# COLLECTIVE BARGAINING AGREEMENT

Between

INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS, LOCAL NO. 126

And

CITY OF CHICAGO

Effective July 1, 2007
Through
June 30, 2017

Ratified by City Council on: December 12, 2007

**CITY OF CHICAGO**
**AGREEMENT WITH**
**INTERNATIONAL ASSOCIATION OF MACHINISTS**
**AND AEROSPACE WORKERS, LOCAL NO. 126**

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**CITY OF CHICAGO**
**AGREEMENT WITH**
**INTERNATIONAL ASSOCIATION OF MACHINISTS**
**AND AEROSPACE WORKERS, LOCAL NO. 126**

## AGREEMENT

This Agreement is entered into by and between the City of Chicago, an Illinois Municipal Corporation (hereinafter called the "Employer") and the International Association of Machinists and Aerospace Workers, Local No. 126 (hereinafter called "the Union"), for the purpose of establishing, through the process of collective bargaining certain provisions covering wages, and other terms and conditions of employment for the employees represented by the Union.

In recognition of the above, the Employer and the Union agree as follows:

## ARTICLE 1
## RECOGNITION

### Section 1.1

The Employer recognizes the Union as the sole and exclusive bargaining agent for all employees in the following job classifications:

Senior Air Mask Technician

Air Mask Technician

Machinist

Machinist (Automotive)

Machinist (Helicopter)

Machinist Helper

Machinist (Sub-Foreman)

Foreman of Machinists

General Foreman of Machinists

Supervising Air Mask Technician

Supervising Parking Meter Mechanic

Parking Meter Mechanic

Parking Meter Service

Water Meter Machinist

Supervisor of Public Vehicle Inspectors

Manager of Public Vehicle Inspections

Service Writer Police Motor Maintenance

The Union is authorized to bargain collectively for such employees with respect to rates of pay, wages, hours and other terms and conditions of employment. The term "employee" as used herein, refers to the above job classifications, unless specified to the contrary.

## ARTICLE 2
## MANAGEMENT RIGHTS

### Section 2.1

The Union recognizes that certain rights, powers, and responsibilities belong solely to and are exclusively vested in the Employer, except only as they may be subject to a specific and express obligation of this Agreement. Among these rights, powers, and responsibilities, but not wholly inclusive, are all

matters concerning or related to the management of the Employer's operations and the administration thereof, and the direction of the working forces, including (but not limited to) the right to suspend, discipline, or discharge for just cause; to layoff by reason of lack of work, by reason of lack of funds or work, or abolition of a position, or material changes in duties or organization of the Employer's operations, or other economic reasons; to hire, classify, transfer and assign work, promote, demote, or recall; to make and enforce reasonable rules and regulations, to maintain order and efficiency; to schedule the hours of work; to determine the services, processes, and extent of the Employer's operation, the types and quantities of machinery, equipment and materials to be used, the nature, extent, duration, character and method of operation, including (but not limited to) the right to contract out or subcontract; the right to determine the number of employees and how they shall be employed, and the quality and quantity of workmanship and work required to insure maximum efficiency of operations; to establish and enforce fair production standards; and to determine the size, number and location of its departments and facilities. All of the provisions of this Article are vested exclusively in the Employer, except as expressly abridged by a specific provision of this Agreement.

## ARTICLE 3
## NON-DISCRIMINATION

### Section 3.1 Equal Employment Opportunities

The Union agrees to work cooperatively with the Employer to insure equal employment opportunities as required by law in all aspects of the Employer's personnel policies, and nothing in this Agreement shall be interpreted to cause a negative effect on said efforts. It is understood and agreed that this Article shall neither affect nor be interpreted to adversely affect the seniority provisions of this Agreement.

### Section 3.2 No Discrimination

Neither the Employer nor the Union shall discriminate against any employee covered by this Agreement in a manner which would violate any applicable laws because of race, color, religion, national origin, age, sex, marital status, mental and/or physical handicap or activity on behalf of the Union.

### Section 3.3 Grievances of Alleged Violations

Grievances by employees alleging violations of this Article shall be resolved through Step III of the Grievance procedure of this Agreement, but shall not be subject to arbitration unless mutually agreed by the parties.

### Section 3.4 Reasonable Accommodation

In the event the Employer shall be required to make a reasonable accommodation under the Americans With Disabilities

Act ("ADA") to the disability of an applicant or incumbent employee that may be in conflict with the rights of an employee under this Agreement, the Employer shall bring this matter to the attention of the union. The provisions of Article 11 of this Agreement shall be available, and the Arbitrator may balance the Employer's obligations under the ADA and this Agreement and the employee's rights under this Agreement, provided that no incumbent employee shall be displaced by such decision of the Arbitrator.

## ARTICLE 4
## WAGES

### Section 4.1 Prevailing Wage Rates

Effective July 1, 2007, employees covered by this agreement shall continue to receive the hourly rate being paid to crafts or job classifications doing similar kinds of work in Cook County pursuant to the formula currently used by the United States Department of Labor in administering the Davis-Bacon Act as currently being paid to said employees as set forth in Appendix A appended to and made a part of this Agreement.

### Section 4.2 Prevailing Rate Adjustments

Effective on July 1 of each year of this Agreement beginning in 2007, through the period ending June 30, 2017, the wage rate referred to in the immediately preceding Section shall be adjusted to reflect the hourly wage rates effective on such

dates being paid to crafts or job classifications doing similar work in Cook County pursuant to the formula specified in Section 4.1 above and as set forth in Appendix A. In the event the hourly wage rates effective July of each year covered by this Agreement are established at an effective date later than July 1, then such rates, when established, shall be paid as of said effective date. In no event will the Employer adjust said wage rates more than one time in any calendar year.

**Section 4.3 Non-Prevailing Wage Rates Governing First Five-Years of this Agreement (07/01/2007 to 06/30/2012):**

**Effective the following dates, the City will make the wage adjustments below for all employees who are in non-prevailing rate classifications and who are either on the payroll as of the effective date or on lay-off with recall rights:**

**Year 1:**

- **Effective 07/01/2007 - 1%**
- **Effective 01/01/2008 - 2.25%**

**Year 2:**

- **Effective 01/01/2009 - 3%**

**Year 3:**

- **Effective 01/01/2010 - 3%**

**Year 4:**

- **Effective 01/01/2011 - 3.25%**

**Year 5:**

- **Effective 01/01/2012 - 3.5%**

Section 4.4 Non-Prevailing Wage Rates Governing Second Five-Year Term (07/01/2012 to 06/30/2017):

Effective the following dates, the City will make the wage adjustments below for all employees who are in non-prevailing rate classifications and who are either on the payroll as of the effective date or on lay-off with recall rights:

Year 6:

- Effective 01/01/2013 - 2%

Year 7:

- Effective 01/01/2014 - 2%

Year 8:

- Effective 01/01/2015 - 2%

Year 9:

- Effective 01/01/2016 - 2%

Year 10:

- Effective 01/01/2017 - 2%

"Me Too" Clause: If a majority of City unionized employees in non-prevailing wage rate classifications** receive an across-the-board percentage increase in their regular base rate of pay in any contract year higher than the increase set forth above in any such year, employees in non-prevailing rate classifications covered by this Agreement shall have their wage adjustment set forth above increased by the difference between the above increase and the higher across-the-board percentage increase in any such year. Similarly, if a majority of City unionized

**employees in non-prevailing wage rate classifications** receive a lump sum payment in any contract year, employees in non-prevailing rate classifications covered by this Agreement shall receive the same lump sum payment in any such year. The parties agree to confer regarding the timing, amount and implementation of any wage adjustment or lump sum payment under this Section prior to such adjustment being paid.**

****Exclusive of sworn employees of the Chicago Police Department and uniformed members of the Chicago Fire Department.**

**Section 4.5 Retroactivity**

**The increases set forth in Article 4, Sections 4.1 and 4.3, are payable to affected employees who, as of August 2, 2007, are either on the payroll, or are on approved leave, or are on layoff with recall rights, or are seasonal employees who are eligible for rehire, or are former employees who retired effective between July 1, 2007 and the date of final ratification of the Agreement by the City Council, inclusive.**

**Section 4.6 Hire Rate(s)**

Employees hired after February 13, 1986, who are performing the duties in the job classifications listed in Appendix B shall receive the monthly salary rate of pay set forth in Appendix B for the term of the Agreement. Effective September 1, 2000, employees in the job classification of Water Meter Machinist shall be paid on an hourly basis at a rate of pay of $.50/hour

above the rate paid to the classification of Laborer-Water Distribution. As of that date, Water Meter Machinists will not accrue additional sick days and shall be eligible for the same holidays as all other hourly employees covered by this Agreement.

**Section 4.7 Out of Grade Pay**

An employee covered by this Agreement who is directed to and does perform substantially all of the duties and responsibilities of a higher rated job within the bargaining unit shall be paid at the higher rate or classification consistent with his own tenure for all such time for the first day of the assignment. The Employer agrees that it will make such assignments for not less than an employee's full work day. Such payment shall be made on the next regular payday or as soon thereafter as is possible, but in no event later than the pay period following the pay period in which the payment was earned.

**The time limits for such individual assignments to higher-rated jobs shall be ninety (90) days, except where a regular incumbent is on leave of absence, in which case the time limit shall be six (6) months. The time limits may be extended by mutual agreement of the parties. To the extent the Employer continues to require the performance of the duties of the higher-rated job beyond the time limits set forth herein, the assignment shall be treated as a "permanent vacancy" within the meaning of Section 14.8 of this Agreement, and shall be subject to the applicable provisions of that Section.**

**Section 4.8 Payment of Wages**

(a) All regular base wages will be paid to employees not later than the next regular pay day following the end of the payroll period in which it is earned. All overtime or premium pay shall be paid to employees not later than the second regular pay day following the end of the payroll period in which it is earned. In the event of an arbitration involving a dispute arising solely under this Section, the losing party will pay the entire amount of the arbitrator's fee.

(b) In the event an employee's pay check, at the time specified in paragraph (a) above, fails to include all of the regular base, overtime and/or premium pay to which he/she is entitled, the Department will correct that shortage provided the employee promptly notifies the Department's timekeeper in writing. **Employees shall submit a payroll dispute to the Department timekeeper on the "Employee Payroll Inquiry Form" attached hereto as Appendix B. The employee's submission of such Form shall toll the period for processing a grievance filed by the employee or Union over such dispute.** If the Department concludes that there is a shortage in the employee's paycheck, and if the amount in question exceeds $100.00, the Department will submit a supplemental payroll to the Comptroller to cover the shortage, and will issue the employee a check in that amount **on the next scheduled check/deposit advice delivery date** after the timekeeper is notified of the employee's

complaint. Shortages less than $100.00 will be added to the employee's next regular pay check.

(c) Should an employee not receive this supplemental check (for a sum greater than $100.00) within the aforementioned **check/deposit advice delivery date period**, the Employer will pay to the employee the sum of $5.00 for every pay period thereafter until the full supplemental check is received.

(d) It is understood that pay shortages relating to newly-hired employees, persons returning from leaves of absence (including but not limited to duty disability), overtime earned under the City's emergency snow removal program, and inaccuracies due to changes in payroll deductions, are excluded from the provisions of this Section. This paragraph does not supersede any other payment obligations with respect to the payments referred to in this paragraph which may be contained elsewhere in this Agreement.

(e) In order to provide a basis for ongoing discussion concerning the City's payroll practices, the parties will form a Labor Management Committee consisting of four (4) persons appointed respectively by the City and by the Coalition. The City's members of the Committee will consist of representatives from the Department of Personnel, the Office of Budget and Management, the Comptroller and the Director of Labor Relations. The Coalition, as it shall determine, shall select four (4) representatives to serve as members of the Committee. The

Committee will meet not less than **quarterly**, or more frequently as the need may arise, to review ongoing issues regarding payroll, compliance with this Section, or other issues of mutual concern which may arise during the life of the parties' Agreement. **In addition, at the request of the Coalition, the City may include from time-to-time a representative of the Coalition at the Comptroller's weekly staff meetings with Department heads to review and address pending payroll inquiries from bargaining unit employees.**

## ARTICLE 5
## HOURS OF WORK AND OVERTIME

### Section 5.1 The Work Week

This Article shall be to calculate overtime and shall not be a guarantee of work or hours for any day or week.

The normal work week shall consist of five (5) consecutive 8-hour days Monday through Friday and two (2) consecutive days off, except where the Employer's operations require different scheduling needs. The Employer will notify the Union of these exceptions.

The work week shall be a regular recurring seven (7) day period beginning at 12:00 midnight (one minute after 11:59 p.m. Saturday) Sunday and ending at 12:00 midnight the following Sunday. The start times of employees currently vary between the hours of 6:00 a.m. to 8:30 a.m., 4:00 p.m. and midnight as determined by the Employer. The Employer may change the currently established time of its normal work day or work week for a department, bureau, work unit, crew or individual upon

fourteen (14) days written notice to, and upon request, discussion with the Union. Said changes in starting times shall not be scheduled more than two (2) hours before the regular starting times currently in effect in this Agreement. All such changes, unless otherwise agreed to by the parties, shall be in effect for a minimum of one (1) week, and shall provide for the same starting times each day of that period. No employee shall be placed on a split shift without agreement by the Union. Failure of the Employer to comply with this provision shall result in the payment of appropriate premium time to affected employees.

It is the intention of the parties that the Union have meaningful input concerning any such changes and no changes shall be made by the Employer for arbitrary or capricious reasons.

**Section 5.2 Overtime**

All work performed after eight (8) hours worked in any 24 hour period; or on Saturday as such when Saturday is not part of the employee's regular work week, or on the sixth consecutive day worked, shall be paid for at one and one-half (1-1/2) times the regular straight time hourly rate of pay, provided the employee completes the normal work week or is absent with the Employer's permission. All work performed on Sunday as such when Sunday is not part of the employee's regular work week, or on the seventh consecutive day worked, shall be paid for at two (2) times the regular straight time hourly rate of pay, provided the employee completes the normal work week or is absent with

the Employer's permission. Such overtime shall be computed on the basis of completed fifteen minute segments. Employees exempt from the Fair Labor Standards Act shall not be eligible for overtime under this Section. There shall be no pyramiding of overtime and/or premium pay. Daily and/or weekly overtime and/or premium pay shall not be paid for the same hours worked. All overtime shall be paid in the next regular paycheck.

**Section 5.3 Overtime Distribution**

(a) Overtime and/or premium time referred to in this Agreement shall be offered first to the employee performing the job and thereafter by seniority to the most senior employee in the classification at the work location being given the opportunity to work, provided the employee has the present ability to perform the work to the satisfaction of the Employer without further training.

A reasonable amount of overtime shall be a condition of continued employment, provided however, that in the event such offers of overtime are not accepted by such employees, the Employer may mandatorily assign such overtime by reverse seniority.

(b) Employees in the classification at the work location who have been given the option to work the overtime and/or premium time, whether the option was accepted or rejected, will not be afforded the option to work subsequent overtime and/or premium time until all employees in the classification at the work location have been reasonably afforded the opportunity to

work the overtime and/or premium time, subject to the same provision as in Section 5.3(a).

**Section 5.4 Reporting Pay**

When an employee reports for his or her regularly scheduled shift, the employee shall receive a minimum of two (2) hours work or pay at the employee's regular straight time hourly rate, unless the employee was told at least three hours prior to his or her normal starting time not to report for work, except for reasons beyond the Employer's control. To be eligible for pay under this provision, employees must advise the designated person within the Department of his or her current telephone number.

If the employee works more than two (2) hours, he or she shall receive a minimum of four 4) hours work or pay for that day. If the employee works more than four (4) hours, he or she shall be guaranteed eight (8) hours work or pay for that day. An employee who does not complete a normal eight (8) hour shift because he or she is sent home by the Employer shall have the option of using a portion of accrued vacation, personal or compensatory time for that day upon notice to the Employer.

**Section 5.5 Call-In Pay**

Except as otherwise agreed in writing, employees called in outside of their regular working hours shall receive a minimum of two (2) hours pay at the appropriate overtime rate from the time that they arrive at their workplace.

The term "call-in pay" as used in this Section shall refer to an employee being brought back to work outside of his/her

normal work day, and shall not refer to any situation where the employee is brought into work or required to stay at work during periods which are contiguous to his/her regularly scheduled shift.

**Section 5.6 Emergency Call Pay**

**In the event a General Foreman or Foreman is directed by the Employer to respond to emergency calls from home and outside of his or her regular working hours, he or she will be granted compensatory time at the appropriate rate for all verified time spent responding to the emergency from home, with a minimum of 15 minutes of compensatory time to be granted in any calendar day on which any such emergency responses were required, up to a maximum of two hours of compensatory time in any calendar day.**

## ARTICLE 6
## HOLIDAYS

**Section 6.1**

(a) Full-time hourly employees shall receive eight hours straight-time pay for the holidays set forth below:

1. New Year's Day
2. Dr. Martin Luther King's Birthday
3. Casimir Pulaski Day
4. Memorial Day
5. Independence Day
6. Labor Day
7. Columbus Day
8. Thanksgiving Day
9. Christmas Day

(b) Full-time salaried employees shall receive the following days off without any change in their regular salary:

1. New Year's Day
2. Dr. Martin Luther King's Birthday
3. Casimir Pulaski Day
4. Lincoln's Birthday
5. Washington's Birthday
6. Memorial Day
7. Independence Day
8. Labor Day
9. Columbus Day
10. Veterans Day
11. Thanksgiving Day
12. Christmas Day

(c) Employees covered by this Agreement including probationary employees shall be entitled to one (1) paid personal day in each year of this Agreement. At the employee's option, the personal day may be scheduled in accordance with the vacation selection procedures set forth in Article 7 of this Agreement. If the employee elects not to schedule said personal day in advance under the vacation selection procedures as provided above, such day shall be designated by the employee and shall not be denied by the Employer. If the employee is required or allowed to work on such designated day, the employee shall receive the appropriate holiday premium rate. An employee may elect to carry over the personal day to the following calendar year provided such carry over shall not exceed five (5) personal days. Employees may not designate such personal day in connection with an existing holiday, Good Friday, or a vacation schedule unless requested by the employee upon ten (10) days written notice and approved by the Employer. New employees who

commence work for the Employer after June 30 shall not be eligible for this personal day until the following calendar year.

(d) The benefits set forth in (a) and (b) above shall be paid provided the employee is in pay status the full scheduled workday immediately preceding and the full scheduled workday immediately following such holiday, or is absent from work on one or both of those days with the Employer's permission; such permission shall not be unreasonably denied.

**Section 6.2 Payment for Holiday**

If an employee is scheduled to work on a paid holiday under this Agreement, except for Christmas, New Year's Day, and Dr. Martin Luther King's Birthday, he/she shall be paid at the rate of two and one-half (2 1/2) times his/her (which includes holiday pay) for all hours worked.

An employee working on Christmas, New Year's Day and Dr. Martin Luther King's Birthday shall be paid at the rate of two (2) times his/her regular hourly rate (which includes holiday pay) for all hours worked plus eight 8 hours off with pay (compensatory time) if the employee is a full-time employee and pro rata time off if the employee is a part-time employee.

If a full-time hourly employee is not required to work on a paid holiday under this Agreement, such employee shall be paid eight (8) hours at his/her regular straight time hourly rate for such holiday.

All holiday time shall be considered time worked for the purposes of computing overtime except where the holiday falls on the employee's day off.

**Section 6.3 Determining Work Days as Holidays**

A holiday is the calendar day running from midnight to midnight. An employee whose workday extends over parts of two (2) calendar days, one of which is a holiday, shall be considered to have worked on the holiday if the majority of the hours worked fall on the holiday.

**Section 6.4 Failure to Report to Work on Scheduled Holiday**

If an employee is scheduled to work on a holiday and fails to report to work, the employee shall forfeit his/her right to pay for that holiday unless his/her absence is due to illness, injury, or other emergency.

**Section 6.5 Holiday Observance**

Except for employees whose regularly scheduled workweek includes Saturday and/or Sunday, said holidays which fall on Saturday will be observed the Friday before the holiday; said holidays which fall on Sunday will be observed on the Monday after the holiday. For employees whose regularly scheduled workweek includes Saturday and/or Sunday, said holidays which fall on either Saturday or Sunday will be observed on that day.

Whenever said holiday falls during an employee's vacation period the Employer shall have the option of granting the employee an extra day's pay or an extra day of vacation at a time mutually agreed upon between the employee and the

department head, provided the employee works the full scheduled workday immediately preceding and the full scheduled workday immediately following such vacation period, unless such absence is for a reason the Employer finds to be valid.

## ARTICLE 7
## VACATIONS

### Section 7.1 Amount

Employees shall be eligible for paid vacations as of January 1 of each year following the year in which they were employed. An employee will earn the following amounts of paid vacation, based on such employee's continuous service prior to July 1,

| Continuous Service Prior to July 1 | Vacation |
|---|---|
| Less than 6 years | 13 days |
| 6 years or more, but less than 14 years | 18 days |
| 14 years or more | 23 days |
| After 24 years | 24 days |
| After 25 years | 25 days |

### Section 7.2 Pro Rata Vacation

An employee shall be eligible for pro rate vacation if:

1. The employee did not have twelve (12) months of continuous service in the preceding calendar year and is on the payroll as of January 1 of the current calendar year; or

2. The employee was separated from employment, other than for cause, during a calendar year in which the employee did not have twelve (12) months of continuous service.

The amount of pro rate vacation is determined by dividing the number of months of continuous service the full-time employee worked in the previous/current calendar year, whichever is applicable, by 12; the resulting figure is multiplied by the amount of paid vacation for which the employee is eligible in Section 7.1 above. Any fraction is rounded off to the nearest whole number of days. Employees separated from employment, other than for cause, will be paid on a supplemental payroll as soon as practicable following the last day worked.

Part-time employees who work at least 80 hours per month earn vacation on a pro rate basis calculated in accordance with the formula used by the Employer in accordance with past practice.

**Section 7.3 Forfeiture**

All earned vacation leave shall be forfeited unless (1) the employee was denied vacation by the employer, or (2) the employee is on an approved leave of absence, or (3) the employee elects in writing to carry over up to three such vacation days for use individually or consecutively during the next vacation year, provided that notice of such election shall be given to the employer before December 15 of the vacation year. Such carry over vacation days must be scheduled upon mutual agreement of the employer, which agreement shall not be unreasonably denied or withheld, and such carry over days must be taken on or before April 30 of the next vacation year (or within six (6) months, in the case of an employee's return from an approved leave of absence). Employees on duty disability shall retain

any vacation leave earned prior to being placed on duty disability leave, together with all vacation time earned during the period of duty disability for the twelve (12) months following the date in which the person became disabled, and shall be entitled to use such vacation time within twelve (12) months following their return to work.

**Section 7.4 Employees Laid Off or Discharged**

Employees who are terminated for cause are not entitled to any vacation pay not taken. Employees shall not earn vacation credit for any period during which they are on layoff or leave of absence without pay in excess of 30 days (except where such leave was adjudged eligible for duty disability) or engaged in conduct in violation of Article 12 of this Agreement. In the event of the death of an eligible employee, the surviving widow, widower or estate shall be entitled to any vacation pay to which the deceased employee was entitled.

**Section 7.5 Rate of Pay**

The rate of vacation pay shall be computed by multiplying the employee's straight time hourly rate of pay in effect for the employee's regular job at the time the vacation is being taken, times 8 hours per day, times the number of days' vacation to which the employee is entitled. Salaried employees shall receive their regular salary in effect at the time the scheduled vacation is taken.

**Section 7.6 Vacation Picks**

Vacation picks will be granted by classification seniority, provided however, the Department Head shall have the right to determine the number and scheduling of crews and employees who can be on vacation at any one time without hindering the operation of the Department. The Department will not designate any time or period during the calendar year when eligible employees would be prohibited from scheduling and taking vacation time.

Employees shall make vacation picks at a time and in the manner currently provided for by their Department. The Department will respond to the employees' request for specific vacation dates within a reasonable period of time after the request is made, but not more than fourteen (14) days from the date the request is received by the Department, except in cases where the request is made for a vacation to be scheduled within fourteen (14) days. The Department will not arbitrarily cancel an approved vacation selection absent a severe emergency situation caused by an act of God (e.g., snow, flood, storms), a severe manpower shortage which may seriously hinder the Department's operations, or where an employee possesses a unique skill indispensable to the immediate performance of a Department's operation. Any such cancellation of the vacation pick shall result in the payment of the vacation pay (thereby reducing the total of the employee's accrued vacation time) plus payment to the employee of the appropriate pay rate for all hours worked as if it were a normal work day, or for a normal

work day, whichever is greater, unless the employee voluntarily agrees to reschedule the vacation days lost.

Cancellation of approved vacation requests which would result in serious provable financial loss to an employee shall occur only in the most extreme emergencies. In the event of such cancellation, the Employer will reimburse the employee for reasonable losses incurred as a direct result of the cancellation, (e.g., cost of rescheduling airline tickets, deposit forfeitures, and the like).

**Section 7.7 Non-Consecutive Vacation Days**

Employees may receive up to five of their vacation days one or more day(s) at a time as days off in each year. Such days off shall be scheduled pursuant to Section 7.6 above. Such day(s) off shall be approved by the employee's supervisor and such approval shall not be unreasonably withheld. If the employee seeks such days so late in the vacation year that the employee's supervisor cannot reasonably grant the employee's request, such days shall be scheduled by the Employer prior to the year-end.

Employees may designate and use at their option up to five (5) of their vacation days in each year of this Agreement as sick days to cover periods of bonafide medical illness. The Employer reserves the right to ask the employee to furnish proof of said illness. An employee desiring to use vacation days as sick days under this provision shall inform the representative of the Employer who employees are told is designated for such

purposes of that fact at the time he/she calls in to report an illness. Salaried employees who currently are receiving sick days under this Agreement shall be ineligible to use vacation days as sick days while they have available unused sick days.

**Section 7.8 Reciprocity With Other Agencies**

Any employee of the City of Chicago hired prior to February 13, 1986 who has rendered service to the County of Cook, the Chicago Park District, the Chicago Housing Authority, the Forest Preserve District, the Metropolitan Sanitary District of Greater Chicago, the State of Illinois, the Chicago Board of Education, the City Colleges of Chicago, Community College District 508, the Chicago Transit Authority, the Public Building Commission of Chicago, the Chicago Urban Transportation District, and the Regional Transportation Authority, shall have the right to have the period of such service credited and counted for the purpose of computing the number of years of service as an employee of the City for vacations, provided that such service has been continuous service. However, vacation time accrued while working for another public agency is not transferable. Employees hired after February 13, 1986 who render service for any other employer as stated above shall have the right to have the period of such service credited and counted for the purpose of computing the number of years of service as an employee of the City for vacations, provided a majority of other employees of the Employer receive such credit.

## ARTICLE 8
## CONTINUOUS SERVICE

### Section 8.1 Definition

Continuous service means continuous paid employment from the employee's last date of hire, without a break or interruption in such paid employment. In addition, an employee earns continuous service credit even though he or she is not paid for:

1. An unpaid leave of absence of one year or less or layoff of 30 days or less; or
2. An absence where the employee is adjudged eligible for duty disability compensation.

### Section 8.2 Interruption in Service

(a) Non-seasonal employees who work a minimum of eighty 80) hours per month shall be credited with continuous service for the time worked. Continuous service credit will not be earned for:

(1) absences without leave

(2) absences due to suspension

(3) Unpaid leaves of absence for more than 30 days or layoff for more than 30 days, unless employees are allowed to accumulate seniority under this Agreement.

(b) Seasonal employment of 120 days or less in any calendar year shall not be credited toward continuous service for the time worked.

(c) Seasonal employment in excess of 120 days in any calendar year shall be credited toward continuous service.

**Section 8.3 Reciprocity**

Employees hired prior to February 13, 1986 who have rendered service to the County of Cook, the Chicago Park District, the Forest Preserve District, the Chicago Housing Authority, the Metropolitan Sanitary District of Greater Chicago, the State of Illinois, the Chicago Board of Education, City Colleges of Chicago, Community College District 508, the Chicago Transit Authority, Public Building Commission of Chicago, the Chicago Urban Transportation District and the Regional Transportation Authority shall have the period of such service credited and counted for the purpose of advancement within longevity salary schedules. However, employees hired after February 13, 1986 who render service for any other employer as stated above shall have the right to have the period of such service credited and counted for the purpose of advancement within longevity salary schedules provided a majority of other employees of the Employer receive such credit.

**Section 8.4 Break in Service**

Notwithstanding the provisions of any ordinance or rule to the contrary, continuous service of an employee is broken, the employment relationship is terminated, and the employee shall have no right to be rehired, if the employee quits, is discharged, retires, is absent for five (5) consecutive work days without notifying the employee's authorized Employer representative unless the circumstances preclude the Employee, or someone on his behalf, from giving such notice, does not actively work for the Employer for twelve (12) months (except for approved full time Union representative leaves or medical leaves of absence and duty disability leaves), or is on layoff for more than twelve (12) consecutive months if the employee has less than five (5) years of service at the time of the layoff, or is on layoff for more than two (2) years if the employee has five (5) or more years of service at the time of the layoff.

**Section 8.5 Probationary Employment**

New employees will be regarded as probationary employees for the first six (6) months of their employment and will receive no seniority or continuous service credit during such probationary period. Probationary employees continuing in the service of the Employer after six (6) months shall be career service employees and shall have their seniority date made retroactive to the date of their original hiring. Probationary

employees may be disciplined or discharged as exclusively determined by the Employer and such Employer action shall not be subject to the grievance procedures, provided that, if the Employer, within its discretion, rehires a former employee who did not complete his/her probationary period within one year from the employee's termination, and said former employee had served 90 days or more of his/her probationary period, all time previously served in the probationary period shall be counted for purposes of determining when the said employee completes his/her probationary period. A probationary employee who has served 90 days or more of his/her probationary period and who is laid off shall be given preference over other applicants for employment in the same job title in the department from which he/she was laid off, so long as he/she does not refuse an offer of employment, and does not suffer a break in service under Section 8.4 of this Agreement.

Probationary employees shall not be eligible for dental or vision insurance but shall receive all other benefits under this Agreement. Probationary employees shall be compensated at the same rate as career service employees.

## ARTICLE 9
## GROUP HEALTH, VISION CARE, DENTAL LIFE AND ACCIDENT BENEFITS

**Section 9.1**

a) The Employer shall provide to employees and their eligible dependents Group Health, Vision Care, Dental, Life ($25,000) and Accident benefits as provided to a majority of other employees of the City under the same terms and conditions applicable to said other employees, provided further, said benefits shall be at no cost to employees and their eligible dependents.

b) Employees who participate in the Employer; medical care plan or an HMO shall make the following contributions toward their health care coverage:

1) employee medical contributions are based on a composite 1.6% of base salary for single, employee and one, and family levels of coverage as specified below. For example, the contributions at selected salary levels per pay period are as follows:

| ANNUAL SALARY | SINGLE 1.0281% | EMPLOYEE+1 1.5797% | FAMILY 1.9705% |
|---|---|---|---|
| Up to $30,000 | 12.50 | 19.00 | 22.00 |
| $30,001 | 12.85 | 19.75 | 24.63 |
| $40,000 | 17.14 | 26.33 | 32.84 |
| $50,000 | 21.42 | 32.91 | 41.05 |
| $60,000 | 25.70 | 39.49 | 49.26 |
| $70,000 | 29.99 | 46.07 | 57.47 |
| $80,000 | 34.27 | 52.66 | 65.68 |
| $89,999 | 38.55 | 59.24 | 73.89 |
| $90,000 + | 38.60 | 59.30 | 73.95 |

All contributions shall be made on a pre-tax basis and are payable on a per pay period basis.

2) effective July 1, 2006 employee medical contributions are based on a composite 2.0% of base salary for single, employee and one, and family levels of coverage as specified below. For example, the contributions at selected salary levels per pay period are as follows:

| ANNUAL SALARY | SINGLE 1.2921% | EMPLOYEE+1 1.9854%% | FAMILY 2.4765% |
|---|---|---|---|
| Under $30,000 | $15.71 | $23.88 | $27.65 |
| $30,001 | $16.15 | $24.82 | $30.96 |
| $40,000 | $21.54 | $33.09 | $41.28 |
| $50,000 | $26.92 | $41.36 | $51.59 |
| $60,000 | $32.30 | $49.64 | $61.91 |
| $70,000 | $37.69 | $57.91 | $72.23 |
| $80,000 | $43.07 | $66.18 | $82.55 |
| $90,000 | $48.45 | $74.45 | $92.87 |
| $100,000 | $53.84 | $82.73 | $103.19 |

All contributions shall be made on a pre-tax basis and are payable on a per pay period basis.

c) The benefits provided for herein shall be provided through a self-insurance plan or under a group insurance policy, selected by the Employer. All benefits are subject to standard provisions of insurance policies between Employers and insurance companies.

d) A dispute between an employee (or his/her covered dependent) and the processor of claims shall not be subject to the grievance procedure provided for in the Agreement between the Employer and the Union.

e) Optional coverage offered by a Health Maintenance Organization (HMO) shall be made available to qualified employees. The Employer may offer coverage under more than one HMO. The employee's option of selecting an HMO is subject to conditions for eligibility set by the HMO, notwithstanding anything in this Agreement to the contrary.

f) Where both husband and wife or other family members eligible under one family coverage are employed by the Employer, the Employer shall pay for only one family insurance or family health plan.

g) The current practice permitting employees to use vacation or other time due during an illness in order to keep his/her insurance in effect until shall continue for the term of this Agreement.

h) Consistent with the terms of the Employer's existing Group Health Care Plan, and the applicable rules thereof, employees who are covered under the Plan shall not lose said coverage solely because they have received a disciplinary suspension lasting 30 days or less. Employees on approved FMLA leave shall be entitled to continued medical coverage for a maximum of 12 weeks, subject to the terms of the Plan and any other applicable provisions of this Agreement. Employees who are receiving duty disability benefits shall be eligible to receive continued medical coverage as provided under the terms of the Plan and its applicable rules. As a condition of continued medical coverage, during any such suspension, or FMLA or duty disability leaves, employees must make all individual medical

contributions as required under this Article and the terms of the Plan and its applicable rules. In the event that an employee loses coverage under the Plan, he or she will be provided notice thereof, the form of which may include, but is not limited to, a COBRA notice, a HIPAA notice, a written communication from the Employer or its insurance carrier, or some other similar advisory.

**Section 9.2 Joint Labor Management Cooperation Committee On Health Care**

**The City of Chicago and each Coalition Union (the "Parties") agree to create a Joint Labor Management Cooperation Committee ("LMCC") pursuant to applicable state and federal law. The purpose of the LMCC is to research and make recommendations and decisions within its authority related to the achievement of significant and measurable savings in the cost of employee health care during the term of this Agreement. The Parties shall memorialize their intent to create this LMCC by executing an Agreement and Declaration of Trust ("Trust Agreement") contemporaneously with the execution of each Coalition Union's collective bargaining agreement with the City of Chicago. Said Trust Agreement shall be attached to this Agreement as Appendix C.**

**Section 9.3**

**The Trust Agreement shall address, without limitation, the following:**

a. Formation of a Committee to govern the LMCC consisting of up to twenty (20) Trustees, half of the Trustees shall be appointed by the City of Chicago and half of the Trustees shall be appointed by the Coalition Unions.

b. Appointment by the City and Coalition of a Co-Chair and Vice-Co-chair as designated in the Trust Agreement.

c. Authority of the LMCC to make recommendations and modifications in the health plan expected to result in savings and cost containment.

d. Establishment of a Trust Fund with contributions provided by the City of Chicago and third parties.

**Section 9.4**

For purposes of this Article, an "employee" shall mean a City employee represented by signatory labor organizations of this Agreement. A "Coalition Union" means signatories to this Agreement which have executed a collective bargaining agreement with the City.

## ARTICLE 10
## LEAVES OF ABSENCE

**Section 10.1 Bereavement Pay**

In the event of a death in an employee's immediate family, such employee shall be entitled to a leave of absence up to a

maximum of three consecutive days including the day of the funeral. Where death occurs and the funeral is to be held out of Illinois and beyond the States contiguous thereto, the employee shall be entitled to a maximum of five consecutive days. During such leave, an hourly employee shall receive his/her regular straight time pay for such time as she/he is required to be away from work during his/her regularly scheduled hours of work (not to exceed eight hours per day). Salaried employees shall receive the leave of absence without additional compensation.

The employee's immediate family shall be defined as: mother, father, husband, wife, brother or sister (including step or half), son or daughter (including step or adopted), father-in-law, mother-in-law, daughter-in-law, son-in-law, sister-in-law, brother-in-law, grandparents, grandchildren, court-appointed legal guardian, and a person for whom the employee is a court-appointed legal guardian. The Employer may, at its option, require the employee to submit satisfactory proof of death and/or proof of the relationship of the deceased to the employee.

**Section 10.2 Military Leave**

Any employee who is a member of a reserve force of the United States or of the State of Illinois, other than the National Guard, and who is ordered by the appropriate authorities to attend a training program or perform other duties under the supervision of the United States or the State of

Illinois, shall be granted a paid leave of absence during the period of such activity, but not to exceed fourteen (14) calendar days in any calendar year, provided that the employee deposits his/her military pay for all days compensated by the Employer with the City Comptroller. Any employee who is a member of the National Guard of the United States or of the State of Illinois and who is ordered by the appropriate authorities to attend a training program or perform other duties under the supervision of the United States or the State of Illinois, shall be granted a paid leave of absence during the period of such activity, but not to exceed fifteen (15) calendar days in any calendar year, provided that the employee deposits his/her military pay for all days compensated by the Employer with the City Comptroller. **Any reservist called for active duty on or after September 11, 2001, shall be entitled to full salary and medical benefits, provided that paid leave shall be conditioned upon payment of military pay to the Comptroller. The right to this additional paid leave shall automatically terminate upon termination of active duty.**

Said paid leaves of absence shall not reduce the employee's vacation or other leave benefits.

**Section 10.3 Jury Duty Leave/Subpoena**

An employee who serves on a jury or is subject to a proper subpoena (except if the employee is a party to the litigation) shall be granted a leave of absence with pay during the term of

such absence, provided that the employee deposits his or her jury duty pay with the City Comptroller.

**Section 10.4 Sick Leave**

Salaried employees who are granted paid sick leave as of the execution of this Agreement shall continue to receive the same sick leave provisions during the term of this Agreement, as long as he/she continued to work under a classification that was receiving sick leave at the execution of this agreement.

Notwithstanding the foregoing, effective January 1, 1998 and thereafter, said employees who receive paid sick time shall accrue sick time at the rate of one (1) day for each month of employment. In the event an employee is hospitalized, upon request of the employee, the Employer will make available to said employee up to the full amount of sick time the employee would have accrued for the remainder of that calendar year as if he/she were actively employed, in order to cover the absence resulting from the hospitalization and recovery. Upon his/her return to work, the employee will begin to accrue sick time with the start of the next calendar year. The Employer reserves the right to require an employee to provide documentation of the illness in question.

**Section 10.5 Duty Disability Leave**

Any employee who is absent from work due to an injury on duty shall be granted a leave of absence. The Employer will mail the initial Duty Disability payment within ten working days upon receipt of verified authorization from the approving

authority. Subsequent payment for eligible employees will be made twice a month. If duty disability is denied, and such denial is later reversed, the employee shall be paid up to date the amount the employee was eligible to receive. Employees who return from said leaves shall be reinstated to their former job classification, if it is vacant or if it is then occupied by an employee with lower seniority. If the employee's former job classification is not available because the employee would have been laid off if the employee had not been on a leave of absence, the employee may exercise seniority rights in accordance with and subject to the layoff, recall and break-in-service provisions of this Agreement.

The Employer will mail the initial Duty Disability payment within fourteen (14) days of the Employer's designated medical officer being advised by the employee or his physician of the occurrence of a job-related injury, provided that there is no dispute as to the employee's entitlement to Duty Disability.

**Section 10.6 Personal Leave**

Non-probationary employees may apply for leave of absence without pay for personal reasons. The grant and duration of such leaves shall be within the discretion of the Employer. Seniority shall accumulate for employees on said leaves. Employees who return from said leave shall be reinstated to their former job classifications, if the Employer determines it is vacant or if it is then occupied by an employee with lower seniority. If the employee's former job is not available

because the employee would have been laid off if the employee had not been on a leave of absence, the employee may exercise seniority rights in accordance with and subject to the layoff, recall and break-in-service provisions of this Agreement.

Bargaining unit employees who have completed their first 12 months of employment and who have worked 1,250 hours in the preceding 12 month period shall thereafter be entitled to family and medical leave for a period of up to twelve (12) work weeks during any twelve (12) month period for any of the following reasons:

(1) for the birth of an employee's child and to care for the newborn child;

(2) for the placement with the employee of a child for adoption or foster care;

(3) to care for the employee's spouse, child or parent with a serious health condition;

(4) due to a serious health condition affecting the employee.

Such leave shall be without pay unless the employee determines to substitute accrued paid leave for which the employee is eligible. During any leave taken under this Article, the employee's health care coverage shall be maintained and paid for by the employer, as if the employee was working and seniority shall accrue.

Any employee desiring to take leave under this Section shall provide reasonable advance notice to the employer on a form provided by the employer, which form shall be approved by

the Union. Reasonable advance notice shall be no less than ten (10) days; and where advance notice cannot be provided, the employee shall provide notice within 48 hours after the employee is able to do so. Failure to provide the notice provided for in this Section shall not affect the validity of the leave where the employer has actual notice. Except as may be specifically stated in this Agreement, employees shall take leave provided for as permitted by the provisions of the Family Medical Leave Act, including its rules and regulations. Employees shall have a right to return to their regular assignment and location.

**Section 10.7 Medical Leaves**

Non-probationary employees shall be granted medical leaves of absence upon request. Said medical leaves of absence shall be granted for up to 3 months, provided said leaves shall be renewable for like 3-month periods. The employer may request satisfactory proof of medial leaves of absence. After the first year, such medical leaves shall be extended in up to one-year segments. Employees on medical leaves of absence shall return to work promptly after their doctor releases them to return to work.

Employees who return from said medical leaves of absence promptly after their doctor's release within one year shall be reinstated to their former job/classification if it is vacant or if it is then occupied by an employee of lower seniority. In addition, the Employer will return an employee to the same geographic location of his or her previous job assignment for a

period of up to one year after the start of the leave. If the employee's former job is not available because the employee would have been laid off if the employee had not been on a leave of absence, the employee may exercise seniority rights in accordance with and subject to layoff, recall and break-in-service provisions in this agreement.

After one year on an approved medical leave of absence, employees who return to work promptly after their doctor's release and who meet the following continuous service requirements shall be reinstated as described above according to the following formula: three (3) months of such reinstatement rights for every year of service to a maximum of five (5) years reinstatement rights.

An employee who does not meet the above eligibility requirements and who returns to work promptly after his/her doctor's release after more than one year on a medical leave of absence, shall be returned to his/her former job classification if the job is vacant. If not, the employee will be placed on a list for reinstatement.

Seniority shall accumulate for employees on medical leaves of absence for only up to one year. After one year, an employee on a medical leave of absence shall retain, but not accumulate, seniority.

**Section 10.8 Union Leave**

The Employer shall grant request for leaves of absence for up to two (2) employees for the purpose of service as representative or officer with the International, State,

District Council or Local Organization of the Union for the duration of his/her appointment to the Union, provided reasonable advance notice in writing is given to the Employer. While such leave the employee shall not incur a break in continuous service. An employee on said leave of absence shall not be eligible for any benefits as an employee.

Employees who return from Union leaves of absence shall have the same rights as employees who return from medical leaves of absence.

## ARTICLE 11
## DISCIPLINE AND GRIEVANCE/ARBITRATION

### Section 11.1 Disciplinary Action

(a) Disciplinary action including discharge, shall be excluded from this grievance procedure. Suspensions over 10 days and discharges shall be governed exclusively by the City of Chicago's Personnel or Police Board Rules, whichever may be applicable. Notwithstanding the foregoing, suspensions of 11 days or more may be appealed to arbitration in lieu of the Personnel or Police Board upon the written request of the Union. Disciplinary cases which are converted from a discharge to a suspension as a result of decision of the Personnel or Police Board do not thereafter become arbitrable as a result of said decision. The grievance procedure provisions herein and the Personnel or Police Board appeals procedure are mutually exclusive, and no relief shall be available under both.

(b) An employee who is subject to disciplinary action for any impropriety or cause has the right to ask for and receive a

Union representative to be present at any interrogations or hearings prior to being questioned. The interrogation shall take place at reasonable times and places and shall not commence until the Union representative arrives, provided that the Employer does not have to wait an unreasonable time and the Employer does not have to have the interrogation unduly delayed. An employee may be discharged for just cause before the Personnel or Police Board hearing, provided that said employee shall be guaranteed, upon request, a full hearing before said Board, in accordance with the said Board's rules. It is further provided that in the event of non-egregious offenses, not to include violent acts, criminal acts, drinking alcohol or taking illegal drugs on the job, insubordination or work stoppages, the employee will be given 30 days advance notice of discharge, and has seven (7) days from receipt of the notice to appeal. If the employee does not file an appeal within the seven (7) day period, the Employer may then remove the employee from the payroll. If the employee appeals the discharge, the Personnel Board shall be requested to set a hearing date within the 30 day notice period, and the employee shall remain on the payroll for the full notice period, except if prior to completion of the 30 day notice period (1) the Hearing Officer affirms the discharge; or (2) the employee continues the discharge hearing; or (3) the employee withdraws his/her appeal or otherwise engages in conduct which delays the completion of the hearing. However, no event may the employee require the Employer to retain the employee on the payroll beyond the 30 day period. The Union

shall have the right to have its representative present at either of the Board(s) or grievance procedure, including arbitration, and to actively participate.

(c) The Employer within its discretion may determine whether disciplinary action should be an oral warning, written reprimand, suspension or discharge, depending upon various factors, such as, but not limited to, the severity of the offense or the employee's prior record. Such discipline shall be administered as soon as practical after the Employer has had a reasonable opportunity to fully investigate the matter and conduct a meeting with the Union and employee. The Employer is not obligated to meet with the employee and Union prior to taking disciplinary action where the employee is unavailable or emergency situations.

Demotions shall not be used as a part of discipline. Transfer shall not be part of an employee's discipline.

In cases of oral warnings, the supervisor shall inform the employee that she/he is receiving an oral warning and the reasons therefore. For discipline other than oral warnings, the employee's immediate supervisor shall meet with the employee and notify him/her of the accusations against the employee and give the employee an opportunity to answer said accusations. Specifically, the supervisor shall tell the employee the names of witnesses, if any, and make available copies of pertinent documents the employee or Union is legally entitled to receive, to the extent then known and available. Employer's failure to satisfy this Section 11.1 shall not in and of itself result in a

reversal of the Employer's disciplinary action or cause the Employer to pay back to the employee.

In the event disciplinary action is taken, the employee and the Union shall be given, in writing, a statement of the reasons therefore. The employee shall initial a copy, noting receipt only, which shall be placed in the employee's file. The employee shall have the right to make a response in writing which shall become part of the employee's file.

Any record of discipline may be retained for a period of time not to exceed eighteen (18) months and shall thereafter not be used as the basis of any further disciplinary action, unless a pattern of sustained infraction exists. A pattern shall be defined as at least two substantially similar offenses during said 18-month period. If an employee successfully appeals a disciplinary action, his/her file shall so record that fact. If the appeal fully exonerates the employee, the Employer shall not use said record of the discipline action against the employee, or in the case of promotions or transfers.

In any disciplinary investigation of a non-egregious offense conducted by the investigative staff of the Office of Budget and Management, the Employer shall notify the employee who is the subject of the disciplinary investigation of the pendency of the investigation and its subject matter, within 30 days of the Employer being made aware of the alleged rule violation. For the purposes of this Section, the term "non-egregious offense" shall not include indictable criminal offenses, gross insubordination, residency issues, or drug and

alcohol violations. Thereafter, the employee shall be granted a predisciplinary hearing if requested within thirty (30) days. Any discipline given in violation of this notice provision shall be null and void.

In the event that a discharged employee appeals an adverse decision of the Personnel or Police Board to the Circuit Court of Cook County, or thereafter to the Appellate Court of Illinois, and the decision of the Personnel or Police board is reversed or remanded resulting in restoration of the job, the Employer will pay the employee's reasonable attorney's fees which he or she has incurred in connection with the court proceeding, excluding fees incurred before the Personnel or Police Board. The employee shall submit a post-appeal fee petition to the Employer, which shall be supported by full documentation of the work performed, the hours expended, and the rates paid by the employee. Should the parties be unable to agree on the proper amount of the fees to be paid to the employee, either party may refer the dispute to arbitration under the relevant provisions of this agreement.

**Section 11.2 Procedure For Department Review of Disciplinary Action Including Suspension**

Step 1. Within five (5) working days after an employee receives written notice of proposed disciplinary action, including a suspension for ten (10) days or less which is not appealable to the Personnel or Police Board, or in the case of suspensions of 11 or more days which may be appealed to arbitration in lieu of the Police or Personnel

Board upon the written request of the Union, the Employer shall conduct a meeting with the Union and employee. Discipline shall be administered as soon as possible after the employer has had a reasonable opportunity to further investigate the matter as appropriate. If disciplinary action is taken after the meeting or further investigation, the employee may request in writing to the department head for review of said disciplinary action on a form provided by the Employer. Said request for review shall be in writing and submitted within three (3) working days or receipt of written notice of discipline. Said review form shall be printed on the back of or attached to the notice or discipline together with instructions for appeal. The failure to submit a written request for review of disciplinary action within (3) working days of receipt of notice of disciplinary action will preclude the employee's right to review.

Step 2. Within three (3) working days or any mutually agreed upon extension after the department head or his/her designee receives the employee's request for review, the department head or designee shall conduct a meeting to review the suspension. Failure to conduct said meeting in three (3) days will result in automatic advancement to Step III and the Union shall so notify the Employer. At the meeting, the Department will give the basis for its action and the employee and Union representative, if any, will be heard and provided the opportunity to ask questions. The

department head or designee shall render a written decision within two (2) working days of the meeting, except where both parties agree a further investigation is required. The absence of such agreement or failure to decide and communicate such decision will result in automatic advancement to Step 4 and the Union shall so notify the Employer. A copy of such decision shall be sent to the employee and the Union.

Step 3. Where further investigation is agreed upon, a second meeting shall be held between the department head or designee and the employee and/or his/her Union representative to discuss the results of the investigation. Said meeting shall be conducted within five (5) working days of the close of the Step 2 meeting, unless otherwise agreed by the parties. The department head or designee shall render a written decision within two (2) working days of the second meeting. A copy of such decision shall be sent to the employee and the Union. If the parties fail to meet within five (5) working days or a written decision is not submitted within two (2) working days, the appeal shall automatically proceed to Step 4 and the Union shall so notify the Employer. Except where otherwise indicated, the time limits set forth herein are to encourage the prompt reviews of said disciplinary action and failure to comply with these time limits will not affect the validity of the said disciplinary action. This procedure shall be the employee's exclusive remedy for all said disciplinary

action, including suspension for ten (10) days or less, or for suspensions of 11 days through 30 days which may be appealed to arbitration in lieu of the Personnel or Police Board upon the written request of the Union.

Step 4. If the matter is not settled in Steps 2 or 3, the Union may submit the matter to arbitration under the terms of this Agreement. The rules governing procedure for arbitration shall be the same as in 11.3, Step III.

**Section 11.3 Grievance and Arbitration**

Except as in disciplinary provisions of Sections 11.1 and 11.2 above, a difference, complaint or dispute (hereinafter called a grievance) between the Employer and the Union or any of the employees of the Employer it represents, arising out of the circumstances or conditions of employment, shall be exclusively settled in the following manner.

There shall be no interruption of the operation of the Employer. It is agreed that the time limitations set forth herein are of the essence and that no action or matter not in compliance therewith shall be considered the subject of a grievance unless said time limitations are extended by written agreement of both parties to this Agreement.

Failure of the Employer to answer a grievance within the time limits herein shall permit the Union to advance the case to the next step. The Union will be informed of and allowed to be

in attendance at all grievance or disciplinary hearings. The Union shall send written notice to the Department Head notifying him/her of advancement to the next Step.

Before a formal grievance is initiated, the employee may discuss the matter with his/her immediate supervisor. If the problem is not resolved in discussion, the following procedure shall be used to adjust the grievance:

Step I - IMMEDIATE SUPERVISOR

A. The employee or the Union shall put the grievance in writing on the form to be supplied by the Employer upon request, but in the absence of such a form, employee or the Union may submit the grievance in letter form, within twelve working days of either the employee or the Union having knowledge of the event which gives rise to the grievance. The employee or the Union will indicate what Section and part of the Agreement is in violation, a brief description of the facts underlying the grievance, and the requested remedy, and submit the grievance to the employee's immediate supervisor. It is understood that if the employee has knowledge of the grievance more than twelve working days than the Union, the Union shall not thereafter file any grievance concerning that same issue with the Employer.

B. Within five (5) working days of the written grievance, the immediate supervisor will notify the employee and the union in writing of the decision.

Step II

A. If the grievance is not settled at Step I, the Union Representative and/or the employee shall have the right to make an appeal in writing to the Department Head or the Department Head's designee within seven (7) working days after the date of receipt of the decision or the date it was due under Step I, by the immediate supervisor. The name of the Department Head's designee shall be posted for employees in areas where employee notices are normally posted and submitted to the Union. Failure to post and so notify the Union will permit immediate advancement to arbitration unless corrected within two (2) working days of notice of failure to post.

**B. The Department Head or the Department Head's designee shall meet with the Union's representative at least once each month to discuss all pending grievances that have been advanced to Step II. The purpose of the Step II meeting will be for the Department and the Union to share relevant information and discuss their respective positions with respect to each grievance**

**pending at Step II, and attempt to amicably resolve as many grievances as possible. The Department Head or the Department Head's designee shall have the requisite authority to resolve grievances during the Step II meeting. No grievances will be discussed at more than one Step II meeting, unless the City and the Union mutually agree that further meeting and discussion would be beneficial. Nothing in this paragraph shall be construed to relieve the City and the Union from their obligations to otherwise process and respond to grievances in accordance with this Article.**

C. The Department Head or the Department Head's designee will notify the employee and Union in writing with a copy to the Union of his/her decision within seven (7) working days of **the completion of the Step II meeting.** The response to the grievance shall state the Department's position with respect to the grievance together with a brief statement of the facts and reason(s) supporting that position.

D. Any settlement at Step I or II shall be binding upon the Employer, Union and the aggrieved employee or employees. Grievances may be withdrawn without

prejudice at any step of the grievance procedure if mutually agreed.

E. If the grievance is not settled at the second Step, the Union or the Employer may request final and binding arbitration by serving written notice on the other within ten (10) working days from receipt of the Employer's Step II decision or the date it was due.

F. If the grievance or arbitration affects more than one employee, it may be presented by a single selected employee representative of the group or class. A class action shall be identified to the Employer at Step I or as soon as practicable. The resolution of a grievance filed on behalf of a group of employees shall be made applicable to all of the affected employees within that group.

G. Even though a grievance has been filed, employees are obligated to follow instructions or orders of supervisors of the Employer, except where the instruction or order is so inherently dangerous to the employee that it could cause death or serious physical harm. The Employer agrees that by following instructions or orders the employee does not waive his/her right to process his or her grievance.

Refusal to follow instructions or Order, shall be cause for discipline.

Step III - ARBITRATION

If the matter is not settled in Step II, the Union or the Employer, but not an individual employee or employees, may submit the dispute to arbitration by serving a written request to arbitrate **to the designated representative from the Employer's operating department, with copies of the request to the designated law department representative and counsel for the Coalition Unions**, setting forth the facts and specific relief requested, within ten (10) working days after the answer is given or due at Step II hereof.

Within five (5) days of serving the request for arbitration, or as soon thereafter as the parties mutually may agree, the Union shall have the right to convene a meeting with the Employer's designated representative in an attempt to resolve the grievance prior to any further action being taken to advance the matter to arbitration. At such meeting, the Union shall set forth in writing the facts of the matter in dispute and the relief requested. The Employer will respond to the grievance in writing by giving the reasons which it contends support its position with respect to the grievance. In the event the parties are unable at such meeting to resolve the

grievance, the Union and the Employer will proceed with the selection of an arbitrator as provided below.

Either party may submit the grievance to arbitration by serving a written request to arbitrate to the Federal Mediation and Conciliation Service under the rules of that tribunal with a copy to the other party. The foregoing shall not prevent the Employer and Union from mutually agreeing to the selection of an arbitrator.

The panel of arbitrators submitted must agree as a whole to commencement of a hearing within sixty (60) days of selection and that they will render a decision within thirty (30) days of the close of hearing. Any extension of those time limits must be by written consent of the Union and the Employer. The failure of either side to agree to an extension of time shall not be disclosed to the arbitrator.

Arbitrators will advise the parties of their fees and expenses prior to selection and such fees and expenses shall be borne equally between the Union and the Employer. The arbitrator shall have the right to subpoena witnesses and require the production of pertinent documents at the request of either party.

Each party shall be responsible for compensating its own representative and witnesses. The cost of a transcript shall be

borne by the party requesting the reporter unless the parties agree to share such costs.

An arbitrable matter must involve the meaning and application or interpretation of a specific provision of this Agreement or a document incorporated by reference thereto. The provisions of this Agreement and any other document incorporated by reference shall be the sole source of any rights which either party may assert in arbitration. Questions of arbitrability shall be decided by the arbitrator. The arbitrator shall have no power to amend, add to, subtract from, or change the terms of this Agreement, and shall be authorized only to interpret the existing provisions of this Agreement and apply them to the specific facts of the grievance or dispute. The decision of the arbitrator shall be based wholly on the evidence and arguments presented to him by the parties in the presence of each other. No arbitration hearing shall be held unless both parties are present. The decision of the arbitrator shall be final and binding on all parties to the dispute, including the employee or employees involved. Where timeliness is in dispute, it shall be decided by the arbitrator.

A. ADVANCED GRIEVANCE STEP FILING

Certain issues which by nature are not capable of being settled at a preliminary step of the grievance procedure, or which would become moot due to the length of time necessary to

exhaust the grievance steps, or which the Union believes which would be resolved more expeditiously, may be filed at the option of the Union at Step II or Step III.

B. PERTINENT WITNESSES AND INFORMATION

The Union may request the production of specific documentation, books, papers or witnesses reasonably available from the Employer and substantially pertinent to the grievance under consideration. Such request shall not be unreasonably denied, and if granted shall be in conformance with applicable laws and rules issued pursuant thereto governing the dissemination of such materials.

A Union representative, a grievant, and Union steward will be permitted a reasonable amount of time without loss of pay during working hours to investigate and process grievances where this does not substantially interfere with the efficient operation of the Department, provided that representatives shall observe the Employer's reasonable visitation rules for Union representatives.

The steward shall notify his/her immediate supervisor for permission to handle grievances on work time, it being understood that the operation of the Department takes precedence unless there is an emergency, but such permission shall not be denied unreasonably. A reasonable number of employees may attend the meeting without loss of pay; such meetings shall be

set by mutual agreement by the Employer and the Union. Where the Employer directs an employee to report for a meeting concerning a grievance at a time when the employee is not scheduled to work such time shall be considered time worked.

If there is space available, the Employer, upon request of the Union representative, shall provide the use of a room and telephone, to discuss the grievance, subject to the Employer's reasonable rules for the Union's use of such facilities.

C. **EXPEDITED ARBITRATION**

**The Employer and the Union may mutually agree to submit any grievance to expedited arbitration. Pursuant to expedited arbitration, the parties shall mutually select an arbitrator from a group of arbitrators approved by the parties. The expedited arbitration hearing shall be scheduled as early as possible from the date the parties agreed to submit the grievance to expedited arbitration. The parties agree to waive the stenographic recording of the hearing and the filing of post-hearing briefs. Pursuant to the parties' agreement, the arbitrator shall issue either an oral decision at the close of the hearing or a written decision within twenty (20) days of the date of the hearing. The arbitrator's decision shall be final and binding on all parties to the dispute.**

D. **MANAGEMENT OF ARBITRATION DOCKET**

**A representative from the Employer's law department and counsel for the Coalition Unions shall meet at least quarterly, or more frequently as necessary, in order to discuss the scheduling of specific cases for available hearing dates. At these meetings, the parties shall designate at least one pre-established hearing date per month for the arbitration of grievances.**

**Section 11.4 Conduct of Disciplinary Investigations**

Supplementing all rights and processes due employees covered by this Agreement who may be the subject of a disciplinary investigation by the Inspector General, the interview will be conducted in the following manner:

A. The interview of the employee shall be scheduled at a reasonable time, preferably while the employee is on duty, or if feasible, during day shift hours.

B. The interview, depending upon the allegation, will take place at the employee's location of assignment, normal department location or other appropriate location.

C. Prior to an interview, the employee under investigation shall be informed of the person in charge of the investigation, the identity of the interviewer and all persons present during the interview. When a formal statement is being taken,

all questions directed to the employee shall be asked by and through one interviewer at a time.

D. The length of the interview sessions will be reasonable, with reasonable interruptions permitted for personal necessities.

E. At the beginning of the interview, the employee shall be informed of the nature of the matters to be discussed.

F. An employee under investigation shall not be threatened with transfer, dismissal or disciplinary action, or promised a reward, as an inducement to provide information relating to the matter under investigation, or for exercising any rights contained in this Agreement, provided, however, that this Section shall not prohibit or prevent an accurate reading of the employee's administrative rights, or the imposition of discipline in accordance therewith.

G. An employee under investigation will be provided without unreasonable delay with a copy of any written statement the employee has made.

H. (1) If the allegation under investigation indicates a recommendation for discipline is probable against the employee, said employee will be given the statutory administrative proceedings rights prior to the commencement of the interview. (2) If the allegation indicates that criminal prosecution may be probable against said employee, the provisions of this Section

shall be inapplicable and said employee will be afforded his constitutional rights concerning self-incrimination prior to the commencement of the interview. An employee will not be read his/her administrative and Miranda rights during the same interview.

I. At the request of the employee under investigation, an employee who may be subject to discipline shall have the right to be represented in the interview by a representative of the Union. The employee shall be told that he/she has the right to Union representation before commencement of the interview. The interrogation shall be suspended until representation can be obtained, provided the suspension is not for an unreasonable time and the Employer does not have the interview unduly delayed.

J. The Employer shall not compel an employee under investigation to speak or testify before, or to be questioned by, any non-governmental agency relating to any matter or issue under investigation.

K. The results of a polygraph examination shall not be used against an employee in any forum adverse to the employee's interests. The Employer will not require a polygraph examination if it is illegal to do so. If an employee is asked to take a polygraph examination, he/she will be advised in writing 24 hours prior to the administration of the examination. The results of

any polygraph examination shall be known to the employee within one week.

L. This Section shall not apply to employee witnesses.

M. The identity of an employee under investigation shall not be made available to the media during the course of an investigation until charges are filed by the Employer and the employee has the opportunity to respond thereto. If an employee is exonerated after the City initially informed the media of the charges against the employee, the City will make that fact available to the media where the employee requests it.

N. In the event that disciplinary action is taken against an employee, any allegations of violations of this Section shall be heard in connection with, and in the same forum as, grievances which protest said disciplinary action, except as provided in paragraph O(2) below. If no disciplinary action is brought against the employee following the conclusion of the Inspector General's investigation, no grievance concerning the conduct of the investigation shall exist.

O. (1) Any evidence or information including employee statements that is obtained in violation of the rights enumerated in this Section, shall be suppressed and shall not be used by the Employer for any disciplinary action against the employee, or in the case of promotions or transfers.

(2)(a) Notwithstanding the provisions of paragraph N above, at the option of the Union, a claim that the Inspector General has violated the provisions of this Section may be raised in a suppression hearing before a member of the permanent hearing panel listed herein, rather than in the disciplinary hearing as required in paragraph N above.

(2)(b)(1) The Union may exercise this option by notifying the employee's Department Head and the Employer's Law Department in writing not later than ten (10) calendar days before an arbitration or the Personnel or Police Board hearing, in accordance with the foregoing provisions of this Agreement. The appeal shall specify the particular contract provisions allegedly violated, together with a factual summary of the conduct alleged to have violated the Agreement. It is understood that by exercising this option, any and all time limits set forth in Chapter 2-74-060 of the Municipal Code of the City of Chicago regarding the Personnel Board hearing shall be tolled until the arbitrator renders a decision as provided below.

(2) Upon receipt of said notice, the parties will select in order of rotation one of the three permanent hearing panel members who are chosen as follows. To be eligible for service on this panel, members must be willing to convene a suppression hearing within thirty (30) days of receiving notice of his or her selection.

To select the initial panel, or should any member of the panel resign or be removed upon mutual agreement of the parties during the life of this Agreement, the parties will meet to reach agreement on new panel member who must be an arbitrator listed with the Federal Mediation and Conciliation Service. If no agreement can be reached, the Employer will request a panel of seven (7) arbitrators from FMCS, all of whom must be members of the National Academy of Arbitrators. Thereafter, the parties will meet to strike names from the list, with the Employer striking first, until one name remains, which person shall be named to the panel.

2(c) The suppression hearing shall be convened within thirty (30) calendar days of the selection of the panel member, or at such other time as the parties may mutually agree. The arbitrator's jurisdiction shall be limited to determining if the Inspector General obtained evidence or statements in violation of paragraph O(1) above, and if such evidence should be suppressed. The arbitrator shall have no authority to rule on the merits of any underlying discipline or take any other action beyond that specifically set forth in this subparagraph.

2(d) The panel member shall render an expedited decision which shall be final and binding upon the parties. It shall not be subject to collateral attack

in any further disciplinary proceeding involving the employee in question.

P. Notwithstanding any other provision in this Section to the contrary, no interview by the Inspector General will be conducted at a police station or other correctional facility unless the employee works at the police station or correctional facility, or if the employee has been incarcerated for more than 72 hours.

## ARTICLE 12
## NO STRIKES-NO LOCKOUT

### Section 12.1 No Strikes

The Union agrees that during the life of this Agreement, there shall be no strikes (including, but not limited to sympathy strikes and strikes to protect union or third party conduct), work stoppages, slowdowns, picketing, delays of work of any kind.

### Section 12.2 Union Efforts

The Union agrees that it will use its best efforts to prevent any acts forbidden in this Article and that in the event any such acts take place or are engaged in by any employee or group of employees in the Union's bargaining unit, the Union further agrees it will use its best efforts to cause an immediate cessation thereof. If the Union immediately takes all necessary steps in good faith to end any stoppages, strikes, picketing, intentional slowdown or suspension of work, including: (a) publicly disclaiming such action as not called or sanctioned by the Union, and (b) posting notices in conspicuous

places which notify involved employees that the action was not called or sanctioned by the Union, in addition to instructing employees to immediately cease such activity, the Employer agrees that it will not bring action against the Union to establish responsibility for such unauthorized conduct.

**Section 12.3 Right of Non-Association**

The Employer may terminate the employment of or otherwise discipline any employee or employees who have been found to have engaged in any act forbidden in this Article.

**Section 12.4 No Lockout**

The Employer will not lock out bargaining unit employees during the term of this Agreement.

## ARTICLE 13
## DUES CHECK-OFF AND FAIR SHARE

**Section 13.1 Indemnification/Authorization**

The Employer, upon receipt of a validly executed written authorization card, shall deduct Union dues and initiation fees from the payroll checks of all employees so authorizing the deduction in an amount certified by the Union, and shall remit such deductions on a monthly basis to the Union. Authorization for such deduction shall be irrevocable unless revoked by written notice to the Employer and the Union during the fifteen (15) day period prior to the expiration of this Agreement. The Union shall indemnify, defend and hold the Employer harmless against any and all claims, demands, suits or other forms of liability, including damages, attorney's fees and court and other costs, that shall arise out of, or by reason of action

taken or not taken by the Employer for the purpose of complying with Sections 13.1, 13.2, 13.3, and 13.4 of this Article, or reliance on any list, notice, certification or assignment furnished under any such provisions or in reliance upon employee payroll deduction authorization cards submitted by the Union to the Employer.

The Employer shall provide to the Union within thirty (30) days name, address, classification, rate of salary and starting date of any new employee hired into the Union's bargaining unit.

**Section 13.2 Fair Share**

It is further agreed that 30 days after the later of the execution of the Agreement or the employee's date of hire, the Employer shall deduct from the earnings of employees who are not members of the Union, a monthly amount as certified by the Union and shall remit such deductions to the Union at the same time that the dues check-off is remitted. It is understood that the amount of deductions from said non-member bargaining unit employees will not exceed the regular monthly union dues and represents the employee's fair share cost of the collective bargaining process, contract administration and pursuing matters affecting wages, hours and other conditions of employment.

**Section 13.3 Right of Non-Association**

Nothing in this Agreement shall be inconsistent with Section 6(g) of the Illinois Public Labor Relations Act in protecting the right of non-association of employees based upon the bona fide religious tenets or teachings of a Church or other religious body of which such employees are members.

**Section 13.4 Condition of Employment**

Each employee who on the effective date of this Agreement is a member of the Union, and each employee who becomes a member after that date, shall, as a condition of employment, maintain his/her membership in the Union during the term of this Agreement.

Any present employee who is not a member of the Union shall, as a condition of employment, be required to pay a fair share (not to exceed the amount of Union dues) of the cost of the collective bargaining process and contract administration. All employees hired on or after the effective date of this Agreement and who have not made application for membership shall be required, 30 days after the later of the execution of this Agreement or their hire date, to pay a fair share of the cost of the collective bargaining process and contract administration and pursuing matters affecting wages, hours and other conditions of employment.

## ARTICLE 14
## MISCELLANEOUS

**Section 14.1 Job Titles**

The Employer will notify the Union of any change in job title. If the Employer makes any substantial change in job duties it will discuss such changes with the Union prior thereto. If the Employer changes a job title without substantially changing the duties of the job, the Union will retain its existing jurisdiction over the new job title. The Employer will not permanently assign bargaining unit work to the

jurisdiction of another bargaining unit without the mutual agreement of the unions involved.

**Section 14.2 Traditional Work**

Any work which has been traditionally performed by employees who are represented by the Union shall continue to be performed by said employees, except where non-unit employees have in the past performed unit work, or in emergencies, to train or instruct employees, to do layout, demonstration, experimental, or testing duties, to do troubleshooting or where special knowledge is required, provided however, where employees do not report to work because of vacations, or other absences or tardiness, or for personal reasons during the course of the day, or because all of the employees are or will be occupied with assigned duties, or to complete a rush assignment, employees of any other unit represented by another Union shall not perform the work of said employees. For example, if a Machinist is on vacation, a Plumber shall not be assigned as a replacement Machinist. The Employer shall not arbitrarily extend the period of any emergency beyond the need for that emergency.

Notwithstanding the foregoing, it is understood that it shall not be a violation of this Agreement if the following functions are performed by members of management, regardless of whether they are also performed by the bargaining unit: (a) crew assignment and scheduling; (b) work inspection; (c) discipline; (d) ordering of equipment and materials from vendors. Nothing herein shall deprive members of the bargaining unit of the right to perform historical and traditional unit work; nor shall the

City lay-off a bargaining unit employee for the purpose of replacing that person with a member of management.

**Section 14.3 Jurisdictional Disputes**

In the event that the Union files a grievance claiming that the Employer has violated the terms of this Agreement by assigning certain work to City employees represented by another union, or where the Employer receives a grievance from another union protesting the assignment of work to employees covered under this Agreement, the Employer shall serve written notice to the Union, and on the other affected union(s), of the existence of said dispute. This notice shall describe the nature of the work in dispute.

In the event this dispute remains unresolved and is submitted to arbitration, the provisions of Article 11 herein regarding arbitration of grievances shall apply, except that in addition to the Employer and the Union, the other affected union(s) shall have the opportunity to participate in the hearing and to present evidence, but shall not be bound to the results of that arbitration unless all parties so agree in advance of the hearing.

If the Union shall prevail in said arbitration and is awarded the work in dispute, and if, in that event, the other affected union(s) shall pursue a claim against the Employer that the reassignment of the work in dispute violates the Agreement of that other union, the provisions of this Section shall apply to that claim as well. All parties to the dispute shall have

the right to participate in any arbitration hearing of that claim and to present evidence therein. Should the arbitrator in the second proceeding determine that the Employer's reassignment of the work in dispute violates the other union(s)' Agreement, thereby requiring the Employer to comply with two conflicting arbitration decisions as to which of the unions is entitled to perform the disputed work, the following provisions shall apply.

The Employer shall have the right to invoke arbitration of the dispute under the provisions of the grievance and arbitration procedures contained in Article 11 of this Agreement, except that the Union and the other affected union(s) shall select the arbitrator. The Employer, the Union and the other affected union(s) shall be parties to that proceeding, and shall have the right to fully participate in the hearing. During the pendency of this proceeding, the work assignment directed by the first arbitrator shall be followed by the parties. The arbitrator shall have the authority to decide only which of the two conflicting awards shall prevail. The arbitrator's decision shall be based solely upon the prior arbitration awards, the record before both prior arbitrators, and the traditional work and other relevant provisions of this Agreement and of the collective bargaining agreement of the affected union(s). No other evidence or testimony shall be admitted in that hearing. The decision of the arbitrator in this proceeding shall be final and binding upon all parties to the dispute, and none of the parties to the dispute shall seek

review of that award in any other judicial or administrative forum.

Nothing herein shall preclude all parties to the dispute from voluntarily resolving it at any time.

**Section 14.4 Deferred Compensation**

The Employer's policy which is in effect at the execution of this Agreement, pertaining to deferred compensation, shall be afforded to all employees of the Employer without change during the term of this Agreement.

**Section 14.5 Rules of Conduct Changes**

When the Employer proposes to initiate reasonable changes or additions to its rules of conduct, which could subject Employees to discipline, the Employer shall transmit four (4) copies of the proposed changes or additions to the Union. The Union will consider the proposals, and upon request, the Employer will meet with the Union within twenty (20) calendar days of the receipt of the proposals to receive the Union's comments. Absent an emergency, the Employer will not implement its proposed changes or additions until the Union has had a reasonable opportunity to present its views and discuss the proposals with the Employer. No such changes or additions shall be implemented without prior publication and notice to the affected Employees.

**Section 14.6 Safety**

(a) The Employer shall provide a safe and healthful working environment for employees covered by this agreement

including in accordance with applicable federal and state occupational safety and health laws, and shall maintain in good and safe working condition all equipment necessary for the safe and proper performance of the job.

(b) In furtherance of those efforts, a joint safety committee shall be established which shall be composed of six (6) representatives of the Union Coalition and six (6) representatives of the Employer. The purpose of the committee shall be to discuss, examine and to make recommendations concerning occupational safety and health issues affecting employees. All recommendations of the committee with respect to safety and health issues shall be submitted in writing to the appropriate Department Head with a copy to the Union and the Director of Labor Relations. The Department Head shall promptly issue a written response to the committee concerning the Department's views regarding the committee's recommendations.

The parties may decide, from time to time, to refer certain safety issues and concerns to the personnel of the affected Department(s) responsible for safety matters and Union representatives of the affected employee(s). The Department safety personnel will meet and confer with a representative of the affected Union about such issues and report back to the Committee on any decisions or recommendations concerning them.

(c) The joint safety committee shall meet at least once a month, or otherwise by mutual agreement.

(d) The parties agree and understand that if an employee is faced with an unsafe working condition, the employee is

required to perform the task in question unless the employee's performance of an assigned task presented the strong likelihood of subjecting the employee to imminent danger of death or serious injury. If the employee, with no reasonable alternative, refuses in good faith to perform that task and expose himself to that dangerous condition, the employee will not be subject to discipline. In order to avoid discipline under this paragraph, the condition must be of such a nature that a reasonable person, under the circumstances, would conclude that there is a real, substantial, and imminent danger of death or serious injury. In addition, the employee must also have sought from the Employer, and have been unable to obtain, correction of the situation before refusing to perform the task in question.

**Section 14.7 Information to Union**

The Employer will provide to the Union on a monthly basis a bargaining unit report of current active employees, the list to include employee name, address, social security number, title, pay schedule, grade, current pay rate, status, continuous service date, time in title, date of birth, race and sex.

The Employer shall also provide to the Union on a monthly basis a bargaining unit activity report of current active employees that will list Career Service Retirements; Career Service Resignations; Career Service Discharges; Non-Career Service Terminations; Leaves of Absence; Suspensions; Reinstatements; Reappointments; Transfers (change of department

and change of payroll); Appointments (which also includes promotions and demotions); and Deaths.

Each month the Employer will provide to the Union the current month's bargaining unit activity report and the updated report from the previous month.

**Section 14.8 Filling of Permanent Vacancies**

The Employer shall determine if there is a permanent vacancy to be filled and at any time before said vacancy is filled whether or not said vacancy shall be filled.

Employees within a department who desire a change in shift, day off group or work location of their job assignment shall request such change in writing on the Employer's form. When filling a vacancy, the Employer shall select the most senior employee in the job classification in the department who has such a request on file, provided the employee has the present ability to perform the required work without further training.

Employees may file such requests in December for the period beginning in January and continuing through June of the following year and June for the period beginning in July and continuing through December. Employees accepting a transfer shall be allowed one such transfer only in any six (6) month period.

In the Department of Fleet Administration, newly hired employees customarily are provided with a training period of up to six (6) months on the day shift at the main work location. Upon satisfactory completion of said training period, the new

employee may be reassigned to the shift of another more senior employee who has a timely transfer request on file and who desires to transfer to the new employee's assigned shift.

When filling a Vacancy and there are no said employees who have requests on file, the Employer shall select the employee in the job classification in the department from the recall or reinstatement list, if any, in accordance with the recall procedures in this Agreement.

Qualified bargaining unit employees shall be given an equal opportunity to bid on jobs which are declared vacant by the Employer. The posting of an Employer determined permanent vacancy shall be on bulletin boards at each Employer physical site in the department and other appropriate locations as determined by the Employer. Said vacancy shall be posted for 14 days. In making selections, the Employer give preference to employee applicants over non-employee applicants, unless the non-employee applicants have demonstrably greater skill and ability to fulfill the needs determined by the Employer. The Employer shall select the most senior employee of those applying who has the greatest ability to fill the needs determined by the Employer.

"Ability" shall be determined by the Employer based upon performance evaluations, experience, training, proven ability and similar criteria.

"Seniority" shall mean for purposes of this Section, the employee's continuous service in any bargaining unit title(s) city-wide.

The successful bidder for any jobs under this Section shall have an evaluation period, not to exceed sixty (60) days, to demonstrate that he or she can perform the job. If the Employer has just cause based upon the employee job performance at any time during that period that the successful bidder cannot perform the job, then the successful bidder shall be returned to the job he/she held just prior to the awarding of the bid, displacing, if necessary, any employee who has been placed into said job.

**Section 14.9 Balancing Work Force**

The Employer's movement of employees from one location, shift or day off schedule to another shall not be deemed a permanent vacancy if there is not a net increase in the number of employees in the affected classification(s) in the affected locations, shifts, or day off schedule.

If the Employer intends to reduce the number of employees in a job classification at a location, shift or day off schedule and reassign them to another location, shift or day off schedule, the Employer shall seek volunteers among the employees in the affected job classification, provided that the volunteers have the present ability to perform the required work without further training.

If there are more volunteers than there are assignments, such reassignments shall be made on the basis of seniority. If there are insufficient volunteers available, the Employer shall

reassigns employees using reverse seniority provided the employees have the present ability to perform the required work without further training.

**Section 14.10 Subcontracting**

The Employer shall not contract or subcontract out bargaining unit work to any person, contractor or employer who is not in compliance with the area standards established under and pursuant to the formula used by the United States Department of Labor administering the Davis-Bacon Act. Notice of any such contracting or subcontracting shall be given to the Union at least thirty (30) days prior to its effective date. The notice shall be in writing and shall contain the name and address of the party who will perform the work, a description of the work to be performed and any other relevant data to enable the Union to determine compliance with this Section. In the event such party is determined not to be in compliance with the said area standards, the Employer shall withhold payouts and shall not contract or subcontract further with any such party until the Union and the Employer receive a written and enforceable assurance of compliance.

In the event that the Employer determines to subcontract unit work under this Agreement, and as a result bargaining unit employees would be laid off by the proposed subcontracting, the Employer shall make available, on a seniority basis, equal-rated

permanent jobs which the Employer has declared to be vacant in the affected Department, or other departments, as the case may be, in that order, provided the laid off employees have the then present ability to perform the required work without further training. However, the employee shall be provided with a reasonable amount of orientation to allow him or her to perform the work.

Prior to sub-contracting of bargaining unit work, the Employer, the Union, and the proposed sub-contractor shall meet to discuss the employment of employees subject to layoff. During that meeting the Employer will request and urge that the sub-contractor hire laid off employees.

**Section 14.11 Automobile Reimbursement**

Employees who are required by the Employer to use their own automobiles in the performance of their job shall receive mileage reimbursement at the then effective rate recognized by the Internal Revenue Service, with a maximum of $250 per month. On the effective date of this Agreement, following its ratification by all parties, the maximum reimbursement will increase to $350.00 per month. **Effective February 1, 2008, the maximum reimbursement will increase to $450.00 per month. Effective February 1, 2009, the maximum reimbursement will increase to $550.00 per month. Thereafter, the maximum reimbursement will increase effective each February 1 by the**

**percentage increase in the Transportation Expenditure Category of the Consumer Price Index for All Urban Consumers (CPI-U): U.S. City Average for the previous year, as rounded to the nearest $5 increment.** Employees seeking mileage reimbursement must submit that request on a form provided by the Employer. Payment for mileage expenses will be made on a monthly basis. In the event that during the life of this Agreement the Employer shall implement for any group of employees an automobile expense reimbursement program which is more favorable to employees than the provisions of this paragraph, upon notice from the Union, the Employer will meet and discuss with representatives of the Union the possible application of said new program to employees covered by this Agreement.

**Upon request by either party made no earlier than January 1, 2010, the parties shall meet to discuss any proposed changes to this Section 14.11.**

**Section 14.12 Detailing**

Detailing is the temporary transfer of an employee to a work assignment within his/her job classification geographically removed from the employee's normal work site and/or to a different shift.

Employees shall not be detailed for more than sixty (60) days, unless the Employer gives advance written notice to the Union of its need to do so and confers with the Union upon

request. In any event, no such assignment may extend beyond one hundred and eighty (180) days without the agreement of the parties.

The Employer shall notify the employees of the requirements for said detailing and shall seek volunteers among the employees who have the then present ability to perform the work required without further training. If there are more volunteers than there are assignments, selections shall be made on the basis of seniority. If there are insufficient volunteers, the Employer shall assign the detailing by inverse seniority, starting with the least senior first, and attempt to rotate such assignments within each calendar year.

Thirty (30) days' advance notice of detailing shall be given to the employees if the need to detail is known; otherwise, as soon as reasonably possible.

## ARTICLE 15
## LAYOFFS/RECALL

### Section 15.1 Layoffs/Recall

Probationary employees with more than 90 days of service shall be laid off first. Thereafter, the least senior employee in the affected job classification shall be laid off first, provided the ability, qualifications to perform the required work, and the employee's job performance are equal among the other employees in the job. "Seniority" shall mean, for

purposes of this Section, the employee's continuous service in any bargaining unit title(s) city-wide.

A laid-off employee may displace (bump) the least senior employee, if any, in the most recent lower job title the employee to be laid off has held, provided the employee to be laid off has the then present ability to perform the job to the Employer's satisfaction without further training.

Employees shall be recalled in the reverse order they were laid off.

## ARTICLE 16
## SEPARABILITY

### Section 16.1

In the event any of the provisions of this Agreement shall be or become invalid or unenforceable by reason of any Federal or State Law or Local Ordinance now existing or hereinafter enacted, such invalidity or unenforceability shall not affect the remainder of the provisions hereof. The parties agree to meet and adopt revised provisions which would be in conformity with the law.

## ARTICLE 17
## UNION REPRESENTATION

### Section 17.1 Union Stewards

The Union will advise the Employer in writing, of the names of the Stewards in each department or area agreed upon with the Employer and shall notify the Employer promptly of any changes.

Stewards will be permitted to handle and process grievances referred by employees at the appropriate steps of the grievance

procedure during normal hours, without the loss of pay, provided that such activity shall not exceed a reasonable period of time, or unreasonably interrupt the work of employees. Stewards shall notify their immediate supervisors in advance of their intention to handle and process grievances. Supervisors may not unreasonably withhold permission to the stewards to engage in such activities.

Employees acting as Union Stewards shall not be discriminated against nor be transferred from their job classifications or departments because of their activities on behalf of the Union. Any transfers of Union Stewards from their job classifications or departments, other than in an emergency, will be discussed with the Union in advance of any such transfers.

**Section 17.2 Union Rights**

The Union shall have the right and responsibility to represent the interests of all employees in the Unit, to present its views to the City on matters of concern, either orally or in writing, and to consult and be consulted with, in respect to the formulation, development and implementation of policies and programs affecting working conditions.

**Section 17.3 Right of Access**

Duly authorized Officials of the Union will be permitted during normal working hours, to enter Employer facilities for purposes of handling grievances or observing conditions under which employees are working. The Union will not abuse this privilege, and such right of entry shall be consistent with

current practices, and shall at all times be conducted in a manner so as not to interfere with normal operations. The Employer may be able to change or set rules of access, provided that any change in current practices must be reasonable and subject to the grievance procedure.

## ARTICLE 18
## DRUG AND ALCOHOL PROGRAM

### Section 18.1 Policy Statement

The City of Chicago's essential mission is to provide services to its citizens in a safe and economic manner. The parties to this Agreement recognize that drug and alcohol abuse in the workplace has a deleterious effect on the health and safety of employees, as well their morale and productivity, all of which creates an undue burden on the persons which the City and the employees covered by this Agreement serve. Furthermore, the economic cost of providing health care services to employees who abuse drugs and alcohol has put an increasing burden on the City's finances.

The Employer and the Union maintain a strong commitment to protect people and property, and to provide a safe working environment. To this end, the employer has also established its confidential Employee Assistance Program for employees with personal problems, including alcohol and substance abuse, and the parties to this Agreement urge employees who have such problems to utilize the Program's services.

To maintain a workplace which provides a safe and healthy work environment for all employees, the following drug and alcohol program is also established.

**Section 18.2 Definitions**

(a) Alcohol: Ethyl alcohol

(b) Prohibited Items & Substances: all illegal drugs and controlled substances, alcoholic beverages, and drug paraphernalia in the possession of, or being used by, an employee on the job or the premises of the Employer.

(c) Employer Premises: all property, facilities, land, buildings, structures, automobiles, trucks and other vehicles owned, leased or used by the Employer as job sites or work locations and over which the Employer has authority as employer.

(d) Employee: all persons covered by this Agreement.

(e) Accident: an event resulting in injury to a person requiring medical attention or causing significant damage to property to which an employee contributed as a direct or indirect cause.

(f) Reasonable Cause: erratic or unusual behavior by an employee, including but not limited to noticeable imbalance, incoherence and disorientation, which would lead a person of ordinary sensibilities to conclude that the employee is under the influence of drugs and/or alcohol.

(g) Under the Influence: any mental, emotional, sensory or physical impairment due to the use of drugs or alcohol.

(h) Test: the taking and analysis of any body component sample, whether by blood, breath, urine, or in any other

scientifically reliable manner, for the purpose of identifying, measuring or quantifying the presence or absence of drugs, alcohol or any metabolize thereof.

**Section 18.3 Disciplinary Action**

(a) All employees must report to work in a physical condition that will enable them to perform their jobs in a safe manner. Further, employees shall not use, possess, dispense or receive prohibited items or substances on or at the Employer's premises, nor shall they report to work under the influence of drugs and/or alcohol.

(b) When, based upon the direct observation of two supervisors, the Employer has reasonable cause to believe that an employee is under the influence of a prohibited substance, the Employer shall have the right to subject that employee to a drug and alcohol test. At the Employer's discretion, the employee may be placed on administrative leave with pay until test results are available. If the test results prove negative, the employee shall be reinstated. In all other cases, the Employer will terminate all employees who:

(i) test positive for drug and/or alcohol use;

(ii) refuse to cooperate with testing procedures;

(iii) are found to be under the influence of drugs or alcohol while on duty and on the Employer's premises;

(iv) are found possession of alcohol, drugs or drug paraphernalia, or are found selling or

distributing drugs or drug paraphernalia, on the Employer's premises.

(c) All adverse employment action taken against an employee under this program shall be subject to the grievance and arbitration procedures of this Agreement.

**Section 18.4 Drug and Alcohol Testing**

(a) The Employer may require drug and/or alcohol testing under the following conditions:

(i) a test may be administered in the event that two supervisors have reasonable cause to believe that an employee has reported to work under the influence of or is at work under the influence of drugs or alcohol.

(ii) a test may be required if an employee is involved in a workplace accident or fighting;

(iii) a test may be required as part of a follow-up to counseling or rehabilitation for substance abuse for up to a one year period.

(b) Employees to be tested will be required to sign a consent form and chain of custody form, assuring proper documentation and accuracy. If an employee refuses to sign a consent form authorizing the test, he or she will be subject to termination.

(c) Drug and alcohol testing will be conducted by an independent laboratory accredited by NIDA or any successor agency, and may consist of either blood or urine tests, or both.

The Employer reserves the right to utilize a breathalyzer to test for the presence of alcohol, in lieu of other clinical testing.

(d) Laboratory testing procedures will conform to the procedures specified in the NIDA guidelines for federal workplace drug testing programs, dated April 11, 1988 and as may be amended hereafter by the relevant agency of the Department of Health and Human Services.

(e) Initial and confirmatory test results which meet or exceed the cutoff levels for drugs set forth in the NIDA guidelines (and as they may be amended) shall be regarded as "positive," and shall presumptively establish that the tested employee was under the influence of drugs.

(f) Initial and confirmatory (or breathalyzer) test results which meet or exceed the level of blood alcohol established in the Illinois Motor Vehicle Act as legal intoxication shall presumptively establish that the tested employee was under the influence of alcohol.

(g) The cost of initial and confirmatory testing will be borne by the Employer.

(h) Drug and alcohol test results shall be reported to the Commissioner of Personnel or his designee in the manner to be prescribed by the Commissioner. The applicant or incumbent shall be notified of the test results in writing. The Commissioner will inform the applicable department head of any employee who tests positive for alcohol or drugs, who in turn will initiate disciplinary proceedings under Section 18.3 above.

(i) All urine or blood samples shall be taken in sufficient quantity as to allow for retesting. Any portion not used in the test will be preserved by scientifically reliable means for one (1) year following the test. Any employee whose test result is positive may elect, at his or her expense, to be retested by the same or other laboratory satisfactory to the Commissioner of Personnel, provided that the Employer's testing laboratory shall arrange for transmitting said sample to the second laboratory. Positive results of said retesting shall be conclusive as to the presence of alcohol or drugs. The failure to take a sufficient sample, or to preserve such sample, to allow for retesting, shall not affect the removal from eligibility of an applicant of personnel action, including discharge, of any employee.

(j) No laboratory report or test results shall appear in the incumbent's personnel file unless they are part of a personnel action under this program, but shall be placed in a special locked file maintained by the Commissioner of Personnel, except as such disclosure may be required by this policy, law or ordinance.

**Section 18.5 Employee Assistance Program**

Employees are encouraged to seek help for a drug or alcohol problem before it deteriorates into disciplinary matter and may participate if they wish in the voluntary Employee Assistance Program.

## ARTICLE 19
## JOINT APPRENTICESHIP AND TRAINING PROGRAM INITIATIVE

### Section 19.1

The City of Chicago and each Coalition Union (the "Parties") agree to create a Joint Apprenticeship and Training Program Initiative ("Initiative") in conjunction with certain third parties including, but without limitation, the Chicago Public Schools ("CPS"), the City Colleges of Chicago ("City Colleges") and External Contractors. The purpose of the Initiative is to increase the opportunities for participation of graduates of CPS and/or City Colleges in Union apprenticeship and training programs and to provide expanded post-apprenticeship and training employment opportunities for such graduates. In conjunction with the execution of each Coalition Union's collective bargaining agreement with the City of Chicago, the Parties shall enter into a supplemental memorandum of understanding regarding the structure, implementation, monitoring and enforcement of this Initiative. Said memorandum shall be attached to this Agreement as Appendix D.

### Section 19.2

The Initiative shall generally include the following:

a. A commitment by each Coalition Union to establish or otherwise expand available apprenticeship and training opportunities; a commitment by the Coalition to fill at

**least 100 apprenticeship slots across Coalition Unions with CPS students, graduates or former students with a GED and/or City College students and graduates by June 30 of each year of this Agreement.**

**b. A commitment by the Coalition and the City to collaborate with the Chicago Public Schools, City Colleges of Chicago and External Contractors to prepare CPS and City Colleges students to enter Union apprenticeship and training programs. In particular, the Coalition and the City will cooperate with the Chicago Public Schools, City Colleges of Chicago and External Contractors to publicize available building and trades apprenticeship and training programs and subsequent careers; to consider establishing training programs as appropriate; and to expand post-apprenticeship and training employment opportunities.**

**c. The Parties shall appoint a Chair and an Auditor to oversee this Initiative and ensure that the parties take appropriate steps to fulfill the commitments set forth in this Article and supplemental memorandum attached hereto.**

## ARTICLE 20
## RATIFICATION AND TERMINATION

The terms of this Agreement shall be subject to ratification by the City Council of the City of Chicago and concurrent adoption in ordinance form. The Employer and the Union will cooperate to secure this legislative approval.

This Agreement shall be effective as of said date of ratification by the City Council and shall remain in full force and effect from said date to June 30, **2017**, both inclusive. Thereafter, it shall automatically renew itself from year to year unless at least 60 days and not more than 90 days prior to the termination date or anniversary thereof, either party gives written notice to the other by Certified Mail, return receipt requested, of a desire to amend, add to, subtract from, or terminate this Agreement.

In the event such notice of a desire to amend, add to, or subtract from the terms of this Agreement is given the parties shall, within a reasonable time thereafter, enter into negotiations concerning the request. **If the parties are unable to agree upon a successor agreement before the 30th day of June following the date on which notice was given, this Agreement shall expire on such 30th day of June unless both parties agree to extend this Agreement. The notices referred to shall be considered to have been given as of the date shown on the postmark, written notices may be tendered in person, in which case the date of notice shall be the written date of receipt.**

This Agreement constitutes the entire contract between the Employer and the Union and settles all demands and issues with respect to all matters subject to collective bargaining. The Employer and the Union, therefore, voluntarily waive the right, and each agrees that the other shall not be obligated to bargain collectively with respect to any matter which is subject to collective bargaining whether or not such matter is specifically

referred to herein, and even though such matter may not have been within the knowledge or contemplation of the parties at the time this Agreement was negotiated or signed.

In the event the City of Chicago agrees to or authorizes additional vacation, holiday or other paid time off, or voluntary unpaid time off with any other bargaining unit (excluding police and/or fire) during the term of this Agreement, such additional time off shall be granted to all employees covered by this Agreement.

## ARTICLE 21
## TERM OF AGREEMENT

**This Agreement shall be effective from the date upon which it is ratified by the City Council of the City of Chicago, but no earlier than July 1, 2007, and shall remain in effect through 11:59 p.m. on June 30, 2017.**

**Health Plan Reopener**

**Each party reserves the right to reopen this Agreement in order to further negotiate the Health Plan set forth in Article 9 for the following reasons:**

1. **Any change(s) in the applicable law(s), including but not limited to a universal, national or state health care program mandating significant changes in health insurance benefits that becomes law and is effective during the term of this Agreement;**

2. The lack of achievement of health care cost containment as anticipated by the parties pursuant to the establishment and administration of the Labor-Management Cooperation Committee on health care, as defined below:

(a) The parties charge the LMCC with the responsibility of approving Plan changes that will result in significant cost containment or savings, as measured by ~~an~~ a projected increase of costs for any individual plan of no more than 8% in Fiscal Year 2009 and each fiscal year thereafter when compared to health care costs in Fiscal Year 2008 and each previous fiscal year thereafter, respectively.

(b) Should the Plan changes approved by the LMCC fail to result in such cost containment or savings as stated in subsection (a) above, the LMCC shall make such adjustments to the Plan as are necessary, including but not limited to adjustments in deductibles, co-pays and co-insurance, to prevent the cost increase from exceeding 8% as measured in subsection (a) above.

(c) Should the plan changes approved by the LMCC fail to achieve cost containment or savings as stated in subsections (a) and (b) above by the end of following fiscal year, either party may elect to reopen negotiations as set forth herein on the following specific topics:

- Health Plan set forth in Article 9;
- Structure of the LMCC;
- Composition of the LMCC;
- Funding of the LMCC.

provided, however, each party reserves the right to reopen this Agreement in order to negotiate the Health Plan set forth in Article 9 no later than June 30, 2011 and June 30, 2015, or in the event the City of Chicago is awarded the 2016 Olympic Games, June 30, 2014.

If any one of the foregoing events or conditions occurs, either party to this Agreement has thirty (30) days to notify the other party of its intent to reopen this Agreement in order to negotiate the Health Plan set forth in Article 9. Should either party elect to reopen negotiations pursuant to this provision, it shall submit written notice to the other party. Thereafter, the parties have ninety (90) days within which to reach agreement on the Article. If the parties fail to reach

agreement at the conclusion of that ninety (90) day period, each party reserves the right to reopen the entire Agreement.

Non-Prevailing Wage Rate Reopener

Four-Year: This Agreement may be reopened to further negotiate the non-prevailing wage rates governing the second five-year term (07/01/2012 to 06/30/2017) under Article 4, Section 4, in the event that (a) the City notifies the Coalition that it has not reached a successor agreement to a then current four-year agreement expiring on June 30, 2011 regarding an across-the-board percentage increase for other unionized employees in non-prevailing wage rate classifications defined in the "Me Too Clause" by March 31, 2012; or (b) the Coalition notifies the City of its intent to terminate the "Me Too Clause" by March 31, 2012.

Five-Year: This Agreement may be reopened to further negotiate the non-prevailing wage rates governing the second five-year term (07/01/2012 to 06/30/2017) under Article 4, Section 4, in the event that (a) the City notifies the Coalition that it has not reached a successor agreement to a then current five-year agreement expiring on June 30, 2012 regarding an across-the-board percentage increase for other unionized employees in non-prevailing wage rate classifications defined in the "Me Too Clause" by October 31, 2012; or (b) the Coalition

notifies the City of its intent to terminate the "Me Too Clause" by October 31, 2012.

If any one of the foregoing events occurs, either party to this Agreement has thirty (30) days to notify the other party of its intent to reopen this Agreement in order to negotiate the non-prevailing wage rates governing the second five-year term (07/01/2012 to 06/30/2017) set forth in Article 4, Section 4. Should either party elect to reopen negotiations pursuant to this provision, it shall submit written notice to the other party and the City shall not be obligated to make the wage adjustments set forth in Article 4, Section 4. Thereafter, the parties have ninety (90) days within which to reach agreement on the Article. If the parties fail to reach agreement at the conclusion of that ninety (90) day period, each party reserves the right to reopen the entire Agreement.

Other Reopener

In the event of an emergency, cataclysmic event or other similar exigency affecting the City's financial condition, each party reserves the right to reopen the entire Agreement.

IN WITNESS WHEREOF, each of the parties hereto, by its duly authorized representative(s), has executed this document as of the _____ day of _____, 2007.

**CITY OF CHICAGO**

By: _____

[EMS:LOCAL126]

**INTERNATIONAL ASSOCIATION OF MACHINISTS AND AEROSPACE WORKERS - LOCAL 126**

By: _____

LABOR NEGOTIATIONS BETWEEN
THE CITY OF CHICAGO AND COUPE

SIDE LETTER

JOINT APPRENTICESHIP AND TRAINING PROGRAM INITIATIVE:
LMCC REFERRAL

Agree to the following in a Side Letter to this Agreement:

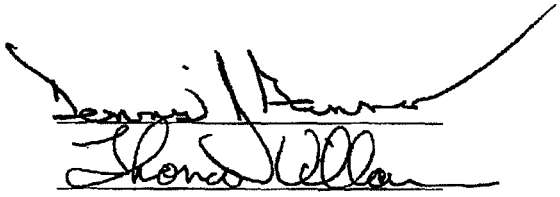
The parties recognize that the success of the Joint Apprenticeship and Training Program Initiative depends on the identification and creation of opportunities to increase the use of apprentices in area construction projects. The Parties agree to direct the Labor Management Cooperation Committee established under Article 9 to explore and recommend the consideration of such opportunities to the City and other governmental entities within the City of Chicago in connection with the Joint Apprenticeship and Training Program Initiative, including, but not limited to:

a. A multi-project labor agreement.

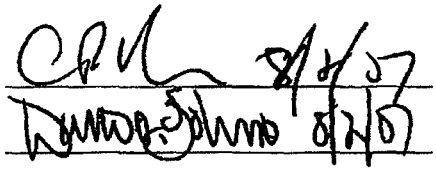
b. A standard provision in Construction Contracts that (i) contractors and sub-contractors of whatsoever tier shall utilize the maximum number of apprentices on the project as permitted under the terms and conditions of their respective collective bargaining agreement(s); and (ii) all contractor and sub-contractors performing construction work on the project shall participate in an apprenticeship program registered with

the U.S. Department of Labor's Bureau of Apprenticeship and Training.

FOR COUPE:



FOR THE CITY OF CHICAGO:



LABOR NEGOTIATIONS BETWEEN
THE CITY OF CHICAGO AND COUPE

SIDE LETTER

**HEALTH CARE PLAN:**
**LMCC REFERRAL**

Agree to the following in a Side Letter to this Agreement:

The City and Coalition agree to direct the LMCC to evaluate and initiate changes to the current Health Care Plan (the "Plan") effective January 1, 2008 in areas that will facilitate the shift to a preventive health care model and will result in design improvements, cost containment or savings, including but not limited to the following areas:

- Expanded Disease Management Program
- HRA and Bio-metric Screening
- Health Fairs
- Weight Management Program
- Imaging Review Service
- Lifetime Maximum
- Subscriber Share for Hospital Bills and Co-insurance
- Exclusion for Self-Inflicted Injuries.
- Comprehensive Communication and Outreach Strategies.

FOR COUPE:

FOR THE CITY OF CHICAGO:



356615.1

LABOR NEGOTIATIONS BETWEEN
THE CITY OF CHICAGO AND COUPE

SIDE LETTER

FOUR 10-HOUR DAY WORKWEEK

Agree to the following in a side letter to this Agreement:

Since the Arbitrator issued his Opinion and Award dated June 21, 2007 in the Matter of Arbitration between the City of Chicago and Laborers Local 1001/Teamsters Local 726 ("Award"), the City and affected Coalition Unions have explored various approaches to resolving their dispute over the scope of the Award and the application of Section 3(a) of the Memorandum of Understanding dated July 18, 2005 entered into between the City and Coalition ("Section 3(a)"). In addition to amending Section 3(a) to reflect the Unions' preferred approach to the four 10-hour workweek, the parties, in return, have discussed an agreement by the Unions to waive some or all of the monetary make whole remedies directed by the Arbitrator in his Award. Although the City is willing to amend Section 3(a) as requested by the Unions in order to conclude negotiations at the Coalition level, such willingness is contingent on the expectation that the affected Unions will reach agreement with the City to waive some or all of the monetary make whole remedies. Until such an agreement is reached, the affected Unions agree that the City shall not be obligated to implement the monetary make whole remedies in the Award. In addition, if such an agreement is not

reached by December 1, 2007, the parties shall submit the issues of the Unions' proposed amendment to Section 3(a) to reflect the Unions' preferred approach to the four 10-hour workweek and the City's proposed relief from the monetary make whole remedy to an arbitrator for resolution.

FOR COUPE:

FOR THE CITY OF CHICAGO:

## APPENDIX A

### Salary Schedule

# MACHINISTS LOGDE 126

SCHEDULE R

March 1, 2007

BASE SALARY PLAN

| CLASS GRADE | | ENTRANCE RATE FIRST 6 MONTHS | NEXT 12 MONTHS | NEXT 12 MONTHS | TOP BASE RATE NEXT 12 MONTHS |
|---|---|---|---|---|---|
| 11 | ANNUAL | 35,328 | 36,996 | 38,760 | 40,632 |
| | MONTHLY | 2,944 | 3,083 | 3,230 | 3,386 |
| 12 | ANNUAL | 38,760 | 40,632 | 42,528 | 44,592 |
| | MONTHLY | 3,230 | 3,386 | 3,544 | 3,716 |
| 13 | ANNUAL | 42,528 | 44,592 | 46,692 | 48,888 |
| | MONTHLY | 3,544 | 3,716 | 3,891 | 4,074 |
| 14 | ANNUAL | 46,692 | 48,888 | 51,228 | 53,652 |
| | MONTHLY | 3,891 | 4,074 | 4,269 | 4,471 |
| 15 | ANNUAL | 51,228 | 53,652 | 56,220 | 58,884 |
| | MONTHLY | 4,269 | 4,471 | 4,685 | 4,907 |

INTERMEDIATE RATES

| | | AFTER 1 YEAR AT TOP BASE RATE & 5 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT FIRST INTERMEDIATE RATE & 8 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT SECOND INTERMEDIATE RATE & 11 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT THIRD INTERMEDIATE RATE & 14 YRS CONTINUOUS SERVICE |
|---|---|---|---|---|---|
| 11 | ANNUAL | 42,528 | 45,036 | 47,160 | 49,380 |
| | MONTHLY | 3,544 | 3,753 | 3,930 | 4,115 |
| 12 | ANNUAL | 46,692 | 49,380 | 51,744 | 54,192 |
| | MONTHLY | 3,891 | 4,115 | 4,312 | 4,516 |
| 13 | ANNUAL | 51,228 | 54,192 | 56,784 | 59,472 |
| | MONTHLY | 4,269 | 4,516 | 4,732 | 4,956 |
| 14 | ANNUAL | 56,220 | 59,472 | 62,280 | 65,268 |
| | MONTHLY | 4,685 | 4,956 | 5,190 | 5,439 |
| 15 | ANNUAL | 61,668 | 65,268 | 68,328 | 71,604 |
| | MONTHLY | 5,139 | 5,439 | 5,694 | 5,967 |

| | | LONGEVITY RATES | | | |
|---|---|---|---|---|---|
| | | AFTER 1 YEAR AT TOP INTERMEDIATE RATE & 17 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT FIRST LONGEVITY RATE & 20 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT SECOND LONGEVITY RATE & 23 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT THIRD LONGEVITY RATE & 25 YRS CONTINUOUS SERVICE |
| 11 | ANNUAL | 51,744 | 54,192 | 56,784 | 59,472 |
| | MONTHLY | 4,312 | 4,516 | 4,732 | 4,956 |
| 12 | ANNUAL | 56,784 | 59,472 | 62,280 | 65,268 |
| | MONTHLY | 4,732 | 4,956 | 5,190 | 5,439 |
| 13 | ANNUAL | 62,280 | 65,268 | 68,328 | 71,604 |
| | MONTHLY | 5,190 | 5,439 | 5,694 | 5,967 |
| 14 | ANNUAL | 68,328 | 71,604 | 75,024 | 78,564 |
| | MONTHLY | 5,694 | 5,967 | 6,252 | 6,547 |
| 15 | ANNUAL | 75,024 | 78,564 | 82,308 | 86,220 |
| | MONTHLY | 6,252 | 6,547 | 6,859 | 7,185 |

# MACHINISTS LOGDE 126

## SCHEDULE R

July 1, 2007

| | | BASE SALARY PLAN | | | |
|---|---|---|---|---|---|
| CLASS GRADE | | ENTRANCE RATE FIRST 6 MONTHS | NEXT 12 MONTHS | NEXT 12 MONTHS | TOP BASE RATE NEXT 12 MONTHS |
| 11 | ANNUAL | 35,676 | 37,368 | 39,144 | 41,040 |
| | MONTHLY | 2,973 | 3,114 | 3,262 | 3,420 |
| 12 | ANNUAL | 39,144 | 41,040 | 42,948 | 45,036 |
| | MONTHLY | 3,262 | 3,420 | 3,579 | 3,753 |
| 13 | ANNUAL | 42,948 | 45,036 | 47,160 | 49,380 |
| | MONTHLY | 3,579 | 3,753 | 3,930 | 4,115 |
| 14 | ANNUAL | 47,160 | 49,380 | 51,744 | 54,192 |
| | MONTHLY | 3,930 | 4,115 | 4,312 | 4,516 |
| 15 | ANNUAL | 51,744 | 54,192 | 56,784 | 59,472 |
| | MONTHLY | 4,312 | 4,516 | 4,732 | 4,956 |

## INTERMEDIATE RATES

| | | AFTER 1 YEAR AT TOP BASE RATE & 5 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT FIRST INTERMEDIATE RATE & 8 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT SECOND INTERMEDIATE RATE & 11 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT THIRD INTERMEDIATE RATE & 14 YRS CONTINUOUS SERVICE |
|---|---|---|---|---|---|
| 11 | ANNUAL | 42,948 | 45,492 | 47,628 | 49,872 |
| | MONTHLY | 3,579 | 3,791 | 3,969 | 4,156 |
| 12 | ANNUAL | 47,160 | 49,872 | 52,260 | 54,732 |
| | MONTHLY | 3,930 | 4,156 | 4,355 | 4,561 |
| 13 | ANNUAL | 51,744 | 54,732 | 57,348 | 60,072 |
| | MONTHLY | 4,312 | 4,561 | 4,779 | 5,006 |
| 14 | ANNUAL | 56,784 | 60,072 | 62,904 | 65,916 |
| | MONTHLY | 4,732 | 5,006 | 5,242 | 5,493 |
| 15 | ANNUAL | 62,280 | 65,916 | 69,012 | 72,324 |
| | MONTHLY | 5,190 | 5,493 | 5,751 | 6,027 |

## LONGEVITY RATES

| | | AFTER 1 YEAR AT TOP INTERMEDIATE RATE & 17 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT FIRST LONGEVITY RATE & 20 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT SECOND LONGEVITY RATE & 23 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT THIRD LONGEVITY RATE & 25 YRS CONTINUOUS SERVICE |
|---|---|---|---|---|---|
| 11 | ANNUAL | 52,260 | 54,732 | 57,348 | 60,072 |
| | MONTHLY | 4,355 | 4,561 | 4,779 | 5,006 |
| 12 | ANNUAL | 57,348 | 60,072 | 62,904 | 65,916 |
| | MONTHLY | 4,779 | 5,006 | 5,242 | 5,493 |
| 13 | ANNUAL | 62,904 | 65,916 | 69,012 | 72,324 |
| | MONTHLY | 5,242 | 5,493 | 5,751 | 6,027 |
| 14 | ANNUAL | 69,012 | 72,324 | 75,780 | 79,344 |
| | MONTHLY | 5,751 | 6,027 | 6,315 | 6,612 |
| 15 | ANNUAL | 75,780 | 79,344 | 83,136 | 87,084 |
| | MONTHLY | 6,315 | 6,612 | 6,928 | 7,257 |

# MACHINISTS LOGDE 126

## SCHEDULE R

January 1, 2008

### BASE SALARY PLAN

| CLASS GRADE | | ENTRANCE RATE FIRST 6 MONTHS | NEXT 12 MONTHS | NEXT 12 MONTHS | TOP BASE RATE NEXT 12 MONTHS |
|---|---|---|---|---|---|
| 11 | ANNUAL | 36,480 | 38,208 | 40,020 | 41,964 |
| | MONTHLY | 3,040 | 3,184 | 3,335 | 3,497 |
| 12 | ANNUAL | 40,020 | 41,964 | 43,920 | 46,044 |
| | MONTHLY | 3,335 | 3,497 | 3,660 | 3,837 |
| 13 | ANNUAL | 43,920 | 46,044 | 48,216 | 50,496 |
| | MONTHLY | 3,660 | 3,837 | 4,018 | 4,208 |
| 14 | ANNUAL | 48,216 | 50,496 | 52,908 | 55,416 |
| | MONTHLY | 4,018 | 4,208 | 4,409 | 4,618 |
| 15 | ANNUAL | 52,908 | 55,416 | 58,056 | 60,816 |
| | MONTHLY | 4,409 | 4,618 | 4,838 | 5,068 |

### INTERMEDIATE RATES

| | | AFTER 1 YEAR AT TOP BASE RATE & 5 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT FIRST INTERMEDIATE RATE & 8 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT SECOND INTERMEDIATE RATE & 11 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT THIRD INTERMEDIATE RATE & 14 YRS CONTINUOUS SERVICE |
|---|---|---|---|---|---|
| 11 | ANNUAL | 43,920 | 46,512 | 48,696 | 51,000 |
| | MONTHLY | 3,660 | 3,876 | 4,058 | 4,250 |
| 12 | ANNUAL | 48,216 | 51,000 | 53,436 | 55,968 |
| | MONTHLY | 4,018 | 4,250 | 4,453 | 4,664 |
| 13 | ANNUAL | 52,908 | 55,968 | 58,644 | 61,428 |
| | MONTHLY | 4,409 | 4,664 | 4,887 | 5,119 |
| 14 | ANNUAL | 58,056 | 61,428 | 64,320 | 67,404 |
| | MONTHLY | 4,838 | 5,119 | 5,360 | 5,617 |
| 15 | ANNUAL | 63,684 | 67,404 | 70,560 | 73,956 |
| | MONTHLY | 5,307 | 5,617 | 5,880 | 6,163 |

LONGEVITY RATES

| | | AFTER 1 YEAR AT TOP INTERMEDIATE RATE & 17 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT FIRST LONGEVITY RATE & 20 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT SECOND LONGEVITY RATE & 23 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT THIRD LONGEVITY RATE & 25 YRS CONTINUOUS SERVICE |
|---|---|---|---|---|---|
| 11 | ANNUAL | 53,436 | 55,968 | 58,644 | 61,428 |
| | MONTHLY | 4,453 | 4,664 | 4,887 | 5,119 |
| 12 | ANNUAL | 58,644 | 61,428 | 64,320 | 67,404 |
| | MONTHLY | 4,887 | 5,119 | 5,360 | 5,617 |
| 13 | ANNUAL | 64,320 | 67,404 | 70,560 | 73,956 |
| | MONTHLY | 5,360 | 5,617 | 5,880 | 6,163 |
| 14 | ANNUAL | 70,560 | 73,956 | 77,484 | 81,132 |
| | MONTHLY | 5,880 | 6,163 | 6,457 | 6,761 |
| 15 | ANNUAL | 77,484 | 81,132 | 85,008 | 89,040 |
| | MONTHLY | 6,457 | 6,761 | 7,084 | 7,420 |

# MACHINISTS LOGDE 126

## SCHEDULE R

January 1, 2009

BASE SALARY PLAN

| CLASS GRADE | | ENTRANCE RATE FIRST 6 MONTHS | NEXT 12 MONTHS | NEXT 12 MONTHS | TOP BASE RATE NEXT 12 MONTHS |
|---|---|---|---|---|---|
| 11 | ANNUAL | 37,572 | 39,360 | 41,220 | 43,224 |
| | MONTHLY | 3,131 | 3,280 | 3,435 | 3,602 |
| 12 | ANNUAL | 41,220 | 43,224 | 45,240 | 47,424 |
| | MONTHLY | 3,435 | 3,602 | 3,770 | 3,952 |
| 13 | ANNUAL | 45,240 | 47,424 | 49,668 | 52,008 |
| | MONTHLY | 3,770 | 3,952 | 4,139 | 4,334 |
| 14 | ANNUAL | 49,668 | 52,008 | 54,492 | 57,084 |
| | MONTHLY | 4,139 | 4,334 | 4,541 | 4,757 |
| 15 | ANNUAL | 54,492 | 57,084 | 59,796 | 62,640 |
| | MONTHLY | 4,541 | 4,757 | 4,983 | 5,220 |

## INTERMEDIATE RATES

| | | AFTER 1 YEAR AT TOP BASE RATE & 5 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT FIRST INTERMEDIATE RATE & 8 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT SECOND INTERMEDIATE RATE & 11 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT THIRD INTERMEDIATE RATE & 14 YRS CONTINUOUS SERVICE |
|---|---|---|---|---|---|
| 11 | ANNUAL | 45,240 | 47,904 | 50,160 | 52,536 |
| | MONTHLY | 3,770 | 3,992 | 4,180 | 4,378 |
| 12 | ANNUAL | 49,668 | 52,536 | 55,044 | 57,648 |
| | MONTHLY | 4,139 | 4,378 | 4,587 | 4,804 |
| 13 | ANNUAL | 54,492 | 57,648 | 60,408 | 63,276 |
| | MONTHLY | 4,541 | 4,804 | 5,034 | 5,273 |
| 14 | ANNUAL | 59,796 | 63,276 | 66,252 | 69,432 |
| | MONTHLY | 4,983 | 5,273 | 5,521 | 5,786 |
| 15 | ANNUAL | 65,592 | 69,432 | 72,672 | 76,176 |
| | MONTHLY | 5,466 | 5,786 | 6,056 | 6,348 |

## LONGEVITY RATES

| | | AFTER 1 YEAR AT TOP INTERMEDIATE RATE & 17 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT FIRST LONGEVITY RATE & 20 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT SECOND LONGEVITY RATE & 23 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT THIRD LONGEVITY RATE & 25 YRS CONTINUOUS SERVICE |
|---|---|---|---|---|---|
| 11 | ANNUAL | 55,044 | 57,648 | 60,408 | 63,276 |
| | MONTHLY | 4,587 | 4,804 | 5,034 | 5,273 |
| 12 | ANNUAL | 60,408 | 63,276 | 66,252 | 69,432 |
| | MONTHLY | 5,034 | 5,273 | 5,521 | 5,786 |
| 13 | ANNUAL | 66,252 | 69,432 | 72,672 | 76,176 |
| | MONTHLY | 5,521 | 5,786 | 6,056 | 6,348 |
| 14 | ANNUAL | 72,672 | 76,176 | 79,812 | 83,568 |
| | MONTHLY | 6,056 | 6,348 | 6,651 | 6,964 |
| 15 | ANNUAL | 79,812 | 83,568 | 87,564 | 91,716 |
| | MONTHLY | 6,651 | 6,964 | 7,297 | 7,643 |

# MACHINISTS LOGDE 126

## SCHEDULE R

January 1, 2010

BASE SALARY PLAN

| CLASS GRADE | | ENTRANCE RATE FIRST 6 MONTHS | NEXT 12 MONTHS | NEXT 12 MONTHS | TOP BASE RATE NEXT 12 MONTHS |
|---|---|---|---|---|---|
| 11 | ANNUAL | 38,700 | 40,536 | 42,456 | 44,520 |
| | MONTHLY | 3,225 | 3,378 | 3,538 | 3,710 |
| 12 | ANNUAL | 42,456 | 44,520 | 46,596 | 48,852 |
| | MONTHLY | 3,538 | 3,710 | 3,883 | 4,071 |
| 13 | ANNUAL | 46,596 | 48,852 | 51,156 | 53,568 |
| | MONTHLY | 3,883 | 4,071 | 4,263 | 4,464 |
| 14 | ANNUAL | 51,156 | 53,568 | 56,124 | 58,800 |
| | MONTHLY | 4,263 | 4,464 | 4,677 | 4,900 |
| 15 | ANNUAL | 56,124 | 58,800 | 61,584 | 64,524 |
| | MONTHLY | 4,677 | 4,900 | 5,132 | 5,377 |

INTERMEDIATE RATES

| | | AFTER 1 YEAR AT TOP BASE RATE & 5 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT FIRST INTERMEDIATE RATE & 8 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT SECOND INTERMEDIATE RATE & 11 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT THIRD INTERMEDIATE RATE & 14 YRS CONTINUOUS SERVICE |
|---|---|---|---|---|---|
| 11 | ANNUAL | 46,596 | 49,344 | 51,660 | 54,108 |
| | MONTHLY | 3,883 | 4,112 | 4,305 | 4,509 |
| 12 | ANNUAL | 51,156 | 54,108 | 56,700 | 59,376 |
| | MONTHLY | 4,263 | 4,509 | 4,725 | 4,948 |
| 13 | ANNUAL | 56,124 | 59,376 | 62,220 | 65,172 |
| | MONTHLY | 4,677 | 4,948 | 5,185 | 5,431 |
| 14 | ANNUAL | 61,584 | 65,172 | 68,244 | 71,520 |
| | MONTHLY | 5,132 | 5,431 | 5,687 | 5,960 |
| 15 | ANNUAL | 67,560 | 71,520 | 74,856 | 78,456 |
| | MONTHLY | 5,630 | 5,960 | 6,238 | 6,538 |

| | | LONGEVITY RATES | | | |
|---|---|---|---|---|---|
| | | AFTER 1 YEAR AT TOP INTERMEDIATE RATE & 17 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT FIRST LONGEVITY RATE & 20 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT SECOND LONGEVITY RATE & 23 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT THIRD LONGEVITY RATE & 25 YRS CONTINUOUS SERVICE |
| 11 | ANNUAL | 56,700 | 59,376 | 62,220 | 65,172 |
| | MONTHLY | 4,725 | 4,948 | 5,185 | 5,431 |
| 12 | ANNUAL | 62,220 | 65,172 | 68,244 | 71,520 |
| | MONTHLY | 5,185 | 5,431 | 5,687 | 5,960 |
| 13 | ANNUAL | 68,244 | 71,520 | 74,856 | 78,456 |
| | MONTHLY | 5,687 | 5,960 | 6,238 | 6,538 |
| 14 | ANNUAL | 74,856 | 78,456 | 82,212 | 86,076 |
| | MONTHLY | 6,238 | 6,538 | 6,851 | 7,173 |
| 15 | ANNUAL | 82,212 | 86,076 | 90,192 | 94,464 |
| | MONTHLY | 6,851 | 7,173 | 7,516 | 7,872 |

# MACHINISTS LOGDE 126

## SCHEDULE R

January 1, 2011

| | | BASE SALARY PLAN | | | |
|---|---|---|---|---|---|
| | | ENTRANCE RATE | | | TOP BASE RATE |
| CLASS GRADE | | FIRST 6 MONTHS | NEXT 12 MONTHS | NEXT 12 MONTHS | NEXT 12 MONTHS |
| 11 | ANNUAL | 39,960 | 41,856 | 43,836 | 45,972 |
| | MONTHLY | 3,330 | 3,488 | 3,653 | 3,831 |
| 12 | ANNUAL | 43,836 | 45,972 | 48,108 | 50,436 |
| | MONTHLY | 3,653 | 3,831 | 4,009 | 4,203 |
| 13 | ANNUAL | 48,108 | 50,436 | 52,824 | 55,308 |
| | MONTHLY | 4,009 | 4,203 | 4,402 | 4,609 |
| 14 | ANNUAL | 52,824 | 55,308 | 57,948 | 60,708 |
| | MONTHLY | 4,402 | 4,609 | 4,829 | 5,059 |
| 15 | ANNUAL | 57,948 | 60,708 | 63,588 | 66,624 |
| | MONTHLY | 4,829 | 5,059 | 5,299 | 5,552 |

## INTERMEDIATE RATES

| | | AFTER 1 YEAR AT TOP BASE RATE & 5 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT FIRST INTERMEDIATE RATE & 8 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT SECOND INTERMEDIATE RATE & 11 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT THIRD INTERMEDIATE RATE & 14 YRS CONTINUOUS SERVICE |
|---|---|---|---|---|---|
| 11 | ANNUAL | 48,108 | 50,952 | 53,340 | 55,872 |
| | MONTHLY | 4,009 | 4,246 | 4,445 | 4,656 |
| 12 | ANNUAL | 52,824 | 55,872 | 58,548 | 61,308 |
| | MONTHLY | 4,402 | 4,656 | 4,879 | 5,109 |
| 13 | ANNUAL | 57,948 | 61,308 | 64,248 | 67,296 |
| | MONTHLY | 4,829 | 5,109 | 5,354 | 5,608 |
| 14 | ANNUAL | 63,588 | 67,296 | 70,464 | 73,848 |
| | MONTHLY | 5,299 | 5,608 | 5,872 | 6,154 |
| 15 | ANNUAL | 69,756 | 73,848 | 77,292 | 81,000 |
| | MONTHLY | 5,813 | 6,154 | 6,441 | 6,750 |

## LONGEVITY RATES

| | | AFTER 1 YEAR AT TOP INTERMEDIATE RATE & 17 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT FIRST LONGEVITY RATE & 20 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT SECOND LONGEVITY RATE & 23 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT THIRD LONGEVITY RATE & 25 YRS CONTINUOUS SERVICE |
|---|---|---|---|---|---|
| 11 | ANNUAL | 58,548 | 61,308 | 64,248 | 67,296 |
| | MONTHLY | 4,879 | 5,109 | 5,354 | 5,608 |
| 12 | ANNUAL | 64,248 | 67,296 | 70,464 | 73,848 |
| | MONTHLY | 5,354 | 5,608 | 5,872 | 6,154 |
| 13 | ANNUAL | 70,464 | 73,848 | 77,292 | 81,000 |
| | MONTHLY | 5,872 | 6,154 | 6,441 | 6,750 |
| 14 | ANNUAL | 77,292 | 81,000 | 84,888 | 88,872 |
| | MONTHLY | 6,441 | 6,750 | 7,074 | 7,406 |
| 15 | ANNUAL | 84,888 | 88,872 | 93,120 | 97,536 |
| | MONTHLY | 7,074 | 7,406 | 7,760 | 8,128 |

# MACHINISTS LOGDE 126

SCHEDULE R

January 1, 2012

## BASE SALARY PLAN

| CLASS GRADE | | ENTRANCE RATE FIRST 6 MONTHS | NEXT 12 MONTHS | NEXT 12 MONTHS | TOP BASE RATE NEXT 12 MONTHS |
|---|---|---|---|---|---|
| 11 | ANNUAL | 41,364 | 43,320 | 45,372 | 47,580 |
| | MONTHLY | 3,447 | 3,610 | 3,781 | 3,965 |
| 12 | ANNUAL | 45,372 | 47,580 | 49,788 | 52,200 |
| | MONTHLY | 3,781 | 3,965 | 4,149 | 4,350 |
| 13 | ANNUAL | 49,788 | 52,200 | 54,672 | 57,240 |
| | MONTHLY | 4,149 | 4,350 | 4,556 | 4,770 |
| 14 | ANNUAL | 54,672 | 57,240 | 59,976 | 62,832 |
| | MONTHLY | 4,556 | 4,770 | 4,998 | 5,236 |
| 15 | ANNUAL | 59,976 | 62,832 | 65,808 | 68,952 |
| | MONTHLY | 4,998 | 5,236 | 5,484 | 5,746 |

## INTERMEDIATE RATES

| | | AFTER 1 YEAR AT TOP BASE RATE & 5 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT FIRST INTERMEDIATE RATE & 8 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT SECOND INTERMEDIATE RATE & 11 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT THIRD INTERMEDIATE RATE & 14 YRS CONTINUOUS SERVICE |
|---|---|---|---|---|---|
| 11 | ANNUAL | 49,788 | 52,740 | 55,212 | 57,828 |
| | MONTHLY | 4,149 | 4,395 | 4,601 | 4,819 |
| 12 | ANNUAL | 54,672 | 57,828 | 60,600 | 63,456 |
| | MONTHLY | 4,556 | 4,819 | 5,050 | 5,288 |
| 13 | ANNUAL | 59,976 | 63,456 | 66,492 | 69,648 |
| | MONTHLY | 4,998 | 5,288 | 5,541 | 5,804 |
| 14 | ANNUAL | 65,808 | 69,648 | 72,936 | 76,428 |
| | MONTHLY | 5,484 | 5,804 | 6,078 | 6,369 |
| 15 | ANNUAL | 72,192 | 76,428 | 79,992 | 83,832 |
| | MONTHLY | 6,016 | 6,369 | 6,666 | 6,986 |

| | | LONGEVITY RATES | | | |
|---|---|---|---|---|---|
| | | AFTER 1 YEAR AT TOP INTERMEDIATE RATE & 17 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT FIRST LONGEVITY RATE & 20 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT SECOND LONGEVITY RATE & 23 YRS CONTINUOUS SERVICE | AFTER 1 YEAR AT THIRD LONGEVITY RATE & 25 YRS CONTINUOUS SERVICE |
| 11 | ANNUAL | 60,600 | 63,456 | 66,492 | 69,648 |
| | MONTHLY | 5,050 | 5,288 | 5,541 | 5,804 |
| 12 | ANNUAL | 66,492 | 69,648 | 72,936 | 76,428 |
| | MONTHLY | 5,541 | 5,804 | 6,078 | 6,369 |
| 13 | ANNUAL | 72,936 | 76,428 | 79,992 | 83,832 |
| | MONTHLY | 6,078 | 6,369 | 6,666 | 6,986 |
| 14 | ANNUAL | 79,992 | 83,832 | 87,864 | 91,980 |
| | MONTHLY | 6,666 | 6,986 | 7,322 | 7,665 |
| 15 | ANNUAL | 87,864 | 91,980 | 96,384 | 100,944 |
| | MONTHLY | 7,322 | 7,665 | 8,032 | 8,412 |

APPENDIX B

Payroll Inquiry Form

UNION_____LOCAL #_____Department _____

# CITY OF CHICAGO

# EMPLOYEE PAYROLL INQUIRY FORM

Date _____

**Union Representative Name:** _____**PHONE:** _____

**I am here by requesting an inquiry for** _____**payroll.**
**(PAY DATE RANGE)**

Employee Number:

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | |

Employee Social Security Number (last four digits): ____ ____ ____ ____ Job Title:_____

Employee Name _____PHONE:_____
(Please Print Clearly)

Previously discussed with:_____Title_____ PHONE:_____Date___/___/___

Grievance Filed: Y N Grievance Number: _____ Grievance Date: _____/ ____/____

Describe the issue in detail:

_____

_____

_____

_____

_____

_____

**Circle the appropriate category (ies):**

**O.T.** **Retro** **Back-pay** **Rate Increase** **Other:** _____
_____
_____
_____

**Please return this form to:** Faridah Khan
33 North LaSalle Street Suite 700
Chicago, Illinois 60602
FAX (312)744-8407

Department Labor Liasion_____
FAX #:_____

To be completed by the City Comptroller's Office:

Date Received _____Assigned to: _____

Date Resolved: _____Completed by: _____

# APPENDIX C

## Trust Agreement

# CHICAGO LABOR-MANAGEMENT TRUST

# AGREEMENT AND DECLARATION OF TRUST

# AGREEMENT AND DECLARATION OF TRUST

THIS AGREEMENT AND DECLARATION OF TRUST is made this _____ day of _____, 2008 at Chicago, Cook County, Illinois between the City of Chicago (sometimes referred to as either the "City" or "Employer") and Participating Labor Unions (sometimes referred to as "Unions" or "COUPE"), and the undersigned Trustees (as defined below).

WHEREAS, the City of Chicago must confront many unique challenges because, among other reasons, of the diverse, complicated and sometimes hazardous nature of the public work, the training required, the pressure of competition from non-governmental employers who may not have similar budgeting constraints and the impact of City employment for the health, safety and well-being of its Employees and the public at large; and

WHEREAS, the Unions and the City agree that skyrocketing health insurance costs are foremost among these challenges and require the aggressive pursuit of measures designed to control employee health insurance costs while maintaining high quality and multiple-optioned employee health insurance coverage; and

WHEREAS, addressing the health care challenge is of mutual concern to the Unions and the City but is not always susceptible to effective resolution through the collective bargaining process; and

WHEREAS, the Unions and the City recognize the desirability and necessity of working together to increase overall health insurance plan savings through the investigation and implementation of a value-based health insurance model; and

WHEREAS, the Unions and the City acknowledge that labor management cooperation committees have been used to significant success in the private sector and especially in the context of health insurance; and

WHEREAS, the Unions and the City desire and agree to establish a joint labor-management cooperation trust for such purposes (the Trust, as subsequently defined); and

WHEREAS, the Unions and the City desire that such Trust be designated as an organization exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as it may be amended from time to time (the "Code") and as other than a private foundation under Section 509 of the Code to the extent so qualified.

NOW, THEREFORE, in consideration of the foregoing representations as well as the mutual promises and obligations herein, it is mutually understood and agreed as follows.

## ARTICLE I – DEFINITIONS

The following terms shall have the meaning set forth below unless the context requires otherwise:

**CITY** shall mean the City of Chicago.

**COALITION OF UNIONIZED PUBLIC EMPLOYEES or COUPE** shall mean the Participating Labor Unions or Unions as defined below.

**EMPLOYEE** shall mean an employee of the City of Chicago who is also a member of a Participating Labor Union.

**EMPLOYER** shall mean the City or City of Chicago.

**EMPLOYER CONTRIBUTIONS** shall mean the payment or payments made or required to be made to the Trust and made part of the Trust Fund by the City of Chicago pursuant to the terms of the collective bargaining agreement by and between a Participating Labor Union and the City of Chicago.

**PARTICIPATING LABOR UNION(S)** shall mean those Unions which are parties to a collective bargaining agreement with the City of Chicago requiring contributions to the Trust and which are signatories to this Trust Agreement and listed on Exhibit A of this Trust Agreement, as may be amended from time to time.

**TRUST** shall be the Chicago Labor-Management Trust created by this Agreement and Declaration of Trust.

**TRUST AGREEMENT** shall mean this Agreement and Declaration of Trust made this _____ day of _____, 2008, and including any amendments hereto and all modifications hereof.

**TRUSTEES** shall mean the undersigned original Trustees of this Trust Agreement and Declaration of Trust and their respective successors named and appointed as hereinafter provided.

**TRUST FUND or FUND** shall mean the Trust estate and its assets which will include all City of Chicago contributions, cash, investments, income therefrom, and any and all other property whatsoever received, held and administered by the Trustees for the uses, purposes and trusts set forth herein.

**UNION(S)** shall mean a Participating Labor Union or Unions which are or may become signatories to this Trust Agreement.

## ARTICLE II – CREATION OF TRUST FUND

1. There is hereby established by the City and Unions a Trust and Trust Fund known as the Chicago Labor-Management Trust. Contributions to the Trust shall be received, held and administered in accordance with the terms and provisions hereof for the purposes and objectives set forth in Article III hereof and for all purposes incidental, complementary and supplemental thereto as determined by the Trustees provided all such purposes are consistent with Section 501(c)(3) of the Code.

2. Contributions to the Trust shall be paid to the Trustees or such depository as the Trustees shall designate only by check or other written order made payable to the Chicago Labor-Management Trust. In the event the Trust is expanded to include additional employees, the Trust shall make a recommendation with respect to the amount of contributions to be made by the City. In addition, the Trust shall also aggressively pursue funding in the form of grants and loans from a variety of sources including, but not limited to, Labor Organizations, The Department of Commerce and Economic Opportunity (DCEO), and The Federal Mediation and Conciliation Service.

3. The fiscal year of the Trust shall be from July first through June thirtieth.

4. The parties recognize and acknowledge that the regular and prompt payment by the City to the Trust is necessary to the administration of the Trust Fund.

5. The City of Chicago shall make prompt contributions to the Trust in such amount, and under such terms as provided for above and as may later be agreed in writing by the City and the Participating Labor Unions, provided that such contributions shall be subject to acceptance by the Trustees and shall be deposited by the Trustees in a bank designated by the Trustees. The City of Chicago agrees that the obligation to make payments to the Trust shall not be subject to set-off or counter claims which the City may have for any liability of any Participating Labor Union or other labor organization.

6. The Trustees shall establish a periodic date on which such contributions and any required documentation regarding the contributions must be made to the Trust. A delinquency shall be defined as the failure of a contribution and any required documentation to be received at the proper address by the Due Date, not including Saturdays, Sundays or recognized holidays. The Trustees shall immediately notify the City of its delinquency or discrepancy in a report or contribution

7. The Trustees may in their complete discretion without resort to any procedures or hearings bring suit to collect delinquent contributions owing to said Trust.

## ARTICLE III – PURPOSES OF TRUST

1. General. This Trust is organized and hereafter will be operated exclusively for charitable, educational and scientific purposes within the meaning of Section 501(c)(3) of the Code, including activities for the benefit of, to perform the functions of, to carry out the purposes of, and to lessen the burdens of the City of Chicago in facilitating its relationship with Employees and Participating Labor Unions in performance of a public purpose. In furtherance thereof, the Trust shall focus on reviewing, researching and making recommendations to the City regarding the quality of, cost effectiveness of, cost containment of, and savings obtained by the City health care plan provided to the Employees of Participating Labor Unions, including the reduction and attempted elimination of medical resource inefficiencies through analysis of various subjects such as:

   a. the medical plan, including premium contributions, the number and type of plans offered, and the structure of those plans;

   b. negotiations with health plan vendors selected by the City for the purposes of improving cost efficiencies and quality;

   c. quality initiatives and the collection of City medical plan related information and data;

   d. enhancing Wellness and Disease Management Programs;

   e. assessing categories of care for focus;

   f. developing protocols and standards for the City medical plan and taking all necessary steps to assure compliance with those protocols;

   g. creating Health Improvement Plan programs;

   h. disseminating quality and safety information to Employees and their beneficiaries;

   i. developing and providing incentives for accountability and the provision of high quality, efficient health care services and to reduce or eliminate variations in health care services provided that are not justified by specific diagnosis or the acuity of health care;

   j. developing communications programs, training and materials to educate employees regarding available plans and benefits;

   k. undertaking market analyses of health care issues;

   l. developing education programs for medical providers, participants and beneficiaries; and

m. identifying additional initiatives, goals and objectives consistent with enhancing the quality and cost effectiveness of the health care coverage provided to Employees of Participating Labor Unions.

2. Enhancement of City/Employee Relationship. In addition and consistent with Section 501(c)(3) of the Code, the Trust shall also focus on reviewing, researching and making recommendations to the City regarding the enhancement of City/Employee relationships through analysis of various topics including the following:

a. improving communication between representatives of labor and management with respect to subjects of mutual interest and concern;

b. providing labor and management with opportunities to study and explore new and innovative joint approaches to achieving organizational effectiveness;

c. assisting labor and management in solving problems of mutual concern not susceptible to resolution within the collective bargaining process;

d. studying and exploring ways of eliminating potential problems which reduce competitiveness and inhibit economic development in the City of Chicago;

e. enhancing the involvement of employees in making decisions that affect their working lives;

f. expanding and improving labor-management relationships;

g. reviewing, researching and making recommendations to the City and Participating Labor Unions regarding the Joint Apprenticeship and Training Program Initiative, including the identification and creation of opportunities to increase the use of apprentices in area construction projects; and

h. reviewing, researching and making recommendations to the City and Participating Labor Unions regarding the maintenance and improvement of the financial health of employee pension funds.

3. The parties agree that both the City and the Participating Labor Unions will cooperate and collaborate with the Trust to the extent permitted by law in order to provide the Trust with information necessary to accomplish its goals.

4. As an organization exempt from taxation under Section 501(c)(3) of the Code, no part of the net earnings of the Trust shall inure to the benefit of, or be distributable to, its members, Trustees, Officers or other private persons, except that the Trust shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in this Article III. No substantial part of the activities of the Trust shall

be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Trust shall not participate in, or intervene (including the publishing or distribution of statements) in any political campaign on behalf of any candidate for public office. Notwithstanding any other provision of this Trust Agreement, the Trust shall not carry on any other activities not permitted to be carried on (a) by an organization exempt from federal income tax under Section 501(c)(3) of the Code, or (b) by any organization contributions to which are deductible under Section 170(c)(2) of the Code.

## ARTICLE IV – TRUSTEES

1. There shall be up to thirty (30) Trustees, with half of the Trustees appointed by the City of Chicago and half of the Trustees appointed by the Co-Chairs of the COUPE. Except for the Co-Chairs and the Co-Vice-Chairs who hold office by virtue of their position, and the Executive Director(s) who hold office at the pleasure of the Co-Chairs, each Trustee shall hold office for a three (3) year term or until his death, resignation or removal by the party which appointed the Trustee. Upon their appointment, Trustees shall execute the acknowledgement form listed on Exhibit B, agreeing to be bound by the terms of this Trust Agreement.

2. The person who serves as the Mayor of the City of Chicago shall appoint a Co-Chair and Co-Vice Chair of the Trust and the Co-Chairs of the COUPE shall appoint a Co-Chair and Co-Vice Chair of the Trust. The Trustees shall elect a Secretary/Treasurer and such other officers as they deem necessary or expedient from among their number.

3. The Co-Chairs of the Trust may each appoint an Executive Director or may agree upon a single Executive Director. The Executive Director(s) selected shall possess demonstrable knowledge and experience regarding health care and health care administration issues. The Executive Director(s) shall be jointly responsible for coordinating and overseeing all efforts undertaken by the Trust. The respective Executive Director(s) shall be responsible for providing regular reports to the City and the Participating Labor Unions on the status and progress of Trust efforts. An Executive Director may be removed by the respective appointing authority or, in the case of a single Executive Director, in accordance with the voting requirements of Article V, Section 2 herein.

4. The resignation of any Trustee shall be in writing. It shall specify the date said resignation is to become effective and it shall be presented to the Co-Chairs who will then immediately notify the other Trustees of such resignation.

5. The Trustees shall meet at least quarterly. A majority of the Trustees, with at least a majority of those appointed by the City and a majority of those appointed by the Participating Labor Unions, shall constitute a quorum at meetings held by the Trustees to transact the business of the Trust.

6. Each Trustee shall have one (1) vote on all matters. Any action by the Trustees pursuant to this Trust Agreement, except as otherwise noted herein, shall be by a

majority vote of those Trustees present and voting at any duly called meeting of the Trustees at which a quorum is present. Trustees may participate in meetings and vote on all matters by telephone. Trustees may not delegate fiduciary duties or vote by proxy. These limitations shall not apply to subcommittee appointments.

7. The Trustees are empowered to adopt by-laws and promulgate such rules and regulations as they, in their discretion, may deem necessary or advisable, which by-laws, rules and regulations may not be in any manner inconsistent with this Trust Agreement, or any collective bargaining agreements between the City and Participating Labor Unions.

8. The Co-Chairs shall have the power and authority, upon mutual agreement, to create advisory subcommittees composed of equal numbers of City and Participating Labor Union representatives for research and investigatory purposes and to hire consultants for use in the pursuit of its efforts.

9. In furtherance of the Joint Apprenticeship and Training Program Initiative as set forth in the 2007-2017 Collective Bargaining Agreements between the City and the Participating Labor Unions, a Joint Apprenticeship and Training Program Initiative Committee is hereby created. The Committee shall be an advisory subcommittee of the Trust, and shall be responsible for researching and investigating joint apprenticeship and training initiatives to enhance opportunities for Chicago Public Schools and City Colleges of Chicago students in the City's building and trades workforce. The Co-Chairs of the Trust shall appoint up to seven (7) members to the Committee. One member shall be designated as Chair of the Committee, and one member shall be designated as an auditor of the Committee. The Committee shall meet at least quarterly.

10. Either Co-Chair or any eight (8) Trustees may call a meeting of the Trustees at any given time by giving at least five (5) business days prior written notice of the time and place of such meeting to Trustees. Meetings of the Trustees shall be held at the time and place designated in the written notice of the meeting. Actions of Trustees may be taken, without a meeting, upon the unanimous written consent of the Trustees.

11. The parties recognize the desirability of including additional bargaining units of City employees in the Trust, as well as the desirability of including additional local governmental agencies and their respective bargaining unit employees, in order to permit health insurance savings on a larger scale. To that end, the parties agree to combine efforts over the long term to encourage governmental agencies including, but in no way limited to, the Chicago Public Schools and the Chicago Park District and other Chicago local government agencies, as well as their respective bargaining units, to participate in the Trust. Should the parties obtain a commitment of participation from other City or local government agencies and their respective bargaining units, the parties shall meet and discuss appropriate guidelines and procedures for their inclusion into the Trust, including any amendments if deemed necessary.

## ARTICLE V – AUTHORITY AND DUTY OF TRUSTEES

1. The Trustees shall have such powers as may be necessary to discharge their responsibilities in managing and controlling the general operation and administration of the Trust. The Trustees shall have authority to execute various acts in furtherance of the purposes of the Trust, including, but not limited to, the following:

   a. To make all contracts as they may deem expedient and necessary in the conduct of the business of the Trust and to carry out the purposes thereof;

   b. To provide for the payment of expenses incurred in connection with the business of the Trust;

   c. To determine the priorities and timetables for carrying out the purposes of the Trust;

   d. To develop and implement such programs, plans, services, goods and materials as the Trustees deem necessary for carrying out the purposes of the Trust;

   e. To demand, collect and receive City contributions and to apply for grants and solicit contributions for purposes of the Trust and to hold such monies as part of the Trust Fund, or disburse them for the purposes herein specified;

   f. To accept donations, grant monies and other contributions or gifts and hold or disburse them in support of Trust purposes and consistent with the terms of any grant, gift, donation or contribution;

   g. To designate who shall have the authority to sign all checks and execute all documents necessary to carry out the purposes of the Trust;

   h. To deposit any monies received by the Trust in such bank or banks as the Trustees may select to hold the Trust Fund assets. The Trustees may hold and invest and re-invest monies of the Trust Fund as said Trustees, or any investment advisor selected by the Trustees, directs, including but not limited to investments in obligations of the United States, any state or municipality thereof, stocks, bonds, mutual or common funds, secured real estate loans and other investments and may authorize a bank, trust company, insurance company or investment manager to hold monies on behalf of the Trust in any separate or commingled account or pools, invested in accordance with any directive or investment policy of the Trustees;

   i. To hold uninvested money, without liability for interest thereon, in such sums as the Trustees deem appropriate for meeting the operational needs of the Trust;

j. To pay out of the Trust Fund any taxes of any kind as may be lawfully assessed or imposed upon activities or property of the Trust; and

k. To do all acts, whether or not expressly authorized herein, which the Trustees may deem necessary and proper in connection with the Trust, although the power to do such acts is not specifically set forth herein.

2. The Trustees shall have authority to execute the following acts in furtherance of the purposes of the Trust upon a vote of two-thirds (2/3) of the Trustees with at least a majority of the Trustees appointed by the City voting for the measure and a majority of the Trustees appointed by the Co-Chairs of the COUPE voting for the measure:

a. To appoint and remove officers of the Trust (other than the Co-Chairs and Co-Vice Chairs ) as deemed necessary or expedient in the conduct of the business of the Trust;

b. To remove the Executive Director of the Trust in circumstances where a single Executive Director has been jointly appointed by the Co-Chairs;

c. To employ, hire, pay and make contracts with employees, attorneys, accountants, or other professionals or agents deemed necessary by the Trustees to carry out the purposes of the Trust;

d. To delegate to employees, agents, professionals or service providers such powers and duties as the Trustees deem necessary or appropriate;

e. To initiate legal proceedings and settle, arbitrate or release claims;

f. To adopt an annual budget; and

g. To enter into contracts or make commitments that are in excess of $10,000 and not included in the annual budget, as deemed necessary by the Trustees to carry out the purposes of the Trust.

3. The parties agree that the Trustees shall have the power to make recommendations to the City and the Participating Labor Unions regarding changes, improvements, or enhancements to the City medical plan, administration of the City health insurance plan, and negotiations with health insurance vendors upon a majority vote by the Trustees.

a. The Co-Chairs shall convey the Trustees' recommendations to the designated City representative in writing within fourteen (14) days of the adoption of the recommendation.

b. The designated City representative shall consider the written recommendation and make a determination regarding whether to implement that recommendation within thirty (30) days after receiving it.

The designated City representative shall notify the Trustees' of such determination in writing as soon as possible thereafter.

c. If the designated City representative elects not to adopt the Trustees' recommendation, he shall then meet with the Trust during its next regular meeting, or on another mutually acceptable date, to discuss the recommendation and the rationale for rejecting the recommendation.

d. If the designated City representative elects to implement the Trustee's recommendation, he shall so notify the designated representative of the Participating Labor Unions of the decision in writing within five (5) days of the decision.

e. The City and the Participating Labor Unions shall designate a representative for purposes of this section at least annually.

4. Notwithstanding any other provision to the contrary, the parties agree that the Trustees shall have the power to amend, change, improve, or enhance the City medical plan provided that:

a. such amendments, changes, improvements, or enhancements are approved by a two-thirds (2/3) vote of the Trustees with at least a majority of the Trustees appointed by the City voting for the measure and a majority of the Trustees appointed by the Co-Chairs of the COUPE voting for the measure; and

b. such amendments, changes, improvements, or enhancements will result in significant cost containment or savings, as measured by a projected increase of costs for any individual plan of no more than 8% in Fiscal Year 2009 and each fiscal year thereafter when compared to health care costs in Fiscal Year 2008 and in each previous fiscal year thereafter, respectively.

c. As set forth in the Term of Agreement of the 2007-2017 Collective Bargaining Agreements between the City and the Unions, should the Plan changes approved by the Trustees fail to result in such cost containment or savings as stated in subsection (b) above, the Trustees shall make such adjustments to the Plan as are necessary, including but not limited to adjustments in deductibles, co-pays and co-insurance, to prevent the cost increase from exceeding 8% as measured in subsection (b) above.

5. The Trustees shall designate in writing the Trustees, agents or Trust employees authorized to sign checks or otherwise withdraw or transfer monies or assets from the Trust Fund. Each such check, withdrawal or transfer must be endorsed by two (2) Trustees, agents or Trust employees. Each Trustee, employee or agent of the Trust who is engaged in handling assets of the Trust Fund shall be required to give bond for the faithful performance of his or her duties hereunder in such amount as the Trustees shall determine to be appropriate and necessary, and the expense of such bond shall be born by the Trust.

6. No Trustee hereof shall be liable for any loss, liability, expense, charge or damages related to an act of omission or commission by any other Trustee or Trustees, whether predecessor, current or successor Trustees; or of any agent, employee, attorney, auditor, accountant, or administrator selected by the Trustees, nor shall any Trustee be individually or personally liable for any loss, liability, expense, charge or damages payable by the Trust, or for his own acts or failure to act, unless said acts or failure to act shall have been done in bad faith or through gross negligence or willful misconduct. In the event any Trustee hereunder shall become personally liable for any loss, liability, expense, charge or damages arising out of any civil action brought against him by virtue of any action of the Trust or Trustees hereunder, he shall be held harmless by, and reimbursed out of the Trust Fund for all costs, expenses and /or the amount of any judgment rendered against him, provided the Trustee has not acted or failed to act in bad faith or in a manner which is grossly negligent or involves willful misconduct.

   Trustees shall not be liable for acting upon any papers, documents, data or information reasonably believed by them to be genuine and accurate and made, executed and delivered by proper parties; nor shall they be liable for any action concerning which they relied upon the opinion of legal, accounting, or other professional counsel.

7. Trustees shall select and maintain a principal office for the purpose of administering the Trust, keeping records, and receiving all correspondence and communications and notices of the Trustees and the Trust.

8. The Trustees shall designate the Secretary/Treasurer to keep accurate and true books of accounts and records of all their transactions, which shall be audited annually by a certified public accountant, the costs of which will be borne by the Trust. A duly signed and certified copy thereof shall be available for the inspection of representatives of the City of Chicago and Participating Labor Unions.

## ARTICLE VI – DURATION

The City and the Unions hereby affirm and commit to the utilization of the Trust for the purpose of achieving specific and quantifiable health insurance savings over the course of the term of this Agreement. As of the effective date of this Trust Agreement, it is the intent of the City and the Unions to rely upon the Trust to make recommendations related to the achievement of cost savings for a term of ten years, subject to qualifications described herein. This Agreement is subject to the provisions set forth in the Term of Agreement of the 2007-2017 Collective Bargaining Agreements between the City and the Unions.

## ARTICLE VII – AMENDMENTS

This Trust may be amended in writing at anytime by affirmative vote of two-thirds (2/3) of the Trustees with at least a majority of the Trustees appointed by the City voting for the measure and a majority of the Trustees appointed by the Co-Chairs of the COUPE voting for the measure.

## ARTICLE VIII – MISCELLANEOUS PROVISIONS

1. The Trust may be terminated at any time by a two-thirds vote of the Trustees in accordance with the voting requirements of Article IV; provided that such action shall be confirmed by a duly executed written instrument; and provided further than no termination by the Trustees shall be effective until written notice is delivered to the City of Chicago, each Participating Labor Union and each Trustee.

2. The Trust Agreement and Trust shall automatically be deemed terminated if the Trust Fund has no cash, assets, investments, income or other assets or property.

3. In the event of termination of the Trust, the Trustees shall first apply any assets of the Trust Fund to pay or provide for the payment of any and all proper obligations of the Trust, and then shall convey any remaining assets of the Trust Fund to the City to be used for a charitable purpose within the meaning of Section 501(c)(3) of the Code. The Trustees are empowered to take any and all actions necessary or appropriate to effectuate the termination and final distribution of the Trust Fund and conclude the Trust's affairs. The Trustees shall continue to serve as such until the Trust's affairs are concluded.

4. Any and all questions pertaining to this agreement and its amendments shall be determined in accordance with the applicable laws of the State of Illinois and the laws of the United States. Notwithstanding the foregoing, the provisions of the Illinois Trusts and Trustees Act shall apply to this Trust only to the extent they are not inconsistent herewith.

   If, for any reason whatsoever, any provision of this Agreement shall be, or is hereafter determined to be, in any way illegal, it shall not nullify the remaining provisions and terms of this Trust Agreement and the Trust shall be amended to adopt new provisions to remove any illegal provisions.

5. All decisions of the Trustees made within the scope of their authority shall be final and binding upon all persons.

6. Robert Rules of Order (revised) shall apply.

7. Whenever any words are used in this Trust Agreement in the masculine gender, they shall be construed as though they were also used in the feminine or neuter gender in all situations applicable, and whenever used in the singular form they shall be so construed as though they were also in the plural form in all situations where applicable, and vice versa.

**IN WITNESS WHEREOF**, the undersigned City of Chicago and the Participating Labor Unions, as amended from time to time, have created this Trust and agree to be bound by the terms of this Trust as of the effective date of each collective bargaining agreement between the City of Chicago and a Participating Labor Union.

**CITY OF CHICAGO**

By:_____ April 15, 2008
Date

# APPENDIX D

## MOU - Apprenticeship Program

# MEMORANDUM OF UNDERSTANDING

## Joint Apprenticeship and Training Program Initiative

This Memorandum of Understanding ("Memorandum") is entered into by and among the individual Unions[1] which comprise the Coalition of Unionized Public Employees ("COUPE") and the City of Chicago ("City") (collectively, "Parties").

WHEREAS, the Parties recognize the desirability and necessity of increasing the participation of traditionally under-represented groups, and particularly students and graduates of the Chicago Public Schools ("CPS") and the City Colleges of Chicago ("City Colleges"), in the building and trades workforce in the City of Chicago and external contractors in the building trades construction industry; and

WHEREAS, the Parties agree and commit that it is essential to an expanding and dynamic Chicagoland economy that students and graduates of CPS and the City Colleges be appropriately prepared, qualified and encouraged to enroll in the Unions' apprenticeship and training programs; and

WHEREAS, the Parties agree and commit that students and graduates of CPS and the City Colleges, upon successful completion of apprenticeship and programs, be employed in the building and trades workforce of the City and external contractors in the building trades construction industry; and

WHEREAS, as an integral part of the Parties' negotiations which resulted in the 2007-2017 Collective Bargaining Agreements between the City and the Unions, the Parties agreed to establish the Joint Apprenticeship and Training Program Initiative ("Initiative") to increase the opportunities for students and graduates of the Chicago Public Schools ("CPS") and the City Colleges of Chicago ("City Colleges"), to participate apprenticeship and training programs and

[1] See Exhibit 1 for a list of the individual Unions which comprise the Coalition of Unionized Public Employees.

to provide expanded post-apprenticeship/training employment opportunities for such students and graduates in the building and trades workforce in the City of Chicago and external contractors in the building trades construction industry; and

WHEREAS, the Parties agree that the Initiative is intended to benefit CPS students, graduates or former students with a GED and/or City College students and graduates;

WHEREAS, as set forth in the Parties' 2007-2017 Collective Bargaining Agreements, the Parties agreed that the Initiative shall include commitments (1) by each COUPE Union to establish or otherwise expand available apprenticeship and training opportunities, (2) by COUPE to annually fill at least 100 apprenticeship slots across COUPE Unions with CPS students, graduates or former students with a GED and/or City College students and graduates, and (3) by COUPE and the City to collaborate with CPS, the City Colleges and external contractors to prepare CPS and City Colleges students and graduates to enter Union apprenticeship and training programs;

WHEREAS, as set forth in the Parties' 2007-2017 Collective Bargaining Agreements, the Parties agreed to direct the Labor Management Cooperation Committee established as a part of the Chicago Labor-Management Trust to explore and recommend opportunities to increase the use of apprentices in area construction projects;

WHEREAS, as set forth in the Parties' 2007-2017 Collective Bargaining Agreements, the Parties agreed to enter into this supplemental Memorandum of Understanding regarding the structure, implementation, monitoring and enforcement of the Initiative; and

NOW, THEREFORE, the parties hereby agree to combine efforts in order to establish a comprehensive and effective joint apprenticeship and training initiative to significantly enhance

opportunities for CPS and City Colleges students and graduates in the building and trades workforce, as follows:

A. **Governance**

1. The Parties shall appoint an individual to serve as Chair of the Joint Apprenticeship and Training Program Initiative ("Initiative"). The Chair will serve for a term of two years, renewable by the Parties. The Chair will be responsible for coordinating all efforts to assist CPS and City Colleges students in entering the trades. The Chair shall also serve as a liaison to the Joint Apprenticeship and Training Program Initiative Committee established under Article IV, Section 9 of the Chicago Labor-Management Trust.

2. The Parties shall appoint an individual to serve as Auditor of the Initiative. The Auditor will serve for a term of two years, renewable by the Parties. The Auditor will receive the annual reports listed in Section D of this Memorandum and will report to the City and COUPE regarding the progress of the Initiative.

B. **Reservation of Union Apprenticeship Slots**

1. In accordance with the Initiative established in the 2007-2017 Collective Bargaining Agreements between the City and the Unions of COUPE, the Unions hereby commit to enroll at least 100 students/graduates from CPS and City Colleges annually in the established apprenticeship and training programs of the Unions by December 31, 2008 and each December 31st thereafter and to further encourage CPS and City Colleges students/graduates to enroll in the apprenticeship and training programs of area non-signatory Unions.

2. In order to meet this commitment, each and every COUPE member Union will promptly examine its processes, including, but not limited to, its application and testing procedures and locations, in order to facilitate the availability of apprenticeship and training programs to CPS and City Colleges students/graduates. By December 31, 2008 and each December 31st thereafter, COUPE member Unions shall send a written report to the Parties, the Chair and the Auditor stating its goal for the recruitment of CPS and City Colleges students/graduates in apprenticeship and training programs and the strategies it intends to employ to meet those goals.

C. **Additional Commitments**

1. COUPE member Unions which are also members of the Building Trades Coalition hereby agree to maintain and, as appropriate, expand their existing joint apprenticeship and training programs for the duration of this Initiative.

2. COUPE member Unions which are not members of the Building Trades Coalition and which currently have no apprenticeship and/or training program in place will analyze and investigate the availability of work that may be performed by

apprentices and shall establish a joint apprenticeship and training program, as appropriate. By December 31, 2008 and each December 31st thereafter, each of these Unions shall prepare and submit a written report to the Parties, Chair and Auditor regarding the establishment of such programs.

3. The Parties recognize and acknowledge the right of the applicable Joint Apprenticeship and Training Committee to establish and maintain appropriate standards and qualifications for the admission of individuals into their respective apprenticeship and training programs.

4. The Parties agree to combine efforts to prepare CPS and City Colleges students/graduates to meet the standards set by the applicable apprenticeship and training programs. To that end, the Parties will cooperate with CPS and the City Colleges with respect to establishing pre-apprenticeship and training programs and support services to encourage and promote the application to and participation in the joint apprenticeship and training programs created and maintained by the COUPE member Unions. Such programs may include, but not be limited to, the establishment of a Joint Trade Skills Academy and Trades-related CPS High School.

5. The parties agree to aggressively publicize apprenticeship and training program opportunities associated with the Initiative including, but limited to, the following:

   a. The Unions agree to establish a Career Exposition Day focused on the trades (the "Career Expo") to take place annually in November or as otherwise agreed by the Parties. The Unions shall create and deliver printed materials advertising the Career Expo to CPS and the City Colleges. The Unions further agree to secure a location in which they will display trades-related exhibits and assign Union representatives to talk to students about careers in the trades. The Parties shall encourage CPS to distribute printed advertisements from the Unions regarding the Career Expo to all CPS high school juniors and seniors and College freshmen no later than two weeks prior to the event. The Parties shall also encourage CPS to arrange for parent/guardian permission and transportation for students interested in participating in the Career Expo.

   b. The Unions will establish a teacher in-service at which the various COUPE member Unions will inform CPS and City Colleges teachers of the reservation of Union apprenticeship and training slots. Such programs will include industry updates and hands-on training of teachers and staff. The Unions will host two such meetings per year.

c. The Unions agree to continue their existing efforts to speak at CPS schools and the City Colleges; host field trips; work with community organizations to educate students about opportunities in the trades; facilitate student participation in trade fairs or career expos for CPS and the City Colleges; and place advertisements in area newspapers.

6. The Parties hereby direct the Joint Apprenticeship and Training Program Initiative Committee established under Article IV, Section 9 of the Chicago Labor-Management Trust to explore and recommend to the City and COUPE the consideration of opportunities to increase the use of apprentices in area construction projects by external contractors in connection with this Initiative, including, but not limited to, such means as:

   a. Purchasing and other ordinances, private redevelopment agreements, tax increment financing districts, and project labor agreements;

   b. Standard provisions in construction contracts that (i) contractors and sub-contractors of whatsoever tier shall utilize the maximum number of apprentices on the project as permitted under the terms and conditions of their respective collective bargaining agreement(s), and (ii) all contractor and sub-contractors performing construction work on the project shall participate in an apprenticeship program registered with the U.S. Department of Labor's Bureau of Apprenticeship and Training.

7. The Parties hereby direct the Joint Apprenticeship and Training Program Initiative Committee established under Article IV, Section 9 of the Chicago Labor-Management Trust to develop incentive programs, as appropriate, with external contractors to hire and retain CPS and City Colleges students/graduates in their apprenticeship programs. In addition to the Chair and Auditor of the Initiative, the Committee shall consult with representatives from the City, CPS, City Colleges and external contractors in the development of such incentive programs.

**D. <u>Reporting</u>**

1. By September 1st of each year, each COUPE member Union will report to the Chairman and the Auditor the following:

   a. The total number of apprenticeship and/or training applications received;

   b. The total number of apprenticeship and/or training applications received from CPS and College students/graduates;

   c. The total number of individuals accepted into the apprenticeship and/or training program;

   d. The total number of apprenticeship and/or training program graduates; and

   e. The total number of CPS and College students/graduates who also

graduated from the apprenticeship and/or training program.

2. By September 1st of each year, COUPE will report the following to the Auditor:

   a. A summary of all outreach activities aimed at CPS and City Colleges students and graduates; and

   b. The number of attendees at the Career Expo, by high school and College.

**E. Funding**

The Parties agree that they shall aggressively pursue funding for the Initiative in the form of grants and loans from a variety of sources, including, but not limited to:

1. The State of Illinois (in the form of Impact Aid);
2. The Department of Commerce and Economic Opportunity (DCEO);
3. The State Board of Education;
4. The Illinois Facilities Fund; and
5. Contractors utilizing Union tradespeople in Chicago.

**F. Duration**

1. The Parties shall maintain this Initiative for the duration of their 2007-2017 Collective Bargaining Agreements.
2. The Parties agree to meet at least annually to review the status of the Initiative and determine whether any modifications are necessary to this Memorandum.

The Parties recognize and agree that the Initiative as described herein requires the continued good faith efforts of all Parties to bring the initiative to fruition. The parties hereby rededicate and commit themselves to such efforts.

This Memorandum of Understanding shall be deemed dated and become effective on the date the last of the Parties signs as set forth below the signature of their duly authorized representatives.

**COUPE**

By: _____

Date: 4-15-08

By: _____

Date: 4-15-2008

**THE CITY OF CHICAGO**

By: _____

Date: April 15, 2008