



CITY OF DETROIT
HUMAN RESOURCES DEPARTMENT
LABOR RELATIONS DIVISION

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September 19, 2025

HONORABLE CITY COUNCIL:

Re: Implementation of the 2024 - 2027 Labor Agreement between the City of Detroit and Employees Represented by International Brotherhood of Teamsters, Local 214

The Labor Relations Division is recommending your Honorable Body's official approval of the 2024 - 2027 Master Agreement between the City of Detroit and International Brotherhood of Teamsters, Local 214.

The Master Agreement covers wages, hours and other basic conditions of employment from July 1, 2024 through June 30, 2027. It has been signed by all parties concerned and meets with the approval of the Labor Relations Division.

We therefore respectfully request that your Honorable Body adopt the following resolution with a Waiver of Reconsideration.

Respectfully submitted,

A handwritten signature in blue ink that reads "Valerie A. Colbert-Osamuede".

Valerie A. Colbert-Osamuede
Interim Director, Labor Relations

Attachments



By Council Member _____:

WHEREAS, the City of Detroit and International Brotherhood of Teamsters, Local 214 have met the standards for recognition as exclusive agents for their members in the employ of the City of Detroit under Public Act 336 of 1947, as amended, and

WHEREAS, the Labor Relations Division, under the direction of the Mayor, is authorized and directed by the City Charter to act for the City of Detroit in negotiation and administration of collective bargaining agreements, and

WHEREAS, the Labor Relations Division and International Brotherhood of Teamsters, Local 214 have met and negotiated this labor agreement which covers wages, hours and other basic conditions of employment through June 30, 2027.

NOW, THEREFORE, BE IT RESOLVED, that the Master Agreement between the City of Detroit and International Brotherhood of Teamsters, Local 214, be and is hereby approved and confirmed in accordance with the foregoing communication.

**2024 - 2027 MASTER AGREEMENT
BETWEEN THE
CITY OF DETROIT
AND
TEAMSTERS, LOCAL 214
*SUMMARY OF CHANGES***

Article 6 Dues Check-off

- ◆ Eliminated the mandatory union dues requirement in accordance with Right to Work law. If law changes, parties will meet to discuss the legal changes and impact.

Article 8 Union Representation

- ◆ Added language to allow Alternate Stewart to represent employees if Chief Stewart and Steward are not available.
- ◆ Clarified language that one Chief steward s released on a full-time basis.
- ◆ The full-time Chief Stewart will receive salary and benefits based on the title they hold.

Article 9 Grievance and Arbitration Procedures

- ◆ Added language clarifying that the grievant may not attend the Step 3 meeting.
- ◆ Revised language to simplify the process and bring it into uniformity with City processes.
- ◆ Settlements are inadmissible as evidence in future arbitration proceedings.

Article 10 Discipline Procedure

- ◆ The Corrective Disciplinary Action Guidelines and Attendance Policy (Universal Work Rules) are removed as an attached to the Agreement.
- ◆ Length of time discipline is on an employees record was reduced from eighteen (18) months to sixteen (16) months.

Article 13 Seniority

- ◆ Removed obsolete language regarding Federal Economic Opportunity Act (FEOA)
- ◆ Added language to allow for hire date, application number or date/time to resolve ties in seniority
- ◆ Removed obsolete language regarding seniority lists provided on compact disks (CD's)

Article 20 Strikes and Lockouts

- ◆ Includes stronger language to discharge and discipline employees.
- ◆ No liability for the union if a member fails to comply and damages result.

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Article 21 Severability

- ◆ Clarified the language.

Article 23 Career Development and Training

- ◆ Removed obsolete reference to Detroit Resources Management Systems (DRMS).

Article 24 Non-Discrimination

- ◆ Changed the title.

Article 25 Defense and Indemnification of Employees

- ◆ Corrected Charter reference.

Article 24 Sick Leave

- ◆ Corrected capped hours from 300 hours to 480 hours.

Article 30 Work Week, Work Day, Shift Premium

- ◆ Reduced Show-up/recall time from four (4) hours to two (2) hours,
- ◆ Increased the afternoon shift premium from twenty-five cents (\$0.25) to fifty cents (\$0.50).
- ◆ Increased the midnight shift premium from fifty cents (\$0.50) to seventy-five (\$0.75).
- ◆ Corrected City Code references.

Article 31 Overtime

- ◆ Removed language for OT on a daily basis for all hours worked in excess of an employee's normal work day.

Article 32 Holidays and Excused Time Off

- ◆ Added eight (8) hours of "Excused Time" for Juneteenth.

Article 34 Vacations

- ◆ Two-tiered Vacation Schedule DELETED; all employees earn vacation regardless of hire date.
- ◆ Added the years of service time required to earn vacation days.
- ◆ Changed the vacation schedule to allow employees to earn vacation days quicker

NOT FOR PUBLICATION

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beginning in year 2 through year 11.

- ◆ At 11 years of service or more, employees earn 20 vacation days per year.
- ◆ Added language to clarify that vacation accruals over 160 hours are used or forfeited September 30th each year.

Article 35 Temporary and OOC Assignments

- ◆ Changed title.

Article 36 Jury Duty

- ◆ Eliminated the requirement for the City to pay the difference between pay for jury duty and employee's regular pay.
- ◆ Added language allowing the employee to be excused for the remaining portion of the day when called upon for jury duty.

Article 37 Hospitalization, Medical, Dental and Optical Care

- ◆ Includes language regarding Blue Care Network HMO for New Hires language.
- ◆ New hires are automatically enrolled in Blue Car Network HMO plan unless they waive coverage.
- ◆ Blue Care Network HMO health insurance is effective thirty (30) days after the new employee's hire date.
- ◆ An employee can select a new plan during the next open enrollment for the subsequent year.

Article 38 Workers' Compensation

- ◆ Deleted unnecessary language.

Article 39 Death Benefits

- ◆ Deleted reference to Life Insurance from title.
- ◆ Corrected references to the City Code.

Article 40 Wages

- ◆ Effective upon ratification of the agreement, bargaining unit employees will transition to Step Code R.

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- ◆ All employees in the bargaining unit shall receive a step increase effective July 1st, 2024
- ◆ Effective July 1st, 2024, certain classifications shall receive the salary range adjustment as specified in the wage schedule.
- ◆ The 5% increase is payable effective July 1st and cannot exceed the maximum of the range
- ◆ Wage Increases
 - 2% wage increase effective July 1, 2024
 - 2% wage increase effective July 1, 2025
 - 2% wage increase effective July 1, 2026
- ◆ Includes language for a Performance Review Process.
 - The performance evaluation review period will be from July 1 through June 30 of the preceding fiscal year.
 - The performance evaluation will be conducted in accordance with the City Performance Evaluation process outlined by the Talent Development and Performance Management Division of Human Resources.
 - Employees exhibiting performance deficiencies will meet with the manager or their designee to discuss performance improvement.

Article 41 Clothing, Uniform, and Accessory Allowance

- ◆ Changed to yearly pay every September.

Article 42 Retirement

- ◆ Clarified reference to the legacy pension plan which sf for the General Retirement System.
- ◆ Updated Code references.

Article 45 No Disadvantage

- ◆ Deleted.

Article 46 Supplemental Agreements

- ◆ Updated list to include new departments.

Article 47 Modification and Duration

- ◆ Contract expires 11:59 P.M., June 30, 2027.



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CFO FISCAL IMPACT STATEMENT NO. 2025-110-012

SUBJECT: Fiscal Impact of Labor Agreement between the City of Detroit and the Teamsters Local 214
PREPARED BY: Office of the CFO – Office of Budget
DATE ISSUED: September 18, 2025

1. AUTHORITY

- 1.1. State of Michigan Public Act 279 of 1909, Section 4s(2)(d), as amended by Public Act 182 of 2014, states the chief financial officer shall submit in writing to the Mayor and the governing body of the City his or her opinion on the effect that policy or budgetary decisions made by the Mayor or the governing body of the City will have on the City's annual budget and its four-year financial plan.
- 1.2. CFO Directive No. 2018-101-029 Fiscal Impact Statements states that the CFO shall issue Fiscal Impact Statements ("FIS") for pending or enacted decision items with a significant fiscal impact on the City, as determined by the CFO, to provide financial information to the Mayor and the City Council as they consider action on proposed local policy or budgetary decision items.

2. PURPOSE

- 2.1. To provide financial information to the Mayor and the Detroit City Council as they consider the effect of the labor agreement between the City of Detroit (The "City") and the Teamsters Local 214 (The "Teamsters").

3. OBJECTIVE

- 3.1. This FIS serves as the report on the fiscal impact of the proposed on the City's annual budget for FY 2026 and four-year financial plan for FY 2026 – FY 2029 (the "City budget").

4. SCOPE

- 4.1. This FIS is not intended to convey any statements nor opinions on the advisability of the proposal, except for those components that have or may have a fiscal impact on the City budget.
- 4.2. This fiscal impact analysis is based on the proposal as described below in Section 5 of this FIS. Should the proposal change prior to final approval, an updated FIS may be issued.

5. STATEMENT

- 5.1. Conclusion: The Teamsters labor agreement would have **no net fiscal impact** on the City budget, as resources have been budgeted and identified to cover the incremental cost of the contract.

5.2. Background: The Teamsters labor agreement impacts the following departments: Airport, Building, Safety, Engineering and Environmental Department (BSEED), Public Works, Transportation, Municipal Parking, Police, General Services, and Detroit Water and Sewerage Department (DWSD). The previous Teamsters labor contract expired on June 30, 2024, and they have been without a labor agreement throughout FY 2025. The agreement includes 2% annual wage increases in FY 2025–2027 for all members and targeted min-max market rate adjustments for the following job codes:

- Airport Operations Assistant (5% min, 10% max) – 1 Budgeted FTE
- Airport Service Worker (5% min, 7.5% max) – 3 Budgeted FTE
- Commercial and Residential License Investigators (5% min, 9% max) – 4 Budgeted FTE
- Construction Equipment Operator 50 Ton Crane (5% min & max) – 2 Budgeted FTE
- Parking Enforcement Officer (5% min, 17% max) – 42 Budgeted FTE
- Traffic Investigator (5% min, 14% max) – 6 Budgeted FTE
- Traffic Sign Mechanic (5% min, 12% max) – 24 Budgeted FTE

The market adjustments will provide these job codes with more competitive wages and help improve retention and recruitment efforts. The annual wage increases and market adjustments are retroactive to July 1, 2024.

The agreement also includes a \$0.25/hour increase in afternoon and evening shift premiums. The agreement also changes the current biannual allowances for uniform/clothing (\$350) and tool and/or boot (\$175) to annual allowances.

5.3. Fiscal Impact: The Teamsters labor agreement has **no net impact** on the City budget, as resources are available to cover the incremental cost as summarized in the following table. The City budget includes resources set aside in Non-Departmental for various workforce investments and pending labor contracts. Sufficient resources are budgeted in the workforce investments account to cover the incremental cost of the Teamsters labor agreement. Although the labor agreement does not have a fiscal impact on the current City budget, it may have a long-term financial impact if the workforce investment drawdown amount noted in the table below is restored in future City budgets.

**City of Detroit
FIS - Teamsters Labor Agreement**

	FY 2026	FY 2027	FY 2028	FY 2029
Current Budgeted Salaries				
Current annual base wages	\$ 20,357,777	\$ 20,764,932	\$ 21,180,231	\$ 21,603,836
Annual General Wage increase	2.0%	2.0%	2.0%	2.0%
Budgeted Positions	459	459	459	459
Average Base Pay	\$ 44,401	\$ 45,289	\$ 46,195	\$ 47,119
Proposed Salaries				
Proposed Salaries	\$ 20,549,314	\$ 20,960,300	\$ 21,379,506	\$ 21,807,096
Annual General Wage increase	2.0%	2.0%	2.0%	2.0%
Market Adjustment Rate ¹	0.9%			
Average Base Pay	\$ 44,819	\$ 45,715	\$ 46,629	\$ 47,562
Incremental wages	\$ 192,000	\$ 195,000	\$ 199,000	\$ 203,000
Incremental overtime ²	9,600	9,750	9,950	10,150
Incremental other fringes	27,364	27,793	28,362	28,932
Other Incremental Impacts				
Lump Sum Retro Payment (One-Time) ³	\$ 335,000	\$ -	\$ -	\$ -
Clothing/Uniform Allowance \$350 annually from Bi-Annually	-	160,475	-	160,475
Tool and/or Boot Allowance \$175 annually from Bi- Annually	-	80,238	-	80,238
Shift Premium Increase (0.25/Hr.) ⁴	436	436	441	446
Total incremental cost of contract	\$ 564,837	\$ 474,128	\$ 238,194	\$ 483,686
Cost offsets				
FY26 Workforce Investment Fund ⁵	\$ (564,837)	\$ (474,128)	\$ (238,194)	\$ (483,686)
Net impact on Four-Year Financial Plan	\$ -	\$ -	\$ -	\$ -

Notes:

Labor Agreement expires at the end of FY27. FIS assumes continued wage pattern in FY28-29.

Fund Composition of Teamsters budget is as follows:

- General Fund: 34%
- Blight Fund: 1%
- Major Street Fund: 29%
- Solid Waste Fund: 23%
- Special Revenue Fund: 6%
- Airport Fund: 1%
- Transportation Fund: 1%
- DWSD Fund: 5%

(1) Targeted market rate adjustments are applied to Airport Operations Assistants, Airport Service Workers, Commercial and Residential License Investigators, Construction Equipment Operators 50 Ton Crane, Parking Enforcement Officers, Traffic Investigators, and Traffic Sign Mechanics. Collectively, these adjustments represent a total 0.9% union-wide increase compared to the salaries in the City budget.

(2) Assumes 5% overtime rate due to historical actuals.

(3) One-time lump sum is reflective of retroactive FY25 GWI and market adjustments to July 1, 2024.

(4) Based on current annual afternoon and evening shift premium trends.

(5) The FY26 City budget includes Workforce Investment Fund resource to support the costs of the contract that exceed the budgeted wage pattern.

APPROVED



Donnie Johnson, Acting Deputy CFO/Budget Director

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Appendix A Wage Schedule

- ◆ New wage schedule added.

Appendix B Arbitration Panel Procedures

- ◆ Added using MERC list of Arbitrator's
- ◆ Changed Arbitrator payment amount to \$1,000.00 per day.

Appendix D Guidelines Regarding Equipment Operations

- ◆ Updated Equipment list.

MOU Tow Truck Drivers

- ◆ Deleted.

**MOU Equipment Dispatcher/Sanitation Yard Dispatcher Rate
Adjustments**

- ◆ Deleted.

MOU Labor Management Committee

- ◆ Deleted.