

**MEMORANDUM OF UNDERSTANDING (MOU No. 26)
FOR JOINT SUBMISSION TO
THE CITY COUNCIL
REGARDING THE
PORT PILOTS REPRESENTATION UNIT**

**This MEMORANDUM OF UNDERSTANDING (MOU) made and entered into this
27th day of August, 2014.**

BY AND BETWEEN

**THE HARBOR DEPARTMENT and THE CITY ADMINISTRATIVE OFFICER (hereinafter
jointly referred to as "Management")**

AND

THE LOS ANGELES PORT PILOTS ASSOCIATION, ILWU, LOCAL 68

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ARTICLE 1 RECOGNITION

The Los Angeles Port Pilots Association, ILWU, Local 68 (hereinafter referred to as the Union) was certified on February 1, 1995, by the Employee Relations Board (ERB) as the majority representative of employees in the Port Pilots Representation Unit (Unit). Accordingly, Management recognizes ILWU, Local 68, as the exclusive representative of the employees in the Unit, subject to the right of each employee to represent himself/herself.

The term “employee” or “employees” shall refer only to employees in the classifications listed in Appendices A through E as well as such classes as may be added to the Unit by the ERB.

ARTICLE 2 IMPLEMENTATION OF MOU

This MOU constitutes a joint recommendation of Management and the Union. It shall not be binding in whole or in part on the parties listed below unless and until:

- A. The Union has notified the City Administrative Officer (CAO) in writing that it has approved this MOU in its entirety; and
- B. The Executive Director of the Harbor Department has approved this MOU in its entirety; and
- C. The City Council has approved this MOU in its entirety.

ARTICLE 3 OBLIGATION TO SUPPORT

The parties agree that prior to the implementation of this MOU and during the period of time it is being considered by the Mayor, City Council, Council Committees and the Executive Director of the Harbor Department for action, neither the Union nor Management, or their authorized representatives, will meet with said persons to advocate any addition or deletion to the terms and conditions of this MOU. However, this Article shall not preclude the parties from appearing before the Mayor, City Council, Council Committees or the Executive Director of the Harbor Department thereof, nor from meeting with said parties individually to advocate or urge the approval of this MOU.

ARTICLE 4 PROVISIONS OF LAW AND SEPARABILITY

The parties agree that this MOU is subject to all applicable Federal and State laws, City ordinances and regulations, the Charter of the City of Los Angeles, and any lawful rules and regulations enacted by the Civil Service Commission, ERB, or the Board of Harbor Commissioners. If any part or provision of this MOU is in conflict or inconsistent with such provisions of Federal, State, or local law or regulations, or is otherwise held to be invalid or unenforceable by any court of competent jurisdiction, said part or provision shall be suspended and superseded by the applicable law or regulation and the remainder of this MOU shall not be affected thereby. The parties agree to negotiate promptly a replacement for any such part or provision.

ARTICLE 5 FULL UNDERSTANDING

Management and the Union acknowledge that during the meet and confer process, each had the unlimited right and opportunity to make demands and proposals on any subject within the scope of representation and that this MOU constitutes the full and entire understanding of the parties regarding all such demands and proposals. The parties agree that all prior or existing understandings or agreements within the scope of representation, whether formal or informal, are hereby superseded or terminated in their entirety.

The parties further agree that this MOU will not be opened during the term of this MOU, except by mutual consent of the parties hereto.

Any changes mutually agreed to shall not be binding upon the parties unless and until they have been implemented in accordance with Article 2.

The waiver or breach of any term or condition of this MOU by any party hereto, shall not constitute a precedent in the future enforcement of any of its terms and provisions.

ARTICLE 6 TERM

The term of this MOU shall commence on the date when the terms and conditions for its effectiveness, as set forth in Article 2 - Implementation of MOU, are fully met, but in no event shall said MOU become operative prior to 12:00 a.m. on July 1, 2014. This MOU shall expire and otherwise be fully terminated at 11:59 p.m. on June 24, 2017.

ARTICLE 7 CALENDAR FOR SUCCESSOR MOU

In the event that either the Union or Management desire a successor MOU, said party shall serve written notice upon the other prior to February 1 of the year that the MOU expires. Meet and confer sessions shall begin no later than thirty (30) calendar days following the receipt of said notice.

ARTICLE 8 CITY-UNION RELATIONSHIP

A. Continuity of Service to the Public

The City of Los Angeles is engaged in public services requiring continuous operations that are necessary to maintain the health and safety of all citizens. The obligation to maintain these public services is imposed both upon the City and the Union during the term of this MOU and the certification of the Union as the exclusive representative of the employees in this representation unit.

B. Mutual Pledge of Accord

Inherent in the relationship between the City and its employees is the obligation of the City to deal justly and fairly with its employees and of the employees to cooperate with their fellow employees and the City in the performance of their public service obligation.

It is the purpose of this memorandum to promote and ensure harmonious relations, cooperation and understanding between the City and the employees represented by the Union and to establish and maintain proper standards of wages, hours and other terms or conditions of employment.

C. No Strike – No Lockout

In consideration of the mutual desire of the parties to promote and ensure harmonious relations and in consideration of the Mutual Pledge of Accord, the City agrees that there shall be no lockout or the equivalent of members of the Union, and the Union and its members agree that there shall be no strike or other concerted action resulting in the withholding of service by the members during the term of this MOU. Should such a strike or action by the Union members occur, the Union shall immediately instruct its members to return to work. If they do not report to work immediately upon instructions of the Union, they shall be deemed to have forfeited their jobs without recourse of any kind against the City or the Union. The curtailing of operations by the City in whole or part for operational or economic reasons shall not be construed as a lockout.

The provisions of this Paragraph C shall not detract in any way from any restrictions imposed by law on strikes and other types of work stoppages by public employees.

ARTICLE 9 NON-DISCRIMINATION

The parties mutually reaffirm their respective policies of non-discrimination in the treatment of any employee because of race, religion, color, gender, age, disability, marital status, sexual orientation, Union activity, national origin or ancestry.

In addition, the parties agree that no employee shall be interfered with, intimidated, restrained, coerced or discriminated against because of the exercise of his/her rights granted pursuant to Section 4.857 of the Employee Relations Ordinance.

ARTICLE 10 BULLETIN BOARD

Management will continue to provide a bulletin board or space at a location reasonably accessible to employees which may be used by the Union for the following purposes:

- A. Notices of Union meetings.
- B. Notices of Union elections and their results.
- C. Notices of Union recreational and social events.
- D. Notices of official Union business.
- E. Any other communication which has received the prior approval of the Human Resources Division.

All notices and other communications shall be identified with an official stamp of the Union and bear a removal date.

ARTICLE 11 AGENCY SHOP FEES

The following agency shop provisions shall apply to employees in classifications listed in Appendices A through E herein and shall be effective at the beginning of the first day of the first full pay period following implementation of this MOU.

A. DUES/FEES

1. Each permanent employee* in this Unit (who is not on a leave of absence) shall, as a condition of continued employment, become a member of the certified representative of this Unit, or pay the Union a service fee in an amount not to exceed the standard initiation fee, periodic dues and general assessments of the Union as long as the Union is the certified representative of this Unit. Such amounts shall be determined by the Union and implemented by Management in the first payroll period which starts thirty (30) days after written notice of the new amount is received by the Controller. (*A permanent employee is defined as one who has completed six continuous months of City service from his/her original date of appointment and who is a member of the Los Angeles City Employees' Retirement System).

2. Notwithstanding any provisions of Article 2, Section 4.203 of the LAAC to the contrary, during the term of this MOU, payroll deductions requested by employees in this Unit for the purpose of becoming a member and/or to obtain benefits offered by any qualified organization other than ILWU will not be accepted by the Controller. For the purpose of this provision, qualified organization means any organization of employees whose responsibility or goal is to represent employees in the City's meet and confer process.

3. The CAO, the Harbor Department and the Union shall jointly notify all members of the representation unit that they are required to pay dues or a service fee as a condition of continued employment and that such amounts will be automatically deducted from their paychecks. The religious exclusion will also be explained. The cost of this communication and the responsibility for its distribution shall be borne by Management.

B. EXCEPTIONS

1. Management, Supervisory or Confidential Employees
In accordance with Section 3502.5(c) of the Government Code, the provisions of this Article shall not apply to management, confidential, or supervisory employees.
 - a. Management and confidential employees shall be as defined in Section 4.801 and designated in accordance with Section 4.830(d) of the Los Angeles Administrative Code.

- b. Supervisory employees shall be defined as follows: "Supervisory employee" means any individual, regardless of the job description or title, having authority, in the interest of the employer, to hire, transfer, suspend, lay-off, recall, promote, discharge, assign, reward, or discipline other employees, or responsibility to direct them, or to adjust their grievances, or effectively to recommend such action, if, in connection with the foregoing, the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgement. Employees whose duties are substantially similar to those of their subordinates shall not be considered to be supervisory employees.
- c. Management shall designate supervisory employees. Said designation or claim shall be reviewed jointly by Management and the Union. Any dispute shall be referred to the Employee Relations Board for resolution.

2. Religious Objections

Any employee who is a member of a bona fide religion, body, or sect which has historically held conscientious objections to joining or financially supporting public employee organizations shall not be required to join or financially support the organization. Such employee shall, in lieu of periodic dues or agency shop fees, pay sums equal to said amounts to a non-religious, non-labor charitable fund exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, which has been selected by the employee from a list of such funds designated by the parties hereto in a separate agreement. Such payments shall be made by payroll deduction as a condition of continued exemption from the requirements of financial support to the Union and as a condition of continued employment.

C. MANAGEMENT RESPONSIBILITIES

- 1. The Controller shall cause the amount of the dues or service fee to be deducted from twenty-four (24) biweekly payroll checks of each employee in this Unit as specified by the Union under the terms contained herein. "Dues," as distinct from "service fee," shall be the result of voluntary consent in the form of a payroll deduction card signed by the individual employee.
 - a. Remittance of the aggregate amount of all dues, fees and other proper deductions made from the salaries of employees hereunder shall be made to the Union by the Controller within thirty (30) working days after the conclusion of the month in which said dues, fees and/or deductions were deducted.
 - b. A fee of nine cents (\$.09) per deduction shall be assessed by the City Controller for the processing of each payroll deduction taken. The City Controller will deduct the aggregate amount of said fees on a biweekly basis.

2. The Controller shall also apply this provision to every permanent employee who, following the operative date of this Article, becomes a member of this representation unit, within sixty (60) calendar days of such reassignment or transfer. Such deduction shall be a condition of continued employment.
3. Management will provide the Union with the name, home address and employee number of each permanent employee.
4. The Controller shall notify the organization within sixty (60) calendar days of any employee who, because of a change in employment status, is no longer a member of the representation unit or subject to the provisions of this Article.

D. UNION RESPONSIBILITIES

1. The organization shall keep an adequate itemized record of its financial transactions and shall make available annually to the City Clerk, and to all Unit employees, within sixty (60) calendar days after the end of the fiscal year, a detailed written financial report thereof in the form of a balance sheet and an operating statement, certified as to its accuracy by its president and the treasurer or corresponding principal officer, or by a certified public accountant.
2. The Union certifies to the City that it has adopted, implemented and will maintain constitutionally acceptable procedures to enable nonmember agency shop service fee payers to meaningfully challenge the propriety of the uses to which service funds are put; and that those procedures are in accordance with the decision of the United States Supreme Court in *Chicago Teachers Union, Local No. 1, AFT, AFL-CIO, et al. v Hudson*, 106 S.Ct. 1066 (1986).
3. The Union agrees to indemnify and hold harmless the City for any loss or damage arising from the operation of this Article. It is also agreed that neither any employee nor the Union shall have any claim against the City for any deductions made or not made, as the case may be, unless a claim of error is made in writing to the Controller within thirty (30) calendar days after the date such deductions were or should have been made.

E. RESCISSION

The agency shop provisions herein may be rescinded in accordance with the procedures contained in Rule 12 of the Employee Relations Board adopted January 11, 1982.

In the event that this Article is overturned by the employees in this representation unit, all other Articles of the MOU shall remain in full force and the prior agreement, rules, regulations and past practices relating to organizational dues deductions authorizations shall be reinstated until a successor MOU or amendment shall have been approved.

ARTICLE 12 WORK ACCESS

A Staff Representative of the Union shall have access to Harbor Department facilities during working hours for the purpose of assisting employees in the presenting of grievances when such assistance is requested by the grievant(s), or investigating grievances arising out of the interpretation and/or application of the provisions of this MOU. Said representative shall request authorization for such visit by contacting the Human Resources Division. In the event immediate access cannot be authorized, the representative shall be informed at the earliest time when access will be granted.

The Union shall provide the Human Resources Division with a list of its Representatives. The list shall be kept current by the Union.

This Article shall not be construed as a limitation on the authority of Management to restrict access to areas designated "security" or "confidential."

ARTICLE 13 USE OF CITY FACILITIES

The Union may use City facilities on prior management approval for the purpose of holding meetings if: 1) such facilities can be made available at the time requested; and, 2) that the use thereof will not interfere with departmental operations. Participating employees will attend such meetings on their own time.

It is mutually understood that the use of a facility may require a fee for rental and/or special services, in which case the Union will be responsible for paying said fee.

ARTICLE 14 SAFETY

Safety clothing and devices currently provided by Management shall continue to be provided, as long as the need exists, and shall be replaced by Management when no longer serviceable or as per manufacturer's recommendations. The Union will encourage all members of the Unit to utilize said safety clothing and devices to the fullest extent possible.

Management will make every reasonable effort to provide clean, safe and secure working conditions. Clean, safe and secure working conditions shall include, but not be limited to, the conditions of the Pilot Station, its surroundings and the pilot boats, and the procurement of safety and communication equipment. Management shall ensure that all charts and publications affecting navigation in the Los Angeles/Long Beach Harbors and approaches are provided, up-to-date and corrected to the latest available Notice to Mariners. Management will also notify Unit members of any changes in any federal, state or local regulations or conditions affecting pilotage operations.

The Union will encourage all employees to perform their work in a safe manner. Each employee shall be alert to unsafe practices, equipment and conditions, and shall report any hazardous condition promptly to his/her immediate supervisor. The supervisor shall take action to correct any hazardous condition as soon as possible and/or notify unit members that such conditions exist.

If a satisfactory solution of the problem is not obtained within a reasonable time, the employee or his/her representative may call the Harbor Department Safety Engineer and report such hazard.

Management will not assign or require Port Pilots (Unit members) to perform ship moves for which they are not qualified according to their U.S.C.G. license limits or the Port Pilot training program. Port Pilots have the right to refuse such moves or assignment without fear of discipline.

If a Port Pilot (Unit member) has concern regarding his/her ability to safely perform a specific assignment, including but not limited to his/her ability to perform the assignment with the equipment assigned, he/she has a right and obligation to communicate that concern directly to his/her supervisor. If, after discussion with the supervisor, the assignment still stands, and the Port Pilot (Unit member) reasonably believes the assignment cannot be performed without endangering his/her safety or health or the safety or health of others, the Pilot (Unit member) has a right to refuse the assignment.

ARTICLE 15 NOTICE OF CHANGES IN WORK RULES

Whenever new departmental working rules are established or changes made in existing department work rules affecting conditions of employment, Management shall give the Union an opportunity to consult with Management prior to placing the new rules or changes in such existing rules into effect. Provided, however, that all mandatory subjects of bargaining are subject to the meet and confer process. Thus, whenever new department working rules are established or changes made in existing department working rules that constitute mandatory subjects of bargaining, the City shall give the Union an opportunity to meet and confer with the City prior to placing the new rules or changes in such rules into effect. "Department Rules" shall include, but not be limited to, the Pilot Working Rules. Any dispute over what constitutes a mandatory subject of bargaining shall be referred to the City's Employee Relations Board for resolution.

Nothing contained in this Article shall be construed as a limitation of the right of Management to implement new department working rules or make changes in such existing rules in cases of emergency. Provided, however, when such new work rules or changes in existing work rules must be adopted immediately, the new rule or change in an existing rule shall only remain in effect until the emergency ends. Notice and the opportunity to consult, or meet and confer in the case of a mandatory subject of bargaining, shall be given at the earliest practical time following the adoption of such new rules or changes in existing department work rules, as the case may be.

The Union agrees to notify Management promptly of its intent to exercise its right to consultation granted under this Article.

ARTICLE 16 PERSONNEL FOLDERS

An employee shall be entitled to review the contents of his/her departmental personnel folder(s) at reasonable intervals during hours when the Human Resources Division is open for business. Such review shall not interfere with the normal business of the department.

No disciplinary document shall be placed in an employee's personnel folder(s) unless the employee has been provided with a copy thereof.

ARTICLE 17 JURY SERVICE

Any employee who is duly summoned to attend any court for the purpose of performing jury service or nominated and selected to serve on the Grand Jury shall, for those days during which jury service is actually performed and those days necessary to qualify for jury service, receive his/her regular salary; provided, however, that any jury attendance fees received by any employee who receives his/her regular salary pursuant to this provision, except those fees received for jury service performed on an authorized day off, shall be paid to Management. The absence of any employee for the purpose of performing jury service shall be deemed to be an authorized absence with pay.

ARTICLE 18 WITNESS DUTY

Whenever an employee is served with a subpoena by a court of competent jurisdiction which compels his/her presence as a witness during his/her normal working period, unless he/she is a party to the litigation or an expert witness, such employee shall be granted time off with pay in the amount of the difference between the employee's regular earnings and any amount he/she receives for such appearance. This Article is not applicable to appearances for which the employee receives compensation in excess of his/her regular earnings.

A court of competent jurisdiction is defined as a court within the County in which the employee resides or, if outside the county of residence, the place of appearance must be within 150 miles of the employee's residence.

ARTICLE 19 COURT TIME

Whenever a member of this Unit is required to appear in court during hours outside of his/her assigned work schedule because of duties arising out of City employment, said employee shall receive overtime compensation for the number of hours actually spent in court. Any employee who is on call and is not required to report to court shall receive two (2) hours of overtime compensation regardless of the number of hours actually spent on call. The on call compensation shall not apply when the employee is a party to the litigation.

ARTICLE 20 GRIEVANCE PROCEDURE

Section I – Definition

A grievance is defined as any dispute concerning the interpretation or application of this MOU or departmental rules and regulations governing personnel practices or working conditions applicable to employees covered by this MOU. An impasse in meeting and conferring upon the terms of a proposed MOU is not a grievance.

Section II – Responsibilities and Rights

- A. Nothing in this grievance procedure shall be construed to apply to matters for which an administrative remedy is provided by the City Charter. Where a matter within the scope of this grievance procedure is alleged to be both a grievance and an unfair labor practice under the jurisdiction of the ERB, the employee may elect to pursue the matter under either the grievance procedure herein provided, or by action before the ERB. The employee's election of either procedure shall constitute a binding election of the remedy chosen and a waiver of the alternative remedy.

- B. No grievant shall lose his/her right to process his/her grievance because of Management-imposed limitations in scheduling meetings.

- C. The grievant may be represented by a representative of his/her choice in the informal discussion with his/her immediate supervisor, and in all formal review levels; provided, however, that when more than one employee is aggrieved, and the facts and issues of the alleged grievance are the same, and the affected employees agree to waive their right to discuss the grievance with their immediate supervisor, a single immediate supervisor will be designated to discuss the grievance at the informal level with one affected employee and the employee's representative. Such grievance will be processed as a single grievance through all formal levels.

- D. The time limits between steps of the grievance procedure provided herein may be extended by mutual agreement.

- E. Management shall notify the Union of any grievance filed that involves the interpretation and/or application of the provisions of this MOU, and a full time Union Staff Representative shall have the right to be present and participate in the discussion at any grievance meeting concerning such a grievance. If the Union Staff Representative elects to attend said grievance meeting, he/she shall inform the Human Resources Division of his/her intention. The Union will be notified of the resolution of all other formal grievances.

Section III - Procedure

The grievance procedure for employees covered by this MOU shall be as follows:

Step 1 – Informal Discussion

The grievant shall discuss his/her grievance with his/her immediate supervisor on an informal basis in an effort to resolve the grievance. The immediate supervisor will, upon request of a grievant, discuss the grievance with him/her at a mutually satisfactory time. Said grievance shall be considered waived if not so presented to the immediate supervisor within ten (10) calendar days following the day during which the event upon which the grievance is based occurred or the day that grievant had knowledge of the event, whichever is later.

The immediate supervisor shall respond within five (5) calendar days following his/her meeting with the grievant. Failure of the immediate supervisor to respond within such time limit shall entitle the grievant to process his/her grievance at the next step.

Step 2 – First Level of Review

If the grievance is not settled at Step 1, the grievant may serve written notice of the grievance on a form provided by the Harbor Department, upon the person designated to review the grievance at Step 2 within seven (7) calendar days of receipt of the grievance response at Step 1. Failure of the grievant to serve such written notice shall constitute a waiver of the grievance.

If such written notice is served, said person shall meet with the grievant, and a written decision or statement of the facts and issues shall be rendered to the grievant and his/her representative, if any, within fifteen (15) calendar days from the date of service. Failure of Management to respond within such time limit shall entitle the grievant to process his/her grievance at the next level of review.

Step 3 – Second Level of Review

If the grievance is not settled at Step 2, the grievant may serve written notice of the grievance on said form upon the Executive Director or his/her designee within seven (7) calendar days following receipt of the grievance response at Step 2. Failure of the grievant to serve such written notice shall constitute a waiver of the grievance. If such written notice is served, the grievance shall be heard by the Executive Director or his/her designee. The grievant will be afforded an opportunity to present oral and/or written arguments on the merits of the grievance and shall receive a written decision within thirty (30) calendar days from the date said notice was submitted.

Step 4 - Mediation (optional)

If the grievance is not resolved at Step 3, the Union or Management representative may, within ten calendar days following receipt of Management's response at Step 3, request that the grievance be submitted to a mediator prior to proceeding to arbitration. This step is optional and requires the concurrence of the Union and Management.

A request for mediation must be in writing and must be submitted to the Harbor Department's personnel officer or Union representative within the above-prescribed time limits. The personnel officer or Union representative shall, within ten calendar days following receipt of the mediation request, return the request to the Union or Management representative with a denial or an agreement that the parties jointly request the ERB to appoint a mediator.

The Executive Director of the ERB shall attempt to obtain the services of a mediator from the State Mediation and Conciliation Service. If a State mediator is unavailable, the Union and Management may jointly agree to a mediator selected by the Executive Director of the ERB. The fees for mediation shall be shared equally by the Union and Management.

The mediation procedure shall be informal, the primary effort being to assist the parties in settling the grievance. Court reports shall not be used, the rules of evidence shall not apply, and no record shall be made. The mediator shall determine whether witnesses are necessary.

If the grievance is resolved through mediation, notwithstanding the provisions of LAAC Section 4.865, the parties may, by mutual agreement, accept the results of mediation as binding.

If the grievance is unresolved through mediation, the mediator may be requested by either the Union or Management to provide an immediate oral opinion as to how the grievance would be decided if it were to proceed to arbitration. Such opinion shall be advisory only. However upon mutual agreement of the parties, the mediator may be requested to furnish such opinion in writing, including a brief statement of the reasons for the opinion. Such opinion, as well as anything said by the parties in mediation, shall not be used during any subsequent arbitration. Notwithstanding the above and LAAC Section 4.865, the parties may, upon mutual agreement, agree to accept the opinion of the mediator as binding, in lieu of arbitration.

Step 5 – Arbitration

If neither the written decision at Step 3 nor the mediation efforts at Step 4 settle the grievance, the grievant and the Union jointly may serve upon the Executive Director written notice that a request for arbitration has been filed with the ERB. The request for arbitration must be filed with the ERB within ten (10) calendar days following the date of service of the written decision of the Executive Director or his/her designee. Failure of the grievant and the Union jointly to serve written request for arbitration with the ERB within said period shall constitute a waiver of the grievance. If such written notice is served, the parties shall meet for the purpose of selecting an arbitrator from a list of seven arbitrators which will be provided by the ERB. The meeting shall be held within seven (7) calendar days following receipt of said list.

- A. Arbitration of a grievance hereunder shall be limited to the grievance originally filed by the employee. The proceedings shall be conducted in accordance with applicable rules and procedures specified by the ERB, unless the parties hereto agree to other rules or procedures for the conduct of such arbitration.
- B. The fees and expenses of the arbitrator shall be shared equally by the parties involved. All other expenses including, but not limited to, fees for witnesses and transcripts, shall be the responsibility of the individual incurring them.
- C. Any decision of an arbitrator resulting from the arbitration of a grievance hereunder shall not add to, subtract from, or otherwise modify the terms and conditions of this MOU, and shall be advisory only.
- D. Each arbitration decision shall be binding upon the parties.

ARTICLE 21 TIME OFF FOR EXAMINATIONS

Employees shall be granted reasonable time off with pay for the purpose of taking examinations when such examinations are given by the City and scheduled during the employee's work shift; provided, however, that each employee entitled to such time off with pay shall give reasonable advance notice to his/her supervisor. Such time off with pay shall include travel time.

Employees shall be granted time off with pay for the purpose of U.S. Coast Guard license renewal and/or radar observer certification when such activity can be conducted during an employee's regularly scheduled work shift without adversely affecting pilot service operations. Employees will obtain advance approval for such time off from their respective supervisor.

If the radar observer certification renewal process cannot be completed during an employee's regularly scheduled work shift, the employee will be granted an additional day off with pay to complete the process. The day will be paid, accumulated as book overtime, or taken as an additional day off at the employee's discretion. However, time off is subject to the approval of the supervisor. Additionally, employees shall not be permitted to accrue more than 160 hours of book overtime. A day is equivalent to 12 hours' straight time.

ARTICLE 22 VACATIONS

Management’s present practices with regard to vacations will be continued during the term of this MOU in accordance with Section 4.244-4.256 of the Los Angeles Administrative Code, with the following exceptions:

- A. Notwithstanding the Los Angeles Administrative Code and the above, a “day” for the purpose of determining the vacation provisions for employees in this Unit shall be equal to eight (8) hours. All absences of employees in this Unit shall be charged on an hour-charged-for-an-hour-absent basis.

- B. In addition to the above-mentioned “day” provisions in Section A of this Article, the parties agree that when a regular employee of this Unit takes his/her earned vacation in a two-week, 84 hour pay period, said employee shall only be charged for 80 hours vacation used.

- C. The parties also agree that should the employees in this Unit have their 84 hour biweekly work period changed to a different schedule, the provisions of Section B of this Article shall not apply.

Notwithstanding the provisions of Section 4.245 of the Los Angeles Administrative Code (LAAC), each employee in this Unit who has completed his/her qualifying year shall be entitled to the following number of vacation days with full pay, based on the number of years of City service completed, accrued and credited at the rates indicated, subject to deductions for absences as provided in Section 4.246 of the LAAC:

| Years of Service Complete | Number of Vacation Days | Monthly Accrual Rate In Hours/Minutes |
|----------------------------------|--------------------------------|--|
| 1 | 21 | 14.0 |
| 2 | 22 | 14.40 |
| 3 | 23 | 15.20 |
| 4 | 24 | 16.0 |
| 5 | 25 | 16.40 |

Each employee who is on leave or active payroll status on January 7, 1996 shall be credited with additional vacation based upon the number of years of City service completed as follows:

| Years of Service Completed | Additional Vacation Days |
|-----------------------------------|---------------------------------|
| 1 | 1 |
| 5 | 2 |
| 25 | 3 |
| 26 | 3 |
| 27 | 3 |
| 28 | 3 |
| 29 | 3 |
| 30 | 2 |

ARTICLE 23 MILITARY LEAVE

Management's present practices with regard to military leave with pay will be continued during the term of this MOU.

ARTICLE 24 SICK LEAVE

Management's present practices with regard to allowances for sick leave will be continued during the term of this MOU. Such practices shall be in accordance with Sections 4.126, 4.126.1, 4.126.2 and 4.128 of the LAAC, with the following exceptions:

- A. Notwithstanding the LAAC and the above, a "day" for the purpose of determining the sick leave provisions for employees in this Unit shall be equal to eight (8) hours. All absences of employees in this Unit shall be charged on an hour-charged-for-an-hour-absent basis.

- B. In addition to the above-mentioned "day" provisions, in Section A. of this Article, the parties agree that when a regular employee of this Unit is absent due to sick leave during a full two-week, 84 hours pay period, said employee shall only be charged for 80 hours sick leave used.

- C. The parties also agree that should the employees in this Unit have their 84 hour biweekly work period changed to a different schedule, the provisions of Section B. of this Article shall not apply.

ARTICLE 25 FAMILY ILLNESS

Management's present practice of allowances for leave for illness in family will be continued during the term of this MOU, except that the aggregate number of working days allowed in any one calendar year with full pay shall not exceed twelve (12) days. Such practice of allowance for leave of illness in family shall be in accordance with Section 4.127 of the LAAC, except that a "day" for the purpose of determining the family illness provisions for employees in this Unit shall be equal to eight (8) hours. The definition of "immediate family" shall include the father, father-in-law, mother, mother-in-law, brother, sister, spouse, child, foster child, grandparents, grandchild, step-parents, step-children, the domestic partner of the employee, a household member (any person residing in the immediate household of the employee at the time of the illness or injury), and the following relatives of an employee's domestic partner: child, grandchild, mother, father.

Any employee claiming a domestic partner for purposes of this Article shall complete a confidential affidavit to be filed in the Employee Benefits Office, Personnel Department, which shall be signed by the City employee and the domestic partner, declaring the existence of a domestic partnership with a named domestic partner. No affidavit is required to secure family illness benefits arising from the illness or injury of a household member (any person residing in the immediate household of the employee at the time of illness or injury).

By extending to an employee the specific benefits defined by this Article, the City does not intend to confer or imply any other unspecified benefits to such employee, or to the employee's domestic partner, or to the employee's household members or to any other person.

ARTICLE 26 BEREAVEMENT LEAVE

Management's present practices with regard to allowances for leave because of family deaths will be continued during the term of this MOU. Such practices of allowances for leave because of family deaths shall be in accordance with Section 4.127.1 of the LAAC. The definition of "immediate family" shall include the father, father-in-law, mother, mother-in-law, brother, sister, spouse, child, grandparents, grandchildren, step-parents and step-children, great-grandparents, 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 the employee's domestic partner: child, grandchild, mother, father; and, a "day" off for the purpose of determining the bereavement leave provisions for employees in this Unit shall be equal to a normal working day for Port Pilots. For purposes of this Article, simultaneous, multiple family deaths will be considered as one occurrence.

Any employee claiming a domestic partner for purposes of this Article shall complete a confidential affidavit to be filed in the Employee Benefits Office, Personnel Department, which shall be signed by the City employee and the domestic partner, declaring the existence of a domestic partnership with a named domestic partner. No affidavit is required to secure bereavement leave benefits arising from the death of a household member (any person residing in the immediate household of the employee at the time of death). By extending to any employee the specific benefits defined by this Article, the City does not intend to confer or to imply any other unspecified benefits to such employee, or to the employee's domestic partner, or to the employee's household members, or to any other person.

In addition to the bereavement leave granted under this Article, upon 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 working days per occurrence for the purposes of bereavement leave if it is necessary for the employee to travel a minimum of 1,500 miles one way, as calculated 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.

ARTICLE 27 RETIREMENT BENEFITS

A. Benefits

1. Effective July 1, 2011, for all employees, regardless of their date of hire, the Beta Retirement Formula shall be continued and a flat-rated employee retirement contribution of seven percent (7%) of pre-tax, pension-based compensation shall be implemented. The employee contribution rate shall return to six percent (6%) of pre-tax, pension-based compensation in accordance with the Early Retirement Incentive Program dated October 26, 2009 (C.F. No. 09-2624).
2. Effective at the beginning of the first pay period following implementation of this MOU, all employees shall contribute an additional four percent (4%) of their pre-tax, pension-based compensation to defray a portion of the City's cost of providing retiree health insurance. The additional 4% thereby results in a total flat rate employee retirement contribution rate of eleven percent (11%) in accordance with the above provisions. This additional four percent (4%) contribution shall continue in effect and be subject to modification pursuant to future MOU negotiations in accordance with applicable Charter provisions.

B. Procedure for Benefits Modifications

1. Proposals for major retirement benefit modifications will be negotiated in joint meetings with the certified employee organizations whose memberships will be directly affected. Agreements reached between Management and organizations whereby a majority of the members in the Los Angeles City Employees' Retirement System are affected shall be recommended to the City Council by the CAO as affecting the membership of all employees in the Los Angeles City Employees' Retirement System. Such modifications need not be included in the MOU in order to be considered appropriately negotiated.
2. Proposals for minor benefit modifications and technical changes will be considered and reported on as appropriate, but no more than once a year, in a report from the CAO to the City Council. Affected organizations shall be given the opportunity to review the proposed minor changes prior to the release of the report, and their views shall be included in the report.
3. If agreement is not reached between Management and the organizations representing a majority of the members in the Los Angeles City Employees' Retirement System as to whether a particular proposal constitutes either a major or a minor modification, the proposal shall be treated as a major modification.

4. Division 4, Chapter 11, Article 3 of the Los Angeles Administrative Code (LAAC) provides a retiree health benefit for employees. Commencing on the effective date of this MOU, the parties agree that the retiree health benefit available under this program is a vested benefit for all employees. Specifically, the parties agree that the current Maximum Medical Plan Premium Subsidy of \$1,190 per month, which represents the City's maximum retiree non-Medicare Part A and Part B premium, is vested. Additionally, the maximum amount of the annual increase authorized in LAAC Section 4.1103.4 shall be granted and is vested. The entitlement to retiree health benefits under this provision shall be subject to the rules under Division 4, Chapter 11 of the LAAC in effect as of the effective date of this provision. The parties further agree that as a condition of vesting the Maximum Medical Plan Premium authorized by the LAAC, the amount of employees contributions is subject to bargaining in future MOU negotiations in accordance with applicable Charter provisions. The parties further agree that should any of the provisions of this Article, or of any subsequent MOUs which incorporate these sections, be enjoined or declared invalid or unlawful by a court of competent jurisdiction, the Maximum Medical Plan subsidy would revert to the provision of the LAAC in effect prior to April 24, 2011. Additionally, the parties shall meet and confer to achieve equal cost savings.

ARTICLE 28 HEALTH AND DENTAL PLANS

During the term of this MOU, the City will provide benefits in accordance with the Civilian Modified Flexible Benefits Program (hereinafter Flex Program) and any modifications thereto as specified in this MOU or as recommended by the Joint Labor-Management Benefits Committee and approved by the City Council.

If there are any discrepancies between the benefits described herein and the Flex Program approved by the Joint Labor-Management Benefits Committee, this MOU will take precedence.

Section I – Health Plans

The health plans offered and benefits provided by those plans shall be those recommended by the City's Joint Labor-Management Benefits Committee, approved by the City Council, and administered by the Personnel Department, in accordance with LAAC Section 4.303. Management agrees to continue to contribute for each full-time employee who is a member of LACERS a monthly subsidy equal to the cost of his/her City-sponsored medical plan, not to exceed the Kaiser Plus Family rate as adopted by the City Council and determined by the Personnel Department. During the term of this MOU, Management's monthly subsidy for full-time employees shall be adjusted in accordance with changes to the Kaiser Plus Family rate. Changes in this monthly subsidy shall be effective at the beginning of the pay period in which the Kaiser Plus Family annual premium rate change is implemented.

Management agrees to contribute for each regular half-time employee, as defined by LAAC Section 4.110, a monthly subsidy not to exceed the Kaiser Employee Only rate.

Regular half-time employees who, prior to July 1, 1990, were receiving the same subsidy as full-time employees shall continue to receive that subsidy and shall be eligible to receive any increases applied to that subsidy as provided in this Article.

During the term of this MOU, Management's monthly subsidy for regular half-time employees shall be adjusted in accordance with changes to the Kaiser Employee Only rate. Changes in this monthly subsidy shall be effective at the beginning of the pay period in which the Kaiser Employee Only annual premium rate change is implemented.

Management will apply the subsidy first to the employee's coverage. Any remaining balance will be applied toward the coverage of the employee's eligible dependents under the plan.

Employees who transfer from full-time to regular half-time under the provisions of Article 29, Family and Medical Leave, shall continue to receive the same subsidy as full-time employees and shall be subject to any adjustments applied to that subsidy as provided in this Article.

During the term of this MOU, the Joint Labor-Management Benefits Committee will review all rate changes and their impact on the Health Plans. In the event that Unit members are enrolled in a City-sponsored health care plan that affords a monthly subsidy and are eligible for said subsidy, the following shall apply:

Effective January 1, 2014, unit members shall pay 10% of their monthly health care premium on a biweekly basis when the amount of their monthly health care premium for the health care plan in which they are enrolled is less than the amount of the City's maximum monthly health care subsidy.

In the event that unit members are enrolled in a health care plan that has a monthly premium that exceeds the City's maximum monthly subsidy, then, effective January 1, 2014, such members shall pay on a biweekly basis the total of the difference between the cost of their monthly health care premium and the City's maximum monthly health care subsidy, plus 10% of the City's maximum monthly health care subsidy.

Section II – Dental Plans

The dental plans offered and benefits provided by those plans shall be those approved by the City's Joint Labor-Management Benefits Committee and administered by the Personnel Department, in accordance with LAAC Section 4.303.

Management will expend for full-time employees in the classifications listed in this Unit, who are members of LACERS, the monthly sum necessary to cover the cost of employee only coverage under the City-sponsored Dental Plan Program. Coverage for dependents of eligible employees may be obtained in a City-sponsored plan at the employee's expense, provided that such sufficient enrollment is maintained to continue to make such coverage available.

For each half-time employee, as defined by LAAC Section 4.110, who becomes a member of LACERS and for each employee who transfers from full-time to half-time status after July 1, 1990, Management will expend an amount equivalent to one-half the cost of the employee-only coverage of the most expensive plan under the City-sponsored Dental Program. Half-time employees who, prior to July 1, 1990, were receiving the full employee-only subsidy shall continue to receive the full employee-only subsidy.

During the term of this MOU, the Joint Labor-Management Benefits Committee will review all rate changes and their impact on the Dental Plans.

Section III – Definition of Dependent

The definition of a dependent shall include the domestic partner of an employee and the dependents of such domestic partner. Any employee claiming a domestic partner and/or the dependents of such domestic partner for purposes of this Article shall complete a confidential affidavit to be filed in the Employee Benefits Office, Personnel Department, which shall be signed by the City employee and the domestic partner, declaring the existence of a domestic partnership.

By extending to an employee the specific benefits defined by this Article, the City does not intend to confer or imply any other unspecified benefits to such employee, or to the employee's domestic partner, or the dependents of such domestic partner.

Section IV – General Provisions

An open enrollment period of at least 30 days shall be declared by the Personnel Department each year. During this open period, employees may enroll themselves and, at their option, their dependents in the City-sponsored plan. Employees who fail to enroll during this open period will be ineligible to participate in the City-sponsored plan unless another open enrollment period is subsequently declared by the Personnel Department.

The parties mutually understand that the City will expend the above noted funds only for those employees who enroll in these plans and remain on active payroll status with the City, and that the City retains all rights to any unused funds which may be allocated for the purpose of implementing this Article.

Management will retain all duties and responsibilities it has had for the administration of the City's Health and Dental Plans.

Section V – Subsidy During Family and Medical Leave

For an employee who is on family or medical leave, under the provisions of Article 29 of this MOU, Management shall continue the City's medical and dental plan subsidies. Employees shall be eligible for such continued subsidy for a maximum of nine (9) pay periods from the qualifying date of the family or medical leave, including the paid and the unpaid portions of the leave. The continuation of the subsidy will be provided only under the following conditions:

- A. The employee shall have been employed continuously by the City for a one-year period prior to the beginning of the leave.
- B. The employee shall have been enrolled in a City health plan prior to the beginning of the leave to continue the health plan subsidy. The employee shall have been enrolled in a City dental plan prior to the beginning of the leave to continue the dental plan subsidy.

- C. The City will not continue the subsidy if the employee is covered under a non-City health or dental plan.
- D. The continuance of the health plan subsidy shall include coverage of any new dependent. Employees are responsible for notifying the Employee Benefits Office of any additional dependent(s). Dependents may be added only within 30 days of becoming dependents or during the City's annual open enrollment period.
- E. In accordance with the Family and Medical Leave Act of 1993 (FMLA), employees on unpaid family or medical leave shall not be required to repay the City subsidy (1) upon return to work, or (2) if they terminate City employment following the leave due to a continuing serious health problem or other extenuating circumstances beyond the control of the employee. Should an employee fail to return to work for any other reason, then they shall be required to reimburse the City for the subsidy provided during the unpaid portion of their leave. Such reimbursement shall be deducted from any compensation owed to the employee upon termination of City employment.

ARTICLE 29 FAMILY AND MEDICAL LEAVE

- I. **Authorization for Leave** During the term of this MOU, up to four (4) months (nine pay periods) of family or medical leave shall be provided for the purpose of childbirth, adoption, foster care of a child, or serious health condition of an immediate family member (as defined in Article 25), upon the request of the employee or the designation of Management in accordance with applicable Federal or State law, notwithstanding any other provisions of this MOU or the LAAC to the contrary.

An employee may take leave under the provisions of this Article if he/she has a serious health condition that makes him/her unable to perform the functions of his/her position.

Leave under the provisions of this Article shall be limited to four months (nine pay periods) during a twelve (12) month period, regardless of the number of incidents. A 12-month period shall begin on the first day of leave for each individual taking such leave. The succeeding 12-month period will begin the first day of leave taken under the provisions of this Article after completion of the previous 12-month period.

- II. **Definitions**

- A. Spouse means a husband or wife as defined or recognized under State law for purposes of marriage in this State.
- B. Parent means a biological, step, adoptive or foster parent, an individual who stands or stood *in loco parentis* to an employee, or a legal guardian. This term does not include parents "in law."
- C. Son or daughter means a biological, adopted, or foster child, a stepchild, a legal ward, or a child of a person standing *in loco parentis*, who is either under age 18, or age 18 or older and incapable of self-care because of a mental or physical disability.
- D. Persons who are *in loco parentis* include those with day-to-day responsibilities to care for and financially support a child or, in the case of an employee, who had such responsibility for the employee when the employee was a child. A biological or legal relationship is not necessary.

- E. Domestic partner means a named domestic partner in a confidential affidavit declaring the existence of said domestic partner and signed by the City employee, which is on file in the Employee Benefits Office, Personnel Department.

III. Eligibility

- A. The provisions of this Article shall apply to all employees in this Unit in all City departments who have been employed by the City for at least 12 months and who have worked at least 1,250 hours during the 12 months immediately preceding the beginning of the leave.

Exception: In accordance with Pregnancy Disability Leave under the California Fair Employment and Housing Act (FEHA), on the first day of employment with the City, pregnant employees are eligible for up to four (4) months (nine pay periods) of leave if disabled due to pregnancy.

- B. A mother and father or domestic partners who both work for the City may take leave under the provisions of this Article at the same time to care for a new child by birth, adoption or foster care of a child, but the aggregate period of time to which both are entitled is limited to the time allowed for only one employee. A husband and wife or domestic partners who both work for the City may take leave under the provisions of this Article at the same time to care for a sick parent, however, the aggregate period of time to which both are entitled is limited to the time allowed for only one employee.

Each employee must notify his/her employing department at the time the leave is requested of the name and department of the second family member who is requesting leave for the same incident. Such notification must include the starting and ending dates of the time period for which each employee is requesting leave.

The time limitation for spouses or domestic partners does not apply to leave taken by one employee to care for the other who is seriously ill, or to care for a child with a serious health condition.

IV. Conditions

- A. The start of a leave for a pregnant employee shall be:
 - 1. During or after the employee's pregnancy where there is no disability, at the employee's discretion; or
 - 2. At the beginning of the employee's pregnancy-related disability that a doctor certifies as necessary.
- B. The start of a family leave for adoption or foster care of a child shall begin on a date reasonably close to the date the child is placed in the custody of the employee. Leave may be granted prior to placement if an absence from work is required.
- C. The start of a family leave for a serious health condition of a family member shall begin on the date requested by the employee.

- D. The start of a leave for the employee's own serious health condition shall begin on the date requested by the employee.
- E. A serious health condition is defined as an illness, injury, impairment, or physical or mental condition that involves:
1. Any period of incapacity or treatment connected with inpatient care in a hospital, hospice, or residential medical facility; or
 2. A period of incapacity requiring an absence of greater than three calendar days involving continuing treatment or under the supervision by a health care provider; or,
 3. Any period of incapacity (or treatment resulting therefrom) due to a chronic serious health condition; or
 4. A period of incapacity that is permanent or long-term due to a condition for which treatment may not be effective; or
 5. Any absences to receive multiple treatments (including any period of recovery therefrom) by, or on referral by, a health care provider for a condition that likely would result in incapacity for more than three consecutive days if left untreated; or
 6. Any period of incapacity due to pregnancy or for prenatal care.
- F. All leave granted under this Article shall normally be for a continuous period of time for each incident.
- An employee shall be permitted to take intermittent leave or work on a reduced schedule to take care of a family member with a serious health condition or for his/her own serious health condition when it is medically necessary. Management may require the employee to transfer temporarily to an available alternative position for which the employee is qualified to accommodate recurring leave periods. Employees who elect a part-time schedule shall receive prorated compensated time off benefits in accordance with Section 4.110 of the LAAC during the duration of their part-time schedule.
- Intermittent leave or work on a reduced schedule for the birth, adoption or foster care of a child shall only be permitted at the discretion of Management.
- G. If any employee requires another leave for a separate incident under the provisions of this Article during the same 12-month period, a new request must be submitted.
- H. In accordance with Pregnancy Disability Leave under the California FEHA, pregnant employees not disabled by pregnancy are entitled to six (6) weeks (three pay periods) of leave. Employees who are disabled due to pregnancy, child birth, or related medical conditions are eligible for up to four (4) months (nine pay periods) of leave, inclusive of the aforementioned six-week, non-disability leave, with medical certification certifying the employee as unable to work due to a pregnancy-related condition. Pregnancy Disability Leave under the FEHA may be taken before or after the birth of the child. Pregnancy leave under the federal Family and Medical Leave Act shall run concurrently with Pregnancy Disability Leave under the FEHA, and must be concluded within one year of the child's birth.

Employees (either parent) are also eligible for family leave (“bonding”) under the California Family Rights Act, which shall be limited to four (4) months (nine pay periods) and must be concluded within one year of the child’s birth. (The administration of such leave shall be in accordance with Section III.B. of this Article).

- I. A personal leave beyond the four (4) month (nine pay period) leave provided in this Article may be requested, subject to the approval of the appointing authority and, if required, the Personnel Department, as provided under other City leave provisions.
- J. An employee receiving temporary workers’ compensation benefits (either IOD or the rate provided in Division IV of the California Labor Code) who meets the eligibility requirements in II.A. of this Article shall automatically be considered to be on family and medical leave, effective the first day of the employee’s absence.
- K. Management has the right to verify the certification of a serious health condition by a health care provider for a leave under the provisions of this Article. Management shall allow the employee at least 15 calendar days to obtain the medical certification.
- L. Upon return from family or medical leave, an employee shall be returned to his/her original job or to an equivalent job.

V. Notice Requirements

A. Employee

When an employee requests family or medical leave, he/she must state the reason for the requested leave (e.g., childbirth, to care for an immediate family member with a serious health condition, etc.). When the necessity for a leave is foreseeable, the employee must provide at least 30 days notice. However, if the leave must begin in less than 30 days, the employee must provide as much advance notice as is practicable.

B. Management

In response to an employee’s request for family or medical leave, Management shall indicate whether or not the employee is eligible for such leave, if such leave will be counted against the employee’s annual family or medical leave entitlement, and any requirement for the employee to furnish medical certification. Management shall notify an employee if it designates paid or unpaid leave as qualifying time taken by an employee as family or medical leave-qualifying regardless of whether or not the employee initiates a request to take family or medical leave.

VI. Applicable Time Off

Employees who are granted leave in accordance with this Article shall take time off in the following order:

A. Childbirth (Mother)

1. Accrued sick leave (100% or 75%) or vacation for the entire period of disability that a health care provider certifies is necessary (including prenatal care or the mother's inability to work prior to the birth), may be taken at the employee's discretion.
2. For the non-disability portion of childbirth leave (before delivery or after "bonding"), accrued vacation available at the start of the leave shall be used prior to the use of time under 3., 4., 5. and 6. below.
3. Accrued 100% sick leave. The use of sick leave under this subsection is at the employee's discretion.
4. Accrued 75% sick leave, following use of all 100% sick leave. The use of sick leave under this subsection is at the employee's discretion.
4. Unpaid leave.
5. Accrued compensatory time off may be used at the employee's discretion, with Management approval, after exhaustion of 100% sick leave (No. 3. above).

B. Childbirth (includes father or domestic partner), Adoption, Foster Care, or Family Illness

1. Annual family illness sick leave up to twelve (12) days may be used at the employee's discretion. Such leave may be taken before or after the vacation described in 2. below.
2. Accrued vacation available at the start of the leave shall be taken. Such time must be used prior to the use of time under 3., 4. 5. and 6. below.
3. Accrued 100% sick leave. The use of sick leave under this subsection is at the employee's discretion.
4. Accrued 75% sick leave following use of all 100% sick leave. The use of sick leave under this subsection is at the employee's discretion.
5. Unpaid leave.
6. Accrued compensatory time off may be used at the employee's discretion, with Management approval, after exhaustion of 100% sick leave (No. 3 above).

C. Personal Medical Leave

1. Accrued 100% sick leave may be used at the employee's discretion. Such leave may be taken before or after the vacation described in 3. below.
2. Accrued 75% sick leave following use of all 100% sick leave. Such leave may be taken before or after the vacation described in 3. below.
3. Accrued vacation time.
4. Unpaid leave.
5. Accrued compensatory time off may be used at the employee's discretion, with Management approval, after exhaustion of 100% sick leave (No. 1 above).

VII. Sick Leave Rate of Pay

Payment for sick leave usage under VI. A., B., and C. shall be at the regular accrued rate of 100% or 75%, as appropriate.

VIII. Monitoring

Management shall maintain such records as are required to monitor the usage of leave as defined in this Article. Such records are to be made available to the Union upon request.

It is the intent of the parties that the provisions and administration of this Article be in compliance with the Family and Medical Leave Act of 1993, the California Family Rights Act of 1993, and the Pregnancy Disability Leave provisions of the California Fair Employment and Housing Act.

ARTICLE 30 ADDITIONAL BENEFITS

In addition to the Health and Dental plan benefits outlined in Article 28, the City will provide Accidental Death and Dismemberment Insurance in the coverage amount of \$500,000 per member to all unit members at City expense. The City will pay each unit member an additional \$30 in cash in each pay period in which deductions are made for employee benefits.

Each unit member shall have the option of having the \$30 payment made in cash or as "flexible benefit" dollar credit. The "flexible benefit" dollar credit may be used by the unit member to offset the cost of additional disability insurance or be used at the unit member's discretion to purchase additional flexible benefits.

ARTICLE 31 PILOT LICENSE INSURANCE

Management will provide, at its cost, a pilot license insurance policy to provide Unit members with legal defense in any administrative hearing before any authority which has the power to suspend, revoke or otherwise act upon a Unit member's pilot license. Said insurance policy will provide an attorney to conduct the defense of the Unit member's license in such an administrative hearing. Unit members will have the right to select an individual attorney from a list of qualified admiralty attorneys, such list to be provided by the insurance carrier/company.

Said insurance policy will also include civil penalties legal defense coverage. Said civil penalties legal defense coverage will provide an attorney to conduct the defense of the Unit member in the civil penalty action. Unit members will have the right to select an individual attorney from a list of qualified admiralty attorneys, such list to be provided by the insurance carrier/company.

Said insurance policy will also include an income protection coverage option that Unit members may purchase at their option and expense.

ARTICLE 32 WORKERS' COMPENSATION

Management agrees to continue Workers' Compensation benefits in accordance with Section 4.104 of the LAAC, except that salary continuation payments during absences for temporary disability conditions shall be an amount equal to the employee's regular biweekly take-home pay at the time of incurring the disability condition. For purposes of this Article, take-home pay shall be defined as an employee's gross salary rate less the mandatory deductions for Federal and State income tax withholding, and employee retirement contributions. The employee will be able to make adjustments in his/her voluntary deductions while on temporary disability leave but will not be able to change the amount normally deducted for State and Federal income taxes, unless the employee has changed those deductions to those which he/she is legally entitled to take within ten (10) days of the commencement of any disability leave, or within ten (10) days of any change in dependents.

ARTICLE 33 SALARIES

The salaries set forth in Appendix A shall be operative during the term of this MOU. The salaries in Appendix A include full compensation for an 84-hour biweekly pay period.

The salary rates in Appendix A shall be base rates.

A Port Pilot I shall advance to step 4 of the salary range in the payroll period which includes the date six (6) months from the date of the initial appointment. A Port Pilot I shall advance to step 5 of the salary range in the payroll period which includes the date six (6) months from the date of advancement to step 4 of Port Pilot I. A Port Pilot I will be reassigned to step 3 of the salary range for Port Pilot II in the payroll period which includes the date six (6) months from the date of advancement to step 5 of Port Pilot I. A Port Pilot II shall advance to step 4 of the salary range for Port Pilot II in the payroll period which includes the date six (6) months from the date of advancement to step 3 of Port Pilot II. A Port Pilot II will advance to step 5 of the salary range for Port Pilot II in the payroll period which includes the date six (6) months from the date of advancement to step 4 of Port Pilot II.

ARTICLE 34 OVERTIME

Notwithstanding the provisions of Section 4.113 of the LAAC or the Harbor Department Salary Resolution to the contrary, overtime shall be compensated at the time-and-a-half hourly rate for all hours worked in excess of eighty-four (84) hours in a biweekly pay period, including all absences with pay authorized by law; provided, however, no overtime shall be compensated for less than an aggregate of one (1) full hour of overtime during a biweekly pay period.

Overtime may be compensated in equivalent time off or cash at the time-and-a-half hourly rate. Bargaining unit members will be permitted to accrue up to 160 hours of book overtime (i.e. equivalent time off or comp time) and Management will not cash out accrued book overtime without the agreement of the bargaining unit member. The use of book overtime will continue to be subject to the approval of Management. Compensation in time off shall be allowed in units of one-tenth (1/10) or a full six (6) minute period, after the initial aggregate of one (1) full hour during a biweekly pay period.

Upon the return to the pilot station after the completion of a ship move, a pilot shall be allowed a period not to exceed twenty (20) minutes to complete required paperwork and to wash up. Such period shall be included in any overtime calculation.

ARTICLE 35 CALL BACK PAY

For the purposes of the MOU, a "call back" is defined as an instance when a pilot commences a ship move or other assignment after the completion of his/her shift. Pilots shall receive a minimum payment of four (4) hours at the overtime rate for each call back. If the pilot is required to remain on duty beyond four (4) hours to complete the ship move or other assignment, the pilot will be paid on an hour for hour basis at the overtime rate.

When a call back is cancelled after a pilot has accepted the call back, the pilot shall be paid a minimum of four (4) hours at the overtime rate if the pilot is in transit to the pilot station or one (1) hour at the overtime rate if the pilot is not in transit to the pilot station.

Call backs shall be offered to all Bargaining Unit pilots on a rotational basis. Call backs will only be offered to Chief Pilots if no Bargaining Unit pilot is available to take a specific call back assignment.

Bargaining Unit pilots shall have their choice of assignments provided that such choice does not necessitate another callback.

ARTICLE 36 LEAD PERSON

The next Port Pilot II in rotation on each watch shall act as the lead person. In addition to performing the duties of a Port Pilot II, the lead person's duties will be limited to providing technical guidance to pilot station personnel in the absence of a management pilot. Lead persons shall not be assigned supervisory duties as defined in Section B.1.b. of Article 11 of this MOU.

ARTICLE 37 HOLIDAYS AND HOLIDAY PAY

- A. Notwithstanding any provisions of Section 4.119 of the LAAC that may conflict, the following days shall be treated as holidays:
 - 1. New Year's Day (January 1)
 - 2. Martin Luther King Jr.'s Birthday (the third Monday in January)
 - 3. Washington's Birthday (the third Monday in February)
 - 4. Cesar E. Chavez Birthday (the last Monday in March)
 - 5. Memorial Day (the last Monday in May)
 - 6. Independence Day (July 4)
 - 7. Labor Day (the first Monday in September)
 - 8. Columbus Day (the second Monday in October)
 - 9. Veteran's Day (November 11)
 - 10. Thanksgiving Day (the fourth Thursday in November)
 - 11. The Friday after Thanksgiving Day
 - 12. Christmas Day (December 25)
 - 13. Any day or portion thereof declared to be a holiday by proclamation of the Mayor, and the concurrence of the Council by resolution.
 - 14. One unspecified holiday.

- B. For each holiday listed under 1 through 12, and 14, above, an employee shall be credited with eight (8) hours of paid leave time. For the holiday listed as number 13 above, an employee will be credited with the appropriate number of hours of paid leave time.

- C. Any holiday declared by proclamation of the Mayor shall not be deemed to advance the last scheduled working day before a holiday for purposes of computing any additional time off.

- D. Whenever a holiday from 1 through 12, and 14, above occurs during an employee's regularly scheduled work week, eight (8) hours of paid leave shall be credited for the purpose of computing overtime pay for work performed after eighty-four (84) hours in a biweekly period after the normal seven (7) 12-hour watches as stated in Article 33.

- E. Whenever a holiday listed under 13 above occurs during an employee's regularly scheduled work week, the appropriate number of hours of paid leave specified in B. above shall be credited for the purpose of computing overtime pay for work performed in a biweekly period after the normal seven (7) 12-hour watches as stated in Article 33.

- F. Employees working in excess of 12 hours on any holiday listed from 1 through 12 above, or hours worked in excess of any day or portion thereof declared to be a holiday by proclamation of the Mayor, shall be paid at the rate of time and one-half (1 ½) for each hour worked, but said hours shall not be included when calculating the employee's work week for overtime pay purposes.
- G. An employee who works on any holiday above will be compensated at the rate of time and one-half (1 ½) for each hour worked, in addition to the appropriate number of paid leave hours as specified in B above; provided, however, that the employee has (1) worked his/her assigned shift immediately before, and his/her assigned shift immediately after the holiday, or (2) prior to such holiday Management has authorized the employee to take paid leave time off in lieu of the requirement to work said shifts. Any employee who fails to meet these requirements will be paid at the rate of one hour for each hour worked.
- H. For the purposes of administering this Article, holidays shall be deemed to coincide with the shift starting and ending times. An employee will therefore be entitled to the provisions of this Article only if his/her actual shift starting time falls on the holiday.
- I. Management shall have the sole authority and responsibility to determine whether the compensation for any holidays worked shall be in cash or paid leave time off.
- J. The unspecified holiday shall be taken in accordance with the following requirements:
 - 1. The holiday must be taken in one full increment of eight (8) hours during the calendar year in which it is credited or it will be forfeited. The request for such time off, if timely submitted by the employee, will be promptly approved by Management subject to the operating needs of the employee's department, office or bureau. If an unforeseen operating requirement prevents the employee from taking such previously-approved holiday, Management will reschedule the holiday so that it may be taken on some other reasonably satisfactory date within the calendar year.
 - 2. Any break in service (i.e. resignation, discharge, retirement, suspension) prior to taking the holiday shall forfeit any right thereto.
 - 3. The holiday shall not be utilized to extend the date of any layoff.
 - 4. No employee shall be entitled to an unspecified holiday until he/she has completed six months of satisfactory service.
 - 5. Employees who work in intermittent, on call, vacation relief, or seasonal positions shall not be entitled to any unspecified holiday.

6. No employee shall receive more than one unspecified holiday each calendar year. Thus, (a) an employee transferring from the Department of Water and Power (DWP) to any other City Department, office, or bureau will not receive an unspecified holiday after taking such holiday prior to leaving DWP, and (b) employees who resign or are terminated and then rehired during the same calendar year, will not receive an additional unspecified holiday when rehired.

ARTICLE 38 RELEASE TIME

The Union may designate a reasonable number of grievance representatives who must be members of the Unit, and shall provide all departments, offices, or bureaus with a written list of employees who have been so designated. Management will accept changes made by the Union to the list on a quarterly basis or more frequently if extenuating circumstances require an immediate change. A grievance representative may represent a grievant in the presentation of the grievance at all levels of the grievance procedure.

The grievant and his/her representative may have a reasonable amount of paid time off for this purpose. However, said representative will receive paid time off only if he/she is a member of the same Unit and the same Union as the grievant; is employed by the same department, office or bureau as the grievant; and, is employed within a reasonable distance from the work location of the grievant.

If a grievance representative must leave his/her work location to represent a grievant, he/she shall first obtain permission from his/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 grievance representative will be informed when time can be made available. Such time will not be more than forty-eight (48) hours, excluding scheduled days off and/or legal holidays, after the time of the grievance representative's request unless otherwise mutually agreed to. Denial of permission to leave at the time requested will automatically constitute an extension of time limits provided in the grievance procedure herein, equal to the amount of the delay.

In addition to providing paid time off for the presentation of grievances as outlined above, similar paid time off will be granted to the Los Angeles Port Pilots' representative to the Harbor Safety Committee to attend Committee and Subcommittee meetings. Similar paid time off will be granted to the Los Angeles Port Pilots' representative to the Pilotage Advisory Council to attend its meetings and to other members of the Union designated to represent the Union at meetings of any other committees established pursuant to this MOU.

Time spent on grievances outside of regular working hours of the employee or his/her representative shall not be counted as work time for any purpose. Whenever a grievance is to be presented during the working hours of the grievant and/or his/her representative, only that amount of time necessary to bring about a prompt disposition of the grievance will be allowed.

ARTICLE 39 STANDARD OF DRESS

Management and the Union agree that when Port Pilots are engaged in piloting ships, they will adhere to the following standards of dress:

1. Long pants/slacks (no denim or jean-type pants).
2. Dress shirt (long or short sleeve), tie optional, or turtleneck.
3. Work shoes, boots, or Rockport-type walking shoes are acceptable. Athletic/running type shoes are not acceptable.
4. Jacket or windbreaker.
5. Union pin on shirt, jacket, windbreaker or hat is acceptable.
6. Baseball type cap or wide brimmed hat.
7. LA Pilot insignia/logo to be more prominent on jacket, windbreaker, shirt or hat than ILWU insignia/logo. Jacket, windbreaker, shirt or hat may have no other insignia/logo.
8. Standard of dress may be modified by individual pilot as practical due to inclement or adverse weather conditions.

ARTICLE 40 PILOTAGE ADVISORY COUNCIL

The Executive Director of the Port will appoint a member of the Union selected by the Union to the Pilotage Advisory Council as an ex-officio member.

ARTICLE 41 TRAINING

Management and the Union agree to establish a joint Management-Union Committee that will meet quarterly, or at other times agreed to by the parties, for the purpose of discussing training issues. The Committee will be composed of three (3) participants from Management and three (3) participants from the Union. Management representatives will include the Pilot Service Manager, the Port Warden (or designee), and the Director of Administration (or designee). Union representatives will be selected by the Union.

Subjects to be considered by the Committee may include the identification of training needs and how those needs are to be met; including the type of training to be provided, as well as the quality and frequency of such training.

Management shall provide training to Unit members as follows:

Manned Model Training shall be provided to each Unit member once every four years, and Computer Simulator Training shall be provided to each Unit member once every two years.

With regard to Manned Model Training, Unit members hired most recently will be the first to be scheduled for such training unless the Unit member scheduled has already completed such training. Any Unit members who have completed such training will not be scheduled to attend until all other members have completed the Manned Model Training program.

Management pilots will not attend training classes with Unit members nor will Management use Unit member's performance during such training sessions in evaluating Unit members' overall job performance.

Management will pay the cost of such training programs including training fees and required travel and living expenses for Unit members while engaged in such training. For travel on the West Coast of the United States, Unit members will, at a minimum, be paid for a travel day before the first day of the training or for a travel day after the last day of the training, at the Unit member's discretion, if the training and travel exceed twelve (12) hours; additionally, Unit members will be guaranteed an eight (8) hour rest period at home before being required to report for duty. For travel within North America, with the exception of travel on the West Coast of the United States, Unit members will, at a minimum, be paid for a travel day before the first day of the training and for a travel day after the last day of the training. For travel outside of North America, Unit members will be paid for two travel days before the first day of the training and for one travel day after the last day of the training. Unit members will be paid their regular daily rate (12 hours) when they are either in such training or traveling to and/or from such training on days when they are regularly scheduled to work. On days when Unit members are either training or traveling to and/or from such training and are not regularly scheduled to work, Unit members will be paid for eight hours at the straight time rate.

ARTICLE 42 WATCH ASSIGNMENTS

During the term of this MOU, the Port Pilots shall be assigned to the watches to which they were assigned prior to the implementation of this MOU and, in accordance with past practice, shall continue on the same watch unless they choose in order of seniority to move to an opening on another watch.

ARTICLE 43 DRUG TESTING

The Drug Testing Agreement negotiated between Management and the Union is attached as Appendix C.

ARTICLE 44 EFFICIENCY INCENTIVE

On a biweekly basis, a pension-based Efficiency Incentive will be paid to each Port Pilot II who is on active payroll status during the biweekly payroll period.

Note: To be on active payroll status, a Port Pilot II must receive a City paycheck or be on City Workers' Compensation leave (IOD). A Port Pilot II is excluded if he/she is on State Workers' Compensation leave or unpaid leave.

Note: The Efficiency Incentive will not be pension-based for any Port Pilot who is hired after the effective date of this MOU.

The amount of the Efficiency Incentive to be paid during each payroll period will be the greater of the GRT Formula or the Minimum Guarantee in that pay period, as described below.

GRT Formula: Gross Register Tonnage (GRT) of all ship movements covered by the pilotage tariff completed during a biweekly payroll period *multiplied* by the mil rate in effect during that period (but not less than \$.0034) *multiplied* by 60% *divided* by the number of Port Pilots II on active payroll status during the pay period.

For example, if the GRT for all ship movements covered by the pilotage tariff completed for pay period ending January 6, 2007, is 10 million tons, the total amount available for distribution to the active Port Pilots II would be \$20,400.00. Assuming that there are 17 active Port Pilots II during that pay period, each Port Pilot II would receive an Efficiency Incentive of \$1,200.00 on the payroll check received on January 17, 2007.

$$\frac{10,000,000 \times .0034 \times 60\%}{17} = \$1,200.00$$

Note: Ship movements covered by the pilotage tariff shall be defined as the ship movements covered by the pilotage tariff in effect on August 12, 2012.

Minimum Guarantee: Payment of a minimum amount of money to each eligible Port Pilot for the pay period, regardless of the number of Port Pilots employed by the Department. The minimum guarantee will be the following:

Effective in the pay period during which July 1, 2014, falls: \$3,750 per pay period.

Effective June 28, 2015: \$4,000 per pay period.

For example, if the amount of the GRT Formula is \$1,200 for each Port Pilot for the pay period and the Minimum Guarantee for the pay period is \$3,750 for each Port Pilot, each Port Pilot will be paid \$3,750 for the pay period. However, if the amount under the GRT Formula is \$4,200 for each Port Pilot for the pay period and the Minimum Guarantee for each Port Pilot is \$3,750 for the pay period, each Port Pilot will be paid \$4,200 for the pay period.

ARTICLE 45 PAID TIME OFF

Employees shall be allowed to use compensated time off, e.g., vacation, sick, and book overtime, in increments of thirty (30) minutes.

ARTICLE 46 SHIP MOVES

- A. Ship movements shall only be performed by Bargaining Unit pilots, with the exception of paragraphs C and D.
- B. Ship movements shall be taken in rotation by Bargaining Unit pilots, with the exception of paragraph 13 under the Scheduling Letter of Intent, which states as follows:
“Piloting jobs shall be taken in the order of rotation, except for those jobs taken as call backs. Pilots may trade rotation assignments by mutual consent among themselves, provided that the dispatcher is notified prior to the commencement of the job and the rotation does not create a need for overtime or a call back.”
- C. Ship movements may be performed by a Chief Pilot under the following conditions:
 1. When the Chief Pilot is working his/her regularly scheduled shift and there is no Bargaining Unit pilot available on watch to perform the job.

2. When there are no Bargaining Unit pilots on watch available to take a job and no Bargaining Unit pilot available to take a call back.
 3. When all Bargaining Unit pilots on watch invoke Article 14 of the MOU and decline to perform the piloting job.
- D. In addition to the ship movements identified in paragraph C, a Chief Pilot who is working his/her regularly scheduled shift may perform ship movements, but only if there is compliance with all of the following conditions:
1. The total number of jobs performed each month by the Chief Pilots under this provision does not exceed 2% of the total number of ship movements per month.
 2. Management shall provide notice to the Union President or his/her designee by email with the name of the ship and the date of the ship movement.
 - i. All Bargaining Unit pilots shall be copied on the email. The Union may also provide the Department with additional names to be copied on the email.
 - ii. The notice must be provided 24 hours prior to the commencement of the shift on which the ship movement is scheduled to be performed.
 3. The movement of the ship named in the notice commences during the regularly scheduled shift of the Chief Pilot on the date provided in the written notice.
 4. A Chief Pilot may not provide notice for more than one (1) ship move during each of the Chief Pilot's regularly scheduled shifts.
- E. The regularly scheduled shift of a Chief Pilot is 0530 to 1730. Management shall not make temporary shift changes for the purpose of circumventing this provision.
- F. If the Department violates any provision under paragraph D, the Department shall pay a call back to the next Bargaining Unit pilot in rotation.
- G. In the event that pre-planning meetings are required for a particular ship movement, such meetings shall be attended by Management, and a full briefing shall be provided to the Bargaining Unit pilots on watch for the scheduled ship move. The briefing shall take place while the Bargaining Unit pilots are on watch, and they shall not be paid overtime for the briefing. A Chief Pilot may ride with the Bargaining Unit pilot during the actual ship move.
- H. The Department shall provide to the Union a monthly report listing all piloting jobs performed by Chief Pilots.
- I. This article does not preclude or restrict the right of Management Pilots to ride with Bargaining Unit pilots for the purpose of evaluation and/or training or for the purpose of observing conditions in the Port of Los Angeles in order to maintain local knowledge. In these situations, the vessels shall be piloted by Bargaining Unit pilots.

IN WITNESS WHEREOF, the parties hereto have caused their duly authorized representatives to execute this MOU the day, month, and year first above written.

ILWU, Local 68
Port Pilots Unit Representatives:

City of Los Angeles Representatives:

FOR THE UNION:

FOR THE DEPARTMENT:

Ed Royles
President

Miguel A. Santana
City Administrative Officer

Date

Date

Approved as to form:

Michael N. Feuer
City Attorney

Date

**LETTER OF INTENT
MEMORANDUM OF UNDERSTANDING NO. 26
PORT PILOTS REPRESENTATION UNIT**

SCHEDULING

The Harbor Department (“Management”) and the Los Angeles Port Pilots Association, ILWU, Local 68 (“the Union”) hereby agree as follows:

1. A “pay period” is defined as a contiguous fourteen (14) day period, beginning on a Sunday and ending fourteen (14) days later on a Saturday.
2. A “shift” is defined as a twelve (12) hour period, beginning at 0530 or 1730 each day. Each twenty-four (24) hour period shall have two shifts, a day shift (beginning at 0530) and a night shift (beginning at 1730).
3. “Rotation” is defined as a pre-determined order for conducting assignments of on-duty Bargaining Unit pilots or the next Bargaining Unit pilot to be called for a call back, whichever is applicable.
4. There shall be four watches: A, B, C, and D. Each pilot shall be assigned to a watch. When A watch is working the night shift, C watch is working the day shift and, when A watch is working the day shift, C watch is working the night shift. When B watch is working the night shift, D watch is working the day shift and, when B watch is working the day shift, D watch is working the night shift. In these instances, C and D watches are referred to as the “other side of the watch” from A and B watches respectively, and A and B watches are referred to as the “other side of the watch” from C and D watches respectively.
5. Pilots shall be scheduled to work seven (7) shifts in a pay period.
6. Each watch shall be assigned to either the day shift or the night shift and, during one pay period, each watch shall work four days (or nights) on, followed by four days (or nights) off, followed by three days (or nights) on, followed by three days (or nights) off.
7. At the end of each twenty-eight (28) day period, i.e., the close of two pay periods, the watches will change shifts. Pilots who worked days shall work nights for the next two pay periods and pilots who worked nights shall work days for the next two pay periods.
8. The Pilots, with the approval of Management, may alter the shift cycle in order to balance the number of premium days, e.g., holidays and weekends, worked by each watch over the course of a year.

9. In the event there is a permanent opening on a watch, pilots shall be given the opportunity to move to the opening in order of seniority. If no pilot wants to move, the most junior Port Pilot II shall be moved to the opening.
10. In the event there is a temporary opening on a watch, Pilots on the other side of the watch shall be given the opportunity to move to the opening in order of seniority. If no pilot wants to move, the most junior Port Pilot II shall be moved to the opening.
11. Pilots shall continue to have the right to temporarily change watches with other pilots provided that the trade does not create operational or staffing problems and is approved by Pilot Services Management.
12. There shall not be any split shifts.
13. Piloting jobs shall be taken in the order of rotation, except for those jobs taken as call backs. Pilots may trade rotation assignments by mutual consent among themselves, provided that the dispatcher is notified prior to the commencement of the job and the rotation does not create a need for overtime or a call back.
14. This Letter of Intent may not be modified without the mutual agreement of Management and the Union.

FOR THE UNION:

FOR THE DEPARTMENT:

Ed Royles
President

Gene Seroka
Executive Director

Date

Date

**LETTER OF INTENT
MEMORANDUM OF UNDERSTANDING NO. 26
PORT PILOTS REPRESENTATION UNIT**

SUCCESSORSHIP

The Harbor Department (“Management”) and the Los Angeles Port Pilots Association, ILWU, Local 68 (“Union”) hereby agree as follows:

Through the term of this Memorandum of Understanding (MOU), the City will not contract out the pilot service. Should the City subsequently privatize the pilot service, the City will make as a condition to the contract for privatization that: 1) all pilots would be offered employment; and 2) the new employer would be bound by the terms of the MOU which would remain in full force and effect, provided that if, and to the extent that the contractor cannot match the MOU terms and conditions, the contractor shall provide a total package at least equal in value to the compensation package provided in the MOU between the City and Union.

Violations of this Letter of Intent shall be resolved in accordance with Article 20 (Grievance Procedure) of the MOU.

Pending investigation and adjudication of any disputes arising under this Letter of Intent, the Employer shall maintain the status quo in existence prior to the commencement of the dispute pending the resolution of the dispute.

This Letter of Intent and Article 20 (Grievance Procedure) of the MOU with regard to disputes arising under this Letter of Intent shall continue in full force and effect until a new MOU is negotiated.

This Letter of Intent may not be modified without mutual agreement of Management and the Union.

FOR THE UNION:

FOR THE DEPARTMENT:

Ed Royles
President

Gene Seroka
Executive Director

Date

Date

PORT PILOTS UNIT
SALARIES OPERATIVE JULY 1, 2014

| Class Code | Class and Pay Grade | Salary Range | | |
|---------------|---------------------|--------------|------------|------------|
| 5151-1 | Port Pilot I | 7457(3) | | |
| 5151-2 | Port Pilot II | 8777(3) | | |
| | | 3 | 4 | 5 |
| Port Pilot I | HR | 83.12 | 87.75 | 92.64 |
| 7457(3) | BW | 6,649.60 | 7,020.00 | 7,411.20 |
| | MO | 14,462.88 | 15,268.50 | 16,119.36 |
| | YR | 173,554.56 | 183,222.00 | 193,432.32 |
| Port Pilot II | HR | 97.83 | 103.28 | 109.04 |
| 8777(3) | BW | 7,826.40 | 8,262.40 | 8,723.20 |
| | MO | 17,022.42 | 17,970.72 | 18,972.96 |
| | YR | 204,269.04 | 215,648.64 | 227,675.52 |

- Note 1 Each salary step is six months apart.
- Note 2 Temporary training position is 18 months in duration.
- Note 3 Six-month probationary period begins at the 3rd step of Port Pilot II.

**APPENDIX B
Holiday Pay Examples**

| WORK SCHEDULE EXAMPLE | Biweekly Pay Period | | | | | | | | | | | | | | TOTAL HOURS |
|-----------------------|---------------------|---|---|---|----|---|---|---|---|---|---|----|---|---|-------------|
| | S | M | T | W | TH | F | S | S | M | T | W | TH | F | S | |
| | O | O | O | W | W | W | W | O | O | O | W | W | W | O | 84 |

| | | | | | | | | | | | | | | | |
|---|---|---|---|---|----|----|----|---|---|---|----|----|----|---|----|
| Holiday falls on scheduled workday | | | | H | W | W | W | | | | W | W | W | | |
| Takes Holiday Off | O | O | O | 8 | 12 | 12 | 12 | O | O | O | 12 | 12 | 12 | O | 80 |

| | | | | | | | | | | | | | | | |
|---|---|---|---|-------|----|----|----|---|---|---|----|----|----|---|----|
| Holiday falls on scheduled workday | | | | H 8 | W | W | W | | | | W | W | W | | |
| Takes Holiday Off + 4 hrs paid time off | O | O | O | S/V 4 | 12 | 12 | 12 | O | O | O | 12 | 12 | 12 | O | 84 |

| | | | | | | | | | | | | | | | |
|---|---|---|---|-------------|----|----|----|---|---|---|----|----|----|---|----|
| Holiday falls on scheduled workday | | | | H 8 | W | W | W | | | | W | W | W | | |
| Work Holiday | O | O | O | W 12 W 6 | 12 | 12 | 12 | O | O | O | 12 | 12 | 12 | O | 98 |

| | | | | | | | | | | | | | | | |
|---|---|---|---|----|----|----|----|---|---|---|----|----|----|---|----|
| Holiday falls on scheduled day off | | | H | H | W | W | W | | | | W | W | W | | |
| Works regularly scheduled days | O | O | 8 | 12 | 12 | 12 | 12 | O | O | O | 12 | 12 | 12 | O | 92 |

| | | | | | | | | | | | | | | | |
|---|---|---|---|-----|----|----|----|---|---|---|----|----|----|---|----|
| Holiday falls on scheduled day off | | | H | H 8 | W | W | W | | | | W | W | W | | |
| Given another day off | O | O | 8 | V 4 | 12 | 12 | 12 | O | O | O | 12 | 12 | 12 | O | 84 |

KEY: H=Holiday; S=Sick; V=Vacation; W=Work Time; O=Day Off

APPENDIX C – DRUG TESTING AGREEMENT

Agreement Between the Harbor Department of the City of Los Angeles and the Los Angeles Port Pilots Association, ILWU, Local 68 Regarding Coast Guard Mandated Drug Testing

The Harbor Department (“Department”) of the City of Los Angeles (“City”) and the Los Angeles Port Pilots Association, ILWU, Local 68 (“Union”), enter into this Agreement to specify the initial, post-accident, periodic, random, and reasonable cause drug and alcohol testing of the Port Pilots so as to conform to the procedures set forth in the United States Coast Guard’s (USCG) requirements for chemical drug and alcohol testing for commercial vessel personnel, as contained in 46 CFR Parts 4,5 and 16.

Both parties agree that this Agreement may be reviewed at the request of either party to incorporate changes in procedures made necessary by changes in applicable USCG regulations or by applicable legal decisions. It is further agreed by both parties that disputes concerning the interpretation or application of this policy and procedure may be pursued by Port Pilots through the grievance procedure outlined in their Memorandum of Understanding.

Any disciplinary action contemplated by the Department as the result of a positive test for alcohol or drugs will be decided on an individual, case by case basis, and shall be consistent with the disciplinary action guidelines outlined in Section 2.120 of the Harbor Department Employee Manual. Further, any such disciplinary action taken by the Harbor Department shall be subject to the grievance procedure or appeal to the City’s Board of Civil Service Commissioners consistent with Section 1016 of the Los Angeles City Charter.

Additionally, any such contemplated disciplinary action may be considered by the Department independently of any action that may be taken by the USCG as a result of a positive test for drugs or alcohol. Pilots will have access to and may utilize the Harbor Department Employee Assistance Program at any time while they are employed by the Harbor Department.

Prior to the initiation of testing, all Pilots shall be given a copy of this Agreement and at any time this testing program is in place an employee will be provided with a copy of this Agreement upon request.

Post-Accident Testing

The Department will arrange to test a Port Pilot for both drugs and alcohol when the Pilot is directly involved in a serious marine incident as defined in 46 CFR 4.03-2. The Pilot’s direct involvement will be determined by the Pilot Service Manager or his/her designee. Such direct involvement is defined in 46 CFR 4.03-4. The tests will be conducted as soon as practicable after the incident and the Pilot will be accompanied to the test location by the Pilot Service Manager or his/her designee. The testing procedure to be followed is described in Attachment # 1.

Random Testing

All Port Pilots will be subject to unannounced, random testing as described in 46 CFR 16.230. Pilots will be selected for such testing through a computerized, random selection procedure conducted by the Department’s Human Resources Division. Pilots selected will be directed by the Human Resources Division to report to the test site. The specific testing procedure to be followed is described in Attachment #2. The random testing selection procedure will make all

APPENDIX C – DRUG TESTING AGREEMENT

Pilots subject to each random test conducted. Such testing will be conducted on City time and Pilots will be paid for time spent undergoing such tests. The number of such random tests annually conducted will be equal to at least 50% of the Pilots.

Periodic Testing

Pilots will be required to undergo a chemical test for dangerous drugs when they are required to take a physical examination as a condition of maintaining their USCG-issued Pilot's license. At the present time, 46 CFR 10.709 requires that Pilots undergo an annual physical examination in order to maintain their license. Therefore, the required chemical drug test will be conducted at the same time as the physical examination, and the specific testing procedure to be followed is described in Attachment #2. Such testing will be conducted on City time and Pilots will be paid for time spent undergoing such tests. Consistent with 46 CFR 16.220, the Periodic Testing requirement and procedure will be eliminated when the Random Testing procedure described above has been operative for twelve consecutive months.

Reasonable Cause Testing

The Department may require that Pilots submit to a chemical test for dangerous drugs when there is reasonable cause to suspect such usage, consistent with 46 CFR 16.250. Information concerning specific procedures for establishing reasonable cause and the specific testing procedure to be followed is described in Attachment #3.

The Union does not hereby waive any rights it has or may have to contest the applicability of USCG requirements for chemical drug and alcohol testing to the Port Pilots on any grounds. The Union specifically states that it has not been demonstrated to the satisfaction of the Union that the USCG requirements apply to the Port Pilots or that said requirements are constitutional.

APPENDIX C – DRUG TESTING AGREEMENT

Attachment 1

Specific Procedures To Be Used When Conducting Post-Accident Chemical Drug and Alcohol Tests.

1. Coast Guard Regulations (46 CFR 4.06) require that marine employers conduct chemical testing following serious marine incidents involving vessels in commercial service. The Pilot Service Manager or his/her designee will determine whether or not an accident involving a Los Angeles Port Pilot meets the criteria established for serious marine incidents as defined by the USCG.
2. If it is determined that the specific occurrence meets the criteria, and it is further determined that the Port Pilot was directly involved in such an incident (based on criteria established in 46 CFR 4.06-5), the Pilot will be directed to undergo a chemical test for drugs and alcohol.
3. When the Pilot Service Manager or his/her designee determines that a Port Pilot has been directly involved in a serious marine incident, the Pilot will be directed to undergo a chemical test for drugs and alcohol to be conducted by a medical facility authorized by the City's Medical Director. Once a determination has been made to direct the Pilot to undergo such testing, the Pilot shall be given a reasonable time to consult with a representative of his/her choice. Such request and consultation should not, however, delay the timely transport and testing of the Pilot. The testing should be conducted as soon as practicable after the incident. The testing will be conducted on City time and the Pilot will be transported to the test site accompanied by either the Pilot Service Manager or his/her designee.

The testing procedures to be used when conducting a chemical test for drugs are outlined below in Attachment #2 Specific Testing Procedures To Be Used When Conducting Periodic and Random Chemical Drug Tests.

Testing for the presence of alcohol will be done via a blood alcohol test conducted by medical staff at the City-authorized medical facility. Blood specimens will be taken only by qualified medical personnel and will be handled and shipped to a qualified testing laboratory. A proper chain of custody will be maintained and specimens will be shipped to the laboratory in a cooled condition as required by 46 CFR 4.06-40(a).

The laboratory will provide analysis of the specimen and produce a complete analysis report and such report will be sent to the Medical Review Officer (MRO) at the City-authorized medical facility. The MRO will review the report as required by 49 CFR 40.27 to determine whether or not there is a legitimate medical explanation. The MRO will submit his/her findings to the Department.

Standards for determining whether or not an individual is intoxicated are established in 33 CFR 95.020.

APPENDIX C – DRUG TESTING AGREEMENT

Attachment 2

Specific Testing Procedures To Be Used When Conducting Initial, Periodic and Random Chemical Drug Tests.

1. Port Pilots may be tested for the drugs identified in 46 CFR 16.350 (Marijuana; Cocaine; Opiates; Phencyclidine (PCP); and Amphetamines).
2. Testing procedures will conform to the urine collection and chain of custody procedures outlined in Attachment A.
3. The test will be conducted by a medical facility authorized by the City's Medical Director, and each employee shall provide a split urine sample at that location. Two portions of the sample will be collected in two separate collection kits and the samples, if necessary, will be sent to two separate laboratories. Each laboratory shall be certified by the Department of Health and Human Services as meeting the requirements of 49 CFR Part 40 (Procedures for Transportation Workplace Drug and Alcohol Testing Programs).
4. One sample shall be analyzed. If the initial screening is negative, the employee shall be deemed to have passed the test. If it is positive, a confirmatory test using Gas Chromatography/Mass Spectrometry (GC/MS) method will be conducted. If the confirmatory test is negative, the employee will be deemed to have passed the test. If the confirmatory test is positive, the Department shall direct that the second sample be tested using the GC/MS method. In either case, the Pilot will be notified of the test result by a representative of the medical staff at the City-authorized medical facility. That second sample will be sent to a different laboratory, certified by the Department of Health and Human Services as meeting the requirements of 49 CFR Part 40. At the employee's request, he/she may be present when the second sample is prepared to be sent to the laboratory. If the second sample is negative, the employee shall be deemed to have passed the test. If the second sample is positive, the results of all tests will be reviewed and interpreted by the MRO at the City-authorized medical facility.
5. The employee may, at his/her own expense, request that the test results be reviewed and interpreted by a medical consultant of his/her choosing. The employee's medical consultant shall have the same investigatory rights and powers of the MRO at the City-authorized medical facility.
6. The MRO physician shall interview the employee and determine whether the employee has taken any medicine or food that could affect the results of the tests and/or if there are any other reasons for the positive test results other than the usage of illegal drugs. The employee shall, at his/her request, have a Union representative and medical consultant present during this interview. The statements made by the employee, the Union representative and/or medical consultant shall be confidential. If requested by the employee, the MRO at the City-authorized medical facility will consult with, and consider the opinion of, the employee's medical consultant prior to making a determination. Based on all the information available, the MRO at the City-authorized medical facility shall make a preliminary determination. That preliminary determination will be communicated to the Pilot but will not become, in any fashion, part of the Pilot's permanent personnel file.
7. The MRO at the City-authorized medical facility shall consult, at the request of the Pilot, with the Pilot's medical consultant prior to presenting his final report to the Department.

APPENDIX C – DRUG TESTING AGREEMENT

8. The Department will inform the employee of the MRO's determination. Within two calendar days of receiving this determination, the employee may request a review of the test results by the City Medical Director. Upon such a request, the City Medical Director will interview the employee with, at the request of the Pilot, a Union representative and/or medical consultant, consider the information provided by both the employee's medical consultant and the MRO, review and interpret the test results and make a determination that the results are either positive or negative. Such a determination made by the City Medical Director shall be final for the purposes of satisfying the USCG requirements concerning drug testing.

APPENDIX C – DRUG TESTING AGREEMENT

Attachment 3

Specific Procedures To Be Used When Conducting Reasonable Cause Chemical Drug Tests.

1. Consistent with 46 CFR 16.250, the Department may require that a Pilot undergo a drug test where there is a reasonable basis to believe that the Pilot may be under the influence of drugs. Such a reasonable basis shall be established either by an admission on the part of the Pilot or by direct observations of abnormal behavior by a supervisor or lead person provided, however, that wherever practicable, such observations shall be corroborated by a second observer.
2. When a supervisor or lead person believes there is such reasonable cause to test a Pilot for drugs, the supervisor or lead person may direct the Pilot to undergo such a test to be conducted by the medical staff of a medical facility authorized by the City's Medical Director. Once a decision is made to direct the Pilot to undergo such testing, the Pilot shall be informed of the decision and if requested, the Pilot shall be given a reasonable opportunity to consult with the Union. Such request should not, however, delay the transport and testing of the Pilot. The Pilot to be tested will be accompanied to the test site by the requesting supervisor who will complete a written request to test (See Attachment #4 - Drug Testing Request Form). Any corroborating witnesses will be identified on the written request form.
3. The examining physician of the City-authorized medical facility will interview the supervisor requesting the test and the Pilot to be tested, after reviewing the written request form, and determine whether there is a sufficient basis to conduct a drug test.
4. When the physician determines that the Pilot's condition is related to a medical condition other than possible drug use, the physician will also determine whether or not the Pilot is fit to return to duty and will refer the Pilot to his/her personal physician. The Pilot may then be taken off duty pending review and treatment by the Pilot's personal physician.

If it is determined that such a test is to be conducted, the testing procedure will follow the procedure described in Attachment #2 - Specific Procedures To Be Used When Conducting Periodic and Random Drug Tests. In all cases, the supervisor shall wait for the employee to complete all tests and interviews and, upon completion of the examination, will be responsible for transporting the Pilot back to the Pilot Station. All interviews and tests will be conducted on City time and Pilots will be paid for time spent undergoing such tests.

APPENDIX C – DRUG TESTING AGREEMENT

Attachment A

URINE COLLECTION AND CHAIN OF CUSTODY PROCEDURE FOR DRUG SCREENING

Informed Consent

1. The employee signs a statement of informed consent which authorizes the drug screen and allows release of the test results to a City physician.
2. The employee's signature is witnessed by the medical assistant charged with collection of the urine specimen.

Urine Collection

1. The employee is taken to a separate room and instructed to disrobe completely except for an examination gown provided by the medical assistant.
2. The employee is required to wash his/her hands prior to collection of the urine sample.
3. The restroom used for urine collection will not have any water supplied to the sink and the toilet bowl will have colored dye in the water.
4. The employee is instructed to void into the collection kit bottle and he/she is not allowed to take any clothes, purse, bags or other items into the restroom.
5. Once the employee has provided the urine specimen it will be tested for pH and specific gravity and recorded by the medical assistant.

Chain of Custody

1. In the presence of the employee, the medical assistant will cap the bottles, and place a tamper proof seal over each cap.
2. The employee will initial the label on each bottle and sign the Chain of Custody form indicating that the urine sample is his/her own, was sealed in his/her presence and the specimen bottles were initialed by him/her.
3. The medical assistant then certifies the date of urine collection on the Chain of Custody form and signs a statement that: the sample was duly sealed, the sample bottles bear the initials of the employee, and the employee's signature was witnessed.
4. At this time, the employee is given the opportunity to declare all drugs (prescription, over-the-counter, etc.) used over the last 30 days, and this is recorded on the Chain of Custody form.

APPENDIX C – DRUG TESTING AGREEMENT

5. A copy of the Chain of Custody form is put inside a plastic bag with each bottle and the specimens are placed under refrigeration. The first bottle will be picked up and delivered by the courier to the laboratory.
6. When picking up the specimens, the courier will check the urine sample bottles to ensure they are in good condition and the seals are still intact. The courier will document this information on each Chain of Custody form and deliver the samples with the Chain of Custody forms to the laboratory.
7. The laboratory technologist/technician assigns an individual accession number to each sample and records the number, date and time received, and his/her name on the Chain of Custody form.
8. The technologist/technician also documents on the Chain of Custody form whether the sample was received in good condition with the seal intact. Should a seal be broken, testing procedures would not be conducted and a second urine sample will be requested.
9. Testing of a urine sample is begun by breaking the seal on the bottle and removing a portion of the sample for testing. The original sample bottle with the remainder of the specimen is immediately placed in a locked storage container.

**LETTER OF INTENT
MEMORANDUM OF UNDERSTANDING NO. 26
PORT PILOTS REPRESENTATION UNIT**

SHIP MOVES

1. Paragraph 5 of Article 46 (Ship Moves) states as follows: "The regularly scheduled shift of a Chief Pilot is 0530 to 1730. Management shall not make temporary shift changes for the purpose of circumventing this provision."
2. During the negotiations of the 2011-14 MOU, the Union and Management disagreed whether more than one Chief Pilot may perform ship moves on each 0530 to 1730 shift.
3. This issue was not resolved during the negotiations, and both parties preserve their respective positions.
4. Management and the Union are prohibited from using the bargaining history MOU to bolster their positions in a grievance, arbitration, Employee Relations Board proceeding or other legal proceeding.
5. This Side Letter shall not be attached to the MOU, but may be used by either the City or the Union if it contends that the other party has violated Article 46 of this Agreement.

FOR THE UNION:

FOR THE DEPARTMENT:

Ed Royles
President

Miguel A. Santana
City Administrative Officer

Date

Date