

SETTLEMENT AGREEMENT

The parties to this Settlement Agreement are the City of Portland on behalf of its Police Bureau ("City") and the Portland Police Association ("PPA").

Background

- A. The City and the PPA are parties to a Collective Bargaining Agreement effective July 1, 2013 to June 30, 2017 ("CBA").
- B. On August 2, 2013, the PPA filed PPA Grievance No. 2013-12 ("Sweeney Grievance"), alleging that the City had failed to pay Lonn C. Sweeney's lump sum sick leave into his VEBA upon retirement, consistent with Articles 26.5 and 65.2.3 of the CBA.
- C. The City denied the Sweeney Grievance, which the parties then referred to arbitration.
- D. On March 11, 2015, the PPA filed PPA Grievance No. 2015-03 ("Medical Separation/Layoff Grievance"), alleging that the City had unilaterally ended the past practice whereby PPA members received cash pay outs or VEBA contributions for accumulated sick leave upon medical separation or layoff, in violation of Article 3 of the CBA.
- E. The City denied the Medical Separation/Layoff Grievance, which the parties then tolled pending settlement discussions.
- F. The parties agree to resolve the Sweeney Grievance and the Medical Separation/Layoff Grievance under the following terms.

Agreement

- 1. On or before June 1, 2016 and consistent with Article 65.2.3, the City will deposit into Lonn C. Sweeney's VEBA account on a pre-tax basis the amount of \$37,145.22. This amount is equal to the value of his sick leave as calculated under Article 26.5. For the purposes of the calculation, Lonn C. Sweeney's sick leave balance was 1,596.70 hours. Under the Article 26.5 formula, 829.69 hours of sick leave multiplied by \$44.77 (his rate of pay as of July 14, 2013 plus 6% longevity) equals \$37,145.22.
- 2. Effective January 1, 2016 and prospectively thereafter, for every PPA member who is medically separated from the Police Bureau as a result of a service connected injury or medical condition (whether through voluntary or involuntary medical or disability layoff, medical or disability retirement or any other form of medical or disability related separation) the City shall, on the date set forth in paragraph 3 below, contribute to the PPA VEBA Trust to the credit of that PPA member and on a pre-tax basis, an amount equal in value to 100% of the payments that would otherwise have been credited to that PPA member for unused sick leave under Article 65.2.3 of the CBA if the member had retired from the City. PPA members who are separated from the Police Bureau for reasons other than a service connected injury or medical condition or retirement from the City are not eligible for payout of unused sick leave pursuant to this Agreement or under the CBA.


3. If the member is medically laid off from the City pursuant to the City's Human Resources Rules ("HRAR"), the contribution of unused sick leave to the PPA VEBA trust as set forth in paragraph 2 above shall be made upon the expiration of that member's reinstatement period (as defined in the HRAR, currently HRAR 7.09) following medical layoff. If the member is medically separated from the City but not under a medical layoff, the contribution of unused sick leave to the PPA VEBA trust as set forth in paragraph 2 above shall be made at the time the member is medically separated from the City.
4. A PPA member's medical separation from the City may occur as a result of a service connected disability under FPDR or as a result of an injury or medical condition other than a service connected disability under FPDR (such as a fitness for duty issue subject to State and Federal disability laws). The determination of whether an injury or medical condition is service connected under FPDR shall be made by the FPDR Administrator in accordance with the City Charter and FPDR administrative rules; such determination shall not be subject to the CBA grievance process, but shall be subject to the appeals process under the City Charter and FPDR administrative rules. The resolution of issues unrelated to the determination of whether a disability is service connected under FPDR will continue to be subject to other applicable remedial processes (such as a grievance, BOLI/EEOC complaint, or civil action).
5. The PPA withdraws the Sweeney Grievance and the Medical Separation/Layoff Grievance with prejudice.
6. This Agreement represents the complete and final resolution of the Sweeney Grievance and the Medical Separation/Layoff Grievance, and any and all grievances or unfair labor practice complaints, if any, that could have been asserted by the PPA in connection with the matters that are the subject of the Sweeney Grievance and the Medical Separation/Layoff Grievance. The PPA agrees not to file or prosecute any grievances for the cash out or credit of unused sick leave on behalf of any other PPA members who were medically separated from the Police Bureau prior to January 1, 2016.
7. This Agreement is not to be construed as an admission of fault or liability by the City.
8. This Agreement sets no precedent beyond the terms set forth herein.

For the City:

 5/12/16
 Charlie Hales, Mayor Date

 5/17/16
 Anna Kanwit, Director Date
 Bureau of Human Resources

For the PPA:

 4/16/16
 Daryl Turner, President Date
 Portland Police Association

 5/17/16

Lawrence P. O'Dea III, Chief Date
Portland Police Bureau

Approved as to form:

 5/12/16

Mark Amberg Date
Chief Deputy City Attorney

Approved as to form:

 4/8/16

Anil Karia, Attorney Date
Portland Police Association