



## AGENDA REPORT

**Meeting Date:** December 15, 2015  
**Item Number:** D-6  
**To:** Honorable Mayor & City Council  
**From:** Carol W. Lynch, Assistant City Attorney  
**Subject:** AN ORDINANCE OF THE CITY OF BEVERLY HILLS  
AMENDING THE CITY'S PROCEDURES CONCERNING  
THE ECONOMIC ANALYSIS OF THE FINAL PROPOSED  
MEMORANDUM OF UNDERSTANDING

**Attachments:** 1. Ordinance

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### **RECOMMENDATION**

It is recommended that the City Council move to waive the full reading and that the ordinance entitled "An Ordinance of the City of Beverly Hills Amending the City's Procedures Concerning Economic Analysis of the Final Proposed Memorandum of Understanding" be introduced and read by title only.

### **INTRODUCTION**

The State legislature has adopted SB 331, otherwise known as the Civic Reporting Openness in Negotiations Efficiency Act ("CRONEY"). After January 1, 2016, the Act requires that all cities that adopted a Civic Openness in Negotiations ("COIN") ordinance, as defined in the CRONEY Act, to follow detailed specific provisions in connection with adopting certain contracts over \$250,000.

The City Attorney's office does not believe the CRONEY Act applies to Beverly Hills because the City's COIN ordinance does not meet the Act's definition of a COIN ordinance. But, to be safe, we have suggested a simple change to the COIN ordinance in order to which make it clear that the State legislation has no application to Beverly Hills. The additional language will make no substantive change to the meaning or the spirit of the City's ordinance.

### **DISCUSSION**

The State legislature recently adopted SB 311, also known as the CRONEY Act. The CRONEY Act targets those cities that adopted a particular type of COIN ordinance. However, the type of COIN ordinance targeted by the CRONEY Act does not include the

Beverly Hills ordinance because the CRONEY Act narrowly defines what constitutes a COIN ordinance. For example, Beverly Hills does not require an initial evaluation of the current fiscal costs and benefits available to employees, it does not require that the fiscal costs and benefits be updated during the negotiation process, and it does not require a report out of closed session about any ongoing negotiations. However, in order to better distinguish the City's ordinance from the types of COIN ordinances as defined in the CRONEY Act, the City Attorney's office proposes the following change to the first sentence of the section regarding economic analysis:

**"Unless reported as provided below, at the conclusion of the negotiation process, the City Council shall obtain from a consultant who is not an employee, a fiscal impact analysis of the final proposed memorandum of understanding or amendment to a memorandum of understanding analyzing the costs of the final proposal being presented to the City Council."**

This change should eliminate the possibility for any confusion with the economic analysis used by the CRONEY Act to define a COIN ordinance. The CRONEY Act defines a COIN ordinance as an ordinance that contains a requirement that an independent economic analysis be prepared describing the pay and benefits currently provided to the employees. The change will make clear that the Beverly Hills' ordinance only requires an economic analysis to be performed for the final proposal that will be presented to City Council for review and approval.

#### **FISCAL IMPACT**

This change to the ordinance should have no fiscal impact on the City. The amendment to the ordinance does not change the substantive meaning of the City's COIN ordinance.

  
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Carol W. Lynch, Assistant City  
Attorney

# **Attachment 1**

ORDINANCE NO. 16-O-\_\_\_\_\_

AN ORDINANCE OF THE CITY OF BEVERLY HILLS AMENDING THE CITY'S PROCEDURES CONCERNING THE ECONOMIC ANALYSIS OF THE FINAL PROPOSED MEMORANDUM OF UNDERSTANDING

City of Beverly Hills hereby ordains as follows:

Section 1. Section 2-5-505, Economic Analysis, of Article 5, Labor's Negotiations, of Chapter 5, Civil Service Personnel Procedures and Employee Regulations, of Title 2, Administration, Personnel and Procedures, is hereby amended to read as follows:

"2-5-505. Economic Analysis.

Unless reported as provided below, at the conclusion of the negotiation process, the city council shall obtain from a consultant who is not an employee, a fiscal impact analysis of the final proposed memorandum of understanding or amendment to memorandum of understanding analyzing the costs of the final proposal being presented to the city council."

Section 2. Publication. The City Clerk shall certify to the adoption of this Ordinance and shall cause this Ordinance and his certification, together with proof of publication, to be entered in the Book of Ordinances of the Council of this City.

Section 3. Effective Date. This Ordinance shall go into effect and be in full force and effect at 12:01 a.m. on the thirty-first (31st) day after its passage.

Adopted:  
Effective:

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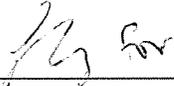
JULIAN A. GOLD, M.D.  
Mayor of the City of Beverly Hills, California

ATTEST:

\_\_\_\_\_ (SEAL)

BYRON POPE  
City Clerk

APPROVED AS TO FORM:

  
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DAVID M. SNOW  
Interim City Attorney

APPROVED AS TO CONTENT:

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MAHDI ALUZRI  
City Manager