

**TEAMSTERS LOCAL 117
and
DEPARTMENT OF CORRECTIONS;
OFFICE OF FINANCIAL MANAGEMENT (LABOR RELATIONS DIVISION),
State of Washington**

SETTLEMENT AGREEMENT

The parties in this case, TEAMSTERS LOCAL 117 (hereafter Teamsters), and State of Washington, DEPARTMENT OF CORRECTIONS (hereafter DOC), and the OFFICE OF FINANCIAL MANAGEMENT, LABOR RELATIONS DIVISION (hereafter LRD), by and through the undersigned, desiring to fully and finally resolve and settle the grievances, unfair labor practice claims, and lawsuits listed below, enter into this agreement under the following terms and conditions:

A. TEAMSTERS AGREES:

1. Upon completion of the payments made by DOC pursuant to this Settlement Agreement, DOC will have fully satisfied the Awards issued by Arbitrator Vivenzio in TLO 1, FMCS Number 100818-04604-8 and will have fully satisfied the relief sought in TLO 2, FMCS Number 110713-03376-6. Accordingly, Teamsters agree not to seek any further relief or remedies with respect to those matters.

2. The following grievances/arbitration matters are hereby withdrawn, and the right to pursue said grievances to arbitration as would otherwise be allowed under the collective bargaining agreement between the parties is hereby permanently relinquished. Teamsters agree that failure to abide by this provision of this Agreement will allow DOC/LRD to submit a copy of this agreement as an absolute defense to the pursuit of such a grievance via arbitration or any other means, and entitle DOC/LRD to recover from Teamsters any and all costs incurred by DOC/LRD as a result of this action, subsequent to the date of final signature of this Agreement.

- a. AMBER HUBBARD – FMCS NUMBER 110331-02194-6
- b. “PAID LEAVE CANCELLATION” - FMCS Number 120110-01073-6
- c. “HOLIDAY PAY” – FMCS NUMBER 110713-03382-6
- d. Any and all additional grievances related to temporary layoffs that occurred pursuant to ESSB 6503 or pursuant to DOC’s “across the board cuts” in late 2010 and early 2011.

3. To notify PERC that TEAMSTERS is withdrawing its unfair labor practice complaint brought under PERC Case No. 23606-U-10-6017 within five (5) business days of the effective date of this agreement. In the event of the TEAMSTERS’s failure to notify PERC that it is withdrawing its unfair labor practice complaint, submission to PERC of this Agreement will constitute such notice and result in immediate withdrawal of the TEAMSTERS’s unfair labor practice complaint brought under PERC Case No. 23606-U-10-6017.

4. Within 30 days of the effective date of this agreement, to seek a voluntary dismissal with prejudice of the consolidated lawsuits pending in Thurston County Superior Court under Cause No. 11-2-00343-1.

5. Within 30 days of the effective date of this agreement, to seek a voluntary dismissal with prejudice of the lawsuit pending in Thurston County Superior Court under Cause No. 10-2-01434-6.

6. TEAMSTERS agrees that its members who were subjected to temporary layoffs pursuant to either TLO 1 or TLO 2 will accept:

- a. Reimbursement for such layoff days, including employer's share of benefits, totaling \$1,605,980.58. Each member's payment will be included in their regular payroll check on July 10, 2012. This payment will be subject to all applicable and proper deductions, withholdings and mandatory contributions (except for those, such as Medicaid, that are based on hours worked) associated with the payment of wages, including retirement contributions and deductions.
- b. Payment of 12% interest for seven months on the above reimbursement amount, totaling \$112,418.64. Each member's payment will be by separate check, paid no later than July 31, 2012. Each member's interest payment will be reported on IRS Form 1099. Each TEAMSTERS member who receives such an interest payment is responsible for payment of any and all state or federal taxes that may be due and owing on this payment.
- c. These payments are full and final settlement for all monetary and other claims arising as a result of the grievances, lawsuits, and unfair labor practice charges listed in sections 1 and 2 above, and all circumstances underlying and resulting from same.

7. TEAMSTERS, its heirs, assigns or other successors in interest, agree to release the State of Washington, DOC, LRD, and their officers, employees and contractors from any and all claims and/or causes of action based upon actions taken in their official and/or individual capacity that arise out of or relate to the grievances, lawsuits, and unfair labor practice charges listed in section (A)(1) and (2) above. This includes, but is not limited to any and all grievances, unfair labor practice complaints, claims arising under the Washington State Law Against Discrimination (WSLAD), The Americans with Disabilities Act (ADA), the Family Medical Leave Act (FMLA), and the Fair Labor Standards Act (FLSA), lawsuits, civil or otherwise, and all other statutory, common law and tort claims.

B. DOC AGREES:

1. To pay TEAMSTERS members who were subjected to temporary layoffs pursuant to either TLO 1 or TLO 2 as follows:

- a. Reimbursement for such layoff days, including employer's share of benefits, totaling \$1,605,980.58. Each member's payment will be included in their regular payroll check on July 10, 2012. This payment will be subject to all applicable and proper deductions, withholdings and mandatory contributions (except for those, such as Medicaid, that are based on hours worked) associated with the payment of wages, including retirement contributions and deductions.
- b. Payment of 12% interest for seven months on the above reimbursement amount, totaling \$112,418.64. Each member's payment will be by separate check, paid no later than July 31, 2012. The interest payment will be reported on IRS Form 1099. Each TEAMSTERS member who receives such an interest payment is responsible for payment of any and all state or federal taxes that may be due and owing on this payment.
- c. These payments are full and final settlement for all monetary and other claims arising as a result of the grievances, lawsuits, and unfair labor practice charges listed in section (A)(1) and (2) above, and all circumstances underlying and resulting from same.

C. DOC AND LRD AGREE:

1. Not to contest the TEAMSTERS request for voluntary dismissal of the lawsuits listed in section (A)(3) and (A)(4) above; and
2. Not to seek to vacate either award issued by Arbitrator Vivenzio in TLO 1, FMCS Number 100818-04604-8.

D. THE PARTIES FURTHER AGREE:

1. This Agreement constitutes full and final settlement of the grievances, lawsuits, and unfair labor practice charges listed in section (A)1 and 2 above against the State of Washington, DOC/LRD, its officers, agents and employees,

2. This Agreement and the parties' mutual obligations under this Agreement do not constitute an admission by any party as to the validity of any claims or defenses of any other party.

3. TEAMSTERS acknowledge that they have read this Agreement and fully understand the terms and conditions contained herein. TEAMSTERS further declare that they have had a full and fair opportunity to obtain any advice that they deem necessary prior to signing this Agreement.

4. This Agreement may be released with or without authorization if required by lawful subpoena, by the rules of civil discovery, by judicial order, by applicable laws governing union requests for information or disclosure of public documents, or as necessary during the course of litigation.


5. This Agreement is not precedent setting and does not establish a practice.

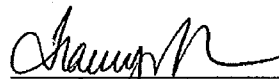
6. This Agreement shall become effective on the date of the final signature of the parties and their authorized representatives and constitutes the full and entire agreement of the parties and resolution of all disputes that may exist between the parties, except as specifically noted within this Agreement. There are no written or oral representations, understandings, promises, or agreements directly or indirectly related to this Agreement that are not incorporated herein in full.


7. If any part of this Agreement is unenforceable for any reason, the remainder of the Agreement shall remain in full force and effect.

8. A photocopied signature to this agreement shall be given effect as if it were an original signature.

By signing this Agreement I acknowledge that I have read this Agreement, have had an opportunity to seek legal or other advice, and understand the terms of this Agreement.

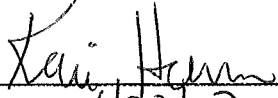
Signed: 
Date: 6/22/12
DAN PACHOLKE, PRISONS DIRECTOR
DOC

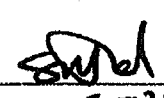
Signed: 
Date: 6-21-12
TRACEY THOMPSON,
Secretary-Treasurer
Teamsters Local 117

Signed: 
Date: 6/22/12
RICK HALL
Labor Relations Division
Office of Financial Management
State of Washington

Approved as to form:

Approved as to form:

Signed: 
Date: 6/22/12
KARI HANSON
Assistant Attorney General
Attorney for DOC
WSBA # 24206

Signed: 
Date: 6-21-12
SPENCER NATHAN THAL
Attorney for Teamsters
WSBA # 20074