



City of Huntington Beach

File #: 20-1546

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 Management Employees' Organization (MEO) and the City of Huntington Beach for November 1, 2019, through October 31, 2020

Statement of Issue:

The Memorandum of Understanding (MOU) between the City of Huntington Beach and the Huntington Beach Management Employees' Organization (MEO) expired on October 31, 2019. Subsequently, the City and MEO engaged in good-faith negotiations, ultimately reaching tentative agreement on terms in February 2020 on a 1-year contract covering the period November 1, 2019, through October 31, 2020.

Financial Impact:

Pursuant to the terms reached in the MOU with MEO, the total annual projected cost of the labor pact as estimated by the Finance Department is \$430,439. This constitutes a 0.3% 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 Management Employees' Organization and the City of Huntington Beach for the period November 1, 2019, through October 31, 2020.

Alternative Action(s):

Do not approve the introduction of the proposed successor MOU for MEO 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 Management Employees' Organization (MEO) represents around 100 employees in the City.

Starting in late 2019, representatives for the City and MEO 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

November 1, 2019 through October 31, 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 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"