

Amendment No. 2  
TO THE 2012-2014 MEMORANDUM OF UNDERSTANDING  
Between and For  
THE CITY AND COUNTY OF SAN FRANCISCO  
And  
BRICKLAYERS AND ALLIED CRAFTS, LOCAL 3  
And  
HOD CARRIERS, LOCAL 166  
And  
BUILDING INSPECTORS' ASSOCIATION  
And  
THE NORTHERN CALIFORNIA CARPENTERS REGIONAL COUNCIL,  
LOCAL 22  
And  
CARPET, LINOLEUM AND SOFT TILE WORKERS, LOCAL 12  
And  
PLASTERERS AND CEMENT MASONS, LOCAL 300  
And  
GLAZIERS, ARCHITECTURAL METAL AND GLASS WORKERS,  
LOCAL UNION NO. 718  
And  
INTERNATIONAL ALLIANCE OF THEATRICAL STAGE EMPLOYEES,  
MOVING PICTURE TECHNICIANS, ARTIST AND ALLIED CRAFTS OF THE  
UNITED STATES, ITS TERRITORIES AND CANADA,  
LOCAL 16  
And  
INTERNATIONAL ASSOCIATION OF BRIDGE, STRUCTURAL ORNAMENTAL,  
REINFORCING IRON WORKERS, RIGGERS AND MACHINERY MOVERS,  
LOCAL 377  
And  
PILE DRIVERS, DIVERS, CARPENTERS, BRIDGE, WHARF AND DOCK BUILDERS,  
LOCAL UNION NO. 34  
And  
PLASTERERS AND SHOPHANDS,  
LOCAL 66  
And  
UNITED UNION OF ROOFERS, WATERPROOFERS AND ALLIED WORKERS,  
LOCAL 40  
And  
SHEET METAL WORKERS INTERNATIONAL UNION,  
LOCAL 104  
And  
TEAMSTERS, LOCAL 853

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Consistent with the Tentative Agreement signed on July 31, 2013, the parties hereby amend the Agreement as follows:

### III.S. HEALTH BENEFIT CONTRIBUTIONS

#### 1. EMPLOYEE HEALTH CARE

309. The City shall maintain the level of health insurance and dental benefits as determined by the Health Service System Board and shall contribute the applicable amount per month for employee coverage.

#### ~~2. DEPENDENT HEALTH CARE PICK UP~~

- ~~310. The City shall contribute the greater amount of up to \$225 per month or 75% of the dependent rate charged by the City to employees for Kaiser coverage at the dependent plus two level.~~

#### 2. 3. DENTAL COVERAGE

311. Each employee covered by this Agreement shall be eligible to participate in the City's dental program.
312. The aforesaid payments shall not be considered as part of an employee's salary for the purpose of computing straight time earnings, compensation for overtime worked, premium pay, retirement benefits or retirement contributions; nor shall such contributions be taken into account on determining the level of any other benefit which is a function of or percentage of salary.
313. Employees who enroll in the Delta Dental PPO Plan shall pay the following premiums for the respective coverage levels: \$5/month for employee-only, \$10/month for employee + 1 dependent, or \$15/month for employee + 2 or more dependents.

#### 3. 4. CONTRIBUTIONS WHILE ON UNPAID LEAVE

314. As set forth in Administrative Code section 16.701(b), covered employees who are not in active service for more than twelve (12) weeks shall be required to pay the Health Service System for the full premium cost of membership in the Health Service System, unless the employee shall be on sick leave, workers' compensation, mandatory administrative leave, approved personal leave following family care leave, disciplinary suspensions, or on a layoff holdover list where the employee verifies they have no alternative coverage.

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**4.5. HEALTH COVERAGE**

**a. Health Coverage Effective Through December 31, 2013**

**1) MEDICALLY SINGLE EMPLOYEES**

315. From July 1, 2012 to December 31, 2013, for “medically single employees” (Employee Only), (i.e., benefited employees not receiving contributions paid by the City for dependent health care benefits), the City shall contribute all of the premium for the employee’s own health care benefit coverage.

**2) DEPENDENT HEALTH CARE PICK-UP**

**315a. From July 1, 2012 through December 31, 2013, for Dependent Coverage (Employee Plus One; Employee Plus Two More), the City shall contribute the greater amount of up to \$225 per month or 75% of the dependent rate charged by the City to employees for Kaiser coverage at the dependent plus two level.**

**b. Health Coverage Effective January 1, 2014 Through December 31, 2014**

**1) MEDICALLY SINGLE EMPLOYEES**

316. Effective January 1, 2014, for “medically single employees” (Employee Only) enrolled in any plan other than the highest cost plan, the City shall contribute ninety percent (90%) of the “medically single employee” (Employee Only) premium for the plan in which the employee is enrolled; provided, however, that the City’s premium contribution will not fall below the lesser of: (a) the “average contribution” as determined by the Health Service Board pursuant to Charter Sections A8.423 and A8.428(b)(2); or (b), if the premium is less than the “average contribution”, one hundred percent (100%) of the premium.

317. For the period January 1, 2014 through December 31, 2014 only, for “medically single employees” (Employee Only) who elect to enroll in the highest cost plan, the City shall contribute ninety percent (90%) of the premium for the second highest cost plan, plus fifty percent (50%) of the difference between: (a) ninety percent (90%) of the premium for the second highest cost plan; and (b) one hundred percent (100%) of the premium for the highest cost plan. Thereafter, **for bargaining units 5, 10, and 41 only**, the City shall contribute 90% of the premium for the second highest cost plan for such employees.

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~~318. The provisions in paragraphs 316 and 317 above shall not apply to "medically single employees" (Employee Only) who are permanently assigned by the City to work in areas outside the health coverage areas of Kaiser and Blue Shield for the term of this Agreement. For such "medically single employees" (Employee Only), the City shall continue to contribute one hundred percent (100%) of the premium for the employees' own health care benefit coverage.~~

2) **DEPENDENT HEALTH CARE PICK-UP**

318a. Effective January 1, 2014, for Dependent Coverage (Employee Plus One; Employee Plus Two More), the City shall contribute the greater amount of up to \$225 per month or 75% of the dependent rate charged by the City to employees for Kaiser coverage at the dependent plus two level, **except as provided below.**

c. Health Coverage Effective January 1, 2015 (for all bargaining units except units 5, 10, and 41)

318b. Effective January 1, 2015, for all bargaining units except units 5, 10, and 41, the contribution model for employee health insurance premiums will be based on the City's contribution of a percentage of those premiums and the employee's payment of the balance (Percentage-Based Contribution Model), as described below:

1) Employee Only:

318c. For medically single employees (Employee Only) who enroll in any health plan offered through the Health Services System, the City shall contribute ninety-three percent (93%) of the total health insurance premium, provided however, that the City's contribution shall be capped at ninety-three percent (93%) of the Employee Only premium of the second-highest-cost plan.

2) Employee Plus One:

318d. For employees with one dependent who elect to enroll in any health plan offered through the Health Services System, the City shall contribute ninety-three percent (93%) of the total health insurance premium, provided however, that the City's contribution shall be capped at ninety-three percent (93%) of the Employee Plus One premium of the second-highest-cost plan.

3) Employee Plus Two or More:

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318e. For employees with two or more dependents who elect to enroll in any health plan offered through the Health Services System, the City shall contribute eighty-three percent (83%) of the total health insurance premium, provided however, that the City's contribution shall be capped at eighty-three percent (83%) of the Employee Plus Two or More premium of the second-highest-cost plan.

4) Contribution Cap

318f. In the event HSS eliminates access to the current highest cost plan for active employees, the City contribution under this agreement for the remaining two plans shall not be affected.

5) Average Contribution Amount

318g. For purposes of this agreement, and any resulting agreements under paragraph 318i, to ensure that all employees enrolled in health insurance through the City's Health Services System (HSS) are making premium contributions under the Percentage-Based Contribution Model, and therefore have a stake in controlling the long term growth in health insurance costs, it is agreed that, to the extent the City's health insurance premium contribution under the Percentage-Based Contribution Model is less than the "average contribution," as established under Charter section A8.428(b), then, in addition to the City's contribution, payments toward the balance of the health insurance premium under the Percentage-Based Contribution Model shall be deemed to apply to the annual "average contribution." The parties intend that the City's contribution toward employee health insurance premiums will not exceed the amount established under the Percentage-Based Contribution Model.

d. Medically Single Employees Outside of Health Coverage Areas

318h. *The provisions in paragraphs 316, ~~and 317,~~ and 318c above shall not apply to "medically single employees" (Employee Only) who are permanently assigned by the City to work in areas outside the health coverage areas of Kaiser and Blue Shield for the term of this Agreement. For such "medically single employees" (Employee Only), the City shall continue to contribute one hundred percent (100%) of the premium for the employees' own health care benefit coverage.*

e. Agreement Not to Renegotiate Contributions in 2014

318i. The terms described in paragraphs 318b through 318g above will be effective in calendar year 2015, and the parties agree not to seek to modify this

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agreement through the term of any MOU entered into prior to, or in the spring of, 2014.

f. Other Terms Negotiable

318j. While the parties have agreed in paragraph 318i not to negotiate any changes to the Percentage-Based Contribution Model, the parties are free to make economic proposals to address any alleged impact of the health contribution levels described above or other health related issues not involving the percentage-based contribution model (e.g. wellness and transparency).

g. Other Agreements

318k. Should the City and any recognized bargaining unit reach a voluntarily bargained agreement that results in City contributions to health insurance premiums exceeding those provided by the Percentage-Based Contribution Model, the City agrees to offer the entire alternate model to the Union as a substitute.

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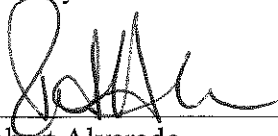
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FOR THE CITY:

FOR THE UNIONS:

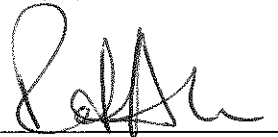
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Micki Callahan Date  
Human Resources Director

\_\_\_\_\_  
Steve Kantoniemi Date  
Bricklayers and Allied Crafts, Local 3



\_\_\_\_\_  
Martin R. Gran Date  
Employee Relations Director

\_\_\_\_\_  
Robert Alvarado Date  
Executive Officer,  
Northern California Carpenters Regional  
Council / Local 22



APPROVED AS TO FORM:  
DENNIS J. HERRERA, City Attorney

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Robert Alvarado Date  
Executive Officer,  
Northern California Carpenters Regional  
Council/Building Inspectors' Association

\_\_\_\_\_  
Elizabeth Salvesson Date  
Chief Labor Attorney, *for*  
Office of the City Attorney  
*9/23/17*

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Dennis M. Carlin, Jr. Date  
San Francisco Building Inspectors'  
Association

\_\_\_\_\_  
Dennis Meakin Date  
Ironworkers, Local 377

\_\_\_\_\_  
Steve Lutge Date  
International Alliance of Theatrical Stage  
Employees, Moving Picture Technicians,  
Artist and Allied Crafts of the United  
States, Its Territories and Canada, Local  
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FOR THE CITY:

\_\_\_\_\_  
Micki Callahan Date  
Human Resources Director

\_\_\_\_\_  
Martin R. Gran Date  
Employee Relations Director

APPROVED AS TO FORM:  
DENNIS J. HERRERA, City Attorney

\_\_\_\_\_  
Elizabeth Salvesson Date  
Chief Labor Attorney,  
Office of the City Attorney

FOR THE UNIONS:

\_\_\_\_\_  
Steve Kantoniemi Date 9/11/2013  
Bricklayers and Allied Crafts, Local 3

\_\_\_\_\_  
Cliff Drescher Date  
Northern California Carpenters Regional  
Council / Local 22

\_\_\_\_\_  
Cliff Drescher Date  
Northern California Carpenters Regional  
Council/Building Inspectors' Association

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Pat Karinen Date  
Pile Drivers, Divers, Carpenters, Bridge,  
Wharf and Dock Builders, Local Union  
No. 34

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Chester Murphy Date  
Plasterers and Shophands, Local 66

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Steven Tucker Date  
United Union of Roofers, Waterproofers  
and Allied Workers, Local 40

*Richard Koenig* 9/9/15  
Richard Koenig Date  
Sheet Metal Workers International Union,  
Local 104

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Rome Aloise Date  
Teamsters, Local 853

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Daniel Harrington Date  
Teamsters, Local 853

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Dave Johnson Date  
Plasterers & Cement Masons, Local 300

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