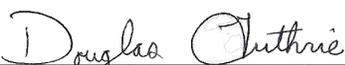


## REPORT OF THE PRESIDENT &amp; CEO

December 16, 2021

**RESOLUTION APPROVING AND ADOPTING REVISIONS TO THE SUCCESSOR MEMORANDUM OF UNDERSTANDING BETWEEN THE HOUSING AUTHORITY OF THE CITY OF LOS ANGELES AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES LOCAL 143, AND AUTHORIZING THE PRESIDENT AND CEO AND/OR HIS DESIGNEE TO EXECUTE THE MEMORANDUM OF UNDERSTANDING ONCE THE APPROVED CHANGES HAVE BEEN INCORPORATED**



Douglas Guthrie  
President and CEO



Annie Markarian  
Director of Labor & Employee Relations

**Purpose:** The purpose of this item is to approve and adopt revisions to the successor Memorandum of Understanding (“MOU”) between the Housing Authority of the City of Los Angeles (“HACLA”) and the American Federation of State, County and Municipal Employees Local 143, (“AFSCME Local 143”), and authorize the President and CEO and/or his designee to execute the memorandum of understanding once the approved changes have been incorporated.

**Regarding:** AFSCME Local 143 represents HACLA’s Administrative and Para-Professional classifications. Staff within this bargaining unit can be found in most of HACLA’s departments, but are predominantly assigned to the Public Housing and Housing Choice Voucher units. The most current MOU between HACLA and AFSCME Local 143 was approved by HACLA’s Board of Commissioners in February 2019, pursuant to Resolution 9487, and expired on June 30, 2021.

**Issues:** HACLA and representatives of AFSCME Local 143 have met and conferred in good faith as required by the Meyers-Milias-Brown Act (*Government Code* section 3500 et seq.), HACLA’s Personnel Rules, and the governing Memorandum of Understanding between the parties. Parties have reached a tentative agreement regarding the terms of a successor MOU. The tentative agreement is summarized as follows:

Term

- July 1, 2021 – June 30, 2024

## Compensation

- 4% increase to base salary effective January 1, 2022;
- 3% base salary increase effective January 1, 2023; and
- 3% base salary increase effective January 1, 2024.
  
- \$1,500.00 for year 2021 staff appreciation bonus (non-PERSable) effective on the first payroll of the month after this MOU is ratified by HACLA's Board of Commissioners. This is a one-time, non-recurring bonus to employees holding AFSCME classifications by or before January 1, 2021 **and** on the effective date of payment.

## Holidays

Juneteenth will be added to HACLA's schedule of observed holidays.

## Merit Step Increases

Unpaid leaves of absence greater than 10 days during the evaluation period shall not be counted as time served for purposes of merit step increases. This will not impact an employee's seniority.

Merit step increases from Step 1 – Step 2 shall be based on passing probation. Employees shall be eligible for further step increases on their anniversary date.

## Limited-Term Positions

Parties agree to add a new category of employees that are employed on a limited term basis and enter into a separate agreement to further delineate the framework. Limited term positions would be positions for which there is no anticipated long-range funding or which have uncertain future funding (i.e., grant funding; emergency funding). Limited-term employees would be employees employed on a limited-term.

Limited-term employee shall be subject to the same hiring standards as other AFSCME Local 143 classifications; however, when funding stops or the positions is no longer needed, the position shall be eliminated and the incumbent would be separated without regard to seniority or provisions set forth in the layoff procedures.

Parties will work cooperatively to establish a comprehensive framework for limited-term positions.

## Probationary Periods

Employees serving in a probationary period are not eligible for promotional opportunities. Employees who are promoted to a new classification and do

not pass probation, are returned to the classification for which they last held property rights (i.e., passed probation).

The probationary period for all AFSCME members shall be no less than six months. New hires into the following classifications, temporary employees obtaining permanent positions in the following classifications, and those promoting into the bargaining unit in the following classifications, shall have a 1 year probationary period: Accountant; Accounting Clerk I; Accounting Clerk II; Customer Support Representative; Eligibility Interviewer; Housing Inspector; Resident Services Site Coordinator; Section 8 Advisor; and Youth Program Assistant.

Staff who have completed a probationary period in another AFSCME classification shall have a 6-month probationary period.

Management may, in its discretion, extend the probationary period for individual employees on a case-by-case basis.

Appropriate probationary period will be determined by the parties for new classifications added to the bargaining unit.

Those serving in a 1-year probationary period will have a performance evaluation at the 4 and 8-month mark. Management and AFSCME will work cooperatively to update the performance evaluation process and procedures.

### Grievance Procedure

Upon request, employees who are grieving suspensions of 1 – 4 days will be provided a copy of the investigation report that supports the disciplinary action, if one exists. The Authority reserves the right to redact personal identifying information (PII) from such report in its discretion. PII may include, but is not limited to, names, addresses, social security numbers, banking information, etc. Grievance form will be updated to include a request for the investigation report.

Prior to escalating grievances to Step 3 of the Grievance Procedures, parties may mutually agree to participate in no-cost mediation through the State Mediation and Conciliation Services (SMCS). Where parties agree in advance to incur additional fees or costs associated with mediation services, such fees and costs shall be borne equally between Management and AFSCME. Disciplinary actions below a suspension are not subject to voluntary mediation.

### Appeal to Commissioners

Appeals will be heard by a hearing officer from the State Mediation and Conciliation Services, or other mutually agreed upon independent agency.

Fees and costs associated with retaining and utilizing the hearing officer shall be shared equally between Management and AFSCME. All other terms in Article VIII, Section 5, pertaining to the appeal to the commissioners – including the ability of the commissioners to review the advisory opinion of the hearing officer, remain the same.

### Overtime

Parties will work collaboratively to update the overtime language in the MOU to conform with legal standards and best practices, including clarifying that employees who work unauthorized overtime will be paid for time worked but may be subject to discipline.

### Year 3 Re-Opener

Management retains the right to reopen the contract in year 2 to address issues related to workload and workload caps in year 3. Should Management trigger this reopener (either formally or during the JLMC), AFSCME Local 143 may reopen the contract on the matter of wages.

### Joint Labor Management Committee (JLMC)

Parties will work collaboratively to establish a JLMC by or before 12/31/21 to discuss pending workplace concerns including, but not limited to, the following:

- Language to ensure overtime is granted to staff equitably, while maintaining managerial discretion for operational and business need; current overtime needs;
- Staffing vacancies on a prospective basis, including vacancies of 2021 budgeted positions and movement of positions;
- Employees working in temporary promotional positions beyond the anticipated timeframe; and
- Negotiable impact on AFSCME Local 143 members of implementing technology.

### Pending Non-Personnel Grievance

AFSCME Local 143 will dismiss the pending non-personnel grievance filed April 27, 2021, on the following conditions:

- Management will continue to work collaboratively with AFSCME Local 143 to resolve the requests for “5% additional duties pay” through 12/31/2021. After 12/31/2021, there will not be any retroactive monetary adjustments.
- Management will meet with AFSCME Local 143 to explain the manner staffing is allocated in HACLA budgets.

- Management will provide AFSCME Local 143 an updated vacancy report and an updated AB119 report.

This agreement does not preclude the Union from filing a future grievance should new circumstances arise that fall within the scope of the grievance process.

**Vision Plan:** The proposed revisions to the MOU between HACLA and AFSCME Local 143 supports all four core principals of HACLA's vision plan by maintaining labor stability, competitive wages and operational efficiencies such that the agency can continue to provide uninterrupted service to the communities and clients we serve.

**Funding:** The Chief Administrative Officer confirms the necessary funds are available and included in HACLA's budget and will be included in the operating budgets for the subsequent years. The source of funds is dependent on position and department assignment.

**Environmental Review:** Not applicable

**Section 3:** Not Applicable

**Attachment:**

1. Resolution

RESOLUTION NO. \_\_\_\_\_

**RESOLUTION APPROVING AND ADOPTING REVISIONS TO THE SUCCESSOR MEMORANDUM OF UNDERSTANDING BETWEEN THE HOUSING AUTHORITY OF THE CITY OF LOS ANGELES AND THE AMERICAN FEDERATION OF STATE, COUNTY AND MUNICIPAL EMPLOYEES LOCAL 143, AND AUTHORIZING THE PRESIDENT AND CEO AND/OR HIS DESIGNEE TO EXECUTE THE MEMORANDUM OF UNDERSTANDING ONCE THE APPROVED CHANGES HAVE BEEN INCORPORATED**

**WHEREAS**, the Memorandum of Understanding (“MOU”) between the Housing Authority of the City of Los Angeles (“HACLA”) and the American Federation of State, County and Municipal Employees, Local 143 (“AFSCME Local 143”), expired on June 30, 2021.

**WHEREAS**, the parties met and conferred in good faith regarding the terms of a successor MOU.

**WHEREAS**, the parties have tentatively agreed to the following terms for a successor MOU:

Term

- July 1, 2021 – June 30, 2024

Compensation

- 4% increase to base salary effective January 1, 2022;
- 3% base salary increase effective January 1, 2023; and
- 3% base salary increase effective January 1, 2024.
- \$1,500.00 for year 2021 staff appreciation bonus (non-PERSable) effective on the first payroll of the month after this MOU is ratified by HACLA’s Board of Commissioners. This is a one-time, non-recurring bonus to employees holding AFSCME classifications by or before January 1, 2021 **and** on the effective date of payment.

Holidays

Juneteenth will be added to HACLA’s schedule of observed holidays.

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This agreement does not preclude the Union from filing a future grievance should new circumstances arise that fall within the scope of the grievance process.

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Commissioners hereby approves and adopts the aforementioned changes to the AFSCME Local 143 MOU, and further authorizes the President and CEO and/or his designee to sign the final MOU document once said changes have been incorporated.

**BE IT FURTHER RESOLVED** that this Resolution shall take effect immediately.

APPROVED AS TO FORM:

Housing Authority of the City of Los Angeles

BY: \_\_\_\_\_  
General Counsel

BY: \_\_\_\_\_  
Chairperson

DATE ADOPTED: \_\_\_\_\_