**STATE OF MICHIGAN**
**EMPLOYMENT RELATIONS COMMISSION**
**LABOR RELATIONS DIVISION**

In the Matter of:

CITY OF DETROIT,
Public Employer-Respondent,

Case No. C03 A-015

-and-

ASSOCIATION OF MUNICIPAL ENGINEERS (AME),
Labor Organization-Charging Party.
_____/

APPEARANCES:

Brian Tennille, Labor Relations Representative, for the Respondent

Vinod Sharma, President, Association of Municipal Engineers, for the Charging Party

## DECISION AND ORDER

On December 3, 2003, Administrative Law Judge (ALJ) Julia C. Stern issued her Decision and Recommended Order in the above matter finding that Respondent, City of Detroit, did not violate its duty to bargain under Section 10(1)(e) of the Public Employment Relations Act (PERA), 1965 PA 379 as amended, MCL 423.210(1)(e), as alleged in the charge, and recommended that the charge be dismissed. The Decision and Recommended Order of the ALJ was served upon the interested parties in accordance with Section 16 of PERA. On December 29, 2003, Charging Party filed timely exceptions to the ALJ's Decision and Recommended Order.

In its exceptions, Charging Party argues that the ALJ erred by recommending that we dismiss the charge. Charging Party contends that Respondent repudiated the parties' January 2001 memorandum of understanding by failing to set up a procedure for reimbursing Charging Party's members for professional license fees; Charging Party concedes that Respondent has reimbursed some of its members.

We have carefully and thoroughly reviewed the record and have decided to affirm the findings and conclusions of the ALJ and adopt the recommended order. The ALJ found, and we agree, that Respondent did not repudiate the memorandum of understanding by requiring that employees submit documentation when requesting reimbursement for

professional license fees. Accordingly, we find that Respondent did not violate Section 10(1)(e) of PERA.

## ORDER

The charge in this case is hereby dismissed.

MICHIGAN EMPLOYMENT RELATIONS COMMISSION

_____
Nora Lynch, Commission Chairman

_____
Harry W. Bishop, Commission Member

_____
Nino E. Green, Commission Member

Dated: _____

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DECISION AND RECOMMENDED ORDER
I. OF
ADMINISTRATIVE LAW JUDGE

Pursuant to Sections 10 and 16 of the Public Employment Relations Act (PERA), 1965 PA 379, as amended, MCL 423.210 and 423.216, this case was heard at Detroit, Michigan on June 3, 2003, before Julia C. Stern, Administrative Law Judge for the Michigan Employment Relations Commission. Based upon the entire record, including briefs filed by the parties on or before November 5, 2003, I make the following findings of fact, conclusions of law, and recommended order.

The Unfair Labor Practice Charge:

On January 24, 2003, the Association of Municipal Engineers filed this charge against the City of Detroit. Charging Party represents a bargaining unit of employees of the Respondent, including licensed engineers and architects. Charging Party alleges that Respondent repudiated a memorandum of understanding requiring Respondent to reimburse Charging Party's members for the cost of renewing their professional licenses.

Facts:

On January 7, 2001, Charging Party and Respondent entered into a memorandum of understanding which read as follows:

> Re: Reimbursement for Required Professional License
>
> For members of the bargaining unit who are required by the City to possess and maintain a license as a professional Engineer or Architect issued by the State of Michigan, the City will reimburse the affected employee fifty-percent (50%) of the fee charged by the State to renew such license.
>
> City reimbursements will not include any other fees or costs that may be associated with renewing the required professional license. And all requests for reimbursement must be supported with adequate original receipts indicating at a minimum, the name of the license holder, the date the renewal was obtained and the amount of the fee that was paid.

No action was taken by either party to implement this provision until December 30, 2002, when Vinod Sharma, Charging Party's president, wrote letters to the human resources manager for Respondent's Department of Water and Sewerage (DWS), and to Respondent's director of labor relations, asking them to implement a procedure for reimbursing the above fees. After Charging Party did not get a response to either letter, it filed the instant charge in January 2003.

Between the filing of the charge and the hearing in June 2003, Respondent asked Charging Party to provide it with the names of employees who should be paid and copies of their receipts. As of the date of the hearing, Charging Party had not complied with this request. At the hearing, Respondent admitted that it had misplaced Sharma's December letters, and that it had not reimbursed any bargaining unit employee pursuant to the letter of understanding. However, Respondent asserted at the hearing that it was prepared to reimburse Charging Party's members for license fees dating back to the beginning of 2001 as soon as it received the necessary documentation.[1]

Discussion and Conclusions of Law:

[1] Charging Party argued that since so much time had passed, its members should not have to produce receipts. According to Charging Party, since employees cannot renew their licenses without paying the fee, Respondent should accept copies of the employees' current professional licenses as proof of payment. Charging Party agreed at the hearing to give Respondent copies of the professional licenses of all its members seeking reimbursement of their fees. On June 26, 2003, it notified me by mail that it had submitted copies of the professional licenses of "most" of its members seeking reimbursement to Respondent's labor relations office. On July 24, 2003, Respondent notified both Charging Party and me that it had reimbursed 29 employees. According to the parties' briefs, as of October 30, 2003, Respondent had not yet paid approximately 12 employees who had requested reimbursement.

Although the Commission has the authority to interpret contracts to determine whether an unfair labor practice has been committed under PERA, the Commission will not exercise jurisdiction over every contract dispute. An alleged breach of contract is not an unfair labor practice unless a party has "repudiated" the collective bargaining agreement. *Gibraltar S.D.*, 2003 MERC Lab Op ____ (Case No. CU01 I-052, decided 6/30/03); *Jonesville Bd. of Ed.*, 1980 MERC Lab Op 891, 900-01; *County of Wayne*, 1988 MERC Lab Op 73, 76. For the Commission to find repudiation (1) the contract breach must be substantial, and have a significant impact on the bargaining unit, and (2) there must be no bona fide dispute over interpretation of the contract. *Plymouth-Canton C.S.*, 1984 MERC Lab Op 894, 897; *Twp. of Redford Police Dep't*, 1992 MERC Lab Op 49, 56 (no exceptions); *Linden C.S.*, 1993 MERC Lab Op 763, 772 (no exceptions).

I find that Respondent did not repudiate the parties' January 2001 memorandum of understanding. The contract unambiguously requires employees to submit requests for reimbursement of professional license fees accompanied by receipts. As of the date of the hearing, no member of Charging Party's unit had submitted any type of receipt. Therefore, Respondent had not even arguably breached the agreement.

In accord with the findings of fact, discussion and conclusions of law set forth above, I conclude that Respondent did not violate its duty to bargain under Section 10(1)(e) of PERA. I recommend that the Commission issue the following order:

## RECOMMENDED ORDER

The charge is dismissed in its entirety.

MICHIGAN EMPLOYMENT RELATIONS COMMISSION

_____

Julia C. Stern
Administrative Law Judge

Dated: _____