Amendment to Memorandum of Understanding for October 1, 2007—September 30, 2012

between

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

and

THE LOS ANGELES DEPARTMENT OF WATER AND POWER MANAGEMENT EMPLOYEES ASSOCIATION

Management Employees Unit

October 1, 2007 through September 30, 2012

This Amendment provides salaries for employees whose classifications are represented by the Los Angeles Department of Water and Power Management Employees Association, and otherwise amends the Memorandum of Understanding (herein "MOU") entered into between the City of Los Angeles, Los Angeles Department of Water and Power (herein "LADWP") and the Los Angeles Department of Water and Power Management Employees Association (herein "MEA") for the LADWP's Management Employees Unit.

The salaries contained herein require approval of the Los Angeles City Council.

Unless noted otherwise, all modifications provided herein shall be effective October 1, 2007. When these modifications are incorporated in the 2004—2007 MOU, the result will be the October 1, 2007 through September 30, 2012 (2007-2012) Management Employees Unit MOU. All terms of the 2004—2007 MOU shall remain in effect, except as set forth herein:

ARTICLE 13—SALARIES

...

Article 13.8-Salaries Applicable During the Term of this MOU

a. The salary ranges in Appendix A-1, effective October 1, 2007, shall be established as follows:

Effective October 1, 2007, the salary ranges established October 1, 2006, shall be increased by a 3.25 percent retroactive Cost-of-Living Adjustment.

b. The salary ranges in Appendix A-2, effective October 1, 2008, shall be established as follows:

Effective October 1, 2008, the salary ranges established October 1, 2007, shall be increased by a 5.90 percent retroactive Cost-of-Living Adjustment.

c. The salary ranges in Appendix A-3, effective October 1, 2009, shall be established as follows:

In-lieu of a Cost-of-Living Adjustment, a one-time lump sum payment equivalent to 3.25 percent of base wage earned from October 1, 2008 to September 30, 2009 will be paid to eligible MEA 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

ĩ

actively working and has time reported as regular, vacation, floating holiday, accumulated overtime used, 5.7A time, jury service, or military leave. In addition, eligible employees may 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.

The one-time lump sum payment will be paid to eligible employees as described in Article 18—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 before September 30, 2012. Any employee who has not returned to active pay status for a minimum of one pay period before September 30, 2012. Any employee who has not returned to active pay status for a minimum of one pay period before September 30, 2012, will not be eligible for the one-time lump sum payment.

d. The salary ranges in Appendix A-4, effective October 1, 2010, shall be established as follows:

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 increases 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 lump sum payment equivalent to one (1) percent of base wage earned from October 1, 2009 to September 30, 2010 will be paid to eligible MEA employees and a one (1) percent Cost-of-Living Adjustment shall be added to base wage.

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, 5.7A time, jury service, or military leave. In addition, eligible employees may 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. 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 before September 30, 2012. Any employee

2

who has not returned to active pay status for a minimum of one pay period before September 30, 2012, will not be eligible for the one-time lump sum payment.

e. The salary ranges in Appendix A-5, effective October 1, 2011, shall be established as follows:

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 increases by four (4) percent or more, the salary ranges shall be increased by four (4) percent.

f. ...

g. ...

ARTICLE 17-TERM

Article 17.1—Term of this Agreement

The term of this MOU shall commence at 12:01 a.m. on October 1, 2007 and all provisions of this MOU as amended shall remain in full force and effect until the adoption of a successor MOU. The Parties, during the time this MOU is in effect, may mutually agree to consider other specific proposals.

Article 17.2—Calendar for Successor MOU

Unless either Party shall serve upon the other during the period June 15 through September 1, 2012, inclusive, written proposals for a successor MOU, or written proposals for amendments to this MOU, with the exception of salary proposals which shall be presented no later than October 1, 2012, the terms and conditions contained in the current MOU as amended shall remain in effect.

3

ARTICLE 18—SCOPE OF IMPLEMENTATION

This Amendment constitutes a jointly drafted recommendation of the City of Los Angeles, Los Angeles Department of Water and Power (LADWP) and Management Employees Association (MEA), and shall not become binding in whole or in part, unless and until all of the following have occurred:

- MEA has notified the Board of Water and Power Commissioners (herein "Board") that this Amendment was ratified in its entirety by the association's membership, as evidenced by MEA authorized representative affixing his or her signature hereto; and
- The Board has by adoption of an appropriate Resolution, notified MEA that it has approved this Amendment for implementation, as evidenced by the General Manager affixing his signature hereto; and
- The Los Angeles City Council (herein "Council") has taken appropriate action approving and setting the salaries agreed to herein.

Upon Council approval the 2004-2007 MEA MOU, together with this current Amendment, shall constitute the 2007-2011 MEA MOU.

This Amendment becomes effective on the first date that all three of the above conditions have been met.

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 or the MOU.

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized representatives to execute this Management Employees Unit MOU on this _____ day , 2009 to be effective as provided herein. of

The Los Angeles Department of Water and Power Management Employees Association Authorized Representative

City of Los Angeles Representative

President

Date:

Interim General Manager

Los Angeles Department of Water and Power

Date:

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

DEC 04 2009 B WENDY/K.'G DEPUTY CITY ATTORNEY

5