

**Amendment to City of Chicago/Coalition of Union Public Employees
Collective Bargaining Agreement
June, 2009**

Whereas, the City of Chicago has experienced a dramatic decline in revenues during the most recent two fiscal years;

Whereas, other private sector and public sector employers have experienced the same phenomena resulting in the need for the imposition of dramatic responses;

Whereas, the parties to this amendment wish to maintain the highest level of governmental services to the citizens and residents of the City of Chicago while preserving employment opportunities to the maximum extent possible thereby enabling families to maintain health and other employment benefits;

Therefore, the party to this Amendment agrees as follows:

1. Unless otherwise agreed in the terms of this agreement, this amendment only shall be effective during the period July 1, 2009 through June 30, 2011. Effective July 1, 2011, or as otherwise provided in this agreement, all paid holidays shall be fully restored and all overtime accrual and payment provisions shall be made pursuant to the collective bargaining agreement between the parties effective July 1, 2007.
2. During the period July 1, 2009 through June 30, 2011, unless otherwise provided in this agreement, the labor organization executing this agreement agrees to:
 - a.) waive the paid holiday provisions of the collective bargaining agreement; provided, however, that Labor Day shall not be included in the waiver of payment for holidays as provided in the collective bargaining agreement effective July 1, 2007. *The parties agree that the provisions of this subparagraph do not apply to the three (3) additional holidays contained in various bargaining units and applicable to specific positions;*
 - b.) a two (2) hour per week work schedule reduction to be scheduled and implemented by the parties so as to minimize the disruption in public services to the maximum extent possible while maintaining workplace safety concerns. The process envisioned in this sub-section shall be jointly developed by the parties so as to be uniformly administered. Notwithstanding the aforementioned per week work schedule reduction, the Union and the Department may mutually agree to a work schedule reduction no more than and substantially equal to two (2) hours per week to accommodate specific and/or unique needs of the parties; provided, however, that the agreement would not result in a reduction or cut in the salary or wage rate for any affected individual. For example, the parties could agree to take one eight

hour day every four weeks in lieu of the 2 hour per week reduced work schedule. In the event that an employee covered by this Agreement is required to work overtime on the reduced service hour days, overtime shall be calculated and distributed according to the appropriate collective bargaining agreement for that individual and job title; further the City will not substitute or allow non-bargaining unit employees to do bargaining unit work for any union or its members;

In the event that the parties are not able to reach a mutually acceptable arrangement for the work schedule reduction within five (5) business day, or other period mutually agreed upon by the parties, it is agreed that such disputes shall be submitted to binding arbitration before Arbitrator _____, who shall hear the matter within five (5) business days, or other period mutually agreed upon by the parties. At the conclusion of the hearing, each party shall submit its proposed schedule reduction, and the Arbitrator shall select the one which most closely satisfies the purposes of this Amendment. The decision of the Arbitrator shall apply only to the specific schedule reduction in issue and shall apply only of the duration of this Amendment. The Arbitrator shall render a decision from the bench or within five days of the close of the hearing.

The parties further acknowledge that, for the duration of this reduced work week, the following principles shall apply with respect to computation of overtime, vacation and sick time:

- i. overtime, as defined in the collective bargaining agreement, shall continue to be paid pursuant to the existing provisions (e.g., the premium applicable hours over 8 in a day or 40 in a week remain in effect, such that an employee scheduled to work 7 hours on a Thursday (in lieu of 8), and who works the 8th hour on that day, shall be compensated at straight time for that hour, unless the employee has more than 40 hours in the week);
 - ii. vacation days which have been scheduled in advance pursuant to the terms of the collective bargaining agreement shall be paid for at the rate of 8 hours pay (where the employee is a 40-hour employee). Non-consecutive vacation days, if taken on a day where the hours have been reduced pursuant to this agreement, shall be compensated in the form of the number of hours the employee would have worked on that day;
 - iii. sick days, where the employee is eligible for such, shall be paid in the manner provided for in paragraph (ii) above.
- c.) have all overtime accrue and convert to Compensatory Time at the appropriate overtime rate pursuant to the existing collective bargaining agreement; said

Compensatory Time shall be taken within three (3) years of the execution of this Amendment. The City and respective operating Departments shall not unreasonably deny employees request(s) to use said Compensatory Time. In the event the Union believes there has been an unreasonable denial of Compensatory Time, the Union may submit the matter to the same Arbitrator referenced above, who shall issue a binding ruling. In determining whether the denial was unreasonable, the Arbitrator shall consider the purposes of this Agreement and shall consider the following factors: length of advance notice provided by the employee, any special circumstances of the employee (such as a wedding or other important family occasion, etc.), whether other employees have already secured approval to take Compensatory Time on that day, the amount of Compensatory Time in the employee's bank, the mutual intent of the parties to provide employees with a realistic opportunity to take Compensatory Time without imposing an undue financial or operating burden on the City or operating Department, and whether emergency weather or other conditions exist. In the event the Arbitrator determines that the denial was unreasonable, he shall have the authority to direct the circumstances under which the employee shall be allowed to take Compensatory Time. Manpower shortages shall not constitute an "emergency" for the purposes of this Agreement.

- d.) For the purpose of administering and monitoring the provisions of this Amendment, as well as the future scheduling of the remaining "shutdown" days so as to lessen the economic impact of the employees (e.g. – so that employees are not getting hit twice in one pay period), the City and COUPE agree to appoint three individuals to an Oversight Panel (the "Panel"), which shall be set up according to the terms set forth in Paragraph 8. Claims of non-compliance with the provisions of this Amendment shall first be raised with the Panel, which shall attempt to resolve the dispute prior to submission of any case before the Arbitrator. To fulfill the parties' mutual expectations, the meetings of the Panel shall be informal, shall occur within three (3) days of being apprised of a complaint, and shall work cooperatively and creatively to adjust the dispute.
3. Notwithstanding the provisions of the collective bargaining agreement and the provisions of the Labor-Management Cooperation Committee trust agreement and the provisions of the health care initiative of the existing collective bargaining agreement, the parties agree to extend the December 31, 2009 "trigger" date until December 31, 2011. Nothing stated herein shall limit the authority or power of the LMCC and its Trustees to otherwise act in conformity with the LMCC Trust Agreement, goals and objectives.
4. The City of Chicago agrees to provide the labor organization with authorized and binding written confirmation from each of the appropriate benefit funds (pension funds and health benefits office) that the implementation of the provisions of this

amendment agreement shall have no adverse impact upon eligibility, benefit accrual or benefit payment otherwise due to the employee.

5. The City of Chicago agrees to enter into a Multi-Project Labor Agreement with all appropriate labor organizations applicable to all construction, demolition, rehabilitation or renovation construction work. Said agreement shall be effective no later than January 1, 2010 and shall be included in all Requests for Proposals or Requests for Bids for all construction or construction related projects to be executed subsequent to January 1, 2010. The terms of the Multi-Project Labor Agreement shall be the same as contained in the Multi-Project Labor Agreement attached hereto and shall incorporate the Apprenticeship Initiatives previously agreed to under the provisions of the existing collective bargaining agreement between the parties. Upon execution of this Amendment, the parties, through their designated representatives, shall meet to resolve the specific terms of the Project Labor Agreement.

6. In the event the City of Chicago implements additional layoffs during the term of this Amendment, the parties agree that, with the exception of Paragraphs 3, 5, 7 and 8, all other provisions of this agreement shall be null and void and the parties shall immediately revert to the originally agreed to provisions as contained in the collective bargaining agreement effective July 1, 2007. Additionally, in the event this Paragraph becomes operative, all laid off employees shall be paid for all Compensatory Time accrued from July 1, 2009 through the effective date of the City's layoff, as well as paid for all furlough and reduced work week time lost, including all unpaid holidays from July 1, 2009 through the effective date of the layoff. In the event the affected Union(s) believes a layoff has occurred in violation of this Paragraph, it shall first raise this matter with the Oversight Panel referenced in Paragraph 2(d) above, and thereafter, if the matter remains unresolved, it shall be submitted to the Arbitrator provided for in Paragraph 2.

The parties agree that the terms of this Paragraph do not apply to the traditional termination of seasonal appointments, nor do they apply to layoffs which may result from the discontinuation of Federal or State (or any other source) grant programs, or the return of Motor Truck Drivers to the "Pool."

In the event, subsequent to the effective date of this Amendment Agreement, a COUPE bargaining unit which has entered into an agreement substantially similar to that provided for herein, is relieved of the obligation to comply with reduced work week, unpaid holidays or compensatory time in cash for overtime, and where such obligations are not replaced by substantially equivalent obligations, the employees represented by the undersigned labor organization shall be immediately restored to the terms and conditions of the existing collective bargaining agreement effective July 1, 2007. It is further agreed that in the event the Salary Resolution, applicable to salaried, non-represented employees, is amended to provide for more advantageous holiday schedule, these employees shall be relieved of the unpaid holidays.

In interpreting this Paragraph 6, it is understood and agreed that the City and the Unions comprising COUPE have endeavored to provide for the broadest and most uniform application of the principles set forth in this amendment agreement. However, it is acknowledged that specific operations and/or groups of employees may not lend themselves to the full range of the measures set forth in Paragraph 2, and the non-application of such measures to these defined groups shall not be deemed a violation of this Paragraph 6. To ensure that such exceptions are as narrow as possible, the parties commit themselves to working cooperatively to identify and agree to alternative measures which will be consistent with the spirit of this Amendment Agreement.

7. The parties agree to implement a process, as further contemplated in Paragraph 8 below, by which recommendations and concepts may be submitted, evaluated and discussed in an effort to either enhance revenue possibilities or adopt cost savings measures. At a minimum, this process shall be overseen by an individual independent of the Department involved.
8. During the term of this amendment agreement, the existing contractual provisions pertaining to subcontracting shall remain in force and effect, subject, however, to the following additional requirement: any proposed expansion of existing subcontracting (aside from emergency situations) shall, upon request of the affected union(s), be subject to review and approval by the Oversight Panel, as referenced in Paragraph 2(d), having jurisdiction over the substantive matters set forth in Paragraphs 7 and 8 of this Agreement. The Panel is to be composed of a representative of the City, a representative of COUPE, and _____, a neutral individual from the private sector mutually agreed upon by the parties. The Panel shall evaluate the proposed subcontracting with respect to the following criteria:

- whether it is more efficient or more economical to privatize the service rather than utilize City employees;
- whether there are modifications to work practices, scheduling, jurisdiction, etc. that could be implemented to make it economical or efficient to keep the work in-house, or to more economically recapture currently contracted services, so as to have these services performed by City personnel;
- whether the public interest is served by the privatization.

The privatization may proceed only if a majority of the panel votes in favor of it. The panel will make its decision within thirty (30) days of being notified, unless the City and the Union(s) agree to a longer time frame. Both the City and the Union will provide the panel with information necessary for it to make its decision.

The City acknowledges COUPE's concerns regarding privatization, In recognition of those concerns, the City has undertaken to reduce the amount spent on vendors by seeking price reductions, other deductions, etc. Further, in the event any signatory labor organization identifies a private contractor performing services identical to those provided by that bargaining unit, and such services are being performed immediately adjacent to City employees, the Union shall so notify the City and the City shall use its best efforts to have the contractor implement measures similar to those set forth in Paragraph 2.

9. The parties agree to extend the Recall Rights as provided in the existing collective bargaining agreement for an additional period of two (2) years over and above any such period specified in the existing collective bargaining agreement.
10. Utilizing current accounting principles and methodology, in the event the City of Chicago revenues return to more historic and traditional levels during the period of this agreement and the City otherwise does not incur a deficit, the parties agree that the provisions of Paragraph 2 of this agreement shall terminate on the sixtieth (60th) consecutive day thereafter.
11. The parties agree that this amendment agreement is unique and further agree that it shall not be cited or advanced as having any precedential value, other than as necessary to enforce its terms.
12. The parties warrant that they have the legal authority to enter into this amendment agreement.