

City's response to MOU 8 & 17 Final Settlement Proposal
as presented to the City by Mediator Tony Butka on – May 23, 2011

1. **Term: July 1, 2010 – June 30, 2014**

Operative effective the beginning of the first pay period after adoption by Council to June 30, 2014.

2. **Retiree Health**

4% effective 7/1/11 - Employee Retiree Health Care Contribution to secure vested two-party retiree health benefit. Benefit will be frozen if no action taken by union on entire package prior to June 15, 2011.

Contribution Offset

2.00% 7/3/11

3.00% 6/30/13

Step Freezes shall apply to all steps for probationary, promotional or any other step movement in the **first two years** of the contract (FY -2011-12 & 2012-13) in **all departments and for all classifications** in the bargaining units.

City accepts union offer to reduce wages for new hires as offered but implemented at the discretion of the City during the term of the contract. The City shall create three (3) additional premium levels below the current entry level starting rate.

3. Withdraw all related UERPs (1802) and furlough grievances (old EAA and New SEIU) and no further administrative or legal action against the 1% ERIP contribution by employees. Acknowledge that as of July 1, 2011, employee contribution will be **7% plus 4%** as indicated in #3 above effective as of July, 2011.

6. Savings/Wage/Re-opener January 1, 2013, based upon 4th quarter 2012 FSR, for review of achieved savings, review of any additional COLA or other compensation **as well as a review of a need for furloughs or other savings concessions in the third year of the contract. (FY 2013-14).**

7. Current fiscal year furloughs will be suspended effective at the beginning of the first full pay period during which the contracts are put out to the membership for a vote. If a contract is not ratified, all furloughed employees will be required to make up the suspended/missed furlough time by no later than June 18, 2011.

8. **Members of the bargaining units will be guaranteed no furloughs during the first two years of the contract. Any furlough time during the third year will be a part of the January, 2013 re-opener negotiations.**

9. Management **retains the right to impose layoffs** should financial circumstances necessitate such action subsequent to and in accordance with action taken by the Council/Mayoral.

The City shall make efforts to avoid layoffs of MOU members. The parties recognize the magnitude of the financial crisis may require the City to exercise its management right to **reorganize and possibly reduce the size of its workforce**, including layoffs. The

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City agrees to the extent it practicable, it will mitigate the potential layoff of MOU members by utilizing savings generated by this agreement.

10. Excess sick leave pay will be credited as CTO time and may be paid out in cash at the discretion of the special or proprietary funded department. Such time may also be retained on the books for an employee to take as cash at the time of retirement or separation for a period of up to two years (FY 2011-12 and 2012-13). Cash payment may be made to an employee at the discretion of the employing department.
11. Citywide holiday shutdown for calendar years 2011 and 2012 shall afford members of these bargaining units four days off between the Christmas and New Years holidays by means of a 1.5% temporary pay reduction for the period beginning on July 3, 2011 and ending on June 30, 2013. (Delay in ratification of a tentative agreement may result in an increase in the 1.5% temporary pay reduction.) The Employees not able to be released from their responsibilities by their employing departments to take off the time as described above, may request another four days during each of the described years which may be taken consecutively, in combination with another holiday or not, or as individual days, so long as approved by the employing department. Such approval shall not unreasonably be withheld.
12. These bargaining units shall continue to follow the savings recommendations adopted by the JLMBC and approved by the Council during the term of these contracts.
13. The union agrees to unbundled the payment of bonuses. Each bonus shall be calculated upon the base compensation without compounding.
14. Uniform allowances for criminalists as currently defined shall be maintained. All other uniform allowances shall be dropped effective the beginning of the first full pay period after the date of adoption of the contracts by Council. When safety equipment (gear and/or clothing) is required by the City, the City will pay for and provide the necessary uniforms/gear.
15. Members of these bargaining units shall be allowed to accrue up to a maximum of 240 hours of FLSA overtime for the first two years of these contracts. (FY 2011-12 and FY 2012-13). This increase of the cap from 80 to 240 hours will allow for accrual of overtime as time on the books up to the FLSA limit. Departments may cash out accrued time at their discretion within their approved budget during these two fiscal years. The City reserves the right to reinstitute the 80 or other amount of hours at any time during the term of these contracts.
16. The parties agree that Joint Labor Management Committees may be useful in resolving operational needs, the ability to meet the service mandates of the city and other issues which may benefit from joint efforts to resolve economic, service or other issues. Such issues should be presented by the Union or Management to the appropriate Union/Departments for review and discussion to determine if the issue can be resolved or if a JLMC should be established to address and/or resolve the issue in compliance with Charter Section 234.

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17. The parties agree to review the engineering series classifications with regards to registration and certification concerns. Such process shall begin with the Bureau of Engineering with the input of any other employing department by no later than September 9, 2011 and conclude by December 22, 2011. Extensions of time shall be considered by mutual agreement.
18. Attached is the City's proposed language for Contracting Out, Call Back and Acting Pay provisions.
19. The parties have previously reached tentative agreement on the following articles:
 - 2.1 Unit Membership
 - 2.2 New Employee Membership
 - 2.3 Work Access
 - 2.4 Use of City Facilities
 - 2.5 Bulletin Boards
 - 2.6 Actions by Employee Relations Board
 - 2.8 Legislative Check Off
 - 2.9 Agency Shop
 - 4.1 Safety
 - 4.2 Personnel Folders
 - 4.4 Rest Period
 - 4.5 Rain Gear
 - 6.6 Court Appearances
 - 6.7 Civic Duty
 - 6.8 Jury Service
 - 6.9 Military Leave
 - 6.10 Mileage
 - 6.12 On-Call/Standby Compensation
 - 7.4 Family Illness
 - 7.7 Bereavement Leave
 - 8.0 Registration (MOU 17 only)

Tentative Agreement Date: ___/___/___

City of Los Angeles: _____ SEIU 721: _____

LETTER OF INTENT ON PROFESSIONAL AND ENGINEERING ISSUES

JUNE 3, 2011

The parties agree that issues of professional certification and registration are best addressed in a joint labor-management committee focused on the following general areas of focus and interest:

- Complete & comprehensive reviews of necessary and desired professional certifications and registrations, requirements, reimbursements, and fees
- Comprehensive overview of the engineering classification series; recommendations for improving the efficiency and cost-effectiveness of citywide engineering services

The committee shall hold its initial organizing meeting by September 1, 2011 to adopt organizing protocols, to select participants, and to establish timelines and protocols for its work. The parties agree that each bargaining unit shall appoint two members, management shall appoint four members and the CAO, or his or her designee, shall also be a member.

The JLMC recommendations shall be presented to the appropriate Department Head for consideration.

WWW.LACITYWORKERS.COM

CONTRACTING OUT

The intent of contracting out work is to carry out and implement services that have inconsistent high and low periods of need, require certain technical expertise or are not regularly required with the City. In accordance with the City Charter, if work can be performed more economically or feasibly by independent contractors than by City employees, then contracting is an available alternative and employees can be replaced if it is more cost effective to do so as determined by the Charter 1022 process.

The parties agree that during the term of this MOU the following terms and conditions shall apply to the contracting of unit work:

A. If any employee subject to the provisions herein is displaced as a result of contracting as provided for in Charter Section 1022, he/she shall be retained in an appropriate comparable position within the City of Los Angeles, consistent with the Charter and Civil Service Rules.

B. Notwithstanding any provision of this MOU to the contrary, the provisions of this article shall be subject to advisory arbitration only.

C. In lieu of the meet-and-confer process prescribed by the Employee Relations Ordinance (ERO), the parties agree to meet and discuss, in accordance with the provisions outlined below, all contracts to perform unit work except for contracts required by bona fide emergencies.

D. The parties agree that the following expedited procedure shall replace the impasse resolution provisions of the ERO for disputes arising out of the meet and discuss process specified above:

1. The City shall provide timely notice through the existing "clearinghouse" procedures established by the City for proposed contracts to perform work currently being done by classifications in the bargaining unit.

2. The Union may request to meet and discuss such proposed contracts within five (5) working days following notice as indicated in "1" above. Failure by the union to request such meeting(s) within the prescribed five days shall constitute a waiver of the union's right to continue this process.

3. Meeting(s), if requested, shall begin within five (5) working days following notice to the City by the union of its desire to discuss the proposed contract(s).

**CITY RESPONSE TO UNION CONTRACTING BARGAINING UNIT WORK DATED 11/23/10
AND PROPOSED THROUGH THE MEDIATOR ON MAY 23, 2011**

4. If the parties cannot reach agreement through the meet-and-discuss process, the union may request expedited advisory arbitration within five (5) working days following the last meet-and-discuss session. Failure by the union to request arbitration within the specified five days shall constitute a waiver of the union's right to continue in this process. The parties will attempt to establish a mutually agreeable, expedited process for selecting arbitrators. Absent any such agreement, arbitrators will be selected in accordance with Rules 11.03 and 11.04 of the Employee Relations Board.

5. The parties agree that for contracts with a value of less than \$1 million, the hearing and issuance of the advisory decision by the arbitrator shall be concluded within thirty (30) calendar days following request for arbitration; and within (90) calendar days for contracts of \$1 million or more.

6. The time limits in this process may be extended only by the mutual, written agreement of the parties.

7. The expedited arbitration process herein shall be informal. Court reporters shall not be used; rules of evidence shall be informal; the production of witnesses and documentary evidence shall be at the discretion of each party; the arbitrator's notes, exhibits (if any), and the written advisory decision and recommendation shall constitute the record of the proceedings; post hearing briefs shall not be required or submitted.

8. Arbitration fees shall be shared equally by the union and the City.

E. Disputes over the practical consequences of the contracting of unit work, other than those occurring under paragraphs 4 and 5 above, shall be resolved in accordance with the provisions of the Grievance Procedure, Articles of the MOU, and shall not delay the implementation of the contract if all other provisions of this article have been met.

The parties agree to encourage the City Controller to monitor and audit the use of contractors to ensure compliance with the terms of the contracts and the quality and intended efficiencies of the services provided by contractors. The parties further agree that the review of "practical consequence" grievances shall begin with the first formal level of review of the grievance procedure and that said grievances shall be subject to advisory arbitration, except as provided in the Arbitration step of the Grievance Procedure.

Tentative Agreement Date:

City of Los Angeles: _____ SEIU 721: _____

ACTING ASSIGNMENT PAY – Management language proposal to Union 11/13/10 Proposal (June 3, 2011)

Section I

Whenever Management assigns a non-supervisory employee as an acting on-site Supervisor in the temporary absence of a full time Supervisor such employee shall become eligible for additional compensation upon completion of a qualifying period of fifteen (15) consecutive working days in such assignment at his/her regular rate of compensation. Paid or unpaid absences of more than three days during the qualifying period shall extend the qualifying period by the length of the absence.

Section II

Starting with the first working day following completion of a qualifying period, the employee shall receive compensation at the second premium level rate above the appropriate step rate of the salary range prescribed for his/her class, for each day on duty (present 50% or more of the work day) as an acting on-site supervisor. However, the maximum pay rate for such duty shall be limited to the top step of the salary range, or the hourly wage rate which has been established as compensation for the supervisory position to which the employee has been assigned.

Section III

Any Management determination or decision pertaining to the implementation, interpretation, application, administration or cancellation of any or all the provisions of this Article shall be final and conclusive and shall not be subject to the grievance procedure herein. Nothing in this Section, however, is intended to deny the premium payment specified herein to an employee who has been assigned, has qualified and has performed the acting assignment in accordance with the provisions of this Article.

A. Absence at Higher Level Position

Whenever Management assigns an employee to perform the duties of a higher level position (in a class for which the duties and responsibilities of the current class would provide qualifying experience for the higher level class*) due to the temporary absence of the higher level incumbent, such employee shall become eligible for additional compensation upon completion of a qualifying period of fifteen (15) consecutive working days in such assignment at his/her regular rate of compensation. Management shall not divide or alternate the assignment of higher level duties during the qualifying period. Such additional compensation shall begin on the 16th consecutive working day in such assignment. For

employees assigned to a modified work schedule, such as 9/80 or 4/10, compensation shall begin on the next day following the completion of 120 consecutive hours of assignment.

Approved leave time off taken during a qualifying period shall extend the 15-day (or 120 hour) qualifying period by the length of absence. All other absences shall constitute a disqualifying break in the qualifying period requirement, necessitating the initiation and completion of a new qualifying period.

Each subsequent acting assignment following the employee's return to his/her regular assignment shall not require completion of a new qualifying period.

B. Vacant Higher Level Position

Whenever Management assigns an employee on a temporary basis to perform the duties of a vacant higher level position (in a class for which the duties and responsibilities of the current class would provide qualifying experience for the higher level class*), such employee shall become eligible for additional compensation on the first day of said assignment.

C. Status Review

Acting pay is not intended as compensation for a long-term out-of-class assignment. When an employee has filled an acting assignment for a period of three (3) months, Management will review the status of the vacancy to determine when the vacancy can be filled through appropriate measures. Upon request, Management will review the acting assignment with the employee. At that time, the employee may request to be removed from the acting assignment.

At the union's written request, Management will provide a list of employees in acting positions once a year. The list will include: name of employee; date of appointment to acting position; department; assigned class; acting class.

**Management will assign higher level duties to an employee who meets the criteria, to the extent practicable.*

D. Compensation

An employee qualifying for additional compensation as stated above shall receive salary at the second premium level above the appropriate step rate of the salary range prescribed for his/her class, for each day on duty (present for 50% or more of the work day) in an acting assignment. However, the maximum pay rate for such duty shall be limited to the top step of the salary range that has been established as compensation for the higher level position to which the employee has been assigned.

CALL BACK PAY

Whenever Management orders an employee to return to duty following the termination of his/her work shift and departure from his/her work location, the employee shall receive a minimum payment equivalent to four hours of work at the employee's regular rate of pay.

Call back pay shall begin at the time the employee begins travel to return to a work site until completion of the job. This compensated time includes a maximum of one (1) hour of travel time to the job location.

This provision shall not apply to work done remotely. Authorized remote work by employees not receiving on-call or stand-by pay shall be paid on an hour for hour basis with a minimum of one hour at the employee's regular rate of pay for the initial call. Subsequent calls shall be paid hour for hour in six (6) minute increments.

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Proposal: Joint Initiative for Maximizing Engineering Efficiency

Statement of Intent:

LA's engineers, represented by SEIU 721 units 8 & 17, affirm our professional & municipal commitment to providing the City of Los Angeles the highest quality, most cost-effective engineering services.

To that end, the City and the Union will appoint members to an advisory joint initiative committee which will meet on or before August 1, 2011 to begin working to identify & implement savings. The Joint Initiative Committee shall be comprised of nine members, four of whom will be appointees of the Union, four from management, and the last member shall be the City Administrative Officer, or his/her designee.

The Joint Initiative for Maximizing Engineering Efficiency will focus on improving the use, administration, and oversight of engineering contracts, citywide. The committee shall, at a minimum:

- Work with the City Engineer to identify efficiencies and opportunities to better coordinate engineering services citywide
- Take steps to ensure participation from all engineering departments, notably: Public Works (BoE, Sanitation, Street Lighting, Street Services, Con Ad, the PW Board), Harbor, Airport, Transportation, Building & Safety, and with the CAO, CLA, GSD, the City Attorney, and other elected leaders as agreed and appropriate
- Beginning on or about September 30, 2011, report regularly to the City Council's Budget and Finance Committee, or other Committees or Boards as agreed and appropriate, on progress, savings, recommendations, innovative & entrepreneurial opportunities.
- Work closely with the City Controller to overcome challenges to best practices in coordinating engineering work among and between city departments, and to review and move the operational ideas found in relevant Controller audits.
- Identify, explore, and implement overall best practices in transportation and public works engineering & engineering contracting.

The Office of the City Administrative Officer shall staff the work of this Joint Initiative Committee and establish fiscal benchmarks and monitor and validate targets and savings.

On or before September 1, 2012, the Joint Initiative will report on its findings, recommendations, and verified savings. Documented savings will be considered when the parties meet in accordance with the January, 2013 Savings/Wage re-opener for discussion and evaluation prior to the end of FY 2012-13.

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PROPOSED ARTICLE 10 - JOINT LABOR-MANAGEMENT COOPERATION

The parties share a mutual interest in working together to resolve issues and to improve the quality and cost-effectiveness of the critical work performed by bargaining unit employees. To secure the City's financial future and stability, and to provide the highest quality services to the people of Los Angeles, the parties jointly affirm their commitment to Charter Section 234 and the CAO's Guidebook to Joint Labor-Management Committees.

City management and the Union commit to work together on these issues with the establishment of JLMCs as may be appropriate and mutually agreed upon.

The parties also agree that during the term of this Agreement, the City and the Union, may request to meet and discuss issues related to the following work areas:

- 1) ITA
- 2) Scientists in Sanitation
- 3) Issues & classification matters regarding the City's environmental professionals
- 4) LAPD criminalists -- classification, contracting, scheduling & workplace issues