

MEMORANDUM OF AGREEMENT

This Agreement, made by and between the Chicago Transit Authority ("CTA" or the "Authority") and International Association of Machinists & Aerospace Workers District #8 (the "Union") this ____ day of April, 2021 as follows:

The CTA and the Union hereby adopt the following changes to resolve all outstanding issues covering the terms of a new collective bargaining agreement to replace the Agreement which expired on December 31, 2016.

1. Term of Agreement: The CTA and the Union hereby extend the terms of the 2012-2016 collective bargaining agreement except as modified herein (the "Agreement"), for the time period January 1, 2017 through 11:59 p.m. December 31, 2021.

2. Wages: The following wage provisions shall apply to all employees who are employed as of the date of final ratification of the Agreement –

(a) Wage Increase: all employees shall receive the following wage increases effective as of the dates specified: January 1, 2017, 2.0%; July 1, 2017, 2.0%; January 1, 2018, 1.0%; July 1, 2018, 1.5%; January 1, 2019, 1.0%; July 1, 2019, 2.0%.%; January 1, 2020, 1.0%; July 1, 2020, 1.0%; January 1, 2021, 1.0%; July 1, 2021, 1.0%.

*In the event that the ATU settlements for January 2020, July 2020, January 2021 and July 2021 exceed the amounts listed herein, the Authority will pay the greater amount for each such period.

(b) Retroactive pay: Wage increases shall be retroactive to January 1, 2017 for all employees who are on the payroll as of the date of final ratification of this Agreement. Retroactive pay shall be paid to such employees within 60 days of final ratification by the parties.

(c) Wage Progression: Effective as of January 1, 2020, adopt the following wage progression for all employees:

- a. 1st 12 months = 70%
- b. 2nd 12 months = 80%
- c. 3rd 12 months = 90%
- d. Thereafter = 100%

Notwithstanding this progression, in order to facilitate the hiring of qualified employees under existing market conditions, CTA shall continue to have the right to start new employees at any step of this progression.

3. Health Care: adopt the health care provisions set forth in the Wage and Working Conditions Agreement between the CTA and the Craft Coalition of Trade Unions dated June 19,

2018 as incorporated into the individual agreement between CTA and Machinists District 8 (hereinafter the "Machinists Agreement"), in addition to the following --

- (a) Add this language as a side letter:

Section 5.4A(e) of the Wages and Working Conditions Agreement between the CTA and Machinists Union District 8 as applicable to the employees covered by this Agreement provides as follows: "Effective subsequent to the January 1, 2015 monthly employee contribution increase, an adjustment to the premium will be made on January 1st of the next year reflecting 75% of the premium increase, 2016 over 2015. A similar adjustment will be made effective January 1 every year thereafter. In no case will any net additional deduction exceed the following amounts: for an employee with single coverage, \$0.13 per hour; for an employee with family coverage, \$0.25 per hour."

The parties agree that for the calendar years 2019 and 2020 only, the CTA agrees to waive up to \$270.40 each year (2019 and 2020) per employee with single coverage and up to \$520.00 each year (2019 and 2020) per employee with family coverage from their annual premium contributions. The adjustments to the premium increase as set forth in Article 7 shall continue notwithstanding this waiver in 2019 and 2020 and thereafter unless the parties negotiate otherwise.

The open enrollment forms for 2020 will set forth, respectively, the premiums in effect for 2020 and the premiums employees will be paying as a result of this waiver in 2021.

- (b) The parties agree to adopt the attached side letter agreed to by Machinists Union District 8 in the Coalition negotiations with CTA concerning changes in the health care plan during the term of the Agreement.

4. Language Changes: adopt the following language changes –

(a) Paid Time Off: CTA will provide vacation benefits as set forth in AP 1001 (as effective January 1, 2016); sick benefits as set forth in AP 1009 (as effective January 1, 2016); and holiday benefits as set forth in AP 1003 (as effective January 1, 2016). Employees covered by these plans shall be subject to the same changes made by CTA in such plans from time to time, as applicable to other covered employees who are not in the bargaining unit, provided, however, that if such changes result in a substantial reduction in the cumulative benefits which are currently in effect under these plans, then upon notification from the Union, the Authority shall negotiate with the Union concerning the effects of such reductions on bargaining unit employees. By way of example, if a cumulative change in these AP's results in the loss of more than one (1) paid day off, the parties would regard that as a "substantial" reduction.

(b) Required Licensure: On or before December 31, 2020 and thereafter on the subsequent anniversary date in each year of this Agreement, CTA will provide an annual payment of \$2,500 to structural engineers and \$1,500 to professional engineers and architects to be used for defraying the cost to retain necessary licensure and/or certifications, provided the employee allows CTA to make use of such licensure and/or certifications. Such employees shall submit a request for reimbursement to their immediate manager, accompanied by proof of any applicable licensure and/or certification, which requests shall be approved or denied within 14 days of the

employee's request. The basis for any denials of such requests shall be furnished to the employee in writing, and the employee may appeal that denial to the Authority's designated representative. Such funds as approved shall be paid out within the next two (2) regular pay periods. In the event that an employee who utilizes such funds leaves the employ of the CTA within 12 months of receipt of such annual payment, the employee may be responsible for repayment of those funds on a pro-rata basis, and the employee shall agree to recoupment of those funds from the employee's final paycheck.

(c) Promotion: Promotion to higher rated positions within the bargaining unit shall be according to the following: *Ref: R. Kelly*

Time Requirement. The following are the minimum educational and time requirement qualifications for promotion into bargaining unit positions:

Project Manager – Rail Capital Oversight – must have a Bachelor's Degree in Architecture, Engineering, Construction, or other engineering related disciplines and fifteen (15) years of professional work experience.

Architect or Engineer II – must have three (3) years of service as an Architect I or an Engineer I.

Architect or Engineer III - must have four (4) years of service as an Architect II or an Engineer II.

Architect or Engineer IV - must have four (4) years of service as an Architect III or an Engineer III.

Promotion into any of these positions requires both meeting the requisites above and passing any testing or interviews. No promotion is guaranteed.

Work Record Review. A 12 month rolling record review will be conducted for any eligible employee. The following criteria will be used regarding record review:

- No Suspensions
- No AWOL's
- No Corrective Case Interviews
- No Final Written Warnings
- No Safety Violations (24 months)
- No Chargeable Complaints
- No Chargeable Injuries On Duty
- No Chargeable Accidents
- No more than 2 instances of absence (i.e., unexcused absence, sick book entry, injury off duty)
- No more than 2 instances of Other Time Off
- No more than 2 misses tardy

- No more than 2 non-safety related violations (i.e., behavioral, procedural, or performance)

Any employee failing to pass the record review will not be reconsidered to test for progression to the next level until a full 12 month period has elapsed. At which time, a 12 month rolling record review will be conducted again for that eligible employee.

Testing: Once a candidate has met seniority, education and time requirements, and passed the record review, they will be eligible to test for the position. A test will be developed by management and will be specific for each position. It will be altered each time it is given and will reflect the duties and responsibilities that a candidate will be expected to be capable of handling if promoted. These tests may be relevant practical, written and oral questions. A passing score will be 70%. CTA reserves the right to determine whether a vacancy exists before an employee is allowed to test for the position.

(d) Emergency Work:

(i) When an employee is called out for emergency work, they shall be paid no less than a minimum of two (2) hours at double their regular permanent classified rate, except that, when emergency work runs into the normal work day period, the rate of pay during the regular work period shall be at the employee's straight time rate.

(ii) If an off duty employee is called and asked to call out three (3) or more employees to perform emergency work, they shall be compensated for one (1) hour at the applicable overtime rate.

(e) Uniform Allowance: Effective during the calendar year beginning January 1, 2020, the parties will establish a commissary system for employees who are required to wear fire resistant clothing, to assist in the cost of purchasing such clothing. Said employees will receive a credit in calendar year 2020 of \$700.00 per employee, and effective in every year thereafter, \$400.00 per employee. Employees hired after 2020 will receive the \$700.00 payment in their first year of employment, and the \$400.00 payment in following years. Such credit shall not exceed \$1,000.00 per employee. This payment will be in lieu of the current laundry service furnished by the CTA, which shall be discontinued.

(f) Overtime:

Time-and-one-half (1 1/2) the straight time hourly rate shall be paid for all hours worked in excess of eight (8) hours per day or night in any continuous twenty-four (24) hours beginning at the starting time of the employee's shift, except that when changeover is made, only straight time shall be paid for the second eight (8) hours. However, whenever the regular work day is scheduled for ten (10) hours, time-and-one-half (1 1/2) the straight time hourly rate shall be paid for all hours worked in excess of ten (10) hours per day or night in any continuous twenty-four (24) hours beginning at the starting time of the employee's shift, except that when changeover is made, only straight time shall be paid for the second ten (10) hours. Time-and-one-half (1 1/2) the straight-time hourly rate shall be paid for all time worked in excess of forty (40) hours in any week. There shall be no pyramiding of overtime. (New language underlined).

(g) Architectural Coordinator: The Authority will implement the position of Architectural Coordinator at a pay rate equivalent to the pay rate for the position of Structural Engineer Coordinator. CTA has developed a job description for this title (see attached) and will agree to stipulate in a unit clarification petition to include this title in the bargaining unit.

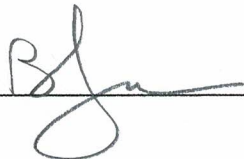
(h) On Call: Employees who are issued radios, cell phones or other communication devices shall only be required to respond to calls from managers and shall not be required to monitor said devices for response. (New language underlined).

5. This Agreement is subject to ratification by the Unions' membership in accordance with their respective rules and by-laws, and by the Chicago Transit Board, and shall become effective upon said ratifications. All changes in contract language, wages and benefits shall take effect on the date of final ratification by both parties unless otherwise provided in the particular tentative agreement.

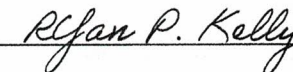
In Witness Whereof, the parties have affixed their signatures below by their respective representatives.

CHICAGO TRANSIT AUTHORITY

**INTERNATIONAL ASSOCIATION OF
MACHINISTS & AEROSPACE WORKERS
District #8**

By: _____

Date: 05-10-21

By: _____

Date: 5/10/2021

[Side Letter on Health Care Plan Issues]

John Burkhard
IBEW Local 9
18670 Graphics Drive, Suite 200
Tinley Park, Illinois 60477

Re: 2017 CTA-Coalition Negotiations

Dear Mr. Burkhard:

This letter will confirm our understandings and agreements reached during the 2017 contract negotiations between the Chicago Transit Authority ("CTA") and the Coalition on the issue of possible changes to CTA's health care plan design that may result from the CTA's negotiations with Amalgamated Transit Union Locals 241 and 308 on the successor to their 2016-2019 collective bargaining agreement which expires December 31, 2019.

In view of the December 31, 2021 expiration date of the tentative agreements between CTA and the Coalition unions, and given the possibility that an ATU contract settlement reached prior to that time might contain revisions to the CTA's health care plan, CTA wants to avoid having to negotiate and/or administer two different health care plans for an appreciable period of time, contrary to prior collective bargaining agreements and past practice.

For these reasons, we agreed that the Coalition unions will agree to be bound to any changes in the CTA's health care plan which could take effect prior to December 31, 2021. However, the parties further agreed that the Coalition unions will be given a minimum of a 45 day notice prior to any proposed changes to the health care plan design or changes that would increase employee costs, and that upon request by the Coalition the parties would engage in impact bargaining over such changes.

If this letter accurately sets forth our agreement, please initial a copy of this letter and return it to me.

Very truly yours,

By: _____
Michael W. Duffee
Chief Negotiator
Chicago Transit Authority