

COMMUNICATION FROM CHAIR, PERSONNEL AND ANIMAL WELFARE COMMITTEE relative to Amendment No. 1 to Memorandum of Understanding No. 35 (MOU 35) with the Los Angeles/Orange Counties Building and Construction Trades Council and Letter of Agreement (LOA) for paid sick leave in connection with the use of union hiring halls for the temporary use of craft workers.

Recommendations for Council action:

1. ADOPT Amendment No. 1 to MOU 35, attached to the Council file, with the Los Angeles/Orange Counties Building and Construction Trades Council providing for paid sick leave on an ongoing basis in compliance with Assembly Bill 1522 and the sick leave benefits provision of the amended Los Angeles Municipal Code (LAMC).
2. ADOPT the LOA, attached to the Council file, to address the lack of implementation of a paid sick leave provision since the July 1, 2015, effective date of Assembly Bill 1522 and the July 1, 2016, operative date of the amended LAMC.
3. AUTHORIZE the City Clerk and City Administrative Officer (CAO) to correct any clerical errors or technical errors.

Fiscal Impact Statement: The CAO reports that actual sick time usage does not have a fiscal impact unless overtime is hired to accommodate for the absence. The fiscal impact of the implementation of Amendment No. 1 is related to sick leave pay out. The maximum annual cost to the General Fund for implementation of the negotiated MOU 35 Amendment for sick leave pay out at 50 percent is approximately \$450,000.

There is also a fiscal impact related to the implementation of the LOA. The additional cost to the General Fund for implementation of the LOA is \$635,347.80. This calculation is a one-time cost for the time period July 1, 2017, through December 31, 2018. Each month thereafter that Amendment No. 1 is not operative will result in a cost of \$37,373.


Community Impact Statement: None submitted.

Summary:

On December 5, 2018, the Chair of the Personnel and Animal Welfare Committee considered a November 27, 2018 CAO report relative to Amendment No. 1 to MOU 35 with the Los Angeles/Orange Counties Building and Construction Trades Council and LOA for paid sick leave in connection with the use of union hiring halls for the temporary use of craft workers. According to the CAO, currently, MOU 35 does not provide for any form of sick leave for temporary hiring hall workers. On July 1, 2015, California Assembly Bill 1522 went into effect providing for the accrual of paid sick leave for employees of any status (full time, part-time, seasonal, etc.) who work 30 days or more with an employer. The following year, Council approved Ordinance No. 184320, effective July 1, 2016, amending the LAMC and containing a Sick Time Benefits provision that provides a more generous usage period than state law of paid sick leave for employees who work in the Los Angeles City limits. In a special meeting held on October 12, 2018, the Executive Employee Relations Committee instructed the City Administrative Officer to

negotiate a sick leave provision that is in compliance with the paid sick leave provisions of both state law and the City's amended LAMC and to address the lapsed period of implementation of paid sick leave for hiring hall unit members. Amendment No. 1 to MOU 35 provides for paid sick leave accrual and usage on an ongoing basis and the attached LOA provides a credit of sick leave, covering the period July 1, 2015, to the operative date of the aforementioned amendment. After consideration, the Committee Chair moved to recommend approval of the recommendations contained in the CAO report and detailed above. This matter is now submitted to Council for its consideration.

Respectfully Submitted,



COUNCILMEMBER PAUL KORETZ, CHAIR
PERSONNEL AND ANIMAL WELFARE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KORETZ:	YES
HARRIS-DAWSON:	ABSENT
ENGLANDER:	ABSENT

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12/5/18

-NOT OFFICIAL UNTIL COUNCIL ACTS-