



City of Huntington Beach

File #: 21-938

MEETING DATE: 12/1/2021

REQUEST FOR CITY COUNCIL ACTION

SUBMITTED TO: Honorable Mayor and City Council Members

SUBMITTED BY: Oliver Chi, City Manager

PREPARED BY: Brittany Mello, Interim Administrative Services Director

Subject:

Introduction for the Proposed Memorandum of Understanding (MOU) Between the Huntington Beach Marine Safety Management Association (MSMA) and the City of Huntington Beach for January 1, 2022, through December 31, 2024

Statement of Issue:

The Memorandum of Understanding (MOU) between the City of Huntington Beach and the Marine Safety Management Association (MSMA) expired on March 31, 2018. Recently, the City and MSMA engaged in good-faith negotiations, ultimately reaching tentative agreement on terms in November 2021 on a 3-year contract covering the period of January 1, 2022, through December 31, 2024.

Financial Impact:

Pursuant to the terms agreed upon with MSMA, the Finance Department estimates the total projected average annual cost increase of the MOU to be \$82,721 per year during the life of the agreement.

Recommended Action:

Approve the introduction of the proposed Memorandum of Understanding between the Marine Safety Management Association and the City of Huntington Beach for the period of January 1, 2022, through December 31, 2024.

Alternative Action(s):

Do not approve the introduction of the proposed successor MOU for MSMA 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 Marine Safety Management Association (MSMA) represents approximately 18 employees in the City.

Representatives for the City and MSMA engaged in active discussions over an extended period,

ultimately reaching tentative agreement on contract terms for a 3-year period. Key changes in the proposed MOU include the following:

Term of Agreement

January 1, 2022, through December 31, 2024

Salary Range Adjustment

- Effective January 1, 2022, employees will shift to a new, seven-step salary range (A - G). The Marine Safety Officer position will be eliminated, and remaining classifications will be realigned based on market and internal salary ranges. All employees will be placed on the step in the new salary range that is closest to their current base salary step without being less.
- Employees who have reached top step (Step G) will be eligible to earn an annual merit-based bonus of up to three percent (3%) of their base rate of pay at their regularly-scheduled performance evaluations.

Medical Benefits

- Beginning January 1, 2022, the City's maximum monthly contribution to medical plan rates will increase to \$745.83 for employee only; \$1,468.95 for two party; and \$1,804.95 for family coverage. Effective January 1, 2022, employees who opt out of vision coverage will no longer have the employee premium applied toward their medical premium.
- Beginning January 1, 2023, the City's maximum monthly contribution will increase by \$23.33 per month, not to exceed the monthly plan premium cost, as follows: \$769.16 for employee only; \$1,492.28 for two party; and \$1,828.28 for family coverage.

CalPERS Cost Sharing

- Beginning January 1, 2023, Classic member safety employees shall contribute an additional 2% towards CalPERS costs, for a total 11% contribution, and New member safety employees shall contribute a minimum of 13%.
- Beginning January 1, 2024, Classic member safety employees shall contribute an additional 2% towards CalPERS costs, for a total 13% contribution,

Leave Benefits

- Effective January 1, 2022, vacation accrual and the existing sick leave benefit are eliminated and replaced with General Leave. The City will provide 96 hours of transitional sick leave to employees that can be used as sick leave and cannot be cashed out.

These key changes and all other negotiated provisions are included in the proposed Memorandum of Understanding.

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