

LETTER OF AGREEMENT
(Revision to Article 65.2, as amended by LoA dated 6/17/08 - VEBA)

Exhibit A

183639

Parties

The parties to this Letter of Agreement are: the City of Portland, by and through its Bureau of Human Resources (hereinafter "City"), and the Portland Police Association (hereinafter "PPA"). This agreement amends Article 65.2 of the parties' collective bargaining agreement (hereinafter "CBA") for the period July 1, 2006 - June 30, 2010, as amended by Letter of Agreement dated June 17, 2008.

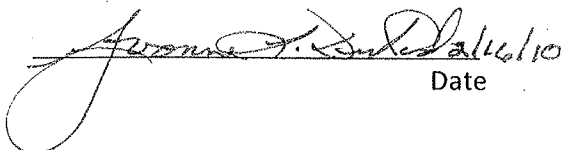
Recitals

1. The parties have agreed, by and through Article 65.2 et seq. of their CBA, and a subsequent Letter of Agreement dated June 17, 2008, to allow officers to participate in a Plan(s) which is defined to include a Voluntary Employee Beneficiary Association (hereinafter "VEBA"), a Section 457 plan or any other form of non-qualified deferred compensation program.
2. As referenced in Article 65.2.2 and amended in the June 17, 2008 LoA, the PPA has established a retirement medical trust (hereinafter "PPA VEBA Trust").
3. The PPA VEBA Trust is funded through the mechanisms set out in Article 65.2.3 of the parties' CBA and the Letter of Agreement dated June 17, 2008. The parties wish to alter the contribution amount agreed to in the Letter of Agreement.

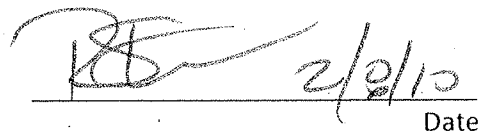
Agreement

1. Effective upon the date this Letter of Agreement is approval by City Council, Article 65.2.3.2. (as numbered in the Letter of Agreement dated June 17, 2008) as amended by the Letter of Agreement dated June 17, 2008 shall be amended to provide that "the City shall withhold Two Percent (2 %) of Top Step Officer wage from each individual PPA member's gross wages per pay period. This amount shall be contributed on the member's behalf to the PPA VEBA Trust each pay period or monthly, the interval to be determined by the City. The withholding shall be made on a pre-tax basis."
2. All other provisions of Article 65.2 of the parties' CBA, as amended by the Letter of Agreement dated June 17, 2008, shall remain in full force and effect, including but not limited to the provision that if at any time during the operation of the Plan or Plans it is determined that (1) deposits may not be made on a pre-tax basis or (2) that plan earnings are not tax-exempt or (3) payments from the Plan or Plans are not tax-exempt or if participation in the Plan or Plans or operation of the Plan or Plans is in violation of any federal or state law or regulation, then in that event the parties agree to negotiate a substitute provision in order to carry out the original intention of the Agreement.

For the City of Portland


Date

For the Portland Police Association


Date

Approved as to form:


Deputy City Attorney Date