

March 29, 2022

## LETTER OF AGREEMENT

This Letter of Agreement is entered into this 29<sup>th</sup> day of March, 2022, by and between the Charter Township of Bloomfield, a Michigan municipal corporation, whose address is 4200 Telegraph Rd., Bloomfield Township, MI 48303 (hereinafter "Township") and the Government Employees Labor Council Bloomfield Township Department Heads and Deputy Department Heads, (hereinafter referred to as the "Union").

WHEREAS, the Township is seeking to hire or promote individuals into either Department Head or Deputy Department Head positions.

WHEREAS, the Township is hesitant to do so given the separation benefits contained in Article VIII - Separation Compensation and Benefits in the parties' current Collective Bargaining Agreement.

WHEREAS, after negotiations, the parties have agreed to modify Article VIII - Separation Compensation and Benefits under the terms and conditions set forth below.

NOW THEREFORE, in consideration of the mutual covenants, promises, and obligations contained in this Letter of Agreement, the parties agree as follows:

- I. The parties agree to modify Article VIII - Separation Compensation and Benefit as follows:
  1. Department Head or Deputy Department Head who is terminated or forced to leave the employment of Bloomfield Township that is not voluntary and without cause ("Cause" for the purpose of this Agreement is defined as (i) fraud, misappropriation or embezzlement, (ii) intentional breach of the provisions of this Agreement, (iii) repeated willful failure to perform services thereunder, (iv) incapacity; or (v) a material violation of established Township rules, regulations, policies or procedures. However, the Township will endeavor to utilize progressive discipline whenever the facts and circumstances would be best served to use that process). If Employee is terminated by the Township without cause:
    - A. Employee shall receive a severance payment equal to twelve (12) months' base salary, to be paid in lump sum at the time of notice of termination. Employee shall also receive an additional payment equal to twelve (12) months' base salary in lieu of additional defined benefit pension credited service or 401(a) contributions, to be paid in lump sum at the time of notice of termination. Such severance payments shall be with regular local, state, and federal taxes deducted.
    - B. Employee hired prior to May 1, 2011, shall also be recognized as having a minimum of eighteen (18) years of service for the defined benefit retiree health care plan as detailed in Article XVIII – Medical, Prescription, Dental and Vision Insurance of this Agreement. This provision does not apply to employees hired after May 1, 2011

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- C. Employee shall also be eligible for Township-provided health insurance (medical, prescription, dental, and vision) for a period of thirty-six (36) months after the effective date of termination. The Township shall be responsible for paying the full cost of premium and/or COBRA costs. Employee shall be responsible for all of the standard costs of using the plan, such as the deductible and out-of-pocket costs. In the event Employee finds employment with comparable health insurance coverage following the termination of his or her employment, without cause, the health insurance coverage provided by the Township will end.
2. Employees in a Deputy Department Head position prior to March 1, 2022:
    - A. If promoted to a Department Head position, an employee shall remain qualified for the benefits provided for in Section 1 above.
  3. Employees promoted into a Deputy Department Head or Department Head position on or after March 1, 2022, and who at the time of promotion were existing Township employees in a position not represented by this bargaining unit shall be entitled to the separation benefits set forth in Section 1 above unless they are terminated with cause as defined above.
  4. Persons hired into a Deputy Department Head or Department Head position, on or after March 1, 2022, and who are not already employed by the Township in another position at the time of hire.
    - A. Employee shall serve a probationary period of twenty-four (24) months from the date of hire. Until expiration of the probationary period, the employee is not entitled to separation benefits set forth in Section 1 above if the Township severs their employment with or without cause. However, if an employee is employed by the Township after the 24-month probation period, they shall be entitled to the separation benefits set forth in Section 1 above.

II. All other terms and conditions of the parties' CBA, not otherwise modified by this Letter of Agreement shall remain in full force and effect.

WHEREFORE, the Township and the Union have caused this Letter of Agreement to be executed by their duly authorized representatives below.

GOVERNMENT EMPLOYEES  
LABOR COUNCIL

By: 

Noah Mehalski  
Its: Union President

CHARTER TOWNSHIP OF  
BLOOMFIELD

By: 

Dani Walsh  
Its: Township Supervisor