

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into between the City of Portland ("City") and the Portland Police Commanding Officers Association ("PPCOA").

WHEREAS, effective January 1, 2007, the Portland Police Bureau issued a directive regarding the standard for awarding executive leave;

WHEREAS, the PPCOA filed a grievance regarding the directive and an arbitration award was issued in PPCOA's favor in January 2008;

WHEREAS, the parties have continued to have post-arbitration award discussions regarding the administrative review of executive leave applications;

WHEREAS, the Fire and Police Disability and Retirement Fund Board of Trustees ("Board") concluded in 1993 that cashed out executive leave was "premium pay" for purposes of Chapter 5 of the Charter, which meant that it was included in the pension calculation;

WHEREAS, in March 2007 the Board concluded by a 5-0 vote that the word "month" in Section 5-303(b) meant calendar month;

WHEREAS, in June 2007 the Board concluded by a 3-2 vote that cashed out executive leave was not "final pay" for purposes of Chapter 5 of the Charter and therefore not included in the pension calculation;

WHEREAS, the PPCOA filed grievances and bargaining demands regarding the Board decisions and the City refused to arbitrate the grievances on the grounds that requiring the City to arbitrate or bargain the pension formula interfered with local decision-making under the Oregon Constitution and was a prohibited subject for bargaining under the state bargaining law;

WHEREAS, litigation before the Oregon Employment Relations Board is or will be pending; and

WHEREAS, the parties wish to resolve all the outstanding issues and litigation regarding executive leave because of the unique circumstances of this matter particular to the PPCOA bargaining unit:

NOW, THEREFORE, the parties agree as follows:

1. The PPCOA will do the following:
 - a. UP-29-07 will be withdrawn with prejudice.
 - b. Except as set forth in Paragraph 6 of this Agreement, any and all claims in any forum associated in any way with executive leave that are still

pending on November 18, 2008 are dismissed with prejudice. This includes a grievance filed by PPCOA regarding "earned v. received."

2. Effective January 1, 2009, the parties agree to change two provisions of the PPCOA collective bargaining agreement, as set forth below:

1. Effective January 1, 2009 Schedule A salary rates for PPCOA members shall be adjusted as follows:

Lieutenant:	Captain:	Commander:
Entry \$45.50	Entry \$52.29	\$58.76
Top \$47.56	Top \$54.65	

2. Article 33 of the PPCOA agreement will be deleted in its entirety.

3. Except as stated in paragraph 6, the parties agree that as of January 1, 2009 the topic of executive leave is resolved in its entirety. It will not be raised as a past practice, a term or condition of employment, or a "standard of employment" under the Public Employee Collective Bargaining Act, Article 3, or any other provision of the labor agreement.

4. Non-Admissions Clause. The City denies the validity of all pending and potential claims asserted by the PPCOA. The PPCOA asserts all pending and potential claims are valid. The parties' commitments as provided by this Settlement Agreement are to compromise disputed claims and shall not operate or be interpreted as an admission of liability.

5. Other than the agreed upon changes to the labor agreement as set forth in Paragraph 2, this agreement sets no precedent for purposes of collective bargaining.

6. Executive Leave for 2007 and 2008 will be administered as follows:

a. One outstanding issue associated with an application for executive leave for 2007 will continue its process as previously agreed.

b. Persons who promote into the PPCOA bargaining unit on or after November 18, 2008 are not eligible for executive leave.

c. Members are required to submit a written request for executive leave for 2008.

d. The Chief or designee will review requests for executive leave for 2008.

e. If the Chief denies a 2008 request for executive leave, the parties agree the denial may be submitted through the grievance process to arbitration.

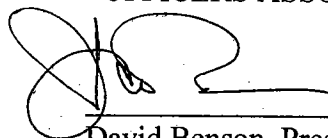
7. This agreement shall become effective upon ratification by the PPCOA membership and the Portland City Council.

CITY OF PORTLAND:

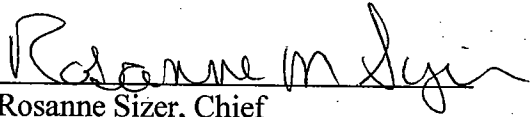
PORTLAND POLICE COMMANDING
OFFICERS ASSOCIATION



Anna Kanwit, Operations Manager
Bureau of Human Resources



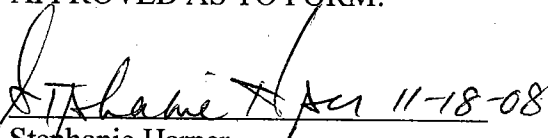
David Benson, President



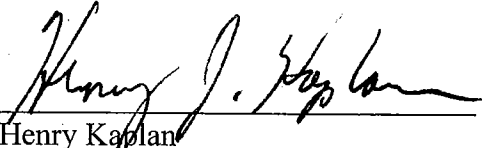
Rosanne Sizer, Chief
Portland Police Bureau

Tom Potter, Mayor

APPROVED AS TO FORM:



Stephanie Harper
Deputy City Attorney



Henry Kaplan
Attorney for PPCOA

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