



● **Board of Directors**
Organization, Personnel and Technology Committee

5/10/2022 Board Meeting

**7-11 Confidential Status
Removed 5/10/22**

Subject

Approve entering into 2022-2024 Memorandum of Understanding between The Metropolitan Water District of Southern California and The American Federation of State, County and Municipal Employees, Local 1902; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA. [Conference with Labor Negotiators; to be heard in closed session pursuant to Gov. Code 54957.6. Metropolitan representatives: Diane Pitman, Human Resources Group Manager, Stephen Lem, HR Section Manager of Labor Relations. Employee organizations: The American Federation of State, County and Municipal Employees. (AFSCME), Local 1902.]

Executive Summary

The current Memorandum of Understanding (MOU) between Metropolitan and AFSCME Local 1902 expired on December 31, 2021. On March 29, 2022, the parties reached a Tentative Agreement on a successor MOU, the term of which will be January 1, 2022 through December 31, 2024. The Tentative Agreement has been ratified by AFSCME and is before the Board for approval and adoption.

Details

Background

AFSCME represents 1,251 staff in nearly every Group throughout Metropolitan, including Engineers, Operations & Maintenance Technicians, Plant Operators, Information Technology Analysts, Administrative Analysts and Administrative Support personnel. The current MOU for AFSCME expired on December 31, 2021.

On November 9, 2021, the Board's Organization, Personnel and Technology (OP&T) Committee authorized bargaining parameters for negotiations with AFSCME, and on March 29, 2022 the parties reached a Tentative Agreement on a successor MOU, consistent with the parameters authorized by the OP&T Committee. Key elements of the Tentative Agreement are as follows:

The term of the MOU shall be three years, commencing January 1, 2022, and expiring December 31, 2024. Effective June 26, 2022 (i.e., the beginning of the pay period which includes July 1, 2022), there shall be an across-the-board salary increase of 3.0% for all employees who are in the bargaining unit as of the date the MOU is approved by the Board. Each year thereafter during the term of the MOU, there shall be an across-the-board salary increase of 3.0% effective the first pay period that includes July 1st.

Effective in 2022, the parties agree that Juneteenth shall be observed as a paid District holiday each year on June 19th, or the closest workday in years in which June 19th falls on a weekend as outlined in existing Administrative Code Section 1106. The Administrative Code will likewise be updated to reflect the addition of the Juneteenth holiday.

Approximately 60 days following adoption of the 2022-24 MOU, the parties will re-open negotiations on a mutually agreed upon set list of issues. These will include Recruitment and Selection, Telework Policy, Transfer procedures, and District Housing. During such re-opener, all other previously agreed upon terms and conditions of the MOU (e.g., Term, Salaries, Benefits) shall be unchanged.

Based on the “Favored Nations” provisions in the Memoranda of Understanding with both the Association of Confidential Employees (ACE), and the Management and Professional Employees Association (MAPA), as well as Administrative Code Section 6500(d), it is anticipated that the economic terms described above will likewise be applied to employees represented by ACE and MAPA, as well as to Unrepresented staff.

Policy

Metropolitan Water District of Southern California Administrative Code Section 6101(k). As a result of negotiations, as set forth in Section 6101(k), the General Manager is authorized with Board approval to enter into a contractual agreement with AFSCME, per Section 6101(k).

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

California Environmental Quality Act (CEQA)

CEQA determination(s) for Option #1:

The proposed action is not defined as a project under CEQA (Public Resources Code Section 21065, State CEQA Guidelines Section 15378) because the proposed action will not cause either a direct physical change in the environment or a reasonably foreseeable indirect physical change in the environment and involves continuing administrative activities, such as general policy and procedure making (Section 15378(b)(2) of the State CEQA Guidelines). In addition, the proposed action is not defined as a project under CEQA because it involves the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment (Section 15378(b)(4) of the State CEQA Guidelines). Furthermore, the proposed action is not defined as a project under CEQA because it involves organizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment (Section 15378(b)(5) of the State CEQA Guidelines).

CEQA determination for Option #2:

None required.

Board Options

Option #1

Authorize the General Manager to exercise discretion under Administrative Code Section 6101(k) to enter into a successor MOU with AFSCME.

Fiscal Impact: The total increase in annual costs for FY 2022 will be \$4.92 million. This includes \$4.9 million for salary increases; and \$20,000 in Overtime costs for approximately 15 WSO staff anticipated to work on the Juneteenth holiday.

Business Analysis: If approved, a successor MOU with AFSCME will be implemented, thereby resolving contract negotiations with the District’s largest bargaining unit.

Option #2

Do not authorize agreement; direct staff to continue negotiations with AFSCME. [CEQA Determination not required]

Fiscal Impact: Unknown

Business Analysis: If agreement not approved, there will be no agreement with AFSCME, and the parties will resume negotiations.

Staff Recommendation

Option #1



Diane Pitman
Human Resources Group Manager

5/6/2022

Date



Adel Hagekhalil
General Manager

5/6/2022

Date

Ref# hr12687677