

CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: November 27, 2018

To: The City Council

From: 
Richard H. Llewellyn, Jr., City Administrative Officer

Subject: **AMENDMENT AND LETTER OF AGREEMENT FOR PAID SICK LEAVE BENEFITS FOR MEMORANDUM OF UNDERSTANDING (MOU 62) REGARDING THE USE OF UNION HIRING HALL FOR TEMPORARY USE OF OPERATING ENGINEERS**

Recommendations

It is recommended that the City Council:

1. Adopt, subject to the approval of the Mayor, the attached Amendment No. 1 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.
2. Adopt, subject to the approval of the Mayor, the attached Letter of Agreement 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 Los Angeles Municipal Code.
3. Authorize the City Clerk and the City Administrative Officer to correct any clerical or technical errors.

Summary

Currently, MOU 62 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, the City Council approved Ordinance No. 184320, effective July 1, 2016, amending the Municipal Code 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

Municipal Code and to address the lapsed period of implementation of paid sick leave for hiring hall unit members. The attached Amendment provides for paid sick leave accrual and usage on an ongoing basis and the attached Letter of Agreement provides a credit of sick leave, covering the period July 1, 2015, to the operative date of the aforementioned amendment. It is important to note that under the proposed amendment for paid sick leave accrual, each full-time hiring hall unit members would have accrued approximately 72 hours of paid sick leave if a paid sick leave provision had been established effective July 1, 2015. Over two years, the total accrued paid sick leave would have been 144 hours. The negotiated Letter of Agreement addresses this loss of time and allows continued accrual of paid sick leave up to the operative date of the proposed paid sick leave amendments.

Fiscal Impact Statement

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 this Amendment is related to sick leave pay out. The maximum annual cost to the General Fund for implementation of the negotiated MOU 62 Amendment for sick leave pay out at 50% is approximately \$15,000.

There is also a fiscal impact related to the implementation of the Letter of Agreement. The additional cost to the General Fund for implementation of the Letter of Agreement is \$21,278.73. This calculation is a one-time cost for the time period July 1, 2017, through December 31, 2018. Each month thereafter that the Amendment is not operative will result in a cost of \$1,251.69.

RHL:DB:PD:0719048

Attachments