

SIDE LETTER TO GENERAL AND SUPERVISORY EMPLOYEE BARGAINING UNIT, TEAMSTERS LOCAL 986 MOU



CITY OF
HERMOSA
BEACH



Through labor negotiations, the City strives to maintain competitive wages, hours, and working conditions in a high-cost geographic labor market ensuring the ability to retain and attract a high-quality workforce that delivers a wide range of services to the community.



INTRODUCTION

- The Meyers-Milias Brown Act (MMBA) requires that local public agencies negotiate with their respective bargaining units regarding wages, hours, and working conditions. The current Memorandum of Understanding for the General and Supervisory Employees' Bargaining Unit, Local 986 is for the period of July 1, 2025, through June 30, 2028.
- The MMBA allows agencies and the recognized employee associations to adopt changes to the MOUs to address emerging issues without impacting the current MOU provisions, in the form of a side letter, assuming the changes were mutually agreed upon and the MOU does not contain a zipper clause.
- The City's goal through labor negotiations is to maintain competitive wages, hours, and working conditions in a high-cost geographic labor market to retain and attract a high-quality workforce to serve the community across a range of services. Periodically, during the term of an MOU, the City needs to make modifications to MOU provisions to meet the changes and dynamic needs of Hermosa Beach.



SUMMARY/BACKGROUND

- In the recently approved MOU for the Teamsters bargaining group, a bilingual premium in the amount of \$100 per month for eligible employees was approved.
- Previously, the bilingual premium was in the amount of 5% of the employee's base monthly salary, with a limit of five (5) employees who can receive the premium City-Wide. This change was made to increase access and utilization of employees' bilingual skills City-wide.
- Two employees who were previously receiving the bilingual pay at the rate of 5% of their base monthly salary to have their rates be "grandfathered."



SUMMARY/BACKGROUND

- Staff proposes that the current dollar amounts of the premium pay that the employees were receiving prior to July 1, 2025 may be preserved, as follows:
 - Building Inspector: \$439.10/month
 - Maintenance Worker II: \$324.32/month

DISCUSSION

- The City's goal through labor negotiations is to maintain competitive wages, hours, and working conditions in a high-cost geographic labor market to retain and attract a high-quality workforce to serve the community across a range of services.
- In this case, the proposed amendment to the Teamsters MOU would minimize the financial impact to the employees who have been providing their excellent bilingual services to the City, while also preventing increased costs for the city. This resolution also helps us maintain positive employee and labor relations, while retaining a high-performing workforce.



FISCAL IMPACT

- The estimated cost for the proposed amendment to the Teamsters MOU would be a \$6,700 increase over the currently approved premium for the current fiscal year.
- The total premium increase for FY 2026 to FY 2028 cycle is estimated to be \$21,000.



RECOMMENDATION

- Staff recommends City Council adopt a Resolution to adopt a Side Letter to the MOU between the City of Hermosa Beach and the General and Supervisory Employees' Bargaining Unit, Teamsters Local 986, for the period of July 1, 2025, through June 30, 2028 (Attachment 1).



THANK YOU

Tiffany Nguyen

Human Resources Manager

