

**MEMORANDUM OF UNDERSTANDING
FOR JOINT SUBMISSION TO THE CITY COUNCIL
REGARDING THE USE OF UNION HIRING HALL
FOR TEMPORARY USE OF OPERATING ENGINEERS
(MOU 62)**

BY AND BETWEEN THE

**CITY OF LOS ANGELES
ON BEHALF OF THE HEADS OF DEPARTMENTS, OFFICES OR BUREAUS
REPRESENTED HEREIN BY THE CITY ADMINISTRATIVE OFFICER
(hereinafter “City”)**

AND THE

**INTERNATIONAL UNION OF OPERATING ENGINEERS, LOCAL 501, AFL-CIO
(hereinafter “Union”)**

November 22, 2019

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Letter of Agreement - Parking

On the 22nd day of November 2019, the parties hereto extended and amended this agreement regarding the City's use of Union hiring halls to employ Operating Engineers on a temporary basis. The term "worker" as used herein shall refer only to individuals in the classifications listed in the SALARY section of this agreement as well as such classes of positions subsequently accreted into the bargaining unit.

The parties agree therefore as follows:

ARTICLE 1 HIRING

- A. Each employing City department shall make all requests for hiring temporary Operating Engineers directly to the Union.
- B. Workers hired under this Agreement shall be considered employed at will and employing City departments shall have the right to reject any applicant or dismiss any worker at any time.
- C. The Union shall maintain a register of applicants. Neither the Union hiring referral system, in selecting and referring, nor the City in hiring, shall discriminate against an applicant because of Union activity, race, ethnicity, color, religion, creed, gender (including pregnancy, childbirth, breastfeeding and medical conditions related to these areas), gender identity, gender expression, sexual orientation, marital status, age, actual or perceived disability (mental and physical) including HIV and AIDS, medical condition (cancer and genetic characteristics), genetic information, national origin (including language use restrictions), ancestry, political activities or political affiliation, military and veteran status, or by denying Family and Medical Leave Care or by engaging in retaliation for having filed a discrimination complaint, for participating in a discrimination investigation or for opposing discrimination.
- D. If the registration list is exhausted and the Union is unable to refer applicants for employment within forty-eight (48) hours (excluding weekends and holidays) from the time of receiving a request for workers, then the employing department shall be permitted to secure applicants without using the referral procedure in this agreement.
- E. The Union's hiring referral system shall be administered by the Union and the costs of operating this system shall be borne by the Union.
- F. The City shall have the right to request a Union worker by name unless the Union's referral procedure specifically prohibits this method of selection. Such named person shall be on the Union Register list prior to hiring.

ARTICLE 2 WORK REQUIREMENTS

- A. Workers employed under this Agreement shall follow all working rules and safety requirements of the City on all jobs unless such rules or requirements are

specifically excluded by this Agreement. Such rules and requirements shall not be subject to a grievance procedure.

- B. All temporary workers shall maintain membership status in good standing with the Union or maintain service fee requirements as a condition of employment.
- C. There shall be no minimum or maximum length of time of employment for workers hired under this Agreement and all referrals should be prepared to work during any work shift required by the employing City department.
- D. There shall be no grievance procedure. Complaints regarding wages and/or fringe benefits may be filed with the Union. Such complaints will be resolved by the Union in conjunction with the City Administrative Officer.

Although there is no grievance procedure under this Agreement, the following is permitted:

1. At its discretion, the Union may designate one (1) Union Shop Steward per work location who must be a member of the Union, and shall provide written correspondence to all applicable departments, offices, or bureaus with the designated employees' names, and revised correspondence within thirty (30) calendar days of any changes in said designations. A Steward may reasonably investigate any bargaining unit complaints and represent an employee in any pre-disciplinary hearings.
2. An employee and/or his or her Steward may have a reasonable amount of paid time off for the above-listed activities. However, a Steward will receive paid time off only if he or she is the representative of record; is a member of the same Union as the employee; is employed by the same department, office or bureau as the employee; and, is employed within a reasonable distance from the work location of the employee.
3. If a representative Steward must leave his or her work location to represent a grievant he or she shall first obtain permission from his or her supervisor on a form provided for such purpose. Permission to leave will be granted unless such absence would cause an undue interruption of work. If such permission cannot be granted promptly, the Steward will be informed when time can be made available. Such time will not be more than forty-eight (48) hours after the time of the Steward's request, excluding scheduled days off and/or legal holidays, unless otherwise mutually agreed to. Denial of permission to leave at the time requested will automatically constitute an extension of the time limits provided in the grievance procedure herein equal to the amount of the delay.
4. Time spent on grievances or the pre-disciplinary representation activities described above, outside of regular working hours of the employee or his or

her Steward shall not be counted as time worked for any purpose. Whenever these activities occur during the working hours of the employee and/or the Steward, only that amount of time necessary to bring about a prompt disposition of the matter will be allowed.

- E. Workers hired under this Agreement who are terminated by the City shall receive final total pay on the payday for the City pay period covering the period of time worked by the worker and not immediately upon termination.
- F. Workers covered by this Agreement shall be eligible for State mandated Workers' Compensation benefits (for work-related injury or illness) rather than Workers' Compensation benefits provided to permanent City employees by the City's Personnel Department Workers' Compensation Division.

ARTICLE 3 SALARY

The following shall begin in the first full pay period following the Los Angeles City Council (hereinafter "City Council") adoption of this agreement.

- A. Workers hired under this Agreement who possess an Unlimited Steam Engineers License issued by the City of Los Angeles Department of Building and Safety shall be paid at a rate of one hundred percent (100%) of the hourly base wage rate (excluding all bonuses, overtime, and any type of additional compensation) of the civil service Building Operating Engineer class (Class Code 5923) employed by the Department of General Services.
- B. Workers hired under this Agreement who do not possess an Unlimited Steam Engineers License issued by the City of Los Angeles Department of Building and Safety shall be paid at a rate of ninety percent (90%) of the hourly base wage rate (excluding all bonuses, overtime, and any type of additional compensation) of the civil service Building Operating Engineer class (Class Code 5923) employed by the Department of General Services.

ARTICLE 4 BONUSES

The following shall begin in the first full pay period following City Council adoption of this agreement.

A. SHIFT DIFFERENTIAL

A worker assigned by management to work a swing shift or a night shift shall receive a flat-rate, pensionable bonus of one dollar and seventy-five cents (\$1.75) per hour for every hour worked during that shift.

For purposes of this MOU:

“Swing Shift” is defined as a shift from 3:00 p.m. to 11:00 p.m.

“Night Shift” is defined as a shift from 11:00 p.m. to 7:00 a.m.

B. FOREMAN BONUS

A worker designated to serve as a Foreman shall receive a flat-rate, non-pensionable bonus of one dollar and seventy-five cents (\$1.75) per hour, to be paid when no Supervisor is on schedule (e.g. weekends, swing shifts and night shifts). Best efforts will be made by the City to rotate the Foreman Bonus among the eligible licensed bargaining unit members.

C. LONGEVITY BONUS

1. Effective the last day of pay period 15 of each fiscal year, any employee who has worked 2,088 hours after initial appointment shall receive a non-pensionable cash payment equivalent to 80 hours of his/her hourly base wage (excluding all bonuses, overtime, and any type of additional compensation) issued as part of the worker’s regular pay.* Under no circumstances can hours be “carried over” to the next year’s calculation after the pay period 15 calculations have been made. When pay period 16 begins, all hours worked from the previous year will be eliminated from the subsequent calculation.
2. Thereafter, effective the last day of pay period 15 of each fiscal year, any employee who has worked an additional 2,000 hours shall receive a non-pensionable cash payment equivalent to 80 hours of his/her hourly base wage (excluding all bonuses, overtime, and any type of additional compensation) issued as part of the worker’s regular pay.* Under no circumstances can hours be “carried over” to the next year’s calculation after the pay period 15 calculations have been made. When pay period 16 begins, all hours worked from the previous year will be eliminated from the subsequent calculation.

*This cash payment may be subject to federal and state supplemental tax withholding rates.

ARTICLE 5 OVERTIME PAY

Overtime will be paid at a rate of one and one-half (1.5) of the individual’s hourly rate for hours worked in excess of forty (40) hours worked in a workweek.

ARTICLE 6 HOLIDAY PAY

Workers assigned to work any of the following holidays shall be paid holiday pay at a rate of one and one-half of the individual's hourly rate:

- New Year's Day (January 1)
- Martin Luther King, Jr. Day (the third Monday in January)
- Presidents' Day (the third Monday in February)
- Memorial Day (the last Monday in May)
- Independence Day (July 4)
- Labor Day (the first Monday in September)
- Veterans Day (November 11)
- Thanksgiving Day (the fourth Thursday in November)
- The Friday after Thanksgiving Day
- Christmas Day (December 25)

Workers who do not work on the holiday are not eligible for holiday pay.

ARTICLE 7 BEREAVEMENT LEAVE

- A. Management's present practices with regard to allowances for leave because of a death of an immediate family member of employees who have been employed by the City for a consecutive twelve (12) months or more will be continued during the term of this MOU. Such practices of allowances for leave because of a death of an immediate family member shall be in accordance with LAAC Section 4.127.1(a) – (d) which provides for a maximum of three (3) working days for each occurrence of a death in the employee's immediate family. If there is a break in service, the employee must requalify for this benefit.

- B. For the purpose of this Article, the definition of an immediate family member, notwithstanding LAAC Section 4.127.1, shall include the father, father-in-law, mother, mother-in-law, brother, sister, spouse, children, grandparents, grandchildren, step-parents, step-children, great-grandparents, great-grandchildren, foster parents, foster children, a domestic partner, any relative who resided in the employee's household, a household member (any person residing in the immediate household of the employee at the time of death), and the following relatives of an employee's domestic partner: children, grandchild, mother, father. For purposes of this Article, simultaneous, multiple family deaths will be considered as one (1) occurrence. Any employee claiming a domestic partner for purposes of this Article shall have an approved City Affidavit of Domestic Partnership form, or a registered State of California Declaration of Domestic Partnership form on file in the Employee Benefits Office, Personnel Department, which identifies that individual as the employee's domestic partner.

- C. In addition to the bereavement leave granted under this Article, upon the approval of the appointing authority, any employee who has accrued unused sick leave at

full pay, shall be allowed sick leave with full pay, not to exceed two (2) working days per occurrence for the purpose of bereavement leave if it is necessary for the employee to travel a minimum of one thousand five hundred (1,500) miles one way as determined by the Automobile Association of America (AAA). Employees requesting the use of sick leave under this provision shall furnish satisfactory proof to the appointing authority of the distance traveled. Use of sick leave hours for bereavement leave shall not be counted as sick leave in any department Sick Leave Use Monitoring Program.

- D. Members of this Unit shall be entitled to use the bereavement leave granted under this Article (or the sick leave used for purposes of bereavement leave as described in this Article), up until three hundred and seventy (370) calendar days from the date of the death of the qualifying immediate family member. Bereavement leave days not used prior to three hundred and seventy (370) calendar days from the date of said death shall be deemed waived and lost.

ARTICLE 8 PAID SICK LEAVE

Unit members in this Unit are entitled to paid sick leave in accordance with the following provisions:

- A. **Accrual Eligibility** – Unit members qualify to accrue paid sick leave on the first day of City employment.
- B. **Accrual Rate** – On the first day of employment, unit members shall begin accruing paid sick leave at a rate of one (1) hour of sick leave for every twenty-nine (29) hours worked. Hours worked shall not include any overtime.
- C. **Usage** – Unit members may use accrued paid sick leave beginning on the ninetieth (90th) day of employment, in no less than one-half (1/2) hour increments and are entitled to use up to seventy-two (72) hours of accrued sick leave each calendar year.
- D. **Maximum Accrual** – Unit members may accrue up to a maximum of one hundred and forty-four (144) hours of sick leave each calendar year.
- E. **Carry Over and Pay Out** – Any unused balance of sick leave at the end of any calendar year shall be carried over and accumulated from one (1) calendar year to the next to a maximum of one hundred and forty-four (144) hours, provided, however, that any unused balance of sick leave remaining at the end of any calendar year over seventy-two (72) hours shall be compensated for by cash payment of fifty percent (50%) of the salary rate current at the date of payment. Payment shall be made as soon as practicable after the end of each calendar year.
- F. **Notice** – Upon the oral or written request of a unit member in this Unit, the City shall provide paid sick leave for the unit member, for a family member, or for any

individual related by blood or affinity whose close association with the unit member is the equivalent of a family relationship. A family member is defined as in subsection “G” below.

- G. Family Member Defined – For purposes of this provision, family member means any of the following:
1. A child, which for purposes of this Article means a biological, adopted, or foster child, stepchild, legal ward, or a child to whom the employee stands in loco parentis. This definition of a child is applicable regardless of age or dependency status.
 2. A biological, adoptive, or foster parent, stepparent, or legal guardian of an employee or the employee’s spouse or registered domestic partner, or a person who stood in loco parentis when the employee was a minor child.
 3. A spouse.
 4. A registered domestic partner.
 5. A grandparent.
 6. A grandchild.
 7. A sibling.
- H. Separation from City Employment – The City is not required to provide compensation to a unit member for accrued or unused sick days upon termination, resignation, retirement, or other separation from employment.
- I. Reinstatement of Benefit – If a unit member separates from the City and is rehired by the City within one (1) year from the date of separation, previously accrued and unused paid sick leave shall be reinstated.

ARTICLE 9 FRINGE BENEFITS

Workers employed under this Agreement shall not receive the same fringe benefits as those provided to City Civil Service employees.

The following shall begin in the first full pay period following City Council adoption of this Agreement:

A. HEALTHCARE

1. The City agrees to pay, on a monthly basis, to the Union Benefit Administrator ninety percent (90%) of the monthly healthcare premium

amount set by the Union's trust fund on behalf of each worker employed under this Agreement.

2. Each worker employed under this Agreement shall pay ten percent (10%) of the monthly healthcare premium set by the Union's trust fund. This monthly contribution amount shall be deducted in one-half (1/2) portions on a bi-weekly basis over twenty-four (24) pay periods per calendar year.
3. The City agrees to submit, and the Union Benefit Administrator agrees to accept one hundred percent (100%) of the monthly healthcare premium amount consisting of the City's ninety percent (90%) subsidy and workers' ten percent (10%) contribution on a monthly basis.
4. The Union Benefit Administrator shall communicate changes in healthcare subsidy amounts for a plan year to the City, no less than thirty (30) days, and no more than forty-five (45) days prior to the City's implementation of such change.
5. The City agrees to adjust the amount of the healthcare subsidy once per calendar year, not to exceed a total increase of eight percent (8%).
6. Should the cost of the healthcare premium exceed an eight percent (8%) increase, the Union may contact the City, in writing, and the parties shall meet to discuss.
7. The Union Benefit Administrator shall ensure that annual healthcare subsidy amount updates are sent to the following address:

City of Los Angeles
Office of the City Administrative Officer
Attn: Employee Relations Division
200 N. Main Street, Room 1200
Los Angeles, CA 90012
8. The City agrees to submit healthcare contributions under this provision to the Union's Benefit Administrator at the following address:

Operating Engineers Local 501 Security Fund
PO Box 515057
Los Angeles, CA 90051-5057
9. The Union agrees to provide written notice to the City of any change in its designated Benefit Administrator under this provision.

B. PENSION

1. The City agrees to pay to the Union's Benefit Administrator twenty percent (20%) of the hourly wages (including pensionable bonuses) paid in a given month on behalf of each worker employed under this Agreement to fund said worker pensions.
2. The City agrees to submit pension contributions, under this provision, to the Union's Benefit Administrator at the following address:

Central Pension Fund
4115 Chesapeake Street NW
Washington, D.C. 20016-4665
3. The Union agrees to provide written notice to the City of any change in its designated Benefit Administrator under this provision.
4. The City agrees to execute all forms and documents, as required by the Central Pension Fund.
5. If any dispute arises over the application of the provisions of this section, both parties shall meet and confer.

C. APPRENTICESHIP AND TRAINING

1. The City agrees to pay to the Union's Benefit Administrator, sixty cents (\$0.60) per hour worked in a given month, on behalf of each worker employed under this Agreement to the Operating and Maintenance Engineers Apprenticeship and Training Trust Fund for Southern California.
2. The amount the City contributes toward the Apprenticeship and Training Trust Fund shall increase annually at a rate of five cents (\$0.05) per hour worked, beginning on January 1 of the calendar year at least twelve (12) months following City Council adoption of this Agreement.
3. The City agrees to submit apprenticeship and training contributions under this provision to the Union's Benefit Administrator at the following address:

Operating and Maintenance Engineers Apprenticeship and Training Trust Fund for Southern California
400 West Washington Boulevard, B1 212
Los Angeles, CA 90015
4. The Union shall provide written notice to the City of any change in its designated Benefit Administrator under this provision.

5. Reopener for the purpose of this provision, Article 9C. only: if the City's contribution rate reaches one dollar and fifty cents (\$1.50) per hour, the rate will freeze at this amount and either party may request a reopener to negotiate. Such request shall be in writing.
- D. All fringe benefits to workers covered by this Agreement shall be distributed directly by the trust fund to the worker. Questions concerning applicable fringe benefits shall be resolved mutually by the Union and the City Administrative Officer or his/her designee.

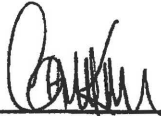
This MOU shall be effective upon Council adoption and shall continue until cancelled or renegotiated.

Either party to this Agreement may give notice of its desire to cancel or to renegotiate this Agreement. Such notice shall be in writing and submitted to the other party at least ninety (90) days before any cancellation of this Agreement occurs or before the commencement of any renegotiation sessions under this paragraph.

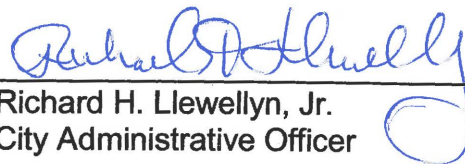
IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representative to execute this Memorandum of Understanding upon Council adoption.

**INTERNATIONAL UNION OF
OPERATING ENGINEERS,
LOCAL 501
Including its Subordinate Branches, AFL-CIO**

CITY OF LOS ANGELES



Gavin Koon
Business Representative

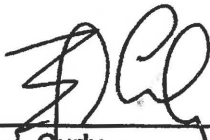


Richard H. Llewellyn, Jr.
City Administrative Officer

11/22/19

Date

Thomas O'Mahar
President




Edward J. Curly
Business Manager and
General Vice President

Approved as to Form and Legality:



Office of the City Attorney



Michael Herrera
Shop Steward

11/22/19

Date

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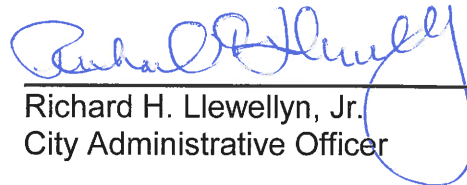
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CITY OF LOS ANGELES



Gavin Koon
Business Representative

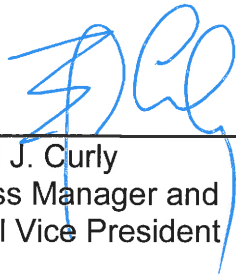


Richard H. Llewellyn, Jr.
City Administrative Officer

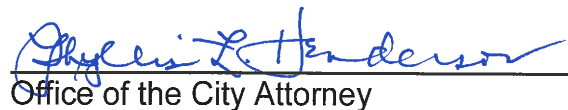


Thomas O'Mahar
President

Approved as to form:



Edward J. Curly
Business Manager and
General Vice President



Office of the City Attorney

12/10/19

Date



Michael Herrera
Shop Steward

QUICK REFERENCE

TEMPORARY OPERATING ENGINEERS PERTINENT DISPATCHING INFORMATION WHEN REFERRED TO THE CITY OF LOS ANGELES

1. It is understood that all rules and requirements of individual City of Los Angeles Departments shall prevail on all work, except where modified by Hiring Hall Agreement between Local 501 and the City of Los Angeles.
2. Pay checks will conform to City of Los Angeles Bi-Weekly Pay Periods.
3. Medical Questionnaire must be filled out.
4. Workers must be available for any shift or work location.
5. A valid California Driver License is required.
6. A valid universal Environmental Protection Agency (EPA) certificate is required, pursuant to Section 608 of the Clean Air Act.
7. Workers shall conform to City Parking Requirements for each City Department.
8. All temporary workers shall maintain membership status in good standing with the Union or maintain Service Fee as a condition of employment.
9. Temporary workers shall not receive fringe benefits afforded to Permanent Civil Service Employees.
10. Both the City and worker will each contribute the federally mandated amounts to Medicare and Social Security.
11. All overtime is paid at a rate of one and one-half (1.5) of the hourly rate and only paid after forty hours worked in a workweek.
12. Holidays and other benefits are governed by the Hiring Hall Agreement between Local 501 and the City of Los Angeles.

The current Memorandum of Understanding (MOU) No. 62 for the Hiring Hall Temporary Use of Building Operating Engineers and the Pay Rate schedule are available on the City of Los Angeles website.

LETTER OF AGREEMENT

**FOR THE USE OF UNION HIRING HALL
FOR TEMPORARY USE OF OPERATING ENGINEERS
MOU 62**

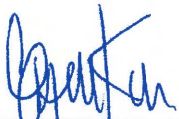
PARKING

The undersigned parties agree to the following.

Eligible Unit members, regardless of the duration of their employment, who are assigned by the employing department to work the swing or night shifts (any shift that begins between 2:00 pm and 11:00 pm), may receive parking benefits for those shifts in the City Hall East parking garage, subject to space availability, as determined by the Personnel Department's Employee Benefits Division in accordance with its ongoing administration of parking benefits. Payment for these parking benefits shall be in accordance with Article 5 of the Special MOU Regarding City Employee Parking and Commute Options. Unit members covered by this MOU shall not be eligible for any other benefits covered under the Special MOU Regarding City Employee Parking and Commute Options.

This Letter of Agreement shall be in effect until, and unless the Special Parking MOU is amended to include provisions that otherwise provide parking for MOU 62 Unit members, at which time this LOA is no longer operative.

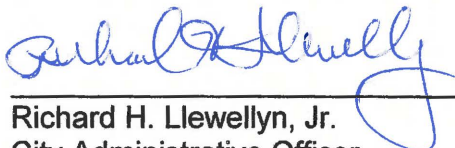
FOR THE UNION:



Gavin Koon
Business Representative

11/22/2019
Date

FOR THE CITY:



Richard H. Llewellyn, Jr.
City Administrative Officer

11/22/19
Date