

**SIDE LETTER OF AGREEMENT  
BETWEEN  
CITY OF NEWPORT BEACH  
AND  
THE NEWPORT BEACH CITY EMPLOYEES ASSOCIATION**

This Side Letter of Agreement (“Agreement”) is made and entered into this 11 day of ~~December 2021~~ <sup>JANUARY 2022</sup> by and between the City of Newport Beach (“City”) and the Newport Beach City Employees Association (“Association”) (collectively “Parties”) with respect to the following:

**WHEREAS**, on November 16, 2021, the City Council adopted Resolution No. 2021-109 approving a Memorandum of Understanding (“MOU”) between the Parties with a term of January 1, 2022 through December 31, 2025; and

**WHEREAS**, to aid in the recognition and retention of valuable employees, the Parties wish to modify the MOU; and

**WHEREAS**, the effective date of the change below is the first day of the pay period following City Council approval of this Agreement;

**WHEREAS**, this side letter of agreement will not have the effect of an agreement, and will not be binding on either party, until it is ratified by the affecting bargaining unit and approved by the City Council; and

**NOW, THEREFORE**, it is mutually agreed between the Parties as follows:

1. Section 2, Compensation, of the MOU is amended to add Subsection L which shall read as follows:

L. Lump Sum Bonus (FY 2021-22). All Bargaining Unit Employees in paid status for the entirety of the first full pay period following City Council adoption of this side letter in Fiscal Year 2021-22 will receive a one-time bonus in the amount of \$2,000. The parties intend and understand that this lump sum payment is non-pensionable and will not be reported to CalPERS. The parties also agree that this payment is intended to be specific to the pay period in which it is paid and is to be considered part of the regular rate for this pay period only.

2. Except as expressly modified herein, all other provisions, terms, and covenants set forth in the MOU shall remain unchanged and shall be in full force and effect.

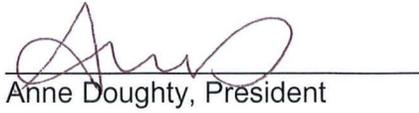
**Signatures are on the next page.**

Executed this 11 day of JANUARY, 2022.

**CITY OF NEWPORT BEACH:**

  
\_\_\_\_\_  
Grace K. Leung, City Manager

**NEWPORT BEACH CITY  
EMPLOYEES ASSOCIATION:**

  
\_\_\_\_\_  
Anne Doughty, President

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Charles Sakai, Special Counsel

**ATTEST:**

  
\_\_\_\_\_  
Leilani Brown, City Clerk

