

Los Angeles  Department of Water & Power

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General Manager

December 4, 2013

The Honorable City Council  
Office of the City Clerk  
200 North Spring Street, Room 395  
Los Angeles, California 90012

Honorable Members:

Subject: APPROVAL OF AMENDMENTS TO THE MEMORANDUM OF UNDERSTANDING (MOU) FOR TEN BARGAINING UNITS REPRESENTED BY THE INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS, LOCAL 18

In accordance with bargaining instructions authorized by the Executive Employee Relations Committee (EERC), the attached MOU Amendments and resolution, approved as to form and legality by the City Attorney, codifies the agreements reached with the International Brotherhood of Electrical Workers (IBEW), Local 18, for the term of October 1, 2013, through September 30, 2017. At its meeting on December 3, 2013, the Board of Water and Power Commissioners (Board) approved the MOU Amendments, as to items within the Board's authority, for the following bargaining units:

- Administrative Representation Unit
- Clerical Unit
- Operating, Maintenance and Service Unit
- Professional Unit
- Steam Plant and Water Supply Unit
- Supervisory Blue Collar Unit
- Supervisory Clerical and Administrative Unit
- Supervisory Professional Unit
- Supervisory Technical and Business Administration Unit
- Technical Representation Unit

**Los Angeles Aqueduct Centennial Celebrating 100 Years of Water 1913-2013**

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## **Discussion**

The following is a summary of the terms and conditions of the accompanying MOU Amendments.

### **Summary**

- 1) Four-year term from October 1, 2013, through September 30, 2017.
- 2) Elimination of a two percent (2%) Cost of Living Adjustment (COLA) for October 1, 2013, which was a provision granted in the previous MOU.
- 3) Zero percent (0%) COLA for October 1, 2013. In lieu of the COLA, LADWP shall contribute, on behalf of the employee, a two percent (2%) of base pay cash contribution to fund Retiree Health benefits and a one percent (1%) of base pay contribution to fund active employee health benefits.
- 4) Zero percent (0%) COLA for October 1, 2014. In lieu of the COLA, LADWP shall continue to contribute, on behalf of the employee, a two percent (2%) of base pay contribution to fund Retiree Health benefits and a one percent (1%) of base pay contribution to fund active employee health benefits.
- 5) Zero percent (0%) COLA for October 1, 2015. In lieu of the COLA, LADWP shall contribute, on behalf of the employee, a four percent (4%) base pay cash contribution to fund Retiree Health benefits and a two percent (2%) of base pay cash contribution to fund active employee health benefits.
- 6) Effective October 1, 2016, a COLA in the amount of two percent (2%).
- 7) Effective October 1, 2016, LADWP shall continue to contribute, on behalf of the employee, a four percent (4%) of base pay cash contribution to fund Retiree Health benefits and continue to contribute a two percent (2%) of base pay to fund active employee health benefits.
- 8) Reduction in the Starting Salaries of 34 Identified Classes, which are common to LADWP and other City departments.
- 9) Agreement to update and review existing MOU provisions (e.g., appendices and footnotes), including any letters of agreement, settlement agreements that will include, but are not limited to: compensation, salary inequities, bonuses, overtime, and working rules through the Joint Labor/Management Resolution Board (JRB). The JRB will also specifically review salary disparity in common classifications in LADWP and other City departments by September 30, 2014.

- 10) Reduction in the offering of overtime requirement from ten percent (10%) to five percent (5%) as a result of contracting out for the Administrative Representation, Clerical, and Supervisory Clerical and Administrative Units.
- 11) Requirement for submission of medical certification upon returning after three (3) consecutive days of absence due to illness for all bargaining unit members.

All other terms and conditions of the MOUs remain the same.

### **Recommendations**

That the City Council takes action to:

1. Approve and set the salaries agreed to herein;
2. Adopt the MOU Amendments; and
3. Authorize the City Controller and the General Manager of the Los Angeles Department of Water and Power to make any necessary technical or clerical corrections.

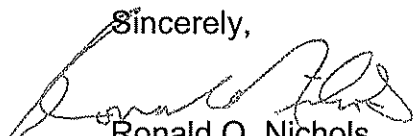
### **Fiscal Impact**

It is anticipated that the MOU Amendments will save LADWP approximately \$415 million over the next four (4) years, which includes savings for the deferral of the cost-of-living-adjustment (COLA) previously assumed at 2.9 percent, salary reduction of entry-level classifications, reduction in some contracting out overtime provisions; and consistent monitoring of sick time medical certification.

There is no fiscal impact on the City of Los Angeles General Fund.

If you have any questions or require further information, please contact the Director of Labor Relations, Ms. Rose M. Garcia, at (213) 367-1373.

Sincerely,



Ronald O. Nichols  
General Manager

RMG:dof:jjj  
Enclosure

c:w/enc: Mr. Miguel A. Santana, City Administrative Officer  
Ms. Maritta H. Aspen, Chief Administrative Analyst  
Ms. Rose M. Garcia, Director of Labor Relations