



CITY OF

NEWPORT BEACH

City Council Staff Report

June 11, 2019
Agenda Item No. 15

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

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TITLE: Tentative Agreement with the Part Time Employees Association of
Newport Beach (PTEANB)

ABSTRACT:

The Part Time Employees Association of Newport Beach (PTEANB) is a recognized employee association and the majority representative of certain part-time positions. The Memorandum of Understanding (MOU) between the City of Newport Beach and PTEANB expired on December 31, 2018. Negotiations with PTEANB were delayed due to changes in the unit leadership.

On May 13, 2019, representatives for the City and PTEANB began meeting and conferring in good faith regarding wages, benefits and other terms and conditions of employment. A Tentative Agreement on the terms of a successor MOU was reached on May 20, 2019. In furtherance of the City Council's goal to provide greater transparency in the negotiations process, the Tentative Agreement and its associated cost are being presented to afford the public the opportunity to review and comment. The final MOU will be presented for City Council consideration at the June 25, 2019 regular meeting.

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; and
- b) Receive and consider the Tentative Agreement between the City of Newport Beach and the Part Time Employees Association of Newport Beach.

FUNDING REQUIREMENTS:

The PTEANB Resolution and MOU will be presented to the Council for consideration at the June 25, 2019 regular meeting. There is no fiscal impact related to this item for Fiscal Year 2018-19. A budget amendment authorizing the Finance Department staff to post an administrative budget amendment in Fiscal Year 2019-20 in the amount of \$112,014 is required. The fiscal impact of the PTEANB contract is estimated at \$646,802 for the entire three-year term of the contract (Attachment B).

DISCUSSION:

The PTEANB unit includes approximately 55 non-safety employees who assist with providing services primarily in the areas of recreation, library, police support and general administrative and clerical. The City also employs approximately 208 additional unrepresented part-time staff. Depending on department and assignment, part-time employees work a varied schedule ranging between 10 to 35 hours per week. Unit eligibility is based on actual or anticipated number of hours worked in a fiscal year as they relate to CalPERS enrollment and/or Affordable Care Act coverage.

The City's contract with PTEANB expired on December 31, 2018. Negotiations began with the group on May 13, 2019 and a Tentative Agreement was reached on May 20, 2019 (Attachment A). Topics discussed included salary adjustments, health care premium costs, calculation of overtime and leave cash-out. PTEANB members agreed to language that clarified overtime calculation methods and a process bringing the cash out procedure consistent with other bargaining units and compliant with the doctrine of constructive receipt for Federal income tax purposes. It should be noted that cost of living increases are provided to unit members as well as the unrepresented part-time employees.

The Tentative Agreement between the City and the PTEANB includes the following salient provisions:

- Term: January 1, 2019 to December 31, 2021
- Wage Adjustments:
 - July 1, 2019 – 1.75%
 - July 1, 2020 – 1.75%
 - July 1, 2021 – 1.75%
- Cafeteria Allowance:
 - Clarifying language regarding eligibility criteria
 - Increase of \$100 per month (from \$550 to \$650) for employees in the Tier 1 Group B category who became PTEANB members on or after July 1, 2014 and are working 30 hours or more per week
- Clarification of night shift differential pay for library staff working on Sundays

- Language confirming eligibility to participate in the deferred compensation program
- Language regarding leave cash out/compliance with the IRS.

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 with the PTEANB (redline)
Attachment B – Estimated Cost of Contract with PTEANB