

File No. 180614

Committee Item No. 21

Board Item No. 30

## COMMITTEE/BOARD OF SUPERVISORS

### AGENDA PACKET CONTENTS LIST

Committee: Government Audit and Oversight

Date: June 20, 2018

Board of Supervisors Meeting:

Date: June 26, 2018

#### Cmte Board

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input type="checkbox"/>            | <input type="checkbox"/>            | Motion                                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Resolution                                   |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | Ordinance                                    |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Legislative Digest                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Budget and Legislative Analyst Report        |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Introduction Form                            |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Department/Agency Cover Letter and/or Report |
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | MOU  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Information Form                       |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Grant Budget                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Subcontract Budget                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Contract/Agreement                           |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Award Letter                                 |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Public Correspondence                        |

#### OTHER

- |                                     |                                     |  |
|-------------------------------------|-------------------------------------|--|
| <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> | <u>Controller Costing Letter - June 13, 2018</u> |
| <input type="checkbox"/>            | <input type="checkbox"/>            | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | _____  |
| <input type="checkbox"/>            | <input type="checkbox"/>            | _____  |

Prepared by: John Carroll

Date: June 15, 2018

Prepared by: John Carroll

Date: June 22, 2018

1 [Memorandum of Understanding - International Federation of Professional and Technical  
2 Engineers, Local 21]

3 **Ordinance adopting and implementing Amendment No. 4 to the 2014-2019**

4 **Memorandum of Understanding between the City and County of San Francisco and the**  
5 **International Federation of Professional and Technical Engineers, Local 21, to update**  
6 **the Union Security provision.**

7 NOTE: **Unchanged Code text and uncodified text** are in plain Arial font.  
8 **Additions to Codes** are in *single-underline italics Times New Roman font*.  
9 **Deletions to Codes** are in ~~*italics Times New Roman font*~~.  
10 **Board amendment additions** are in double-underlined Arial font.  
11 **Board amendment deletions** are in ~~Arial font~~.  
12 **Asterisks (\* \* \* \*)** indicate the omission of unchanged Code  
13 subsections or parts of tables.

14 Be it ordained by the People of the City and County of San Francisco:

15 Section 1. The Board of Supervisors hereby adopts and implements Amendment No. 4  
16 to the 2014-2019 Memorandum of Understanding between the City and County of San  
17 Francisco and the International Federation of Professional and Technical Engineers, Local 21,  
18 to update the Union Security provision.

19 Amendment No. 4 to the MOU so implemented is on file with the Clerk of the Board of  
20 Supervisors in Board File No. 180614.

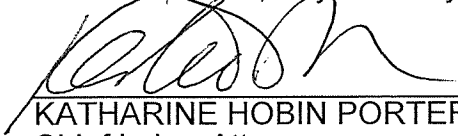
21 Section 2. The Board of Supervisors hereby authorizes the Department of Human  
22 Resources to make non-substantive ministerial or administrative corrections to the MOU.

23 Section 3. Effective Date. This ordinance shall become effective upon enactment.  
24 Enactment occurs when the Mayor signs the ordinance, the Mayor returns the ordinance  
25

1 unsigned or does not sign the ordinance within ten days of receiving it, or the Board of  
2 Supervisors overrides the Mayor's veto of the ordinance.

3

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

6 By:   
7 KATHARINE HOBIN PORTER  
8 Chief Labor Attorney

9 n:\labor\as2018\0200064\01279822.docx

10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

**AMENDMENT No. 4  
TO THE 2014-2019 MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE CITY AND COUNTY OF SAN FRANCISCO  
AND  
THE INTERNATIONAL FEDERATION OF PROFESSIONAL  
AND TECHNICAL ENGINEERS LOCAL 21, AFL-CIO**

The parties hereby agree to amend the Memorandum of Understanding as follows, subject to approval by the San Francisco Board of Supervisors:

**I.H. UNION SECURITY**

1. Authorization for Deductions

~~69. The City shall deduct Union dues, initiation fees, premiums for insurance programs, political action fund contributions, and any special membership assessments from an employee's pay upon receipt by the Controller of a form authorizing such deductions by the employee. The City shall pay over to the designated payee all sums so deducted. Upon request of the Union, the Controller agrees to meet with the Union to discuss and attempt to resolve issues pertaining to delivery of services relating to such deductions.~~

2. Dues Deductions

~~70. Dues deductions, once initiated, shall continue until the authorization is revoked in writing by the employee. For the administrative convenience of the City and the Union, an employee may only revoke a dues authorization by delivering the notice of revocation to the Controller during the two week period prior to the expiration of this Agreement. The revocation notice shall be delivered to the Controller either in person at the Controller's office or by depositing it in the U.S. Mail addressed to the Payroll/Personnel Services Division, Office of the Controller, One South Van Ness Avenue, 8th Floor, San Francisco, CA 94103; Attention: Dues Deduction. The City shall deliver a copy of the notices of revocation of dues deductions authorizations to the Union within two (2) weeks of receipt.~~

3. Fair Share Agreement

~~71. Application: Except as provided otherwise herein, the provisions of this section shall apply to all employees of the City in all classifications represented by the Union in represented units when on paid status. These provisions shall not apply to individual employees of the City in represented units who have been properly and finally determined to be management employees pursuant to Section 16.208 of the Employee Relations Ordinance. Except when an individual employee has filed a challenge to a management designation, the Employee Relations Director and the Union shall meet as necessary for the purpose of attempting to make such determinations by mutual agreement. The Employee Relations Director shall give the Union no less than ten (10) working days prior notice of any such proposed designation. Disputes regarding such~~

~~designations shall be promptly resolved pursuant to Section 16.208 (B) of the Employee Relations Ordinance.~~

#### ~~4. Implementation~~

~~—An agency shop shall be implemented within representation units or subunits when:~~

- ~~72. a. Election: The Union has requested, in writing, an election on the issue, to be conducted by the State Conciliation Service and 50% plus one of those voting favor agency shop, or~~
- ~~73. b. 2/3 Membership: The Union makes a showing that 2/3 of the employees within the unit or subunit are dues paying members of the Union, or~~
- ~~74. c. New Employees: The Union requests, in writing, an agency shop be implemented for all employees hired after a date to be agreed to by the Union and the Employee Relations Division.~~

#### ~~5. Service Fee~~

- ~~75. For the term of this Agreement, all current and future employees of the City as described in Section I.H. above, except as set forth below, shall, as a condition of continued employment, become and remain a member of the Union or, in lieu thereof, shall pay a service fee to the Union. Such service fee payment shall not exceed the standard initiation fee, periodic dues and general assessments (hereinafter collectively termed membership fees) of the Union representing the employee's classification. The service fee payment shall be established annually by the Union, provided that such service fee will be used by the Union only for the purposes permitted by law.~~

#### ~~6. Financial Reporting~~

- ~~76. Annually, and in accordance with its legal obligations, the Union will provide an explanation of the fee and sufficient financial information to enable the fair share service fee payer to gauge the appropriateness of the fee. The Union will provide a reasonably prompt opportunity to challenge the amount of the fee before an impartial decision maker not chosen by the Union and will make provision for an escrow account to hold amounts reasonably in dispute while challenges are pending.~~

#### ~~7. Religious Exemption~~

- ~~77. Any employee of the City in a classification described in Section I.H.3. above, who is a member of a bona fide religion, body or sect which has historically held conscientious objections to joining or financially supporting a public employee organization shall upon presentation of membership and historical objection be relieved of any obligation to pay the required service fee in accordance with law. Any such employee shall be required, in lieu of periodic dues, initiation fees or agency shop fees to pay an amount equal to the~~

~~periodic dues, initiation fees or agency shop fees to one of the following non-religious tax-exempt charities of the employee's choice: the United Way, the American Red Cross, or the San Francisco Food Bank. The Union shall be informed in writing of any such requests.~~

#### 8. Payroll Deduction

~~78. The Union shall provide the Employee Relations Director and the City Controller with a current statement of membership fees. Such statement of membership fees shall be amended as necessary. The Controller may take up to thirty (30) days to implement such changes. Effective the second complete pay period commencing after the election or request or showing described in Section I.H. and each pay period thereafter, the Controller shall make membership fee or service fee deductions, as appropriate, from the regular periodic payroll warrant of each City employee described in Section I.H. thereof, and each pay period thereafter, the Controller shall make membership fee or service fee deductions, as appropriate, from the regular payroll warrant of each such employee. Nine (9) working days following payday the Controller will promptly pay over to the Union all sums withheld for membership or service fees.~~

#### 9. Employee Lists

~~79. The Controller shall also provide with each payment a list of employees paying membership fees and a list of employees paying service fees. All such lists shall contain the employee's name, employee number, classification, department number and amount deducted.~~

~~80. A list of all employees in represented classes shall be provided to the Union monthly. Nothing in this section shall be deemed to have altered the City's current obligation to make insurance program or political action deductions when requested by the employee.~~

~~81. The Union shall comply with the requirements set forth in Chicago Teachers Union v. Hudson, 475 U.S. 292 (1986) for the deduction of agency shop fees. Annually, the Union shall certify in writing to the City that the content of the written notice meets the requirements set forth in this section and in Hudson.~~

#### 1. Authorization for Deductions

~~**69. The City shall deduct from a represented employee's pay Union dues, fees, premiums for insurance programs, political action fund and other contributions, and any special membership assessments (collectively, "contributions"), as established and as may be changed from time to time by the Union, upon submission by the Union of an employee's signed membership or other payroll deduction authorization form specifically authorizing those deductions. The Union shall submit the signed membership card or other authorization form to the City by U.S. mail to the Payroll Division, Office of the Controller, One South Van Ness Avenue,**~~

8th Floor, San Francisco, CA 94103; Attention: Dues Deduction. The City shall have thirty (30) days following receipt of the form to begin the authorized deductions.

70. Except as otherwise provided in this section I.H.1., each pay period, the City shall remit all sums so deducted to the Union, together with a written statement of the names, employee numbers, classifications, departments, and amounts deducted, after deducting the fee under San Francisco Administrative Code Section 16.92.
71. When the Union determines to adjust the level of contributions, the Union shall provide written notice of the adjustment to the City by U.S. mail to the Payroll Division, Office of the Controller, One South Van Ness Avenue, 8th Floor, San Francisco, CA 94103; Attention: Dues Deduction. The City shall have thirty (30) days following receipt of the notice to implement the adjusted contribution level.
72. Except as otherwise provided in this section I.H.1, the City shall continue to deduct and remit contributions until it receives notice of revocation from the Union as provided in this section, or it receives an order from a court or administrative body directing the City to discontinue the deduction for one or more employees.
73. An employee may revoke his or her membership or payroll deduction authorization as follows:
- a. for those employees who have signed a membership card or other authorization form which provides terms of revocation, the exclusive method of revocation is set by the card or other authorization form.
  - b. for employees whose membership card or other authorization form does not provide terms of revocation, the member may revoke by submitting a written revocation to the Union during the thirty (30) day period immediately before the anniversary date on which the employee signed his or her form.
74. When the Union determines that a represented employee timely revokes his or her membership or contribution authorization as provided above, the Union shall notify the Controller and Employee Relations Director in writing by U.S. mail within fourteen (14) days. The City shall cease contribution deductions within thirty (30) days of receiving the notice of revocation from the Union.
75. The City shall not resolve disputes between the Union and represented employees concerning Union membership or contribution deductions, or provide advice to employees about such matters. The City shall direct employees who have questions or concerns about Union contributions to the Union.
76. Upon request of the Union, the Controller agrees to meet with the Union to discuss and attempt to resolve issues pertaining to delivery of services relating to such deductions.

## 2. Mandated Fair Share / Agency Fees Agreement

77. Application: Except as provided otherwise herein, the provisions of this section shall apply to all employees of the City in all classifications represented by the Union in represented units when on paid status. These provisions shall not apply to individual employees of the City in represented units who have been properly and finally determined to be management employees pursuant to Section 16.208 of the Employee Relations Ordinance. Except when an individual employee has filed a challenge to a management designation, the Employee Relations Director and the Union shall meet as necessary for the purpose of attempting to make such determinations by mutual agreement. The Employee Relations Director shall give the Union no less than ten (10) working days prior notice of any such proposed designation. Disputes regarding such designations shall be promptly resolved pursuant to Section 16.208 (B) of the Employee Relations Ordinance.
78. Implementation: An agency shop shall be implemented within representation units or subunits, effective the following pay period after one of the following occurs:
- a. Election: The Union has requested, in writing, an election on the issue, to be conducted by the State Conciliation Service and 50% plus one of those voting favor agency shop, or
  - b. 2/3 Membership: The Union makes a showing that 2/3 of the employees within the unit or subunit are dues paying members of the Union, or
  - c. New Employees: The Union requests, in writing, an agency shop be implemented for all employees hired after a date to be agreed to by the Union and the Employee Relations Division.
79. Service Fee: For the term of this Agreement, all current and future employees of the City as described in Section I.H. above, except as set forth below, shall, as a condition of continued employment, become and remain a member of the Union or, in lieu thereof, shall pay a service fee to the Union. Such service fee payment shall not exceed the standard initiation fee, periodic dues and general assessments (hereinafter collectively termed membership fees) of the Union representing the employee's classification. The service fee payment shall be established annually by the Union, provided that such service fee will be used by the Union only for the purposes permitted by law.
80. Financial Reporting: The Union shall comply with the requirements set forth in Chicago Teachers Union v. Hudson, 475 U.S. 292 (1986) for the deduction of agency shop fees. Annually, the Union shall certify in writing to the City that the content of the written notice meets the requirements set forth in this section and in Hudson. Annually, and in accordance with its legal obligations, the Union will provide an explanation of the fee and sufficient financial information to enable the fair share service fee payer to gauge the appropriateness of the fee. The Union will provide a



reasonably prompt opportunity to challenge the amount of the fee before an impartial decision maker not chosen by the Union and will make provision for an escrow account to hold amounts reasonably in dispute while challenges are pending.

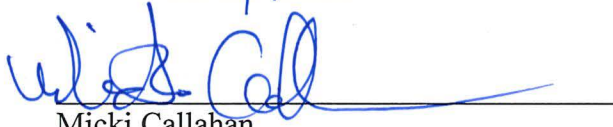
81. Religious Exemption: Any bargaining unit member who is a member of a bona fide religion, body or sect which has historically held conscientious objections to joining or financially supporting a public employee organization shall upon presentation of membership and historical objection be relieved of any obligation to pay the required service fee in accordance with law. Any such employee shall be required, in lieu of periodic dues, initiation fees or agency shop fees to pay an amount equal to the periodic dues, initiation fees or agency shop fees to one of the following non-religious tax-exempt charities of the employee's choice: the United Way, the American Red Cross, or the San Francisco Food Bank. The Union shall be informed in writing of any such requests.
82. If the law changes and public employers and employee organizations can no longer require public employees to pay fair share fees as a condition of employment, then section I.H.2 shall be suspended and excised from any successor agreement, and the City shall cease payroll deductions of fair share fees required solely as a matter of law. The City will continue to deduct contributions that a bargaining unit member has authorized consistent with section I.H.1 above.

### 3. Indemnification

83. The Union shall indemnify, hold harmless, and defend the City against any claim, including but not limited to any civil or administrative action, and expense and liability of any kind, including but not limited to reasonable attorney's fees, legal costs, settlements, or judgments, arising from or related to the City's compliance with this section. The Union shall be responsible for the defense of any claim within this provision, subject to the following: (i) the City shall promptly give written notice of any claim to the Union, (ii) the City shall provide any assistance that the Union may reasonably request for the defense of the claim; and (iii) the Union has the right to control the defense or settlement of the claim; provided, however, that the City shall have the right to participate in, but not control, any litigation for which indemnification is sought with counsel of its own choosing, at its own expense; and provided further that the Union may not settle or otherwise resolve any claim or action in a way that obligates the City in any manner, including but not limited to paying any amounts in settlement, taking or omitting to take any actions, agreeing to any policy change on the part of the City, or agreeing to any injunctive relief or consent decree being entered against the City, without the consent of the City. This duty to indemnify, hold harmless, and defend shall not apply to actions related to compliance with this section brought by the Union against the City.

FOR THE CITY

Date: 6/4/18



Micki Callahan  
Human Resources Director

FOR THE UNION

Date: 6/4/18



Debra Grabelle  
Executive Director, IFPTE Local 21

Date: 6/4/18



Carol Isen  
Employee Relations Director

APPROVED AS TO FORM:

Date: 6/4/18



Katharine Hobin Porter  
Chief Labor Attorney



**OFFICE OF THE CONTROLLER**  
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield  
Controller  
Todd Rydstrom  
Deputy Controller

**MEMORANDUM**

**TO:** Ms. Angela Calvillo  
Clerk of the Board of Supervisors

**FROM:** Ben Rosenfield

**DATE:** June 12, 2018

**SUBJECT:** File Number 180614: Amendment to the Memorandum of Understanding (MOU) between the City and County of San Francisco and the International Federation of Professional and Technical Engineers, Local 21.

---

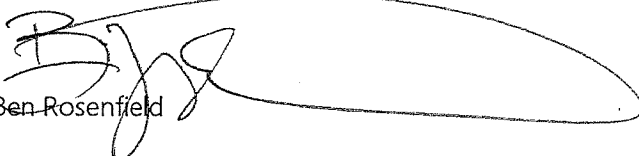
Dear Ms. Calvillo,

In accordance with Ordinance 92-94, I submit a cost analysis of an amendment to the MOU between the City and County of San Francisco and the International Federation of Professional and Technical Engineers, Local 21. The MOU being amended is for the period July 1, 2014 through June 30, 2019.

The amendment makes administrative changes to "Union Security" rules, including authorizations for payroll deductions, fair share and agency fee agreements, and union financial reporting. There is no clear cost increase or decrease to the City directly attributable to these amendments.

If you have additional questions or concerns, please contact me at 554-7500 or Carol Lu of my staff at 554-7647.

Sincerely,

  
Ben Rosenfield  
Controller

cc: Carol Isen, ERD  
Harvey Rose, Budget Analyst

BOARD of SUPERVISORS



City Hall  
1 Dr. Carlton B. Goodlett Place, Room 244  
San Francisco 94102-4689  
Tel. No. 554-5184  
Fax No. 554-5163  
TDD/TTY No. 554-5227

## MEMORANDUM

TO: Ben Rosenfield, City Controller, Office of the Controller

FROM: John Carroll, Assistant Clerk, Government Audit and Oversight Committee  
Board of Supervisors

DATE: June 12, 2018

SUBJECT: LEGISLATION INTRODUCED - Cost Analysis Memoranda of  
Understanding - 2018

---

The Board of Supervisors' Government Audit and Oversight Committee has received the following proposed legislation, introduced by Mayor Farrell on June 5, 2018:

This matter is assigned to the Government Audit Committee and tentatively scheduled for committee consideration on June 20, 2018. I'm forwarding it to you for a cost analysis.

Please forward your analysis to me at the Board of Supervisors, City Hall, Room 244, 1 Dr. Carlton B. Goodlett Place, San Francisco, CA 94102.

**File No. 180614 [Memorandum of Understanding - International Federation of Professional and Technical Engineers, Local 21]**

Ordinance adopting and implementing Amendment No. 4 to the 2014-2019 Memorandum of Understanding between the City and County of San Francisco and the International Federation of Professional and Technical Engineers, Local 21, to update the Union Security provision.

c: Todd Rydstrom, Office of the Controller  
Michelle Allersma, Office of the Controller  
Carol Lu, Office of the Controller

OFFICE OF THE MAYOR  
SAN FRANCISCO



MARK FARRELL  
MAYOR

RECEIVED  
BOARD OF SUPERVISORS  
SAN FRANCISCO

2018 JUN -5 PM 2: 52

BY ZB

TO: Angela Calvillo, Clerk of the Board of Supervisors  
FROM: Mayor Farrell  
RE: Memorandum of Understanding - International Federation of Professional  
and Technical Engineers, Local 21  
DATE: June 5, 2018

---

Attached for introduction to the Board of Supervisors is an ordinance adopting and implementing Amendment No. 4 to the 2014-2019 Memorandum of Understanding between the City and County of San Francisco and the International Federation of Professional and Technical Engineers, Local 21, to update the Union Security provision.

Should you have any questions, please contact Andres Power 554-5168.

1 DR. CARLTON B. GOODLETT PLACE, ROOM 200  
SAN FRANCISCO, CALIFORNIA 94102-4681  
TELEPHONE: (415) 554-6141