

COALITION OF LA CITY UNIONS

AFSCME DISTRICT COUNCIL 36

Local 741 – Recreation
Assistants Unit

Local 901 – Recreation and
Parks Professional Unit

Local 2006 – Professional
Medical Unit

Local 2626 – Librarians' Guild

Local 3090 – LA City
Clerical and Support Services
Employees

Local 3672 – Executive
Administrative Assistants

International Union
of Operating Engineers
Local 501

Laborers' Local 777

LA/Orange Counties
Building & Construction
Trades Council

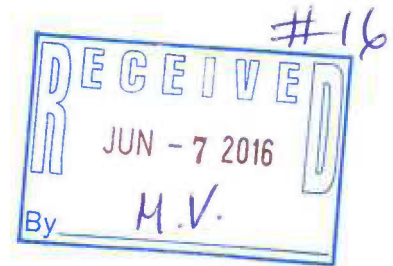
Service Employees
International Union
Local 721

LAPMA – LA Professional
Managers' Assn.

Teamsters Local 911

June 6, 2016

Hon. Mayor Garcetti, City Council Members, et al:



On behalf of the Coalition of LA City Unions, attached please find a June 6 letter from our legal counsel regarding the City of LA's motion to restructure DWP, which comes before the City Council tomorrow morning. Also attached are the legal counsel's previous letter to you on this issue from March, as well as a June 2 op-ed by Erwin Chemerinsky, published in the *LA Times*.

We urge you to oppose Recommendation P in this motion, pertaining to the civil service system. This ill-advised recommendation would waive administration of all or part of the civil service standards for DWP workers and raises numerous important questions.

Thank you,

Cheryl Parisi, Chair
Coalition of LA City Unions

CHERYL PARISI, *Chair*

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June 6, 2016

By E-Mail & U.S. Mail

Honorable Eric Garcetti, Mayor
City of Los Angeles

Honorable Herb Wesson, Council President
and Members of the Los Angeles City Council

Members of the Executive Employee Relations Committee

Miguel Santana, Chief Administrative Officer

Re: Recommendation for Council Action on Charter Amendment to Restructure DWP Governance

Dear Mayor Garcetti, Council President Wesson, Members of the EERC, Members of the City Council, and CAO Santana:

We write on behalf of the Coalition of Los Angeles City Unions ("Coalition") and its constituent unions, American Federation of State, County and Municipal Employees, District Council 36, Locals 741, 901, 2006, 2626, 3090, and 3672; Service Employees International Union, Local 721; International Union of Operating Engineers, Local 501; Laborers International Union of North America, Local 777; Los Angeles and Orange Counties Building and Construction Trades Council; and International Brotherhood of Teamsters, Local 911, concerning the June 2, 2016, Recommendation of the Rules, Elections, Intergovernmental Relations, and Neighborhoods Committee to authorize a ballot measure to amend the City Charter to restructure governance the Los Angeles Department of Water and Power ("DWP").

We previously wrote on March 1, 2016, when the matter was a Motion before the Rules, etc. Committee and included removing the DWP from the Civil Service system. In the letter, we discussed the legal issues raised by the Motion. A copy of our March 1 letter is attached for your reference.

The June 2, 2016, Rules, etc. Committee Recommendation no longer proposes to exclude the DWP from the Civil Service system. Instead, the Recommendation proposes that the DWP governing board may “waive” civil service for DWP employees and instead deal with matters now handled by the City’s Personnel Department through internal DWP collective bargaining. The Recommendation states:

p. The salary setting authority may waive administration of all or part of the civil service standards provided in Article X of the Charter for LADWP employees, pursuant to a legally binding memorandum of understanding (MOU) developed through collective bargaining. Such waivers shall require a determination by the salary setting authority that the provisions of the MOU maintain merit system standards that provide for merit based hiring, merit based retention and discharge, Equal Employment Opportunity compliance, and protection from coercion for partisan political purposes. All merit system standards waivers shall be subject to periodic audit, approval, or revocation by the salary setting authority subject to any meet and confer process required by law. Council may by ordinance designate the Board as the salary setting authority for LADWP employees.

In the rest of the recommended Charter changes, an independent DWP Board, subject only to Charter Section 245, will govern the DWP by submitting “strategic investment and revenue plans,” including “discussion” of rates, the rate setting process, and modifying the existing Charter-based rate setting process, to the Council and Mayor for approval, every four years. Contracts less than \$15 million will not be subject to Charter Section 245.

Waiving Civil Service protections for a significant number of City employees is not reform and is not less than the original proposal to exclude DWP from Civil Service. The “waiver” provision hurts City employees and the City itself. The plan effectively privatizes and places DWP jobs off limits to employees of other City departments – both managers and rank-and-file – who now use promotional opportunities to advance their careers and to benefit the City by deploying their expertise across all City departments.

- In our March 1 letter, we discuss cases that hold that Civil Service systems themselves embody constitutionally-based protections against dissolution and destruction. The CAO and CLA acknowledge in their April 5 report: “[T]he issue is clearly not free from legal risk. There is no existing case law on a mass removal of a civil service for a large group of previously covered employees.” They conclude the City may expect litigation. 4/5/16 CAO/CLA Memo, Att. 5.
- In our letter, we also discuss that individual employees have vested property rights created by the Civil Service system which cannot be negotiated away, including the rights to promote within the classified civil service on the basis of ascertained merit

(based on competitive examination) and seniority [Charter section 1009]; to status on a register of eligible candidates for promotion [section 1008]; to a specific order of suspension (layoff) and restoration where a position is lost because of lack of work or funds, abolishment of the position, or for other reasons not caused by personal delinquency [section 1015(a)]; to displace (bump) in a such a suspension (layoff) [section 1015(b)]; and to procedures on discharge or suspension for cause [section 1016].

Even though these are rights that employees in all City departments possess across the entire Civil Service system, under the Recommendation's "waiver" to collective bargaining, only the DWP and unions representing DWP employees would engage in collective bargaining over matters now governed by Civil Service. Even though employees in other City departments would be directly affected by such DWP collective bargaining, their unions, Department heads, and the CAO would have no role.

- The "waiver" Recommendation raises a host of questions, including:

Will employees in other City departments still have rights to promote and transfer into the DWP based on their merit and seniority? How will they exercise those rights? It is the Coalition's position that such rights are constitutionally vested.

Will there be registers of eligible candidates for DWP jobs from other City departments? Will the DWP be required to use them and, if so, under what authority? Where will those registers be and who will administer them? Who will certify candidates and based on what criteria?

Will City employees still have rights to displace (bump) employees City-wide in a layoff (another vested right)? Will City employees in departments other than DWP governed by Civil Service have rights to displace into non-Civil Service DWP? Will DWP employees have rights to displace into other City departments and into the Civil Service system?

Will the DWP administer the current classification system? Will the DWP have authority to change the classification system: change existing classifications, add classifications, etc.? How would such changes affect employees' rights to transfer, promote, and displace?

Will the DWP Board function as a "civil service" body to administer the requirements that an MOU meet certain merit system standards? Will the DWP establish such a "civil service" body within the DWP? Will the City have two civil service systems operating at once, with potentially conflicting classifications and procedures?

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What guarantees will there be that DWP processes involving employees in other City departments, e.g. in promotion, transfer, and displacement, will be transparent? What recourse will employees have and where?

Will the City's compliance with EEO obligations and its EEO measurements include the DWP, or not? How will the City enforce EEO compliance?

How will the City's classification system work if it is split into non-Civil Service DWP and Civil Service-governed all other City departments? Who will ensure its fairness? Who will review class complaints? 4/5/16 CAO/CLA Memo, Att. 6.

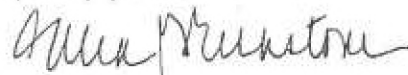
In bargaining over the "waived" Civil Service rights, does the City and EERC have control over or input into impasse and impasse procedures? If DWP employees strike, will the City have any authority to settle a strike or influence its outcome?

The "waiver" Recommendation purports to require the DWP Board, if it is designated as the salary setting authority, to "determine" that the collectively bargained MOU it negotiates meets certain merit system standards. Is the City liable if the MOU does not in fact meet those standards?

Many more questions related to the current operation of the Civil Service system will undoubtedly come up. To the extent there are unanticipated impacts of the "waiver" Recommendation on employees represented by Coalition Unions, there will be ongoing issues that the City and Coalition will face as a result of DWP actions over which the City has no control and has no apparent ability to implement a City-wide remedy.

The Coalition submits that the Civil Service "waiver" Recommendation which has been hastily placed in this proposed Charter amendment deserves your careful attention. The Civil Service "waiver" creates numerous legal problems which can be anticipated and likely many more that cannot. The Coalition strongly believes that there is nothing about DWP governance reform that requires "waiving" Civil Service protections for City employees.

Very truly yours,



Ellen Greenstone

EG/jc

cc: Mike Feuer, Los Angeles City Attorney
Coalition

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March 1, 2016

By E-Mail & U.S. Mail

Honorable Eric Garcetti, Mayor
City of Los Angeles

Honorable Herb Wesson, Council President
and Members of the Los Angeles City Council

Miguel Santana, Chief Administrative Officer

Board of Civil Service Commissioners
of the City of Los Angeles

Re: Motion to Restructure DWP Governance

Dear Mayor Garcetti, Council President Wesson, Members of the City Council, CAO Santana,
and Board of Civil Service Commissioners:

We write on behalf of the Coalition of Los Angeles City Unions ("Coalition") and its constituent unions, American Federation of State, County and Municipal Employees, District Council 36, Locals 741, 901, 2006, 2626, 3090, and 3672; Service Employees International Union, Local 721; International Union of Operating Engineers, Local 501; Laborers International Union of North America, Local 777; Los Angeles and Orange Counties Building and Construction Trades Council; and International Brotherhood of Teamsters, Local 911, concerning the Motion to develop and adopt Charter and Administrative Code amendments to restructure the governance system of the Los Angeles Department of Water and Power ("DWP").

Specifically, this letter addresses the inclusion in the Motion of amendments to remove DWP from the Civil Service system.

Meet and Confer Obligations

Amendments to the Charter or Administrative Code changing Civil Service protections and procedures are subject to meet and confer under the City's Employee Relations Ordinance ("ERO") and the Meyers-Milias-Brown Act ("MMBA"). Accordingly, the Coalition and each of its constituent unions demands that the City fulfill fully its duty to meet and confer over any decisions to amend the Charter and/or Administrative Code to change Civil Service protections and procedures *before* taking any action to propose amendments and, later, should any such decisions be implemented, over the impacts of such decisions. In addition, to the extent it has authority over subjects of meet-and-confer, the Coalition directs this demand to the Civil Service Commission.

Virtually all rank-and-file and most supervisory and management employees of the City enjoy Civil Service protection, under a "one Los Angeles" system. See Charter section 1000, which provides that the Civil Service provisions of the Charter apply to "all employees of the City," except for specific limited exemptions. No department of employees, including proprietary departments and the Police and Fire Departments, is exempt from Civil Service.

Specific to the DWP, Coalition member SEIU Local 721 currently represents a bargaining unit of security guards at DWP.

In addition, many DWP employees transferred or promoted from positions in other City departments. Many employees transfer or promote back and forth between the DWP and other City departments to further their City careers. In the past, when DWP downsized, DWP employees were absorbed into other City departments rather than losing their jobs. More recently, during the recession, hundreds of employees in City departments that downsized were absorbed by the DWP rather than losing their jobs.

Under the Charter, employees are entitled, among other rights, to promote within the classified civil service on the basis of ascertained merit (based on competitive examination) and seniority [Charter section 1009]; to status on a register of eligible candidates for promotion [section 1008], to a specific order of suspension (layoff) and restoration where a position is lost because of lack of work or funds, abolishment of the position, or for other reasons not caused by personal delinquency [section 1015(a)]; to displace (bump) in a such a suspension (layoff) [section 1015(b)]; and to procedures on discharge or suspension for cause [section 1016]. These rights are further spelled out in provisions of the Administrative Code and Rules of the Board of Civil Service Commissioners. Removing some 10,000 DWP employees, including Coalition-represented employees, from this Civil Service system will clearly affect both their rights and the rights of those employees left in the system.

A charter city is required to meet and confer with representatives of its employees *before it proposes charter amendments* which affect matters within the scope of representation. *People*

ex rel. Seal Beach Police Officers Ass'n. v. City of Seal Beach (1984) 36 Cal.3d 591, 601. As discussed above, the civil service provisions of the Charter and Administrative Code affect matters within the scope of representation of employees represented by Coalition unions who work at the DWP and who work throughout the City and have rights to positions at the DWP, as well as the current employment employees at the DWP who came from or have rights to transfer, promote, return, or bump to positions in other City departments.

A public employer has a duty to meet and confer over amendments to civil service rules. *Los Angeles County Civil Service Comm. v. Superior Court* (1978) 23 Cal.3d 55. Local governments with civil service systems are not exempt from the meet-and-confer requirement, and meet-and-confer “does not . . . offend the home-rule provisions of the California Constitution.” *Id.* at 58. *See also Int'l. Ass'n. of Fire Fighters, Local 1974 v. City of Pleasanton* (1976) 56 Cal.App.3d 959, 970-71, 976 (holding that City Council legislative amendment of personnel rules related to announcement of civil service examinations was subject to meet and confer before enactment and that amendment adding additional exemptions was also within scope of representation and subject to meet and confer).

Based on the above, the Coalition unions demand that the City fulfill its meet-and-confer obligations.

The Coalition is aware that International Brotherhood of Electrical Workers (IBEW), Local 18, which represents most of the employees at DWP has requested that the City meet and confer over the Civil Service aspects of the Motion. It is the Coalition’s position that meaningful meet-and-confer cannot occur separately. The Coalition has the right, at the very least, under ERO and MMBA requirements that the City meet and confer in good faith, to be kept fully informed about the City/IBEW Local 18 meet-and-confer process.

Undermining the Civil Service Mandate

It goes without saying that governance of the DWP can be restructured without the civil service piece of the Motion – the removal of one-quarter of the City’s civil service workforce from the civil service system.

Civil Service systems fulfill two important objectives – to eliminate the “spoils system” in awarding government jobs and to encourage faithful, honest, and efficient service by ensuring that appointment and promotion are awarded on the basis of merit, measured by competitive examination. *Los Angeles County Employees Ass'n., SEIU Local 660 v. Superior Court* (2000) 81 Cal.App.4th 164, 169.

California law embodies a strong constitutional protection of civil service systems which “emanates from an implicit necessity for protecting the policy of the organic civil service mandate against dissolution and destruction.” *California State Employees' Assn. v. State of*

California (1988) 199 Cal.App.3d 840, 844 [citation omitted]. This longstanding principle, called the “civil service mandate,” forbids private contracting where persons selected through the civil service system could perform the work adequately and competently. *State Compensation Ins. Fund v. Riley* (1937) 9 Cal.2d 126, 135. In *Professional Engineers in California Government v. Department of Transportation* (1997) 15 Cal.4th 543, 565, the California Supreme Court invalidated a state statute allowing the Department of Transportation flexibility to contract out, relying on *Riley* and applying the civil service mandate principle. In doing so, the Court found support in the California Constitution Revision Commission’s rejection of civil service provisions that would authorize creation of broad exemptions from civil service.

In *Los Angeles County Employees Assn. (LACEA), SEIU Local 660 v. Superior Court* (2000) 81 Cal.App.4th 164, 175, the court rejected an attempt by Municipal Court judges to mandate that newly hired court clerks and existing deputy court clerks who promote be exempt from civil service. The court rejected the judges’ claim that denying civil service protection to newly hired and promoted clerks would conserve resources and streamline unification of the superior and municipal courts, holding that it ran afoul of mandatory nature of civil service rules. The court stated that the judges’ argument, carried to its logical conclusion, would allow all public employers to condition future employment on a waiver of civil service status, bringing an end to the entire system. See also *Holmgren v. County of Los Angeles* (2008) 159 Cal.App.4th 593, 605, review denied, which cites *LACEA* for the proposition that it held “that the judges had no power to deny civil service status to any county employee.”

The proposed wholesale exemption of DWP from Civil Service violates the civil service mandate principle. If broad authorization of contracting out undermines civil service (Los Angeles Charter section 1022 narrowly limits contracting out to work that can be performed more economically or feasibly by independent contractors than by City employees), then surely exempting approximately one quarter of the civil service workforce subverts the entire system. Although the Motion – which has no specifics – cites an inability to hire quickly, there is no claim that the current DWP workforce does not perform DWP work efficiently, as the civil service rules seek to ensure. There is no basis to violate the civil service mandate as to existing City employees.

Vested Property Rights

Current law holds that individual employees have certain vested property rights created by the Civil Service system which cannot be negotiated away.

Separate from the Coalition unions’ meet-and-confer rights, property rights created by a civil service system inure to the benefit of individual employees. *Los Angeles Police Protective League v. City of Los Angeles* (2002) 102 Cal.App.4th 85, 93-94 (holding that City police officers hold a property interest in the appeal process for challenge to punitive reduction in pay grade or involuntary reassignment); *Brown v. City of Los Angeles* (2002) 102 Cal.App.4th 155,

169-170 (holding that police officers have property interest in advanced pay grade in reassignment to lower pay grade within same classification, where conditions for reassignment in department manual were not met); *Alexander v. City of Menlo Park* (9th Cir. 1986) 787 F.2d 1371, 1374 (bumping rights to particular positions under city rules held to be constitutionally protected property interest).

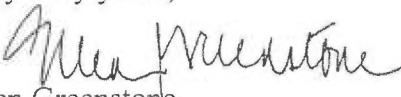
"A statute, rule or regulation may create an entitlement to a governmental benefit either if it sets out conditions under which the benefit must be granted or if it sets out the only conditions under which the benefit may be denied." *Brown, supra*, 102 Cal.App.4th at 170. The Civil Service provisions of the Charter, Administrative Code, and Civil Service Rules set out such conditions.

Other courts have described these property interests as vested benefits, like pension benefits. In *California League of City Employee Ass'ns. v. Palos Verdes Library Dist.* (1978) 87 Cal.App.3d 135, 140-41, the Court held that the principle of vested benefits giving rise to a constitutionally protected contract interest was not limited to pension cases and that a fifth week of vacation and a right to take sabbatical leave, abrogated in library board-adopted personnel policies, were vested benefits which could not be impaired without granting comparable new advantages. The Court cited with approval, among other cases, *Ivens v. Simon* (1963) 212 Cal.App.2d 177, 182, which held that a city's classification plan of five steps, with each higher step available after a certain period of time in class, constituted part of the contract of employment and was thereby vested. See also *Thornung v. Hollister School Dist.* (1992) 11 Cal.App.4th 1598, 1606 (vesting principle not limited to pension cases); *Retired Employees Assn. of Orange County, Inc. v. County of Orange* (2011) 52 Cal.4th 1171, 1190 (citing *California League* with approval).

Thus, to the extent that civil service benefits vest under these legal authorities, the benefits belong to individual City employees and cannot be negotiated or legislated away.

The Coalition will appreciate your careful attention to its concerns, as expressed in this letter. Thank you.

Very truly yours,


Ellen Greenstone

EG/jc

cc: Mike Feuer, Los Angeles City Attorney
Coalition

A plan to make DWP even worse

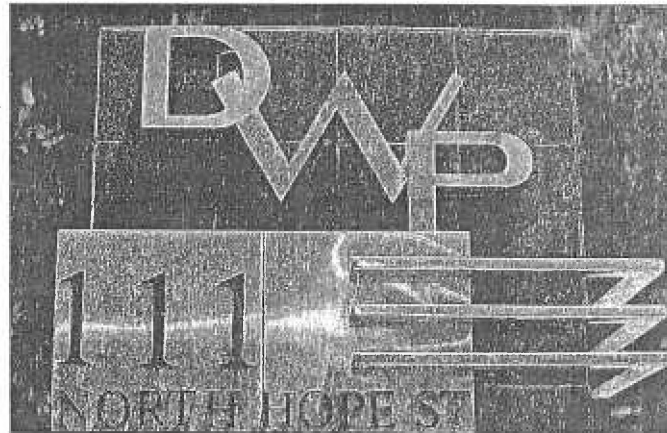
By Erwin Chemerinsky

IF THE Los Angeles City Council approves a measure on Friday, city voters will be asked to transfer oversight of the Department of Water and Power from the council to the DWP Board of Commissioners and let the agency hire from outside the Civil Service system. DWP certainly has its problems — but these are misguided solutions.

Los Angeles weighed giving DWP more autonomy from the city once before. Almost 20 years ago, the commissioners charged with rewriting the city charter looked at similar options, including privatizing the utility. As chairman of the Elected Charter Reform Commission, I fought hard then to keep DWP part of city government so that it would stay accountable to the public on rates and services. The decision also meant that DWP's Civil Service employment system remained intact.

That choice was quickly validated. With the state's energy industry just deregulated, in 2000-2001 other parts of California suffered price spikes, power shortages and blackouts because of the profit-seeking decisions of private utility companies. DWP's 14 million electric customers were spared. More recently, the drought has spurred Angelenos to scrutinize their water bills — and they find average bills lower than San Francisco, San Diego, Santa Monica or Pasadena.

Still, by all accounts, customers today are not enamored of the



Los Angeles Times

THE DWP is widely seen as poorly managed because of an aging infrastructure badly in need of upgrades.

DWP. It is widely seen as poorly managed because of a botched switch to a new billing system, poor customer service, rate increases that appear unrelated to actual costs, and an aging infrastructure badly in need of upgrades.

Such problems point to failures at the top levels of management. And that argues for greater City Council oversight, not less.

In the name of reform, however, the City Council proposes to have the DWP Board of Commissioners set water and power prices and abdicate its oversight role. It would also elevate the commissioners' jobs to full-time, paid positions (they are currently volunteer appointments) that require industry expertise — a good idea. But why wouldn't the council want to retain final decision-making power? Monitoring of the DWP by elected officials is vital to

protecting consumers and ensuring sufficient revenue for the operation and infrastructure needs of the whole system.

Separating DWP's hiring from the city's Civil Service system is problematic too. The city of Los Angeles is a single employer and the DWP just one of its many departments. Employees can transfer among departments, depending on their skills and the city's needs, through the city's Civil Service system. This gives workers access to new opportunities throughout city government and helps the city deploy its talented employees to maximum benefit.

The Civil Service also provides objective procedures for hiring and promotion so that city jobs aren't handed out as patronage. It was introduced in the city of Los Angeles in 1903 to counter a flagrant system of political spoils. In 1939, after the recall of Mayor

Frank L. Shaw for corruption, the Civil Service system was overhauled and strengthened into a nationally recognized model of honesty and professionalism.

The Civil Service system has served Los Angeles well for decades, which is why the charter reform commissions insisted on keeping it in 1999. This merit-based, competitive method of hiring and promotion limits exposure to claims of discrimination, because the city must prove its testing practices are job-related and skills-based according to accepted legal models. This good government measure is as necessary now as ever.

Civil Service hiring has been criticized as cumbersome, and DWP officials have blamed slow hiring for their customer complaints. But steps can be taken to make it more efficient. Last month, for example, Mayor Eric Garcetti signed an executive directive to train and recruit local residents to fill an anticipated 5,000 city job openings in the next three years. Civil Service procedures can be streamlined within DWP as well.

Like the airport and harbor, DWP is a proprietary department — essentially a business owned and operated by the city. It is undeniably a complex organization and reforms are warranted. But every broken water main and blackout reminds us that public accountability is indispensable.

ERWIN CHERMINSKY, dean of the UC Irvine School of Law, served as chair of the elected Los Angeles Charter Reform Commission from 1997 to 1999.

We get the candidates we deserve

By Dan McLaughlin

WHY DON'T normal people run for president? How did we get these candidates? We face, in 2016, the possibility that one of just two American families — the Clintons and the Bushes — will produce the occupant of the White House for the sixth time in the past eight elections. The alternative is a boorish carnival barker who probably has never read the Constitution. Can't we have some better choices?

Tuesday showed why we can't. Bill Kristol, the ever-optimistic editor of the conservative *Weekly Standard*, has been trying to recruit a sane alternative to Donald Trump. And Bloomberg Politics reported Tuesday that Kristol was looking at David French, a National Review writer and Harvard-educated constitutional lawyer who served in Iraq and earned a Bronze Star. French is almost completely unknown to the general public, but at first glance, anyone would regard him as the sort of accomplished, upstanding, idealistic citizen who ought to try his hand at electoral politics.

So what happened? Without waiting for confirmation from French — without even waiting for Kristol to confirm that he was trying to persuade French to run — the Washington political establishment started digging for dirt.

Almost immediately Politico reporter Kevin Robillard unearthed a

Charter Recommendations

Board Structure

Recommendation	Current	REIRN Recommendation
1.a. Composition	Five members voluntary/part-time (Charter Sections 502, 670)	Seven members part-time
1.b. Term	Five year staggered terms (Charter Section 501)	Three year staggered terms Transition to new Board will be established by Ordinance
1.c. Ethical Restrictions	No registered lobbyist shall be appointed to the Board (Charter Section 501(d)(2))	Board members precluded from having served as a registered lobbyist with the City for DWP-related activities for 12 months prior to appointment
1.d. & 1.e. Qualifications	Board members must be registered voters of the City (Charter Section 501(d)) and should reflect the City's diversity (Charter Section 501(e))	Maintain Charter Section 501(d) and (e) requirements Required experience in one or more of the following: (1) utility management, (2) water and power policy and operations, (3) environmental policy, (4) business/finance, (5) labor relations, (6) consumer advocacy, or (7) neighborhood councils/community organizations
1.f. Compensation	Council is authorized to set an attendance fee via Ordinance (Charter Section 501(b))	Authorize Council to establish a stipend by Ordinance.
1.g. Removal	Removed by Mayor without Council confirmation (Charter Section 502(d))	Require removal (1) by the Mayor, with the concurrence of the Council by majority vote or (2) by the Council with a three-fourths vote. Written notice of grounds for removal must be provided and affected Board member must be permitted to reply

General Manager

Recommendation	Current	REIRN Recommendation
1.h. Appointment	Board appoints the GM, subject to confirmation from the Mayor and City Council (Charter Section 604(a))	Appointment of the GM similar to the process set forth in Charter Section 575(a) for the Chief of Police. GM of Personnel will refer 6 qualified candidates and the Board will submit a list of three to the Mayor for review and appointment of one. Mayor's appointment is subject to Council approval.

Charter Recommendations

Board Support

Recommendation	Current	REIRN Recommendations
1.i. Existence of Support Staff	Board receives direct staff support for clerical and administrative tasks	<p>Create DWP Analyst Office to provide policy and fiscal analysis under the direction of the Board. Office will be headed by an Executive Director (exempt position) who reports to the Board.</p> <p>Board will be authorized to establish the Office's budget, hire the ED and set his or her salary, authorized ED to hire employees</p>

Office of Public Accountability

Recommendation	Current	REIRN Recommendations
1.j. Minimum Budget	No less than .025 percent of DWP's annual revenues generated solely from the sale of water and electric energy for the previous fiscal year (Charter Section 683; LAAC Section 23.146)	Increase minimum budget to 0.05 percent of DWP's annual revenues generated solely from the sale of water and electric energy for the previous fiscal year
1.k. Re-Appointment	No process specified in Charter or LAAC	Executive Director of the OPA may be appointed to a second five-year term by the City Council, with Mayoral approval without a new Citizens Committee.

Council Oversight/ Department Independence

Recommendation	Current	REIRN Recommendation
1.l. Board's Jurisdiction	Currently, Council approval is required for all of the following: (1) granting of franchises, concessions, permits, licenses and the approval of leases, (2) approval of power contracts, (3) use of competitive sealed proposal methods for design-build contracts, and (4) approval of long-term contracts	Provide Board with the authority, subject to only Charter Section 245, over the following: (1) the granting of franchises, concessions, permits, licenses and the approval of leases, (2) the approval of power contracts, (3) the use of competitive sealed proposal methods for design-build contracts as further provided by ordinance, and (4) the approval of long-term contracts as further provided by ordinance
1.m. DWP Strategic Planning	DWP currently prepares an annual Power Integrated Resources Plan (IRP) and	DWP to prepare a four-year strategic investment and revenue requirement plan for approval by the City Council and Mayor.

Charter Recommendations

	Urban Water Management Plan. Neither is a business plan. Both are typically presented to Council for informational purposes only.	<p>All policies, projects, programs, and associated revenue requirements within the parameters of the adopted Plan, including the ability to adjust rates, will only require Board approval.</p> <p>This is to begin on January 1, 2020 and Council will establish, by Ordinance, the timelines, procedures, and requirements for the Plan.</p>
1.n. Council's Ability to Request Info from DWP	Council may request information through motions, but does not have the authority to direct the Board or DWP to report	Authorize the Council to request informational reports, for review only, regarding any actions or pending actions of the Board or DWP.
1.o. Council's Charter Section 245 Authority	Council has the authority to assert jurisdiction over a matter approved by the Board and veto the Board's decision.	Provide that all actions of the Board regarding contracts of less than an amount set by ordinance will not be subject to Charter Section 245 unless otherwise provided by the Charter.

Personnel and Hiring

Recommendation	Current	REIRN Recommendations
1.p. Civil Service	Bound by Article X of Charter	<p>The salary setting authority may waive all or part of the civil service standards in Article X for DWP employees, pursuant to a legally binding, collectively bargained MOU.</p> <p>Waiver requires a finding that the MOU provisions maintain specific merit system standards (merit based hiring, retention and discharge, EEO compliance, and protection from political coercion). Waivers may be periodically audited, approved, or revoked by the salary setting authority subject to any meet and confer process required by law.</p> <p>Council may, by ordinance, designate the Board as the salary setting authority for DWP employees.</p>

Billing

Recommendation	Current	REIRN Recommendations
1.q. Monthly Billing	Bi-monthly billing	Implement a monthly billing cycle no later than January 1, 2020

Non-Charter Recommendations

Board Structure

Recommendation	Current	REIRN Recommendation
2. Compensation	\$50.00 per meeting attended, not to exceed \$250.00 per calendar month (LAAC 21.12)	If ballot measure is adopted, ordinance setting a \$2,000 per month stipend, indexed to the relevant CPI.
3. Term	Five year staggered terms (Charter Section 501)	If ballot measure is adopted, ordinance to establish the transition schedule (three year staggered terms)

General Manager

Recommendation	Current	REIRN Recommendation
4. Compensation	Board sets the GM's salary pursuant to guidelines established by Council (Charter Section 604(a)) Compensation may be adjusted annually within those guidelines.	Request City Attorney prepare ordinance allowing the Board to set the GM's compensation and adjust annually. Salary and adjustments will be subject to consent by the Executive Employee Relations Committee (EERC)

Office of Public Accountability

Recommendation	Current	REIRN Recommendations
5. Access to Information	OPA "shall have access to information to fulfill its responsibilities" (Charter Section 683(e))	Ordinance to provide the OPA access to all appropriate and necessary documents of the DWP as allowable by law and respects the current authority and roles of the Board and the OPA
7. Hiring Plan and Exemptions	OPA has authorization for seven positions and has received exemptions for four of those positions	If the ballot measure is adopted, request the OPA, with assistance from the CAO, to prepare a hiring plan and a request for additional civil service exempt positions

Personnel and Hiring

Recommendation	Current	REIRN Recommendation
10. Bargaining Instructions	Currently, EERC issues bargaining instructions to CAO. Current internal rules and practices include seniority based bid plan, effective rule of one, and joint selection processes.	Request the EERC, with the assistance of the CAO and Personnel Dept., to issue bargaining instructions to the DWP. Instructions will be used to negotiate with all DWP bargaining units and amend existing MOUs to expedite hiring.

Non-Charter Recommendations

Council Oversight/ Department Independence

Recommendation	Current	REIRN Recommendation
11. General Manager's Contracting Authority	Current maximum of \$150,000 (LAAC 10.1.1)	Increases the authority of the General Manager to approve contracts, without Board approval, to new maximum of \$5 million dollars. All actions regarding contracts in excess of \$5 million dollars will require Board approval
12. Contract Quarterly Reporting	DWP shall submit a report quarterly to the Board identifying all contracts, authorized by the General Manager. (LAAC 10.1.1(c))	Ordinance that requires quarterly reporting to the Board and the City Council with respect to contracts pending, approved, or terminated by the General Manager or the Board. Require an annual listing of all contracts awarded by the DWP on its website within 60 days of the end of each calendar year
13. Board's Contracting Authority	City Council approval is required for long-term contracts over three years (Charter Section 373 and LAAC 10.5)	Ordinance that increases authority for the Board to enter into contracts with a maximum term of 5 years. Board contracting authority up to 10 years for specialized construction equipment or software that is offered by one vendor. All other contracts greater than a 5 year term will require Mayor and Council approval unless otherwise provided by the Charter or by ordinance.
14. Design-Build and Power Contracts	Design-build may be used in accordance with criteria established by ordinance, adopted by at least a two-thirds vote of the Council (Charter Section 371) Power contracts are subject to approval by ordinance (Charter Section 674)	If the ballot measure is adopted, ordinance to eliminate the requirement that power contracts and design-build contracts be approved by ordinance
15. DWP's Contracting Authority	Contracts shall be awarded to the lowest responsible bidder. As an alternative, a contract can be let pursuant to a competitive sealed proposal method permitting negotiations for (a) telecommunications; (b) automated systems; and (c) services related to the automation of systems, including software. (LAAC 10.15(f))	Ordinance to amend LAAC 10.15(f) to allow the DWP to engage in RFPs/Competitive Negotiation for the purchase of specialized equipment, using price and other evaluation factors

Non-Charter Recommendations

16. DWP Strategic Planning	DWP currently prepares an annual Power Integrated Resources Plan (IRP) and a Water Infrastructure Plan. Neither is a business plan.	If the ballot measure is adopted, Ordinance to establish the timelines, procedures, and requirements of the four-year strategic investment and revenue requirement plan
17. Mayor's Executive Directive 4 Authority	Prior to the Board's consideration of proposals requiring Council approval, such proposals are referred to the Mayor. The CAO conducts analysis and fact checking for the Mayor.	REQUEST the Mayor to exempt DWP from Mayor's Executive Directive 4, or modify and revise to meet the objectives of these recommendations

REPORT BACKS

Recommendation	Topic
6. OPA	Role of OPA
8. City Attorney	Oversight of Litigation
9. Personnel	Hiring Plan/MOA
18. Dept Independence	Collective Bargaining
19. Other	Fully Integrated Water Group
20. Other	Collective Bargaining
21. Other	Reduced Rates
22. Other	Equitable Clean Energy Solutions
23. Other	Underserved Customer Markets