

**AMENDMENT No. 2
TO THE 2014-2017 MEMORANDUM OF UNDERSTANDING
BETWEEN
THE CITY AND COUNTY OF SAN FRANCISCO
AND
SERVICE EMPLOYEES INTERNATIONAL UNION, LOCAL 1021**

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

Article III.A. WAGES

Represented employees will receive the following base wage increases:

Effective October 11, 2014: 3%

Effective October 10, 2015: 3.25%

Effective July 1, 2016, represented employees will receive a base wage increase between 2.25% and 3.25%, depending on inflation, and calculated as $(2.00\% \leq \text{CPI-U} \leq 3.00\%) + 0.25\%$, which is equivalent to the CPI-U, but no less than 2% and no greater than 3%, plus 0.25%.

In calculating CPI-U, the Controller's Office shall use the Consumer Price Index – All Urban Consumers (CPI-U), as reported by the Bureau of Labor Statistics for the San Francisco Metropolitan Statistical Area. The growth rate shall be calculated using the percentage change in price index from February 2015 to February 2016.

Effective July 1, 2017, represented employees will receive a base wage increase of 3%.

Effective July 1, 2018, represented employees will receive a base wage increase of 3% unless the March 2018 Joint Report, prepared by the Controller, the Mayor's Budget Director and the Board of Supervisors' Budget Analyst, projects a budget deficit for fiscal year 2018-2019 that exceeds \$200 million, in which case the base wage adjustments of 3% due on July 1, 2018, will be delayed by six (6) months until the pay period including January 1, 2019.

The City agrees that the provision in the preceding paragraph that delays implementation of the July 1, 2018 scheduled wage increase because of projected shortfalls in the March, 2018 Joint Report shall not be used as evidence or precedent in any future interest arbitration proceedings under San Francisco Charter Sections A8.409 or 8A.104. This does not preclude the City from making a similar proposal in the future, and from supporting it with other evidence.

All base wage calculations shall be rounded to the nearest whole dollar, bi-weekly salary schedule.

Article VIII. D. DURATION OF AGREEMENT

This Agreement shall be effective July 1, 2014 and shall remain in full force and effect through June 30, ~~2017~~2019.

This Agreement shall remain in full force and effect through that date and from year to year thereafter unless either party serves written notice on the other at least sixty (60) days prior to June 30, ~~2017~~ 2019 or June 30th of any subsequent year of its desire to open the Agreement for the purpose of meeting and conferring on proposed changes.

The effective date of those provisions herein that have been determined by the arbitration board established pursuant to Charter Section A8.409.4 shall be the date that the board issues its decision.

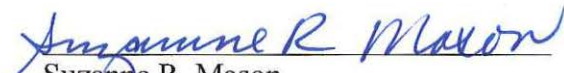
FOR THE CITY

Date: 1/20/17



Micki Callahan
Human Resources Director

Date: 1-20-17



Suzanne R. Mason
Employee Relations Director

FOR THE UNION

Date: _____

John Stead-Mendez
Executive Director
SEIU, Local 1021

Date: _____

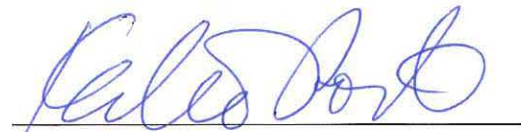
David Canham
SF Regional Director, SEIU Local 1021

Date: _____

Joseph Bryant
Vice President, San Francisco Region

APPROVED AS TO FORM:

Date: 1/20/17

A handwritten signature in blue ink, appearing to read "Katharine Porter", written over a horizontal line.

Katharine Hobin Porter
Chief Labor Attorney