

AGREEMENT PURSUANT TO SECTION 13(c) OF THE URBAN MASS TRANSPORTATION ACT OF 1964, AS AMENDED

WHEREAS, Milwaukee County, Wisconsin ("Public Body"), has filed an application under the Urban Mass Transportation Act of 1964, as amended ("Act"), for a capital grant to assist in financing the acquisition of the Milwaukee Suburban Transport Corp. ("Company"), and the purchase of 100 new buses, as more fully described in the project application ("Project"); and

WHEREAS, upon acquisition of the Company by the Public Body, the transit system will be managed and operated by a private management company ("Management Company"); and

WHEREAS, certain employees of the Company are represented by Local Division 998 Amalgamated Transit Union, AFL-CIO ("Union"); and

WHEREAS, it is the intention of the parties to this agreement that the employees represented by the Union will, upon public acquisition of the Company, be transferred to employment by the Management Company and as such retain their status and rights as private employees covered by the federal labor laws; and

WHEREAS, sections 3 (e) (4) and 13 (c) of the Act require, as a condition of assistance thereunder, that fair and equitable arrangements be made as determined by the Secretary of Labor "to protect the interests of employees affected by such assistance"; and

WHEREAS, the parties have agreed upon the following arrangements as fair and equitable:

NOW, THEREFORE, it is agreed that in the event this Project is approved for assistance under the Act, the following terms and conditions shall apply:

- (1) The Project shall be carried out in such a manner and upon such terms and conditions as will not in any way adversely affect employees covered by this agreement.
- (2) All rights, privileges, and benefits (including pension rights and benefits) of employees covered by this agreement (including employees having already retired) under existing collective bargaining agreements or otherwise, or under any revision or renewal thereof, shall be preserved and continued; provided, however, that such rights, privileges and benefits not previously vested may be modified by collective bargaining and agreement of the operator of the transit system and the Union to substitute rights, privileges and benefits of equal or greater economic value.
- (3) The collective bargaining rights of employees represented by the Union, including the right to arbitrate labor disputes and to maintain union security and checkoff arrangements, as provided by applicable laws, policies and/or existing collective bargaining agreements shall be preserved and continued. The

Public Body agrees that it will bargain collectively with the Union or otherwise arrange for the continuation of collective bargaining, and that it will enter into agreements with the Union or arrange for such agreements to be entered into, relative to all subjects which are or may be proper subjects of collective bargaining with a private employer.

(4) The Public Body agrees, upon acquisition of the Company's transit systems, to arrange for the employment with the Management Company of all persons who are employees of the Company in the bargaining unit, represented by the Union on the date of acquisition, and the seniority rights of all such employees shall be in accordance with the current seniority roster of the Company. Thereafter, the relative seniority of all such employees of the Company represented by the Union as set forth by such roster shall not be changed, except upon mutual agreement by the employee, the Union and the operator of the transit system.

(5) All of the employees of the Company's transportation systems in the bargaining unit represented by the Union shall be appointed to comparable positions on the publicly-owned system without examination, and these employees shall be credited with their years of service with respect to the transit system for purposes of sick leave, seniority, vacation and pension, in accordance with the records and labor agreements of the Company's transportation systems. Members and beneficiaries of any pension or retirement system, or other benefits established by those transportation systems shall continue to have the rights, privileges, benefits, obligations and status with respect to such established systems. Notwithstanding any provisions in the current collective bargaining agreement to the contrary (including §401), the operator of the publicly-owned transit system shall assume the obligations of the acquired systems with regard to wages, salaries, hours, working conditions, sick leave, health and welfare and pension or retirement provisions for employees. No employees of the acquired systems shall suffer any worsening of his wages, seniority, pension, sick leave, vacation, health and welfare, insurance, or any other benefits by reason of his transfer to a position on the publicly-owned system.

(6) Any employee covered by this agreement who is laid off or otherwise deprived of employment or placed in a worse position with respect to compensation, hours, working conditions, fringe benefits, or rights and privileges pertaining thereto at any time during his employment as a result of the Project, including any program of efficiencies or economies directly or indirectly related thereto, shall be entitled to receive any applicable rights, privileges and benefits as specified in the employee protective arrangements (attached hereto and made a part hereof as Exhibit "A"); provided, however, that nothing in Exhibit "A" shall be deemed to supersede or displace any other provisions of this agreement, and in the event of any conflict or inconsistency between them, the other provisions of this agreement shall control.

(7) The Public Body, through the Management Company, shall be financially responsible for the application of these conditions and will make the necessary arrangements with the Union to provide for a mutually satisfactory claims handling procedure under this agreement. In the case of an adversely affected employee, the Management Company will either honor the claim by restoring the claimant to his former position with full back pay and

such reemployment, he shall be entitled to all other applicable provisions of this agreement.

(g) The dismissal allowance of any employee who is otherwise employed shall be reduced to the extent that his combined monthly earnings from such other employment, any benefits received under any unemployment insurance law, and his dismissal allowance exceed the amount upon which his dismissal allowance is based. Such employee, or his Union representatives, and his former employer, shall agree upon a procedure by which the Public Body shall be currently informed of the wages earned by such employee in employment other than with his former employer, and the benefits received.

(h) The dismissal allowance shall cease prior to its normal expiration date, as described in paragraph (2)(a) above, in the event of the failure of the employee without good cause to return to service in accordance with the working agreement by the exercise of his seniority rights to secure an available position in his former classification, or for other reasonably comparable employment for which he is physically and mentally qualified and which does not require a change in his place of residence, as hereinafter defined, or in the event of his resignation, death, retirement, or dismissal for cause in accordance with the working agreement.

(3) In determining length of service of a displaced or dismissed employee for purposes of this agreement, such employee shall be given full service credits in accordance with the records and labor agreements applicable to him and he shall be given additional service credits for each month in which he receives a dismissal or displacement allowance as if he were continuing to perform services in his former position.

(4) No employee receiving a dismissal or displacement allowance shall be deprived, during his protected period, of any rights, privileges, or benefits attaching to his employment, including without limitation group life insurance, hospitalization, and medical care, free transportation for himself and his family, sick leave, continued status and participation under any disability or retirement program, and such other employee benefits as Social Security, Workmen's Compensation and unemployment compensation, as well as any other benefits to which he may be entitled under the same conditions and so long as such benefits continue to be accorded to other employees of the bargaining unit, in active service or furloughed as the case may be.

(5) No employee shall be entitled to an allowance under paragraphs (1) or (2) hereof because of the abolishment of a position to which, at some future time, he could have bid, been transferred, or promoted.

(6) (a) Any dismissed or displaced employee, who is retained in service or who is later restored to service after being entitled to receive a dismissal or displacement allowance, and who is required to change the point of his employment as hereinafter defined, in order to retain or secure active employment with his employer and is thereby required to move his place of residence, shall be reimbursed for all expenses of moving his household and other personal effects, for the travelling expense for himself and his immediate family, and for his own actual wage

gaining agreement or applicable law. The term "labor dispute" shall be broadly construed and shall include, but not be limited to, any controversy concerning wages, salaries, hours, working conditions or benefits, including health and welfare, sick leave, insurance, or pension and retirement provisions, the making or maintaining of collective bargaining agreements, any grievances that may arise, and any controversy arising out of or by virtue of any provisions of this agreement.

(12) Nothing in this agreement shall be construed as an undertaking by the Union or the employees covered by this agreement to forego any rights or benefits under any other agreement or under any provision of law.

(13) The term "Project", as used in this agreement, shall not be limited to the particular facility assisted by federal funds, but shall include any changes, whether organizational, operational, technological, or otherwise, which are traceable to the assistance provided, whether they are the subject of the grant contract, reasonably related thereto, or facilitated thereby. The phrase "as a result of the Project" shall, when used in this agreement, include events occurring in anticipation of, during, and subsequent to the Project.

(14) This agreement shall be binding upon the successors and assigns of the parties hereto, and no provisions, terms, or obligations herein contained shall be affected, modified, altered, or changed in any respect whatsoever by reason of the arrangements made by or for the Public Body to manage and operate the system. Any person, enterprise, body, or agency, whether publicly or privately owned, which shall undertake the management or operation of the transit system, shall agree to be bound by the terms of this agreement and accept the responsibility for full performance of these conditions.

(15) The employees in the bargaining unit represented by the Union shall continue to receive coverage under Social Security, Workmen's Compensation, unemployment compensation, and the like. In no event shall these benefits be worsened as a result of the Project.

(16) In the event any provision of this agreement is held to be invalid or otherwise unenforceable under the federal, State, or local law, such provision shall be re-negotiated for purpose of adequate replacement under section 13(c) of the Act. If such negotiation shall not result in mutually satisfactory agreement, either party may invoke the jurisdiction of the Secretary of Labor to determine substitute fair and equitable employee protective arrangements which shall be incorporated in this agreement and any other appropriate action, remedy, or relief.

(17) Any labor organization which is the collective bargaining representative of employees of an existing mass transportation system in the Public Body's mass transportation service area may become a party to this agreement by serving written notice of its desire to do so upon the Unions, the Public Body, and the Department of Labor within sixty (60) days of the date hereof. It shall become a party as of the date of the service of such notice upon all interested parties.

allowances, or give notice to the Union of its basis for failing to honor such claim, giving reasons therefor. In the event the Management Company fails to honor such claim, the Union may invoke the following procedures for further joint investigation of the claim by giving notice of its desire to pursue such procedures. Within ten (10) days from the receipt by the Management Company of such notice, the parties shall exchange such factual information as may be available to them relevant to the disposition of the claim and shall jointly take such steps as may be necessary or desirable to obtain from any third parties such additional factual information as may be relevant. As soon as practicable thereafter, the parties shall meet and attempt to agree upon the proper disposition of the claim. If no such agreement is reached, and the Management Company decides to reject the claim, it shall give written notice of its final rejection of the claim, detailing its reasons therefor. In the event the claim is so rejected by the Management Company, the claim may be processed to arbitration as provided by paragraph (11) of this agreement. Throughout the claims handling and arbitration procedures, the Management Company or other operator of the transit system shall have the burden of affirmatively establishing that any deprivation of employment, or other worsening of employment position, has not been a result of the Project, by proving that only factors other than the Project affected the employee.

(8) Any employee in the bargaining unit represented by the Union who has been terminated or laid off for lack of work as a result of the Project shall be granted priority of employment or reemployment to fill any vacant position on the transit system for which he is, or by training or re-training can become, qualified. In the event training or re-training is required by such employment or reemployment, the Management Company or other operator of the transit system shall provide or provide for such training or re-training at no cost to the employee, and such employee shall be paid, while training or re-training, the salary or hourly rate of his former job classification or the training rate of the classification for which he is training, whichever is higher.

(9) Employees covered by this agreement will be given the first opportunity for employment in any new jobs, included in the bargaining unit or comparable to those included in the bargaining unit, created as a result of the Project for which they are, or by training or re-training can become, qualified. All such jobs shall be filled in accordance with seniority and allocated on a fair and equitable basis under arrangements to be mutually determined by the Management Company, or other operator of the transit system, and the Union prior to the filling of such jobs, or by arbitration at the request of either party, if such arrangements are not agreed upon prior to such date. The Management Company or other operator of the transit system will not tender such jobs to any other individual or individuals so long as there are members of the bargaining unit who are qualified, or after a reasonable training period can become qualified, and are willing to bid these jobs.

The Management Company or other operator of the transit system will give written notice to the Union prior to commencing any new operations which create additional jobs, and the parties shall thereafter meet at mutually agreeable times to negotiate concerning the details of a preferential employment opportunity plan, and the wages, hours, and working conditions for employees

assigned to such new operations. Any agreement reached upon such provisions shall be executed by all parties and made a part of this agreement. In the event the parties are unable to agree upon such provisions, the dispute may be submitted to arbitration as hereinafter provided.

(10) In the event the Management Company contemplates any change in its organization or operations which will result in the dismissal or displacement of employees, or rearrangement of the working forces represented by the Union as a result of the Project, the Management Company shall give reasonable written notice of such intended change to the Union. Such notice shall contain a full and adequate statement of the proposed changes to be effected, including an estimate of the number of employees of each classification affected by the intended changes. Thereafter, within thirty (30) days from the date of said notice, the Management Company and the Union shall meet for the purpose of reaching agreement with respect to the application of the terms and conditions of this agreement to the intended changes. Any such change involving a dismissal, displacement, or rearrangement of the working forces represented by the Union shall provide for the selection of forces from the employees represented by the Union on bases accepted as appropriate for application in the particular case; and any assignment of employees made necessary by the intended changes shall be made on the basis of an agreement between the Management Company and the Union. In the event of a failure to agree, the dispute may be submitted to arbitration by either party pursuant to paragraph (11) of this agreement. In any such arbitration, the terms of this agreement are to be interpreted and applied in favor of providing employee protections and benefits no less than those established pursuant to §5(2)(f) of the Interstate Commerce Act.

(11) Any labor dispute or controversy regarding the application, interpretation, or enforcement of any of the provisions of this agreement which cannot be settled by the parties hereto within thirty (30) days after the dispute or controversy first arises, may be submitted at the written request of either party to a board of arbitration as hereinafter provided. Each party shall, within ten (10) days, select one member of the arbitration board, and the members thus chosen shall select a neutral member who shall serve as chairman. Should the members selected by the parties be unable to agree upon the appointment of the neutral member within ten (10) days, either party may request the American Arbitration Association to furnish a list of five (5) persons from which the neutral member shall be selected. The parties shall, within five days after receipt of such list, determine by lot the order of elimination, and thereafter the Union and the Management Company shall, in that order, alternately eliminate one name until only one name remains. The remaining person on the list shall be the neutral member. The decision by majority vote of the arbitration board shall be final, binding and conclusive. Each party shall pay the fees and expenses of the arbitrator it selects. The fees and expenses of the third or impartial arbitrator, as well as any other joint expenses incidental to the arbitration, shall be borne equally by the parties. Nothing in this paragraph, or agreement, shall be construed to enlarge or limit the right of the employees covered by this agreement to utilize, upon expiration of any collective bargaining agreement or otherwise, any economic measures that are not inconsistent or in conflict with the collective bar-

(18) Unless otherwise expressly stated herein, nothing in this agreement shall be deemed to restrict any management rights which the Public Body, or other operator of the transit system, may have to direct the working forces and manage its business as it deems best, in accordance with the existing collective bargaining agreement between the Company and the Union.

(19) If this Project is approved for assistance under the Act, the foregoing terms and conditions shall be made part of the contract of assistance between the Federal Government and the applicant for federal funds, provided, however, that this agreement shall not merge into the contract of assistance, but shall be independently binding and enforceable by and upon the parties hereto, in accordance with its terms, nor shall the collective bargaining agreement between the Union and the operator of the transit system merge into this agreement, but each shall be independently binding and enforceable by and upon the parties thereto, in accordance with its terms.

IN WITNESS WHEREOF, the parties hereto have executed this agreement by their respective duly authorized representatives this 4 day of March, 1975.

MILWAUKEE COUNTY, WISCONSIN

By

Wm. E. Meaux
Wm. E. Meaux, First Vice Chairman
Milwaukee County Board of Supervisors
MANAGEMENT COMPANY

By _____

LOCAL DIVISION 998
AMALGAMATED TRANSIT UNION

By

Tony Paras
Tony Paras, President

APPROVE FOR
CORPORATION
COUNCIL

EXHIBIT "A"

The employee protective arrangements for the Project to which this Exhibit "A" applies shall include the following rights, privileges, and benefits to the extent applicable to any covered employee:

(1) (a) Whenever an employee retained in service is placed in a worse position with respect to compensation as a result of the Project, he shall be considered a "displaced employee" and shall be paid a monthly "displacement allowance", to be determined in accordance with this paragraph. Said displacement allowance shall be paid during the protective period following the date on which the employee is first displaced, so long as the employee is unable, in the normal exercise of his seniority rights, to obtain a position producing compensation equal to or exceeding the compensation of the position from which he was displaced.

(b) The displacement allowance shall be a monthly allowance determined by computing the total compensation received by the employee and his total time paid for during the last twelve (12) months in which he performed service immediately preceding the date of his displacement as a result of the Project, and by dividing separately the total compensation and the total time paid for by 12, thereby producing the average monthly compensation and the average monthly time paid for. Such allowance shall be further adjusted to reflect any subsequent wage adjustments increasing employee compensation. If the displaced employee's compensation in his current position is less in any month in which he performs work than the aforesaid average compensation (adjusted to reflect subsequent wage adjustments), he shall be paid the difference, less compensation for any time lost on account of voluntary absences to the extent that he is not available for service equivalent to his average monthly time, but he shall be compensated in addition thereto at the rate of the current position for any time worked in excess of the average monthly time paid for. It is not intended that the provisions of this paragraph shall affect in any way the retirement on pension or annuity rights and privileges of any employee. If a displaced employee fails to exercise his seniority rights to secure another position available to him, which does not require a change in his place of residence as hereinafter defined, to which he is entitled under the working agreement and which carries a wage rate and compensation exceeding those of the position which he elects to retain, he shall thereafter be treated, for the purposes of this paragraph, as occupying the position he elects to decline.

(2) (a) Whenever any employee is laid off or otherwise deprived of employment as a result of the Project, he shall be considered a "dismissed employee", and shall be paid a monthly dismissal allowance to be determined in accordance with this paragraph. This dismissal allowance shall be first paid each dismissed employee on the 30th day following the day on which he is "dismissed", and continue payable monthly for the following periods of time:

Employee's length of service
prior to adverse effect

1 day to 6 years
6 years or more

Period of payment

equivalent period
6 years

During the 6-year period following the date on which the employee is deprived of employment, the monthly dismissal allowance shall be equivalent to 1/12 of the compensation received by him in the last twelve (12) months of his employment in which he earned compensation (adjusted to reflect subsequent wage adjustments increasing compensation) prior to the date on which he was first deprived of employment as a result of the Project.

(b) An employee shall be regarded as deprived of employment and entitled to a dismissal allowance when the position he holds is abolished as a result of the Project and he is unable to obtain by the exercise of his seniority rights another position; or, when the position he holds is not abolished but he loses that position as a result of the exercise of seniority rights by an employee whose position is abolished as a result of the Project; or, as a result of the exercise of seniority rights by other employees brought about as a result of the Project. Any such deprivation of employment which occurs as a result of an agreement reached or arbitration award rendered in accordance with these employee protective arrangements which require a selection from, or reassignment of, the working forces, shall not be deemed to be any less a result of the Project by reason of such agreement or award. In the absence of proper notice of an intended change, and an agreement or arbitration award specifying arrangements for the selection from, or reassignment of, the working forces, as required by the protective conditions applicable to the project, no employee who has been deprived of employment as a result of the Project shall be required to exercise his seniority rights to secure another position in order to qualify for a dismissal allowance hereunder.

(c) Each employee receiving a dismissal allowance shall keep the Public Body informed as to his current address and the current name and address of any other person by whom he may be regularly employed.

(d) The dismissal allowance shall be paid to the regularly assigned incumbent of the position abolished. If the position of an employee is abolished when he is absent from service, he will be entitled to the dismissal allowance when he is available for service. The employee temporarily filling said position at the time it was abolished will be given a dismissal allowance on the basis of that position until the regular employee is available for service, and thereafter shall revert to his previous status and will be given the protections of this agreement in said position, if any are due him.

(e) An employee receiving a dismissal allowance shall be subject to call to return to service by his former employer after being notified in accordance with the terms of the working agreement, and such employee may be required to return to service of his former employer for other reasonably comparable employment for which he is physically and mentally qualified and which does not require a change in his place of residence, as hereinafter defined, if his return does not infringe upon the employment rights of other employees under the working agreement.

(f) When an employee who is receiving a dismissal allowance returns to service, said allowance shall cease while he is so reemployed and the period of time during which he is so reemployed shall be deducted from the total period for which he is entitled to receive a dismissal allowance. During the time of

loss during the time necessary for such transfer, and for a reasonable time thereafter (not to exceed five (5) working days) used in securing a place of residence in his new location. The exact extent of the responsibility of the Public Body under this paragraph, and the ways and means of transportation shall be agreed upon in advance between the Public Body and the employees affected, or their Union representatives. Claims under this paragraph must be submitted to the Public Body within ninety (90) days after they are incurred.

(b) If any such employee is furloughed within three (3) years after changing his point of employment in accordance with paragraph (a) hereof, and elects to move his place of residence back to his original point of employment, the Public Body shall assume the expense of moving his household and other personal effects under the provisions of paragraph (a) hereof.

(c) Except as otherwise provided in this paragraph, changes in place of residence, subsequent to the initial changes caused by the action taken pursuant to the Project, which do not result from said action but grow out of the normal exercise of seniority, shall not be considered within the purview of the provisions of this paragraph.

1-7) (a) The following conditions shall apply to the extent they are applicable in each instance to any employee who is retained in the service of the Public Body (or who is later restored to service after being entitled to receive a dismissal allowance) and who is required to change the point of his employment, by a distance of twenty (20) straight line miles in order to retain or secure active employment with his employer, within his protective period as a result of the Project, and is, thereby, required to move his place of residence; provided, however, that these conditions shall not apply where the change of the point at which the employee is employed results in bringing that point nearer his place of residence.

If the employee owns his own home in the locality from which he is required to move, he shall, at his option, be reimbursed by the Public Body for any loss suffered in the sale of his home for less than its fair market value, such loss to be paid within thirty (30) days of the sale of the home. In each case, the fair market value of the home in question shall be determined, as of a date sufficiently prior to the date of the transaction of sale, so as to be unaffected thereby. The Public Body shall, in each instance, be afforded an opportunity to purchase the home at such fair market value before it is sold by the employee to any other person. It is the intent of this paragraph that the fair market value so determined and to be received by the employee, is not to be reduced by any expenses incident to the closing of the transaction of sale of home, such as loan discount, loan closing costs, preparation of abstract, or deed of sale, and the employee will be made whole for any such expense involved.

If the employee is under a contract to purchase his home, the Public Body shall protect him against loss under such contract and, in addition, shall relieve him from any further obligation thereunder.

If the employee holds an unexpired lease of a dwelling

occupied by him as his home, the Public Body shall protect him from all loss and cost in securing the cancellation of said lease.

(b) Changes in place of residence which are made subsequent to the initial changes caused by the Project, and which grow out of the normal exercise of seniority rights, shall not be considered within the purview of this paragraph.

(c) No claim for loss shall be paid under the provisions of this paragraph unless such claim is presented to the Public Body within one (1) year after the date the employee is required to move.

(d) Should a controversy arise in respect to the value of the home, the loss sustained in its sale, the loss under a contract for purchase, loss and cost in securing termination of a lease, or any other question in connection with these matters, it shall be decided through joint conference between the employee, or his Union representative, and the Public Body. In the event they are unable to agree, the dispute or controversy may be referred by the Public Body or the Union to a board of competent real estate appraisers, selected in the following manner: one to be selected by the representatives of the employee, and one by the Public Body, and these two, if unable to agree within thirty (30) days upon a valuation, shall endeavor by agreement within ten (10) days thereafter to select a third appraiser, or to agree to a method by which a third appraiser shall be selected, and failing such agreement, either party may request the State or local real estate board or commission, or comparable body, to designate within ten (10) days a third appraiser whose designation will be binding upon the parties. A decision of a majority of the appraisers shall be required and said decision shall be final and binding. The salary and expenses of the neutral appraiser, including expenses of the appraisal board, shall be borne equally by the parties to the proceedings. All other expenses shall be paid by the party incurring them, including the compensation of the appraiser selected by such party.

(8) A dismissed employee entitled to protection under this Exhibit "A" may, at his option within twenty-one (21) days of his dismissal, resign and (in lieu of all other benefits and protections provided in this agreement) accept a lump sum payment computed in accordance with section (9) of the Washington Job Protection Agreement of May 1936.

(9) Whenever used herein, unless the context requires otherwise, the term "protective period" means that period of time during which a displaced or dismissed employee is to be provided protection hereunder and extends from the date on which an employee is displaced or dismissed to the expiration of six (6) years therefrom, provided, however, that the protective period for any particular employee during which he is entitled to receive the benefits of these provisions, shall not continue for a longer period following the date he was displaced or dismissed than the employee's length of service as shown by the records and labor agreements applicable to his employment prior to the date of his displacement or his dismissal.

(10) If any employer of the employees covered by this

Exhibit "A" shall have rearranged or adjusted its forces in anticipation of the Project, with the effect of depriving an employee of benefits to which he should be entitled under this Exhibit as an employee affected by the Project, the provisions of this agreement shall apply to such employee as of the date when he was so affected.