

SPECIAL MEETING

The Board of County Road Commissioners of Iron County held a Special Meeting on Thursday, May 28, 2020 at 3:00 p.m. in the Road Commission offices garage located at 800 West Franklin Street, Iron River, Michigan.

Present were Chairman Ernest Schmidt, Vice Chairman Charles Battan, Ron Frailing, Sue Clisch and Dan Germic. Superintendent/Manager Doug Tomasoski and Lisa M. Powell Finance Director/Clerk were also present.

The purpose of the special meeting was to discuss the Work Share Program.

Chairman Schmidt called the meeting to order and led the pledge of allegiance.

The Work Share Program was presented by the Superintendent/Manager Doug Tomasoski. The MOU between Teamsters Local 406 and the ICRC is attached to the minutes.

A motion by Commissioner Germic to approve of the Program and enroll the ICRC to start Monday was then supported by Commissioner Clisch.

On a roll call vote-Ayes: Clisch, Germic, Frailing, Battan and Schmidt

Nays: None

Motion carried

With no further business to come before the Board it was motioned by Germic, supported by Clisch to adjourn the special meeting at 4:00 pm.

Ayes: All

Nays: None

Motion carried.


Ernie Schmidt, Chairman


Lisa M. Powell, Finance Director/Clerk

MEMORANDUM OF UNDERSTANDING

between

Teamsters Local 406

and

Iron County Road Commission

In order to participate in the Michigan Work Share Program (Program) in conjunction with the Federal CARES Act to mitigate the ramifications of the ongoing COVID-19 pandemic to the operation of the Iron County Road Commission and its' employees, this Memorandum of Understanding is hereby entered into by Teamsters Local 406 (Union) and the Board of County Road Commissioners of Iron County (ICRC).

Justification of application for participation in this program lies in the uncertainty of the level of revenue to the Road Commission in the coming months due to the current COVID 19 health issue. By taking part in this program, the ICRC will immediately save on expenditures while providing fulltime, stable, steady employment for all of its' current employees and allowing for the continuance of essential work obligations of the ICRC.

Participation in the Program requires concurrence by the Union - agreeing through a MOU to temporarily suspend a number of contract items and other details. Following are the points of agreement between the Union and ICRC precipitating participation in the Program:

1. A reduction of weekly work hours by 20% (40 hours to 32 hours) working a 4 day – 8 hour per day workweek (Monday thru Thursday, 6:00 a.m. to 2:30 p.m.) for the duration of the Federal CARES Act, currently scheduled through July 31, 2020.
 - This will require temporary suspension of a number of areas within the current Union/ICRC Agreement, including but not limited to Section 6 - Article 33 and a number of Sections within Article 24.
 - a.) Allow uniform reduced hour workday for all employees in place of selected individual layoffs.
 - b.) Allow the modification of daily work hours in the event an employee is called to work outside of normal work hours on a given previously scheduled workday. An equal number of hours x 1.5 (for OT credit) will be taken off within that same week (in lieu of OT payment).
 - c.) If the additional call-out hours happen near the end of the week (Thursday after regular work hours are completed, or on Friday or Saturday) and there is no opportunity to take off the call-out hrs. x 1.5 in that same week, the employee would be made whole with a 40 hr. check plus the call-out hours x 1.5 paid in wage, or as compensatory time to be taken during the active life of the agreement (if an appropriate/acceptable account method can be put in place). Employee will lose the benefit of the Program reduced hrs./unemployment/CARES Act reimbursement but will not lose any pay for the week.
 - d.) Employee call-out will be rotated (as much as call-out conditions allow) from week to week to minimize the possibility of the same employee(s) potentially losing the benefit of the Work Share Program and CARES Act benefits more than one week.
 - e.) If an employee is called out on a Sunday, the employee shall take an equal amount of hours x 1.5 off in the next Monday thru Thursday period in lieu of a cash OT payment.

2. Work reduction hours (32 hr. per week) must be strictly adhered to. If more than 32 hours are worked in a week period, the unemployment benefits (Michigan unemployment and Federal CARES Act) of that individual employee are forfeited for that week. This point is stressed within the Michigan Work Share Program documents.
3. All initial and follow-up paperwork is the responsibility of the employer.
4. The Program requires the employer to maintain all fringe benefits of participating employees.
Qualification for MERS benefits (pension) will not be adversely affected by participation in the Program. Amount of benefits may be affected depending on the timing of an individual's selection of a retirement date.
5. At this time, it is agreed to apply for the time period through July 31, 2020 at which time the existing CARES Act \$600.00 is set to expire. An extension or re-application is possible with the consent of both parties.
6. For the purposes of this agreement, a 32-hour work week shall satisfy a probationary employees service to the employer and their probationary period will not be extended by an equivalent amount of time for the differential hours from a 40-hour week to a 32-hour week. All other provisions of the Union/ICRC labor agreement pertaining to probationary employees shall remain unchanged.
7. As per Program rules, participation in the Program can be terminated at any time. It is agreed between the Union and ICRC that termination of participation in the Program can be requested by either party. This option to terminate acts as protection so that if it does not work to the mutual benefit of the parties the way it has been understood, both parties have a voice.

**** Example of program benefits:**

Heavy Equip Operator wage = \$22.73/hr. x 40 hr. typical pay period = \$909.20 gross pay
Assume a 20% work reduction in the form of a 4 – 8 hr. work week = \$727.36 new gross

This results in an ICRC saving of \$181.84

Employee unemployment benefit approx. = \$72.00 / week

Federal CARES Act benefit = \$600.00 / week

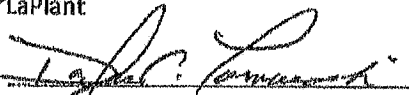
Therefore, employee new gross wage / week = \$727.36 + \$72.00 + \$600.00 = \$1399.36

For Teamsters Local 406:


Anthony LaPlant

Date: 6-10-2020

For Iron County Road Commission:


Douglas C. Tomasoski

Date: 5-28-2020