AMENDMENT No. 2 TO THE 2014-2017 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:

ARTICLE III.A. WAGES

The wage rates for the employees covered by this agreement shall be rounded to the nearest <u>whole dollar, bi</u> <u>weekly</u> salary grade. The Human Resources Department will prepare a salary <u>table</u> grade to reflect the appropriate compensation for each classification covered by this Agreement as of July 1, 2014 no later than September 30, 2014. The Agreement shall be administratively amended to include the salary <u>table</u> grade and <u>that table</u> shall be attached to the Agreement as Appendix B, with notice to the Union.

Represented employees will receive the following base wage increases:

Effective as of the first full pay period beginning in October, 2014: 3%

Effective as of the first full pay period beginning in October, 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 $(2.00\% \le \text{CPI-U} \le 3.00\%) + 0.25\%$, 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 adjustment of 3% due on July 1, 2018, will be delayed by six (6) months until the pay period including January 1, 2019.

ARTICLE VI.D. DURATION OF AGREEMENT AND INITIATION OF MEET AND CONFER PROCESS

This Agreement shall remain in full force and effect from July 1, 2014, to and inclusion of June 30, 2017 2019.

Upon mutual agreement, the parties may reopen this agreement for the sole purpose of addressing recruitment or retention difficulties with the City's engineers.

FOR THE CITY

G Date: Micki Callahan

Human Resources Director

Date: 01-19-17

Maxor

Suzanne R. Mason Employee Relations Director

APPROVED AS TO FORM:

Date:

Katharine Hobin Porter Chief Labor Attorney

FOR THE UNION

Date:

Robert Muscat Executive Director, IFPTE Local 21