

ATTACHMENT

NO. 17

Term Sheet for Collective Bargaining  
Agreement between the City of Chicago  
and:

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

02023-0003884

**ATTACHMENT 17**

September 7, 2023

**Term Sheet for the Collective Bargaining Agreement between the International Association of Machinist and Aerospace Workers, Local No. 126 and the City of Chicago**

1. **Term:** July 1, 2022, through June 30, 2027—5 years (effective upon ratification by the bargaining unit and City Council)
  
2. **Base Salary Increases:** 18.25% - 24.25% (for non-prevailing wage rate employees)

Effective 7/1/22	3.0%
Effective 1/1/23	3.0%
*Effective 1/1/24	3.0% - 5.0%
*Effective 1/1/25	3.0% - 5.0%
*Effective 1/1/26	3.0% - 5.0%
Effective 1/1/27	3.25%

\*In these years, the percentage increase varies depending upon the U.S. City Average CPI-U. If the CPI-U is 5% or more, then the percentage increase will be 5%. If it is between 3% and 5%, the percentage increase will be equal to the CPI-U, rounded to the nearest tenth of one percent. If it is 3% or less, the percentage increase will be 3%. The June CPI-U released in July of the preceding year will be used to determine the percentage increases in 2024, 2025 and 2026.

For prevailing wage rate employees, effective 7/1/22, they will continue to receive the prevailing wage rate, and such rate will be adjusted every July 1 through the terms of the contracts.

3. **Other Economic Terms:** Set forth in the attached, signed tentative agreements and includes:
  - **Signing Bonus:** Effective 1/1/24, City will provide a lump sum signing bonus/pandemic pay bonus in the amount of \$1,000; the City will provide a \$2,000 bonus effective 1/1/25.
  - **Deferred Compensation:** Effective 1/1/24, City will contribute \$1.50 for each dollar contributed by each employee up to a maximum of \$750/year. Effective 1/1/27, the City will contribute \$1.75 for each dollar contributed by each employee up to a maximum of \$875/year.
  - **Paid Parental Leave:** Extended the City's Paid Parental Leave policy to COUPE represented employees.
  - **Holidays:** Added the Juneteenth holiday for all employees and the Veteran's Day holiday for prevailing wage rate employees.

- **Sick Leave:** Effective 30 days after ratification, prevailing wage rate employees can accrue sick time (1/2 day/month)

4. **Other Terms:** Set forth in the attached, signed tentative agreements and includes:

- **Vacations:** Employees can carry over 5 vacation days, 7 vacation days if the employee has 10 or more years of service
- **Bereavement Leave:** Expanded bereavement leave consistent with City policy
- **Change in Pay Dates:** Move the pay dates for employees to make it consistent for our represented work force.
- **Direct Deposit and Electronic Deposit Advice:** Developed a plan to move employees to direct deposit and receipt of electronic deposit advice (green slips)
- **Hiring/Filling Vacancies:** Adjusted the hiring process to expedited filling vacancies.
- **Union Security/Janus:** Agreed to Janus language consistent with our obligations under the law, including employer neutrality and providing information.
- **Medical Leaves:** Placed caps on medical leave and provided a mechanism to address employees who do not comply with leave provisions.
- **Committee on Retiree Health Care:** Established a working group to study retiree health care.
- **Terms Specific to the Machinist, Local 126:** Agreed to: (1) pay employees 1.5x for all hours worked after 8 hours and the first 8 hours worked on the 6<sup>th</sup> workday; (2) pay employee 2x for all hours worked after 8 on the 6<sup>th</sup> consecutive work day, on the 7<sup>th</sup> consecutive work day, or on Monday or the 8<sup>th</sup> consecutive workday; (3) provide an allowance for purchase and cleaning uniforms (\$200) and access to required protective footwear; (4) establish a labor management

committee; and (5) a side letter establishing meetings to discuss hiring and staffing.



**DEPARTMENT OF HUMAN RESOURCES**

CITY OF CHICAGO

March 23, 2023

Via email to ryan.kelly@iamdistrict8.org

Mr. Ryan Kelly  
Business Representative  
International Association of Machinists and Aerospace Workers  
Local 126/ District 8  
16 W 361 Frontage Road  
Suite 127  
Burr Ridge, IL 60527

RE: International Association of Machinists and Aerospace Workers  
Local 126/ District 8

Dear Mr. Kelly:

This letter is to confirm the agreements of the City of Chicago (the City) and the International Association of Machinists and Aerospace Workers Local 126/ District 8 (the Union) with respect to the terms of a new collective bargaining agreement to succeed the agreement dated, July 1, 2017 through June 30, 2022. Specifically, the City and the Union have agreed that, in addition to all the terms agreed to between the City and Coalition of Unionized Public Employees, the new collective bargaining agreement between the City and the Union will include the following changes from the 2017-2022 collective bargaining agreement, attached hereto:

1. Revisions to Section 5.2 Overtime
2. Revisions to Section 14.8 Filling of Permanent Vacancies
3. New Section 14.14 Uniforms
4. New Section 14.15 Labor-Management Committee Meetings
5. New Side Letter Agreement concerning staffing in Departments of Transportation and Water Management

  
\_\_\_\_\_  
For the Union

4/17/23  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
For the City

April 11, 2023  
\_\_\_\_\_


Tentative Agreement

**Section 5.2 Overtime**

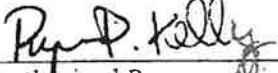
All work performed after eight (8) hours worked in any 24 hour period, or for the first eight (8) hours worked on Saturday as such when Saturday is not part of the employee's regular work week, or for the first eight (8) hours worked on the sixth consecutive day worked, shall be paid for at one and one-half (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 Saturday after the first eight (8) hours worked when Saturday is not part of the employee's regular work week, or on the sixth consecutive day worked after the first eight (8) hours worked, or on Sunday as such when Sunday is not part of the employee's regular work week, or on the seventh consecutive day worked, or on Monday or the eighth consecutive day worked when an employee works Sunday or a seventh consecutive day and the hours of work continue into the following work day, 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. All overtime earned under this Section shall be paid to employees, not later than the second regular payday following the end of the payroll period in which it is earned.

Tentatively Agreed to by:

For City of Chicago:

  
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Authorized Representative of the  
City of Chicago

For IAM Local 126:

  
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Authorized Representative of the  
IAM Local 126

Tentative Agreement

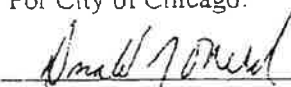
Section 14.8 Filling of Permanent Vacancies

Add New Language]

Notwithstanding anything in this Agreement to the contrary, and unless otherwise mutually agreed by the parties, the Employer and Union shall continue their current "white card form" practice in the Department of Assets, Information and Services for requests for, and selection of, shift and location changes, except that the parties may develop and utilize an electronically based process for requests, tracking, and notifications. The Employer and Union may extend the "white card form" practice to other Departments by mutual agreement.

Tentatively Agreed to by:

For City of Chicago:

  
\_\_\_\_\_  
Authorized Representative of the  
City of Chicago

For IAM Local 126:

  
\_\_\_\_\_  
Authorized Representative of the  
IAM Local 126



Article 14 Miscellaneous


[NEW] Section 14.14 Uniforms

Beginning 60 days after ratification of the contract in 2023 and each following August beginning in 2024, the Employer shall pay each employee a \$200.00 annual allowance for the purchase and cleaning of appropriate work clothing.


Employees that are required by the Employer to wear protective shoes/ boots, such shoes/ boots shall be provided annually by the "boot truck." In the event the employer discontinues the "boot truck", or if the "boot truck" is otherwise not made available to employees in a particular department, the Employer shall reimburse up to \$200 upon proof of purchase annually.

Tentatively Agreed to by:

For City of Chicago:

  
\_\_\_\_\_  
Authorized Representative of the  
City of Chicago

For IAM Local 126.

  
\_\_\_\_\_  
Authorized Representative of the  
IAM Local 126

[NEW] Section 14. [TBD] Labor-Management Committee Meetings

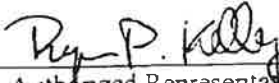
For the purpose of maintaining communications between the parties, and to discuss any relevant subjects of mutual concern, but excluding specific grievances, proposed changes to the Agreement, and specific matters covered by a different committee process, the parties will hold Labor Management Committee meetings on a quarterly basis. The Committee will consist of appropriate representatives of the Union, and appropriate representatives of the Employer, including representatives from the Department of Human Resources, the Law Department, the Office of Budget and Management, relevant operating departments, and other appropriate representatives, as needed.

Tentatively Agreed to by

For City of Chicago.

  
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Authorized Representative of the  
City of Chicago

For IAM Local 126:

  
\_\_\_\_\_  
Authorized Representative of the  
IAM Local 126

Side Letter Agreement

This Side Letter Agreement is made and entered into by and between the City of Chicago (the "City" or the "Employer") and International Association of Machinists and Aerospace Workers, Local No. 126 (the "Union"). This Side Letter Agreement shall be enforceable through the grievance and arbitration provisions of the collective bargaining agreement between the City and the Union. The parties agree as follows:

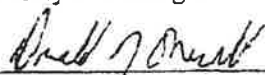
The Employer has posted and bid four Machinist positions in the Department of Water Management, and the Employer will use best efforts to fill such positions in 2023.

The Employer has posted and bid three Machinist positions in the Department of Transportation, Bureau of Bridges, Viaducts, and Waterways, and the Employer will use best efforts to fill such positions in 2023.

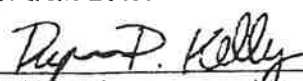
Within 60 days of the ratification of the collective bargaining agreement between the parties in 2023, appropriate representatives of the parties will meet to discuss the staffing and manning needs in the Department of Transportation, Bureau of Bridges, Viaducts, and Waterways and in the Department of Water Management. Topics for discussion shall include, but not be limited to, the potential for posting and filling additional positions and adding additional positions to the budget. Appropriate representatives from the Employer must include, but need not be limited to, representatives from the Department of Human Resources, the Law Department, the Office of Budget and Management, and the relevant operating departments.

Tentatively Agreed to by:

For City of Chicago.

  
\_\_\_\_\_  
Authorized Representative of the  
City of Chicago

For IAM Local 126:

  
\_\_\_\_\_  
Authorized Representative of the  
IAM Local 126