

RESOLUTION NO. 2010-26

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HUNTINGTON BEACH AMENDING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE CITY AND THE MANAGEMENT EMPLOYEES' ORGANIZATION (MEO), BY ADOPTING THE SIDE LETTER OF AGREEMENT

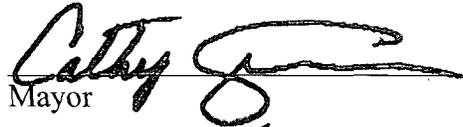
WHEREAS, on May 21, 2007, the City Council of Huntington Beach adopted Resolution No. 2007-33 for the purpose of adopting the Memorandum of Understanding (MOU) between the City and the Management Employees' Organization (MEO); and

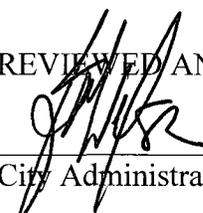
WHEREAS, subsequent to the adoption of the MOU, the City of Huntington Beach and MEO agreed to changes, corrections, and clarifications to the MOU that are reflected in a Side Letter of Agreement between the City of Huntington Beach and MEO ("Side Letter Agreement") attached hereto as **Exhibit A** and incorporated herein by this reference. The Side Letter Agreement pertains to employee-paid CalPERS contributions and suspension of General Leave overage.

NOW, THEREFORE, IT IS HEREBY RESOLVED by the City Council of the City of Huntington Beach as follows:

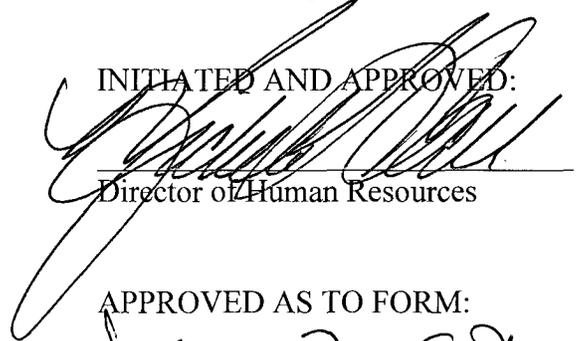
- Section 1. The Side Letter Agreement attached hereto as **Exhibit A** is approved and adopted.
- Section 2. The Side Letter Agreement amends the MOU between the City of Huntington Beach and MEO.

PASSED AND ADOPTED by the City Council of the City of Huntington Beach at a regular meeting thereof held on the 15th day of March, 2010.

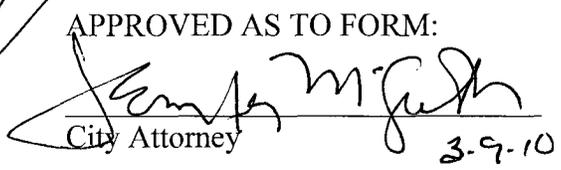

Mayor

REVIEWED AND APPROVED:


City Administrator

INITIATED AND APPROVED:


Director of Human Resources

APPROVED AS TO FORM:


City Attorney 3-9-10

**City of Huntington Beach
SIDE LETTER AGREEMENT**

The Management Employees' Association ("MEO") and the City of Huntington Beach ("City") hereby agree to this side letter to the 12/20/06 - 12/19/08 MOU, as amended by previous Side Letters, including the 12/17/07 Side Letter extending the MOU through December 19, 2011.

ARTICLE I - TERM OF MOU

This Side Letter shall be in effect for a period beginning April 3, 2010 through December 19, 2011. MEO has the exclusive right to extend the term of the agreement for six (6) months, through June 19, 2012 and for an additional six (6) months, through December 20, 2012.

ARTICLE XI - RETIREMENT

B. California Public Employees' Retirement System (CalPERS)

1. Employee's Contribution

- a. Effective April 03, 2010 and continuing until the end of the pay period that includes September 30, 2011 (18 months), the employees shall pay an additional 1% of the employee's contribution to CalPERS in addition to the 2.25% provided under the December 17, 2007 Side Letter. Total employee contribution from April 3, 2010 through and including the pay period ending December 10, 2010, is three and one-quarter percent (3.25%) of the employee share of CalPERS.
- b. Effective the beginning of the pay period that includes December 20, 2010 and continuing until the end of the pay period that includes September 30, 2011 (9 months), the employees shall pay an additional 1% of the employee's contribution to CalPERS. Total employee contribution from December 11, 2010 through and including the pay period ending which includes September 30, 2011, is four and one-quarter percent (4.25%) of the employee share of CalPERS.
- c. Any employees covered by this agreement who are enrolled in the PERS 3% at 50 safety retirement plan, or any other CalPERS retirement benefit formula, shall contribute the same percentage to the employees' share of PERS as those enrolled in the 2.5% at 55 plan, as indicated in sections a. and b. above.

- d. This provision regarding Employee's Contribution to CalPERS will expire effective the end of the pay period which includes September 30, 2011, and the parties agree to return to the original language contained in *Article XI, Section C - Retirement - PERS 2.5%@55* of the MEO Memorandum of Understanding as of December 17, 2007 (Reference Resolution No. 2007-87), unless otherwise specifically modified, either by a subsequent side-letter or a successor Memorandum of Understanding.

ARTICLE XII - LEAVE BENEFITS

A. Leave With Pay

1. General Leave

b. Eligibility and Approval

General Leave must be pre-approved except for illness, injury or family sickness, which may require a physician's statement for approval. General Leave accrued time is to be computed from hire date anniversary. Employees shall not be permitted to take general leave in excess of actual time earned. Effective the pay period beginning April 3, 2010, and continuing until the end of the pay period which includes September 30, 2011, employees shall not accrue General Leave in excess of seven hundred (700) hours. Employee's will not earn General Leave hours in excess of seven hundred (700) hours and shall not be paid the cash value of any additional hours beyond seven hundred (700) in their paycheck for the full duration of the time provided herein. Employees may not use their General Leave to advance their separation date on retirement or other separation from employment.

This provision regarding General Leave will expire effective October 1, 2011, and the parties agree to return to the original language contained in *Article XII, Section 1 - General Leave, (b.) Eligibility and Approval* of the MEO Memorandum of Understanding as of December 20, 2006, unless otherwise specifically modified, either by a subsequent side letter or successor memorandum of understanding. However, all General Leave accruals exceeding 640 hours as of October 1, 2011 will not be eligible for cash-out at separation or for overage payment. Employees separating City service between April 3, 2010 and December 31, 2011, shall be limited to 640 hours of General Leave as final pay out. Employees will have until the end of the pay period that includes December 31, 2011, to use any hours above 640. All hours above 640 not utilized by the end of the pay period that includes December 31, 2011 shall be forfeited.

Side-Letter Implementation

The parties agree that the execution of this Side Letter Agreement may not be challenged by the Association or any employee it is recognized to represent through the City's grievance procedure or in any other forum unless the challenge is based on a factual allegation that the Agreement was the product of fraud, intentional misrepresentation or unlawful coercion on the part of City representatives.

IN WITNESS WHEREOF, the parties have caused this SIDE LETTER AGREEMENT to be executed by and through their authorized officers on MARCH 15, 2010.

**Huntington Beach
Management Employees'
Organization**

City of Huntington Beach

Colleen E. Keith
Colleen E. Keith
President

[Signature]
Fred A. Wilson
City Administrator

Dated: March 11, 2010

Dated: _____

[Signature]
Deborah DeBow
Vice President

[Signature]
Michele Carr
Director of Human Resources

Dated: March 11, 2010

Dated: 3-11-10

APPROVED AS TO FORM:

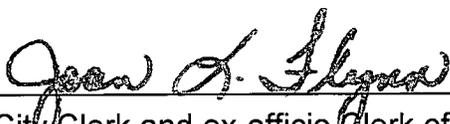
[Signature]
Jennifer M. McGrath
City Attorney

Dated: 3.11.10

STATE OF CALIFORNIA
COUNTY OF ORANGE) ss:
CITY OF HUNTINGTON BEACH)

I, JOAN L. FLYNN the duly elected, qualified City Clerk of the City of Huntington Beach, and ex-officio Clerk of the City Council of said City, do hereby certify that the whole number of members of the City Council of the City of Huntington Beach is seven; that the foregoing resolution was passed and adopted by the affirmative vote of at least a majority of all the members of said City Council at a **regular** meeting thereof held on **March 15, 2010** by the following vote:

AYES: Carchio, Coerper, Hardy, Green, Bohr, Dwyer, Hansen
NOES: None
ABSENT: None
ABSTAIN: None



City Clerk and ex-officio Clerk of the
City Council of the City of
Huntington Beach, California