AMENDMENT NO. 2

SUPERVISORY BLUE COLLAR UNIT
MEMORANDUM OF UNDERSTANDING
(October 1, 2005 – September 30, 2010)

and

EXTENSION OF TERM AND SALARIES
(October 1, 2010 – September 30, 2014)

Between

THE CITY OF LOS ANGELES,
THE LOS ANGELES DEPARTMENT OF WATER AND POWER

and

THE INTERNATIONAL BROTHERHOOD OF
ELECTRICAL WORKERS, LOCAL 18

The Parties agree that the current Memorandum of Understanding (MOU) (October 1, 2005 through September 30, 2010) is being extended until September 30, 2014. All terms of the MOU shall remain in effect, except as set forth below:

1. Article 26: Term

This MOU is effective as of the date of execution with the exception of any special provisions setting forth dates for compliance. The term of this MOU shall continue until the 30th day of September 2014, and for additional periods of one year thereafter, with the provision that should either party desire to terminate this MOU, or to modify any portion of the terms hereof, it shall notify the other party not later than ninety (90) days prior to the 30th day of September 2014, or the end of any other subsequent yearly period. If such notice of termination is given, this MOU shall terminate on the 30th day of September 2014, or September 30 of any other subsequent yearly period.

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2. Article 30: Salaries

30.1 - Salaries

The parties agree to jointly recommend that the Board of Water and Power Commissioners forward to the City Council with a recommendation for approval, the salary ranges as established in Appendices A-5 (Amended), A-6, A-7, A-8, and A-9.

The salary ranges as established in Appendix A-5 (Amended) shall become effective October 1, 2009.

The salary ranges as established in Appendix A-6 shall become effective October 1, 2010.

The salary ranges as established in Appendix A-7 shall become effective October 1, 2011.

The salary ranges as established in Appendix A-8 shall become effective October 1, 2012.

The salary ranges as established in Appendix A-9 shall become effective October 1, 2013.

3. Appendices

Appendix A-5 – Salary Ranges Effective October 1, 2009 **(AMENDED)**

In-lieu of the previously negotiated COLA that was to be effective October 1, 2009, a one-time payment equivalent to 3.25 percent of base wage earned from October 1, 2008 to October 31, 2009 will be paid to eligible employees. Eligible employees include those that on September 30, 2009, were on active pay status. Active pay status is defined as an employee who is actively working and has time reported as regular, vacation, floating holiday, accumulated overtime used, 5.7B time, 5.7A time, jury service, or military leave. In addition, eligible employees will also include those on inactive pay status including workers'

compensation, sick, disability, permanent total disability, Family Medical Leave Act leave, or on disciplinary suspension on September 30, 2009; however, they will be paid upon return to active pay status for a full pay period before the end of this MOU term (October 1, 2010 - September 30, 2014).

The one-time payment will be paid to eligible employees no later than 30 days after this Amendment becomes effective as described in Item No. 5 of this Amendment No. 2 (Article 31 - Scope of Implementation), except when an employee is not on active pay status on September 30, 2009. In the event that an employee is not on active pay status on September 30, 2009, the payment will not be made unless and until the employee returns to active pay status for a minimum of one pay period. Any employee who has not returned to active pay status for a minimum of one pay period before September 30, 2014, will not be eligible for the one-time lump sum payment.

Appendix A-6 – Salary Ranges Effective October 1, 2010

Effective October 1, 2010, salary ranges shall be increased by a percentage equal to the percentage increase in the CPI for Urban Wage Earners and Clerical Workers as measured from August 2009 to August 2010 for U.S. City Average (1982-84=100); provided however, that if the CPI increases less than or equal to two (2) percent the salary ranges shall be increased by two (2) percent, and if the CPI increased by four (4) percent or more, the salary ranges shall be increased by four (4) percent. However, if the change in the CPI is negative, then the two (2) percent compensation shall be paid as follows: a one-time payment equivalent to one (1) percent of the September 30, 2010 base wage will be paid to eligible employees and one (1) percent cost-of-living adjustment. Eligible employees include those that on September 30, 2010, were on active pay status. Active pay status is defined as an employee who is actively working and has time reported as regular, vacation, floating holiday, accumulated overtime used, 5.7B time, 5.7A time, jury service, or military leave. In addition, eligible employees will also include those on inactive pay status including workers' compensation, sick, disability, permanent total disability, Family Medical Leave Act leave, or on disciplinary suspension on September 30, 2010; however, they will be paid upon return to active pay status for a full pay period before the end of this MOU term (October 1, 2010 -September 30, 2014).

The one-time payment will be paid to eligible employees no later than 30 days after September 30, 2010, except when an employee is not on active pay status on September 30, 2010. In the event that an employee is not on active pay status on September 30, 2010, the payment will not be made unless and until the employee returns to active pay status for a minimum of one pay period. Any employee who has not returned to active pay status for a minimum of one pay period before September 30, 2014, will not be eligible for the one-time lump sum payment.

Appendix A-7 – Salary Ranges Effective October 1, 2011

Effective October 1, 2011, salary ranges shall be increased by a percentage equal to the percentage increase in the CPI for Urban Wage Earners and Clerical Workers as measured from August 2010 to August 2011 for U.S. City Average (1982-84=100); provided however, that if the CPI increases less than or equal to two (2) percent the salary ranges shall be increased by two (2) percent, and if the CPI increased by four (4) percent or more, the salary ranges shall be increased by four (4) percent.

Appendix A-8 – Salary Ranges Effective October 1, 2012

Effective October 1, 2012, salary ranges shall be increased by a percentage equal to the percentage increase in the CPI for Urban Wage Earners and Clerical Workers as measured from August 2011 to August 2012 for U.S. City Average (1982-84=100); provided however, that if the CPI increases less than or equal to two (2) percent the salary ranges shall be increased by two (2) percent, and if the CPI increased by four (4) percent or more, the salary ranges shall be increased by four (4) percent.

Appendix A-9 – Salary Ranges Effective October 1, 2013

Effective October 1, 2013, salary ranges shall be increased by a percentage equal to the percentage increase in the CPI for Urban Wage Earners and Clerical Workers as measured from August 2012 to August 2013 for U.S. City Average (1982-84=100); provided however, that if the CPI increases less than or equal to two (2) percent the salary ranges shall be increased by two (2) percent, and if the CPI increased by four (4) percent or more, the salary ranges shall be increased by four (4) percent.

5. Article 31: Scope of Implementation

This Amendment constitutes a jointly drafted recommendation of the City of Los Angeles Department of Water and Power (LADWP) and International Brotherhood of Electrical Workers, Local 18 (IBEW, Local 18), and shall not become binding in whole or in part, unless and until all of the following have occurred.

- IBEW, Local 18, has notified the Board of Water and Power Commissioners (Board) that this Amendment was ratified in its entirety by the Union's membership, as evidenced by IBEW, Local 18's authorized representative affixing his or her signature hereto; and
- The Board has by adoption of an appropriate Resolution notified IBEW, Local 18, that this Amendment is approved in its entirety by LADWP, as evidenced by the General Manager affixing his signature hereto; and
- The City Council has taken appropriate action approving and setting the salaries agreed to herein.

The effective date of this MOU is the date on which the last event in time occurs

Correction

The City Controller and the General Manager of the Los Angeles Department of Water and Power are hereby authorized to correct any technical or clerical errors in this Amendment.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this Supervisory Blue Collar Unit Memorandum of Understanding on this 18th day of November, 2009 to be effective as provided herein.

International Brotherhood of
Electrical Workers, Local 18 – AFL-CIO
Authorized Representative

Business Manager

City of Los Angeles
Representative

Interim General Manager
Los Angeles Department of Water and Power

President

Chief Operating Officer
Los Angeles Department of Water and Power

APPROVED AS TO FORM AND LEGALITY
CARMEN A. TRUTANICH, CITY ATTORNEY

NOV 18 2009

BY _____
WENDY K. GENZ
DEPUTY CITY ATTORNEY