

**AMENDMENT No. 2
TO THE 2006-2009 MEMORANDUM OF UNDERSTANDING
BETWEEN
SAN FRANCISCO MUNICIPAL TRANSPORTATION AGENCY
AND
MUNICIPAL EXECUTIVES' ASSOCIATION**

It is understood and agreed that all other provisions of the Agreement and any appendices and sideletters thereto shall be extended for the term of the Agreement as amended by this MOU.
The parties hereby amend and extend the Memorandum of Understanding as follows:

III.C.Pay for Performance

Fiscal Year 2006-2007

87. In recognition of the impact of the employee retirement contribution payment on MEA represented employees, the overall City fiscal condition and the extraordinary demands placed on the City's managers during the unprecedented fiscal crisis, during fiscal years 2003-2004 through 2005-2006, and that no MEA represented employee was paid at the 3% pay for performance level provided by the MOU for each applicable year, employees appointed to an MEA represented classification on or before December 31, 2005 who continued to be employed in an MEA classification through June 30, 2006, shall receive a 2% payment on a biweekly basis beginning with the first full pay period in the fiscal year 2006-2007.

Fiscal Years 2007-2008 ~~and~~ 2008-2009 and 2009-2010

88. In fiscal year 2007-2008, by the first pay period on or after October 1, 2007, MEA represented employees shall be eligible to receive a one and one-half percent (1.5%) lump sum payment, based on base wages earned in a represented classification in fiscal year 2006-2007, subject to the eligibility requirements described in section III. C.
89. In fiscal year 2008-2009, by the first pay period on or after October 1, 2008, MEA represented employees shall be eligible to receive a one and one-half percent (1.5%) lump sum payment, based on base wages earned in a represented classification in fiscal year 2007-2008, subject to the eligibility requirements described in section III. C.

89a. In fiscal year 2009-2010, by the first pay period on or after October 1st 2009, MEA represented employees shall be eligible to receive a 1.5% lump sum payment based on base wages earned in a represented classification in fiscal year 2008-2009 subject to the eligibility requirements described below.

90. Employees who commence employment in an MEA represented classification within the prior twelve (12) months (New MEA Employees), and who have been employed in such classifications for at least six (6) months prior to the commencement of the fiscal year during which payment is made, shall be eligible to receive one-half (1/2) of the pay for performance

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payment available for existing employees, subject to the eligibility requirements described in the paragraph below.

91. Eligibility for payments under section III. C. during fiscal years 2007-2008 ~~and~~ 2008-2009 and 2009-2010 shall be based upon Appointing Officer certification of the following terms:
- The employee has received a performance appraisal (evaluating performance) and a performance plan (containing objectives for future performance) during the fiscal year immediately proceeding the fiscal year during which payments will be made.
 - The employee has completed a performance appraisal and performance plan for all immediate reports during the fiscal year immediately proceeding the fiscal year during which payments will be made, except for new immediate reports (i.e. reporting relationship has existed for less than twelve (12) months) as to whom the Appointing Officer certifies the time for completion of a performance appraisal and performance plan has not yet occurred.
 - The employee's payment under this section may be denied if the employee's performance during the twelve (12) months prior to the fiscal year during which payments will be made has been unsatisfactory to MTA.
92. The denial of a payment under this subsection is not subject to the grievance procedure.
93. Nothing in this section shall make performance appraisals or plans subject to the grievance procedure.
94. Payments made pursuant to this section shall not change or affect an employee's placement in A, B, or C range. Placement and movement in Range A, B, or C shall continue to be governed by Section III.B.
95. Re-opener on Pay for Performance only. By mutual agreement, the MTA and the Association may reopen in 2006-2007 to establish a new pay for performance plan for 2007-2008 ~~and/or~~ 2008-2009 and 2009-2010. Any reopener on Pay for Performance shall be subject to the provisions of Charter section A8.409.

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IV.A.Management Training

224. The MTA shall budget \$20,000 each year ~~for three years~~ for the purpose of management training of MEA-represented employees. Until such funds are exhausted, an employee may utilize up to a maximum of \$2,000 per fiscal year. Upon agreement of the parties, this amount may be supplemented with unspent funds allocated for internal adjustments in accordance with Section III.C. Until such funds are exhausted, an employee may utilize up to a maximum of \$2,000 per fiscal year for tuition, internal or external training programs,

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professional conferences and professional association membership. Employees may also use funds to purchase Personal Digital Assistants, professional software, books and subscriptions, and laptop computers, to the extent that these items would be used in the performance of their City duties. In addition, subject to approval by the MTA Director of Human Resources and to the extent funds are available, employees may utilize up to \$1,000 of the funds available to them for that fiscal year under this article to pay for up to one-half of the cost of reasonable and necessary travel and lodging for approved training. Travel reimbursement rates shall be as specified in the Controller's travel policy memo. However, Management Training Funds may not be used for food. A joint MTA-MEA management development committee will be established to develop the program and to decide how to spend the allotted sums. The MTA shall not utilize these funds to supplant existing budgeted training programs. Funds which are not expended at the end of each fiscal year shall be rolled over into the next fiscal year.

VI.D.Re-opener

235. It is understood and agreed that no new economic benefits for FY 2010-11 shall become effective prior to December 31, 2010; provided as follows:

(a) in the event the San Francisco Municipal Transportation Agency negotiates to improve an economic benefit that becomes effective between July 1, 2010 through December 30, 2010, inclusive, for any other miscellaneous SFMTA officers or employees employed in the SFMTA, that economic benefit will be extended to the Union's represented employees in a manner consistent with the overall economic agreement between the SFMTA and the union with which it previously agreed;

(b) in the event that an arbitration panel acting under the authority of Charter section A8.409-4 awards another union representing miscellaneous employees employed in the SFMTA an economic benefit that becomes effective between July 1, 2010 through December 30, 2010, the SFMTA shall allow the Union to reopen its MOU solely for the purpose of proposing that its represented employees should receive an economic benefit in FY 2011-12, in light of the arbitration panel's award on behalf of the other miscellaneous labor organization. Such reopener, if any, shall commence in January 2011, and shall be subject to the timelines and the Charter factors set forth in Charter section A8.409. By entering into this agreement, the SFMTA is not conceding that the Union is or should be entitled to a remedy in the event another union receives an economic benefit for the time period described above. The parties also acknowledge that any economic increases so awarded that are based on market-based adjustments or reflect premiums for specific work functions are not necessarily applicable to any other group of employees or to other unions.

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(c) that economic benefits negotiated for or awarded to non-A8.409 employees, so-called "miscellaneous safety" or employees whose retirement is with the California Public Employees' Retirement System are exempt from this section and do not trigger subsections (a) and (b), above; and

(d) that any economic benefits negotiated or awarded that become effective on or prior to June 30, 2009 are exempt from this section and do not trigger subsections (a) and (b), above.

VI.D.E Duration of Agreement

235.236 This Agreement shall be effective July 1, 2006, and shall remain in full force and effect through June 30, ~~2009~~2010.

FOR THE S. F. MUNICIPAL
TRANSPORTATION AGENCY

FOR THE ASSOCIATION

Nathaniel P, Ford, Sr. Date
Executive Director/CEO

Rebecca Rhine Date
Executive Director
Municipal Executives' Association

Debra A. Johnson Date
Chief of Staff/Director, Administration

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