

PERSONNEL AND ANIMAL WELFARE COMMITTEE REPORT relative to a proposed executive retention premium for the Los Angeles Department of Water and Power (LADWP).

Recommendation for Council action:

APPROVE the four-level executive retention premium for two Assistant General Manager positions as detailed in the September 16, 2016 LADWP report, attached to the Council file.

Fiscal Impact Statement: The LADWP reports that the fiscal impact of the executive-level retention premium for the two Power System managers is \$92,152 which includes \$52,961 for direct costs and \$39,191 for related costs. The cost of this request is an obligation of the LADWP and will have no impact on the City's General Fund.

Community Impact Statement: None submitted.

Summary:

On October 19, 2016, your Committee considered a September 16, 2016 LADWP report relative to a proposed four-level executive retention premium. According to the LADWP, it is experiencing a workforce retention issue as many executive-level employees are eligible for retirement. Specifically, two executive-level Power System employees are retirement-eligible, yet there is an insufficient candidate pool of qualified candidates to backfill these positions. As a result, the LADWP is requesting a retention premium for executive-level employees. Specifically, the LADWP is requesting an 11 percent retention premium to retain current executive-level staff to engage in succession planning to develop qualified candidates for executive-level positions. This would provide a salary up to the fourth premium level above the appropriate step rate of the salary range. While the LADWP is requesting to apply this premium to all executive-level employees, it has identified an immediate need to apply this premium to two managers who are critical to the continuation of Power System operations. The total salary cost of the proposed increase for the two Power System managers is \$26,616 for an Electrical Service Manager-A and \$26,345 for a Power Engineering Manager-B, for a total of \$52,961. These employees will be transitioned to non-represented Assistant General Manager positions prior to implementation of the bonus.

After consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the LADWP's request for a four-level executive retention premium as detailed in the above recommendations. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

PERSONNEL AND ANIMAL WELFARE COMMITTEE



MEMBER

VOTE

KORETZ:

YES

RYU:

ABSENT

HARRIS - DAWSON: YES

ARL

10/19/16

-NOT OFFICIAL UNTIL COUNCIL ACTS-