.

Recommended Action:

Introduction of the Proposed Memorandum of Understanding Between the Huntington Beach Municipal Teamsters and the City of Huntington Beach for the period October 1, 2019, through September 30, 2020.

Alternative Action(s):

Do not approve the introduction of the proposed successor MOU for HBMT employees, and direct staff to: (1) continue to meet and confer with the Association, or (2) utilize the impasse procedures contained within the City's Employer-Employee Relations Resolution.

Analysis:

The Huntington Beach Municipal Teamsters (HBMT) represents nearly 375 employees in the City.

Starting in late 2019, representatives for the City and HBMT engaged in active negotiations on a new

labor agreement, ultimately reaching tentative agreement on contract terms for a one-year period in February 2020. Key changes in the proposed MOU include the following:

Term of Agreement

October 1, 2019 through September 30, 2020.

Wage Increase

Employees shall receive a 3.5% pay increase.

CalPERS Cost Sharing

Employees shall contribute an additional 1% contribution towards CalPERS costs.

Medical Benefits

The City's monthly contribution to medical plan rates will increase \$50 per plan per tier.

There were several other modifications to several other contract provisions, including deletion of obsolete language, regulatory compliance language changes, and general clean-up language.

A summary of these and all other negotiated provisions are included as Exhibit "A".

Environmental Status:

Not applicable.

Strategic Plan Goal:

Non-Applicable - Administrative Item

Attachment(s):

1. Summary of Memorandum of Understanding Modifications
2. Fiscal Impact Report
3. Proposed Memorandum of Understanding - Exhibit "A"