



Los Angeles
Department of
Water & Power

RESOLUTION NO. _____

BOARD LETTER APPROVAL

A handwritten signature in blue ink, reading 'Donna I. Stevener', is written over a horizontal line.

DONNA I. STEVENER
Chief Administrative Officer

A handwritten signature in blue ink, reading 'David H. Wright', is written over a horizontal line.

DAVID H. WRIGHT
General Manager

DATE: December 21, 2017

SUBJECT: Approval of the Memorandum of Understanding for the Association of Confidential Employees Unit for the Term of January 1, 2017 Through December 31, 2021

SUMMARY

Representatives from the Office of the City Administrative Officer, LADWP, and Association of Confidential Employees (ACE) have reached agreement on the terms of the attached Memorandum of Understanding (MOU) for the period January 1, 2017 through December 31, 2021.

City Council approval is required in accordance with Charter Section 219 and 373.

RECOMMENDATION

It is recommended that the Board of Water and Power Commissioners (Board) adopt the attached Resolution approving the benefits and recommending City Council approval of the salaries agreed to in the ACE MOU for the period of January 1, 2017 through December 31, 2021.

FINANCIAL INFORMATION

The fiscal impact associated with the proposed contract annualized over the five (5) year MOU term, inclusive of Cost-of-Living Adjustments (COLA) of 2.9 percent (2.9%) based on Consumer Price Index (CPI), is an estimated increase in direct costs of two hundred and sixty thousand dollars (\$260K).

BACKGROUND

The following is a summary of the MOU Amendments recommended for approval:

- 1) Five-year term from January 1, 2017, through December 31, 2021
- 2) Effective October 1, 2017, COLA of three percent (3%)
- 3) Effective December 1, 2017, COLA of one and one-half percent (1.5%)
- 4) Effective October 1, 2018, COLA based on CPI*
- 5) Effective October 1, 2019, COLA based on CPI*
- 6) Effective October 1, 2020, COLA based on CPI*
- 7) Effective October 1, 2021, COLA based on CPI*

*Salary ranges shall be increased by a percentage equal to the percentage increase in CPI for Urban Wage Earners and Clerical Workers as measured from August of the prior year to August of the current year for United States City Average (1982-84=100); provided, however, that if the CPI increases less than or equal to 2 percent (2%), the salary ranges shall be increased by 2 percent (2%), and if the CPI increases by 4 percent (4%) or more, the salary ranges shall be increased by 4 percent (4%).

- 8) New Article – Effective October 1, 2017, any employee assigned to the Labor Relations Office who has earned and possesses a Senior-level certification from the International Public Management Association for Human Resources (IPMA-HR) or the Society for Human Resources Management (SHRM); or a professional certification from the California Public Employers Labor Relations Association (CALPELRA) or the Certified Labor Relations Professional (CLRP) certification offered by the National Public Employees Labor Relations Association (NPELRA) or the Senior Professional Human Resources (SPHR) certifications offered by the Human Resources Certification Institute (HRCI) shall be eligible to receive a pensionable one-premium level bonus.
- 9) Employees will continue to contribute five percent (5%) of the premium cost of their individual health care plan for the term of the MOU with a cap of \$100 per month.
- 10) Employees will continue to receive an annual non-pensionable cash payment of one percent (1%) of the employee's annual base salary paid to the employee by LADWP, to offset health-related expenses not covered by LADWP-sponsored health care insurance plans each July 1 during the term of the MOU.

ENVIRONMENTAL DETERMINATION

Determine item is exempt pursuant to California Environmental Quality Act (CEQA) Guidelines Section 15061(b)(3). It has been determined that the approval of terms of the attached Memorandum of Understanding with the Association of Confidential Employees is exempt pursuant to the General Exemption described in CEQA Guidelines Section 15061(b)(3). General Exemptions apply in situations where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment.

CITY ATTORNEY

The Office of the City Attorney reviewed and approved the Resolution and MOU as to form and legality.

ATTACHMENTS

- Resolution
- MOU