FIRST ADDENDUM TO THE SAN FRANCISCO PUBLIC UTILITIES COMMISSION WATER SYSTEM IMPROVEMENT PROGRAM PROJECT LABOR AGREEMENT

[SEPTEMBER 10, 2008]

THIS ADDENDUM ("Addendum") is made as of September 10, 2008, in San Francisco, California, by and between the signatory craft unions, (hereinafter, collectively the "Union" or "Unions"), and the San Francisco Public Utilities Commission ("SFPUC" or "Owner"), acting by and through the SFPUC General Manager.

RECITALS

WHEREAS, the SFPUC and the Unions have entered into the San Francisco Public Utilities Commission, Water System Improvement Program, Project Labor Agreement ("Agreement" as defined below); and

WHEREAS, the SFPUC and the Unions desire to modify the Agreement on the terms and conditions set forth herein to add the Advanced Meter Installation project to the Project scope;

NOW, THEREFORE, the SFPUC and the Unions agree as follows:

1. Definitions. The following definitions shall apply to this Amendment:

a. Agreement. The term "Agreement" shall mean the San Francisco Public Utilities Commission, Water System Improvement Program, Project Labor Agreement dated March 27, 2007, between the SFPUC and the Unions.

b. Other Terms. Terms used and not defined in this Addendum shall have the meanings assigned to such terms in the Agreement.

2. Modifications to the Agreement. The Agreement is hereby modified as follows:

Pursuant to Section 18.2 of the Agreement, the parties hereby agree that the Advanced Meter Installation project shall be included in "the Project," as defined in Section 1.2 of the Agreement, and Appendix A.

3. Effective Date. The modification set forth in Section 2 shall be effective on and after September 10, 2008.

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4. Legal Effect. Except as expressly modified by this Addendum, all of the terms and conditions of the Agreement shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the SFPUC and the Unions have executed this Amendment as of September 10, 2008.

FOR THE UNIONS FOR THE SAN FRANCISCO PUBLIC **UTILITIES COMMISSION** Ed Harrington, General Manager Mike Theriault, Secretary Treasurer San Francisco Public Utilities Commission San Francisco Building and Construction Trades Council, AFL-CIO (On behalf of its Affiliates) Approved as to Form: Dennis J. Herrera, City Attorney Noreen Ambrose, General Counsel Oscar de la Torre Secretary-Treasurer/Business Manager San Francisco Public Utilities Commission Laborers Local 261