



CITY OF

NEWPORT BEACH

City Council Staff Report

July 8, 2025
Agenda Item No. 9

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: Grace K. Leung, City Manager - 949-644-3001,
gleung@newportbeachca.gov

PREPARED BY: Barbara J. Salvini, Human Resources Director - 949-644-3259,
bsalvini@newportbeachca.gov

TITLE: Tentative Memorandum of Understanding with Newport Beach
Lifeguard Management Association

ABSTRACT:

The Memorandum of Understanding (MOU) between the City of Newport Beach and the Newport Beach Lifeguard Management Association (NBLMA or Association) expires December 31, 2025. At the City Council's direction, the parties began negotiating the terms and conditions of a new agreement well in advance of the expiration date, with the goal of implementing a successor agreement with enhanced benefits as soon as possible. A Tentative Agreement (Agreement) has been reached. The Agreement addresses wages, benefits and other terms and conditions of employment for employees represented by NBLMA and was negotiated as required under the Meyers-Milias-Brown Act, California Government Code §3500.

To promote greater transparency in the negotiations process, including the costs associated with the labor contract, the Agreement with NBLMA is being presented at this time for public review and comment. The complete Agreement, which spans the period July 1, 2025, through June 30, 2028, will be presented for City Council adoption at the July 8, 2025, regular meeting.

RECOMMENDATIONS:

- a) Determine this action is exempt from the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) and 15060(c)(3) of the CEQA Guidelines because this action will not result in a physical change to the environment, directly or indirectly; and
- b) Receive and consider the Tentative Agreement between the City of Newport Beach and the Newport Beach Lifeguard Management Association.

DISCUSSION:

The NBLMA is an exclusively recognized bargaining unit representing the full-time lifeguard battalion chief, lifeguard captain and lifeguard officer classifications. The group is budgeted for 14 full-time positions.

Key provisions of the Tentative Agreement between the City and LMA include:

- Term: July 12, 2025, through June 30, 2028.
- Salary Adjustments:
 - July 12, 2025 – 4%
 - July 2026 – 4%
 - July 2027 – 4%
- Equity Adjustments: 2% equity adjustment for all unit members.
- Salary schedule adjustments for the full-time lifeguard officer positions.
- Clarifying language regarding compensatory time off.
- Enhanced scholastic achievement pay.
- A 4.5% increase in pay for employees temporarily working in higher level classifications (for a total of 9.5%).
- An additional 10% in base pay for the training lifeguard captain classification.
- An additional 48 hours annually of leave (referred to as non-accrued leave)
- Medical Insurance: The City will contribute \$2,045 per month (plus the minimum CalPERS participating employee contribution) to each member's cafeteria plan.

A draft version of the Tentative Agreement between the City and the NBLMA is provided as Attachment A. Changes to the current agreement are noted in redline. Costing information is included as Attachment B. The total cost of the contract is approximately \$1.1 million.

The NBLMA's members have voted in favor of the Agreement. Following City Council review of the Tentative Agreement with the NBLMA, a final version of the successor MOU will be presented to the City Council on July 22, 2025. In the interim, the costing

information and proposed MOU revisions will be posted for public review on the City's website.

The Agreement will not become effective until the City Council formally adopts it. If approved at the July 22, 2025, City Council meeting, City staff will implement the provisions accordingly.

FISCAL IMPACT:

Detailed cost information is provided in Attachment B. Since the MOU covers the period from July 12, 2025, through June 30, 2028, it will result in the following annual fiscal impacts to implement the terms of the agreement, totaling \$1,103,863:

| Fiscal Year | Amount |
|--------------------|------------------|
| 2025/26 | 267,945 |
| 2026/27 | 366,638 |
| 2027/28 | 469,279 |
| | 1,103,863 |

The costs shown reflect additional annual expenses for the corresponding fiscal years. Sufficient projected unassigned General Fund balance reserves are available to support the required appropriations. Following the City Council's consideration of the Tentative Agreement, staff will return with a budget amendment to appropriate the funds needed to cover the cost of the contract for Fiscal Year 2025-26. Adequate funding will be included in the annual budget for subsequent years.

ENVIRONMENTAL REVIEW:

Staff recommends the City Council find this action is not subject to the California Environmental Quality Act (CEQA) pursuant to Sections 15060(c)(2) (the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment) and 15060(c)(3) (the activity is not a project as defined in Section 15378) of the CEQA Guidelines, California Code of Regulations, Title 14, Chapter 3, because it has no potential for resulting in physical change to the environment, directly or indirectly.

NOTICING:

The agenda item has been noticed according to the Brown Act (72 hours in advance of the meeting at which the City Council considers the item).

ATTACHMENTS:

Attachment A – Tentative Agreement and Proposed MOU Between the City and the NBLMA (Redline)

Attachment B – Estimated Cost of Contract with the NBLMA