



Legislation Text

File #: 17-0458, **Version:** 1

Recommendation to adopt resolution approving the 2016-2019 Memorandum of Understanding with the Long Beach Supervisors Employees Association. (Citywide)

In accordance with instructions from the City Council, a Memorandum of Understanding (MOU) agreement has been reached with the Long Beach Supervisors Employees Association (LBSEA) bargaining unit. The LBSEA represents approximately 90 supervisory employees throughout the City in such classifications as Fleet Services Supervisor, Gas Maintenance Supervisor, General Maintenance Supervisor, Park Maintenance Supervisor, Street Maintenance Supervisor and Water Utility Supervisor.

Since October 2016, City management and LBSEA representatives have held six negotiation sessions regarding their first MOU, since being recognized as a new employee organization in July 2016. A tentative agreement has been reached and jointly signed by representatives of the City and the LBSEA.

The proposed MOU is for a three-year agreement from July 15, 2016 through September 30, 2019, and includes the following major provisions:

1. General Wage Increase:
 - § 2 percent effective October 1, 2016
 - § 2 percent effective beginning of the pay period of City Council approval
 - § 2 percent effective October 1, 2018
 - § Economic Crisis Clause - allows the City to re-open the MOU if the City faces a fiscal hardship as defined by Long Beach Municipal Code Section 3.94.030.C. Changes to the MOU provisions must be based on a mutual agreement.
2. Compensation Study - to jointly conduct a salary/compensation survey of benchmark positions using the traditional ten-benchmark agencies beginning on or before November 1, 2018. This will be used to provide information to the parties for successor MOU negotiations. The results do not require the City to provide any level of compensation.
3. Higher Classification Pay - Increase rate from \$0.80 per hour to \$1.60 per hour.
4. Floor Warden Skill Pay - Effective July 1, 2017, the skill pay will be eliminated.
5. Healthcare - Replace premium cost sharing formula by raising the maximum cap for increases to family coverage from \$25 to \$30 and allow the City to place amounts

over the cap into a bank that can be applied to the employee rates in the future. In addition, LBSEA agreed to work through the Health Insurance Advisory Committee (HIAC) to manage employee benefit costs increases.

6. Overtime - Effective September 1, 2017, the maximum overtime hours banked will be increased from 80 hours to 90 hours.

City management and LBSEA representatives also reached agreement on several non-economic issues;

7. Employees will have the ability to purchase increased term life insurance coverage at their own expense based on conditions established by the City's group life insurance carrier.
8. FLSA - Parties agreed to meet and confer over changes to the FLSA-related policies, ordinances and resolutions as required by the Meyers Milias Brown Act (MMBA).
9. Clean-Up Time - As provided previously, employees shall be afforded 15 minutes of personal clean-up time prior to the conclusion of their regular work shifts. In no event shall this practice result in overtime.

This matter was reviewed by Principal Deputy City Attorney Gary J. Anderson on May 23, 2017 and by Assistant Finance Director Lea Eriksen on May 25, 2017.

City Council action is requested on June 13, 2017, to ensure timely implementation of the MOU provisions.

This agreement has a total estimated annual net fiscal impact of \$85,000 in the General Fund (GF) and \$551,000 across All Funds once completely implemented in FY 19. The FY 17 portion of the cost is \$35,000 in the General Fund (GF) and \$226,000 across All Funds. It is projected that there will be no impact to the FY 17 All Funds budget as the FY 17 costs will be covered by higher than expected revenues, vacancy savings, and additional funding achieved from taking less conservative budgetary actions such as reducing charges for insurance and funding for unfunded retirement liabilities. Costs for FY 18 and FY 19 will be addressed as part of those annual budget processes. There is no local job impact associated with this recommendation.

Approve recommendation.

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ALEJANDRINA BASQUEZ
DIRECTOR OF HUMAN RESOURCES

APPROVED:

PATRICK H. WEST
CITY MANAGER