

Amendment No. 2  
TO THE 2006-2010 MEMORANDUM OF UNDERSTANDING  
BETWEEN  
THE CITY AND COUNTY OF SAN FRANCISCO  
AND  
INTERNATIONAL FEDERATION OF PROFESSIONAL AND TECHNICAL ENGINEERS,  
LOCAL 21

The City and County of San Francisco and the International Federation of Professional and Technical Engineers, Local 21, AFL-CIO (the "Parties") hereby amend and extend the 2006-2009~~10~~ Memorandum of Understanding between the Parties, as revised through Amendment No. 2, as follows:

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## II.G. WORKFORCE REDUCTION

- 111a. Except for layoffs already noticed as of May 18, 2009, the City will not effectuate layoffs of employees in represented classifications in the period beginning May 19, 2009 through November 15, 2009.
- 111b. Through FY 2009-2010, the City will provide ten (10) business days' notice to employees who are subject to displacement due to layoff. To the extent this notice period extends beyond the date the displacing employee is to start in the position, the employee who is to be displaced will be placed in a temporary exempt position in his/her classification and department for the remainder of the notice period.
- 111c. The Human Resources Director agrees to work with the departments to discourage utilization of Proposition F and temporary exempt employees when such positions would more appropriately or efficiently be filled by permanent employees. In addition, the City will notify holdovers in represented classifications of any recruitments for exempt positions in their classifications.
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## III.A. WAGES

138. In addition, represented employees will receive the following base wage increases:

Effective December 30, 2006: 2.5%

Effective June 28, 2008: 2.0%

Effective December 27, 2008: 3.5%

Effective June 13, 2009

The wages effective as of December 27, 2008 shall be temporarily reduced by 1.75%, which represents an adjustment equivalent to the value of five (5) days of unpaid personal time off. This wage adjustment will sunset at the close of business July 23, 2010.

Effective July 24, 2010

The wages effective as of December 27, 2008 shall be temporarily reduced by 1.25%, which represents an adjustment equivalent to the value of three (3) days of unpaid personal time off. This wage adjustment will sunset on the close of business June 24, 2011.

138a. All base wage increases calculations shall be rounded to the nearest salary schedule.

**III.B. ADDITIONAL COMPENSATION**

27. Exemplary Performance Pay

262. 1. For Fiscal Years 2006-2007, 2007-2008, 2008-2009 and 2009-2010, qualified represented employees shall be eligible to receive Exemplary Performance Pay in a lump sum amount between 1.0% and 2.5% of the employee's base pay earned during the preceding fiscal year. This payment shall be deemed compensation for purposes of retirement and allocated to the fiscal year the exemplary performance was rendered. It is acknowledged that effective June 30, 2009, the Exemplary Performance Pay program shall be suspended due to lack of funds, and shall remain suspended due to the lack of departmental funds through fiscal year 2009-2010.

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**III.I. HOLIDAYS**

Floating Holidays

356. Four (4) floating days off (thirty-two (32) hours) to be taken on days selected by the employee subject to prior scheduling approval of the appointing officer. Floating Holidays may be taken in hourly increments up to and including the number of hours contained in the employee's regular shift. Employees (both full-time and part-time) must complete six (6) months continuous service to establish initial eligibility for the floating days off. Floating Holidays received in one fiscal year but not used shall be carried forward to the next succeeding fiscal year. The maximum number of floating holidays carried forward to a succeeding fiscal year shall not exceed the total number of floating holidays received in the previous fiscal year, and at no time shall employees be able to accumulate more than 64 hours of floating holidays. No compensation of any kind shall be earned or granted for floating days off not taken.

356a. Effective June 30, 2009, employees shall receive a one-time addition of five (5) floating holidays for one year, which shall be administered in the same manner as the floating holidays in paragraph 356 above.

356b. Effective July 1, 2010, employees shall receive a one-time addition of three (3) floating holidays for one year, which shall be administered in the same manner as the floating holidays in paragraph 356 above.

356c. Notwithstanding the paragraphs above, any unused floating holidays accrued from June 27, 2009 through July 8, 2011 may be carried over to be used in fiscal year 2011-2012, but at no time shall an employee accumulate a

combined floating holiday balance of more than twenty (20) days (including floating holidays awarded in a particular year) during this period. During fiscal years 2009-2010 and 2010-2011, floating holidays must be used before vacation days or hours are taken; provided however that this limitation (i.e., use of floating holidays before vacation) will not apply in cases in which use of the floating holiday will cause a loss of vacation due to the accrual maximums. Floating Holidays are to be scheduled per mutual agreement, based on operational needs of the department.

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### III.O. RETIREMENT

#### Retirement Restoration Payment

389a. For employees who retire prior to July 1, 2012 and whose final compensation for retirement purposes is impacted by the wage reduction described in Section III.A., the City will provide restoration pay in a lump sum equivalent to the pensionable value of the wage reduction described in Section III.A. for the period used by the applicable retirement system to determine the employee's final compensation for retirement purposes.

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### III.T. SICK LEAVE

#### 2. Pilot Wellness Incentive Program

416. The City hereby establishes a pilot "wellness incentive program" to promote workforce attendance.
417. Effective July 1, 2002, any full-time employee leaving the employment of the City upon service or disability retirement may receive payment of a portion of accrued sick leave credits at the time of separation.
418. The amount of this payment shall be equal to two and one-half percent (2.5%) of accrued sick leave credits at the time of separation times the number of whole years of continuous employment times an employee's salary rate, exclusive of premiums or supplements, at the time of separation. Vested sick leave credits, as set forth under Civil Service Commission Rules, shall not be included in this computation.

#### 3. Example of Calculation

419. Employee A retires with 20 years of service.  
Employee A has a sick leave balance of 500 hours.  
Employee A has a base salary rate of \$25.00 per hour at the time of separation.  
Wellness Incentive = 2.5% for each year of service x 20 years of service = 50%  
x 500 hours = 250 hours.

250 hours x \$25.00 (base salary at time of separation) = \$6,250.00

420. The number of hours for which an employee may receive cash payments shall not exceed one thousand forty (1040) hours, including any vested sick leave.
421. A wellness incentive bonus payment shall not be considered as part of an employee's compensation for the purpose of computing retirement benefits.
422. The Pilot Wellness Program shall expire ~~at the end of this 2006-2010 Agreement~~ at close of business June 30, 2010.
423. Discussions of ways to promote workforce attendance, including evaluation of the Wellness Program and effective alternatives thereto, will be referred to the UCRC.
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#### **VIII.D. DURATION OF AGREEMENT AND INITIATION OF MEET AND CONFER PROCESS**

489. This Memorandum of Understanding shall be in effect from July 1, 2006 through and inclusive of June 30, 2010-11.
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#### **APPENDIX F: PSC ADDENDUM**

**WHEREAS, the City and the Union acknowledge the need to reduce the cost of Personal Service Contracts in the City budget, and desire to preserve the employment of City employees;**

**NOW, THEREFORE, IT IS AGREED BETWEEN AND AMONG THE PARTIES HERETO, AS FOLLOWS:**

- 1. In any budget proposal for FY 2009-2010, the Mayor will reflect a reduction of the aggregate dollar value of Professional and Specialized Services (including Personal Service Contracts (PSCs)) paid through the General Fund by not less than \$25 million and, if practicable, by as much as \$30 million relative to the value of such services in FY 2008-2009.**
- 2. The City has recommended to the Board the elimination of the CPI for contracts, materials, and supplies for FY 09-10. (Est. \$13.5 million)**
- 3. Through FY 2009-2010, the City agrees to use its best efforts to establish opportunities for individuals on the holdover list for Local 21 classifications to obtain employment in the City's enterprise departments.**
- 4. During FY 2009-2010, the City will subject departmental requests for requisition approval by general fund departments to increased scrutiny. The process, involving the Mayor's Office and the Department of Human Resources, requires submissions of organizational charts and additional justification to obtain approvals. Approvals will be based on criteria including: (i) whether the positions are revenue-generating; (ii) whether they are needed to meet safety-related, legal or contractual requirements; (iii) the extent to which the position affects a core City function; and (iv) the impact of filling the positions on the general fund.**

5. The City will meet quarterly with the Union to provide information on its efforts pursuant to paragraph 3, and on all departmental requests and approvals under paragraph 4.

6. The Mayor's Chief of Staff will conduct a review by July 1, 2009 to determine whether the design and construction management work proposed by the Recreation and Park Department at Palega Playground should be performed by the Department of Public Works and to explore possible ways to resolve any future disputes involving the MOU between DPW and Rec and Park. As part of this review, the Chief of Staff shall chair a meeting of representatives of Local 21, DPW and Rec and Park. The Chief of Staff will prepare a document memorializing his determinations. Nothing in this paragraph shall prejudice the Union's right to pursue legal action against the Civil Service Commission with respect to its decision to permit a PSC contract covering the Palega Playground work.

7. The City and Local 21 agree to establish a special joint citywide Labor-Management Committee to:

- a. Review areas of General Fund and Enterprise PSCs and other city contracts affecting Local 21 members with the goal of ensuring appropriate use of Local 21 represented Civil Service classifications in construction management, inspection, and other work performed by Local 21 represented classifications.
- b. Explore establishing workload forecasting by city departments.
- c. Review PSC processes, form(s) and tracking of PSCs, and RFP notice requirements.

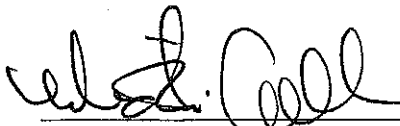
The Committee will be formed with three representatives from the Union and three from management. Release time is to be provided for work of this Committee.

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As in the parties' previous extension, except as expressly provided in this Amendment No. 2, it is understood and agreed that all other provisions of the 2006-2009 Memorandum of Understanding, together with all Appendices thereto and as revised through Amendment No. 1, shall be extended for the term of the Agreement as hereby amended.


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FOR THE CITY

  
Micki Callahan  
Human Resources Director

5/26/09  
Date

FOR THE UNION

  
Bob Muscat  
IFPTE, Local 21

8-20-09  
Date

Martin R. Gran 5-26-09  
Martin R. Gran Date  
Employee Relations Director

Approved As To Form:

Elizabeth Salveson 5-19-09  
Elizabeth Salveson Date  
Chief Labor Attorney,  
Office of the City Attorney