



**CITY OF**

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# **NEWPORT BEACH**

## **City Council Staff Report**

May 10, 2022  
Agenda Item No. 7

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

**FROM:** Grace K. Leung, City Manager - 949-644-3001,  
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**PREPARED BY:** Barbara J. Salvini, Human Resources Director  
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**TITLE:** Resolution No. 2022-28: Adopting a Memorandum of Understanding with the Newport Beach Lifeguard Management Association (NBLMA) and Associated Salary Schedule

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### **ABSTRACT:**

The Tentative Agreement regarding a Memorandum of Understanding (MOU) between the City of Newport Beach (City) and the Newport Beach Lifeguard Management Association (NBLMA or Association) was presented at the City Council's April 26, 2022, regular meeting to provide the City Council and the community an opportunity to consider the terms and costs of the agreement.

The proposed MOU is now presented for the City Council's approval/adoption (or rejection) and is the final step in the meet and confer process with the NBLMA. The associated salary schedules are included in the recommendation for approval of the MOU. The attached budget amendment, Budget Amendment No. 22-054, appropriates \$46,435.65 in funding to implement the costs associated with the agreement for the current fiscal year.

### **RECOMMENDATION:**

- 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;
- b) Adopt Resolution No. 2022-28, *A Resolution of the City Council of the City of Newport Beach, California, Adopting a Memorandum of Understanding between the City of Newport Beach and the Newport Beach Lifeguard Management Association and Amending the Salary Schedule*; and
- c) Approve Budget Amendment No. 22-054 appropriating \$46,435.65 in increased expenditures in various City division salary and benefit accounts from unappropriated General Fund balances.

## **DISCUSSION:**

*The following discussion was provided, in part, with the April 26, 2022, staff report and is included here for reference:*

The NBLMA is an exclusively recognized bargaining unit representing the full-time Lifeguard Battalion Chief and Lifeguard Captain classifications and the part-time Lifeguard Officer classification. The group is budgeted for 10 full-time and 2.25 part-time positions.

Significant provisions of the Agreement between the City and the NBLMA include:

- Term of four years, from January 1, 2022 through December 31, 2025
- Wage adjustments
  - ✓ January 2022 – 2.0%
  - ✓ January 2023 – 2.0%
  - ✓ January 2024 – 2.0%
  - ✓ January 2025 – 2.0%
- City-paid short-term and long-term disability benefits
- Additional City contribution of \$200 per month to the employee medical cafeteria allowance if certain criteria are met during the term of the agreement.
- Upon City Council adoption, one-time signing bonus of \$2,000 for currently active unit members

The City has been informed the majority of NBLMA members have ratified this Tentative Agreement and proposed MOU (Attachment B). The City Council reviewed the Tentative Agreement and proposed MOU with the NBLMA at the regular meeting of April 26, 2022, after which the costing information and proposed revisions to the MOU were posted for public review on the City's website. A final version of the successor MOU is being presented in accordance with Government Code §3505.1. The total cost of the NBLMA MOU is estimated to be \$481,420 over four years.

## **FISCAL IMPACT:**

The detailed costing information included in Attachment C is provided on a calendar year basis. Because the effective date of the MOU is mid-fiscal year, the cost to implement the terms of the MOU for FY 2021-22 is less than the \$76,000 shown in Attachment B. It is estimated to be \$51,000 (\$26,000 for the signing bonus plus \$25,000 for the remaining six months of the fiscal year).

Additionally, the disability insurance premiums can be funded from disability insurance reserve funds on hand for the balance of the current fiscal year, and certain pension and compensated absences costs are long term in nature and will not impact the current fiscal year's budget. Should the City Council approve the MOU, the budgetary impact is therefore reduced to approximately \$46,000 in FY 2021-22.

Sufficient projected unappropriated fund balance is available to fund the required appropriations. Budget Amendment No. 22-054 appropriating \$46,435.65 is included as Attachment D for your review.

**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 – Resolution No. 2022-28  
Attachment B – Exhibit A to Attachment A (NBLMA MOU)  
Attachment C – Estimated Cost of Contract with NBLMA  
Attachment D – Budget Amendment No. 22-054