



City of Chicago



O2021-2058

Office of the City Clerk

Document Tracking Sheet

Meeting Date:	5/26/2021
Sponsor(s):	Villegas (36)
Type:	Ordinance
Title:	Amendment of form of Certified Service Provider License Agreement adopted by City Council on September 6, 2017
Committee(s) Assignment:	Re-Referred Committee on Workforce Development



CITY OF CHICAGO

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MICHELLE A. HARRIS, ALDERMAN, 8TH WARD
CHAIRMAN-COMMITTEE ON COMMITTEES AND RULES
CITY HALL, RM-200, OFFICE #4 • 121 NORTH LASALLE STREET, CHICAGO IL 60602
PHONE: 312-744-3075 • FAX: 312-744-5007

**City Council Meeting
June 23, 2021**

To the President and Members of the City Council:

Your Committee on Committees and Rules, considered all the following Report, Ordinances and Orders which met June 22, 2021:

1. The approval of the May, 2021 Monthly Rule 45 Report for the Committee on Committees and Rules

Your Committee on Committee and Rules, recommends "do pass" of the following items:

Recommendation to refer proposed item 2 to the Committee on Budget & Government Operations:

2. (O2021-1995) Transfer of funds within City Council Committee on Housing and Real Estate for Year 2021 for personnel services and contract service

Recommendation to refer proposed items 3-9 to Committee on License and Consumer Protection

3. (O2121-1842) Amendment of Municipal Code Section 4-60-023 (30.4) to allow additional package goods licenses on portion (s) of N Milwaukee Ave.
4. (O2021-1998) Amendment of Municipal Code Section 4-60-023 (37.15) to allow additional package goods licenses on portion (s) of W North Ave.
5. (O2021-1843) Amendment of Municipal Code Section 4-60-023 (45.40) to allow additional package goods licenses on portion (s) of N Lipps Ave
6. (O2121-2138) Designation of 6th Precinct of 23rd Ward as Restricted Residential Zone prohibiting additional shared housing units and vacation rentals
7. (O2021-2135) Designation of 14th Precinct of 41st Ward as Restricted Residential Zone prohibiting additional shared housing units and vacation rentals

8. (O2021-2136) Designation of 22nd Precinct of 41st Ward as Restricted Residential Zone prohibiting additional shared housing units and vacation rentals
9. (O2021-2028) Amendment of Municipal Code Chapters 9-114 and 9-115 to further regulate regular fare rates for transportation network providers

Recommendation to refer proposed items 10-13 to Committee on Transportation and Public Way

10. (O2021-2139) Dedication of public way (s) in area by W 33rd St, Sanitary Ship Canal and S Pulaski Rd
11. (O2021-1877) Dedication of public way (s) in area bounded by W Irving Park Rd, N Kenneth Ave, W Byron St and N Kilbourn Ave
12. (O2021-2142) Approval of plat of Lincoln Yards South Resubdivision
13. (O2021-2141) Vacation of N Throop St bounded by W Wabansia Ave, W Concord Pl and N Ada St

Recommendation to refer proposed item 14 to Committee on Workforce Development

14. (O2021-2058) Amendment of form of Certified Service Provider License Agreement adopted by City Council September 6, 2017

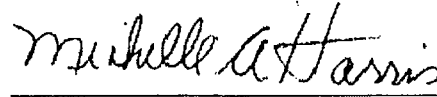
Recommendation to refer proposed items 15-25 to Committee on Zoning, Landmarks & Building Standards

15. (Or2021-116) Historical landmark fee waiver for property at 2115 W Evergreen
16. (O2021-1997) Amendment of Municipal Code Section 17-3-0503-D by modifying certain pedestrian retail street designations on portions of N Lincoln Ave
17. (Or2021-97) Issuance of permits for sign(s)/signboard(s) at 5400 W Belmont Ave
18. (Or2021-109) Issuance of permits for sign(s)/signboard(s) at 9 W Washington St
19. (Or2021-110) Issuance of permits for sign(s)/signboard(s) at 625 W Madison St
20. (Or2021-111) Issuance of permits for sign(s)/signboard(s) at 555 W Madison St

21. (Or2021-112) Issuance of permits for sign(s)/signboard(s) at 320 S Canal St – west elevation
22. (Or2021-113) Issuance of permits for sign(s)/signboard(s) at 320 S Canal St – south elevation
23. (Or2021-89) Issuance of permits for sign(s)/signboard(s) at 2844 N Broadway
24. (Or2021-115) Issuance of permits for sign(s)/signboard(s) at 6250 N Sheridan Rd
25. (O2021-2131) Amendment of Municipal Code Chapters 17-3 and 17-9 by modifying Section 17-3-0304-A and adding new Section 17-9-0131 regarding general district standards for indoor and outdoor operations and use standards for outdoor walk-up service windows

This recommendation of each item was concurred in by the Committee on Committees and Rules.

Sincerely,

A handwritten signature in cursive script that reads "Michelle Harris". The signature is written in black ink and is positioned above a horizontal line.

**Michelle Harris, Chairman
Committee on Committees and
Rules**

ORDINANCE

WHEREAS, Labor disputes involving Service Providers at the Airports would impede the efficient and orderly provision of these critical Services to the traveling public; and

WHEREAS, In an ordinance adopted by the City Council of the City of Chicago ("City Council") on June 9, 1993 ("1993 Ordinance"), the Commissioner of Aviation was authorized to grant permits and promulgate rules and regulations relating to the Services at the Airports, and the 1993 Ordinance included, as an exhibit, the form of permit; and

WHEREAS, The form of permit approved in the 1993 Ordinance was updated and replaced in an ordinance adopted by the City Council on March 12, 2008 ("2008 Ordinance"), and the 2008 Ordinance included an exhibit updating the form of permit; and

WHEREAS, The form of permit approved in the 2008 Ordinance was updated and replaced with a form of Certified Service Provider License Agreement "License" in an ordinance adopted by the City Council on September 6, 2017 ("2017 Ordinance"), and the ordinance included exhibits updating both the form of License and Provider Rules; and

WHEREAS, The City now desires to replace the form of License adopted in the 2017 Ordinance with the form of License attached to this ordinance as Exhibit A and the Certified Service Provider Program Rules as Exhibit B; and

WHEREAS, The City, as the operator of the Airports, seeks to require Service Providers to obtain Licenses to provide Services at the Airports in order to ensure airport safety and security; optimize the use of Airport facilities, including airfield space; eliminate congestion on the airfield; improve vehicle and equipment safety; and maintain a high quality of customer service to the traveling public at the Airports; and

WHEREAS, The City, as the operator of the Airports, seeks to reduce the potential for labor-related disruptions at the Airports by requiring Service Providers, as a condition of their License, to agree to enter into agreements with labor organizations representing or seeking to represent their employees, upon request, which prohibit the labor organizations and their members from engaging in picketing, work stoppages, boycotts, or other means of dispute resolution that interfere with a Service Provider's ability to conduct uninterrupted business operations at the Airports; now, therefore,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CHICAGO:

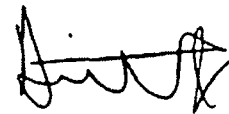
SECTION 1. The above recitals are hereby incorporated by reference as if fully set forth herein.

SECTION 3. The form of License approved in the 2017 Ordinance, which replaced the form of License approved in the 2008 Ordinance, is hereby replaced with the form of License attached to this ordinance as Exhibit A.

SECTION 4. The Commissioner is authorized to grant licenses to any qualified Service Providers serving one or more of the Airports in substantially the form attached hereto as Exhibit A.

SECTION 5. The Commissioner is authorized to make such amendments and modifications to the form of License attached to this ordinance as Exhibit A as the Commissioner may determine to be reasonable or necessary from time to time, including to reflect changes in federal, state, or local laws, statutes, ordinances, executive orders, rules, or regulations; to reflect changes in the Services industry; to reflect changes in airport operations; or so as to promote airport safety, security, efficiency, or physical integrity.

SECTION 6. This ordinance shall take effect upon passage and publication.



Gilbert Villegas
Alderman, 36th Ward

EXHIBIT A

Certified Service Provider License Agreement

Between

City of Chicago

And

At

International Airport

[Revisions to Section 2.10 and 2.11; Omitted text is unaffected by this Agreement]

Section 2.10. Labor Harmony. Licensee covenants that its employees at the Airport shall be able to work in labor harmony in order to protect the City's proprietary and economic interests. In order to comply with this provisions:

2.10.1. Licensee shall have in place, at all required times, a labor peace agreement ("Labor Peace Agreement") with any organization of any kind, or an agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with service providers at the Airport concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work ("Labor Organization"), which requests a Labor Peace Agreement.

2.10.2. The Labor Peace Agreement shall include a binding and enforceable provision(s) prohibiting the Labor Organization and its members from engaging in, supporting, encouraging or assisting any picketing, work stoppages, boycotts, or any other direct economic interference by the Labor Organization or by the Licensee's employees for the duration of the Labor Peace Agreement, which must include the entire term of any CSPP License Agreement. The Labor Peace Agreement shall be limited to those Licensee's employees who regularly work at the Airport. No Labor Peace Agreement shall be recognized under this Section if the Licensee directly or indirectly assists or encourages the formation or operation of the Labor Organization.

2.10.3. A Labor Organization seeking a Labor Peace Agreement shall notify the CSP in writing of its intention to enter into a Labor Peace Agreement with the Licensee identifying the employee classifications of the Licensee to be covered under the Labor Peace Agreement.

2.10.4. The Labor Peace Agreement must be executed within 60 days after receipt

of the Labor Organization's written notice of intention.

2.10.53. Licensee shall, upon the City's request, submit to the City a certification, signed by the CSP and any Labor Organization(s), indicating the parties have entered into a Labor Peace Agreement.

~~2.10.4. In the event that Licensee and a Labor Organization are unable to agree to a Labor Peace Agreement within sixty (60) days of the Labor Organization's written request, they shall submit the dispute to a mutually agreed-upon mediator to assist the parties in reaching a reasonable Labor Peace Agreement. In the event that Licensee and a Labor Organization are unable to reach a reasonable Labor Peace Agreement through mediation, the parties shall submit the dispute to the the American Arbitration Association ("AAA") for arbitration conducted in accordance with AAA rules. Both the mediator and, if necessary, the arbitrator shall be guided in the determination of a reasonable Labor Peace Agreement by the Labor Peace Agreements entered into in the private sector.~~

2.10.65. Licensee may continue to operate at the Airport during the 60-day period described above in Section 2.10.4 or for the period a Labor Peace Agreement remains in effect, including any collective bargaining agreement containing the terms required under Section 2.10.2. during any negotiation, mediation, or arbitration relating to a Labor Peace Agreement conducted pursuant to this Section. However, notwithstanding that a Licensee has entered into a Labor Peace Agreement, it must also comply with the requirements under this Section 2.10 with respect to any additional employees not covered by the Labor Peace Agreement should another Labor Organization request to enter into a Labor Peace Agreement for the additional employees.

2.10.76. In the event that the City determines it necessary for the public safety or the efficient operation of the Airport to post police details or take other actions resulting from Licensee's violation of this Section or Section 2.11, the City shall have the authority to require that Licensee reimburse the City for all reasonable costs incurred by doing so.

~~2.10.87. Nothing in this Section requires or prohibits any specific term in a Labor Peace Agreement other than as specified in Section 2.10.2 above, including with respect to any shall be construed as requiring Licensee, through arbitration or otherwise, to change in the terms and conditions of employment for its employees, recognizing a Labor Organization as the exclusive bargaining representative, for its employees, adopting any particular recognition process, or entering into a collective bargaining agreement with a Labor Organization.~~

2.10.9 This License shall be terminable by the City upon thirty (30) days notice to Licensee if any of the provisions of this Section 2.10 are violated by Licensee.

Section 2.11 Base Wages for Employees of Licensees.

Section 2.11 Base Wages for Employees of Licensees.

2.11.1 Definitions. For the purposes of this License, the following definitions will apply to this Section 2.11:

“Employee” means a person employed by Licensee, or its subcontractor or sublicensee, and who is performing Services under this License at the Airport and who is paid an hourly rate for his or her work by Licensee, or its subcontractor or sublicensee. For purposes of this License, the term “Employee” does not include persons subject to subsection 4(a)(2), ~~subsection 4(a)(3),~~ or Section 6 of the Minimum Wage Law.

“Gratuities” has the meaning ascribed to that term the Minimum Wage Law.

“Minimum Wage Law” means the Illinois Minimum Wage Law, 820 ILCS 105/1, *et seq.*, in force on the effective date of this License and as thereafter amended.

2.11.2. ~~Except as provided in subsections 2.11.4 and 2.11.4 herein,~~ Licensee shall: (i) pay its Employees no less than ~~\$15.00~~\$13.45 per hour for work performed under the License; and (ii) require any subcontractors or sublicensees to pay their Employees no less than ~~\$13.45~~\$15.00 per hour for work performed under the License. Beginning on July 1, 2021~~18~~, this minimum hourly wage shall increase to \$16.00 per hour. Beginning on July 1, 2022~~18~~, ~~and every July 1 thereafter,~~ this minimum this hourly wage shall increase to \$18.00 per hour. Beginning on July 1, 2023, and on every July 1 thereafter, the minimum hourly wage rate shall increase in proportion to the increase, if any, in the Consumer Price Index for All Urban Consumers most recently published by the Bureau of Labor Statistics of the United States Department of Labor. Any hourly wage increase pursuant to this subsection 2.11.2 shall be rounded up to the nearest multiple of \$0.05. Such increase shall remain in effect until any subsequent adjustment is made. Notwithstanding these minimum hourly wage rates, nothing herein shall prohibit Employees who have customarily received Gratuities from continuing to receive Gratuities.

Sec. 2.11.3 [*delete in entirety*]

EXHIBIT B

Certified Service Provider Program Rules at the City of Chicago Department of Aviation Airports

[Proposed Changes to Section 4.6 and 4.7 of CSPP Rules]

4.6 Base Wages for Employees of Licensee. CSPs must comply with all applicable federal, state, and local wage requirements, including but not limited to the minimum hourly wage authorized by City Council ordinance in September 2017 and described in Section 2.11 of the CSPLA, and all amendments thereto.

4.6.1. As of July 1, ~~2021~~2018, the minimum hourly wage required under Section 2.11 of the CSPLA to be paid to employees of CSPs, including tipped employees, -is \$16.00+3.80/hour. Applied to tipped employees, this minimum hourly wage is \$7.45/hour as of July 1, 2018. Notwithstanding these minimum hourly wage rates, nothing herein shall prohibit employees who have customarily received gratuities (tips) from continuing to receive gratuities.

4.6.2. Current service providers (as described in Section 1.2.1 herein) shall be required to pay the rate described in subsection 4.6.1 no later than ~~July 1, 2021~~ October 1, 2018. Employees of current service providers who are paid hourly wages above the minimum hourly wages rates specified in this Section shall receive the specified annual incremental increases in hourly wages over their then-current hourly wage.

4.6.3. New service providers (as described in Section 1.2.2 herein) shall be required to pay the rate described in subsection 4.6.1, or the adjusted minimum hourly wage rates in effect at that time, upon the date they begin providing CSPP-regulated services at the Airport(s).

4.6.4. The requirements of this Section 4.6 may be waived in a bona fide collective bargaining agreement, but only if the waiver is set forth explicitly in such agreement in clear and unambiguous terms.

4.6.5. Beginning on July 1, 2022, ~~19, and on every July 1 thereafter,~~ the minimum hourly wage rate specified in this Section 4.6 shall increase to \$17.00/hr. Beginning on July 1, 2023, the minimum hourly wage rate specified in this Section 4.6 shall increase to \$18.00/hr. Beginning on July 1, 2024, and on every July 1 thereafter, the minimum hourly wage rate specified in this Section 4.6 shall increase in proportion to the increase, if any, in the Consumer Price Index for All Urban Consumers most recently published by the Bureau of Labor Statistics of the United States Department of Labor. Any such hourly wage increase shall be rounded up to the nearest multiple of \$0.05.

4.6.6. On or before June 1, 2021~~19~~, and on or before every June 1 thereafter, the City shall make available to all Certified Service Providers a notice announcing the adjusted minimum hourly wage rate for the upcoming year by posting such adjusted rate on the CSPP website and/or notifying CSPs by electronic mail.

4.6.7. Employees of CSPs covered under this Section 4.6 and Section 2.11 of the CSPLA that must be paid the minimum hourly wage described therein include any person employed by a CSP, or its subcontractor or sublicensee, who is performing CSPP-regulated services under the CSP's CSPLA. and who is paid an hourly rate for his or her work by the CSP, or its subcontract or sublicense.

4.6.8. If another hourly minimum wage is required to be paid by a CSP to its employees by federal, state, or local law, CSPs must pay its employees the higher of the different minimum wage rates.

4.7 Labor Harmony. CSPs covenant that their employees at the Airport(s) shall be able to work in labor harmony in order to protect the City's proprietary and economic interests. In order to comply with this provision:

4.7.1. CSPs shall have in place, at all required times, a labor peace agreement ("Labor Peace Agreement") with any organization of any kind, or an agency or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with service providers at the Airport(s) concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work ("Labor Organization"), which requests a Labor Peace Agreement.

4.7.2. The Labor Peace Agreement shall include a binding and enforceable provision(s) prohibiting the Labor Organization and its members from engaging in, supporting, encouraging or assisting any picketing, work stoppages, boycotts, or any other direct economic interference by the Labor Organization or by the CSP's employees for the duration of the Labor Peace Agreement, which must include the entire term of any CSPP License Agreement. The Labor Peace Agreement shall be limited to those CSP's employees who regularly work at the Airport. No Labor Peace Agreement shall be recognized under this Section if the CSP directly or indirectly assists or encourages the formation or operation of the Labor Organization.

4.7.3. A Labor Organization seeking a Labor Peace Agreement shall notify the CSP in writing of its intention to enter into a Labor Peace Agreement with the CSP identifying the employee classifications of the CSP to be covered under the Labor Peace Agreement.

4.7.4. The Labor Peace Agreement must be executed within 60 days after receipt of the Labor Organization's written notice of intention.

4.7.5. All CSPs shall, upon the City's request, submit to the City a certification, signed by the CSP and any Labor Organization(s), indicating the parties have entered

into a Labor Peace Agreement.

~~4.7.4. In the event that a CSP and a Labor Organization are unable to agree to a Labor Peace Agreement within sixty (60) days of the Labor Organization's written request, they shall submit the dispute to a mutually agreed upon mediator to assist the parties in reaching a reasonable Labor Peace Agreement. In the event that the CSP and a Labor Organization are unable to reach a reasonable Labor Peace Agreement through mediation, the parties shall submit the dispute to the American Arbitration Association ("AAA") for arbitration conducted in accordance with AAA rules. Both the mediator and, if necessary, the arbitrator shall be guided in the determination of a reasonable Labor Peace agreement by the Labor Peace Agreements entered into in the private sector.~~

4.7.65. CSPs may continue to operate at the Airport(s) during the 60-day period described above in Section 4.7.4 or for the period a Labor Peace Agreement remains in effect, including any collective bargaining agreement containing the terms required under Section 4.7.2. any negotiation, mediation, or arbitration relating to a Labor Peace Agreement conducted pursuant to this Section. However, notwithstanding that a CSP has entered into a Labor Peace Agreement, it must also comply with the requirements under this Section 4.7 with respect to any additional employees not covered by the Labor Peace Agreement should another Labor Organization request to enter into a Labor Peace Agreement for the additional employees.

4.7.76. In the event that the City determines it necessary for the public safety or the efficient operation of the Airport(s) to post police details or take other actions resulting from a CSP's violation of this Section or Section 4.6, the City shall have the authority to require that the CSP reimburse the City for all reasonable costs incurred by doing so.

4.7.8.7 Nothing in this Section requires or prohibits any specific term in a Labor Peace Agreement other than as specified in Section 4.7.2 above, including with respect to any shall be construed as requiring a CSP, through arbitration or otherwise, to change in the terms and conditions of employment, for its employees, recognizing a Labor Organization as the exclusive bargaining representative, for its employees, adopting any particular recognition process, or entering into a collective bargaining agreement with a Labor Organization.