

Settlement Agreement

This Settlement Agreement ("Agreement") is entered into effective this 21st day of June, 2019, by the Civil Service Personnel Association, Inc. ("CSPA") and the City of Akron (the "City) (collectively, the "Parties").

WHEREAS, in October 2016, the City enacted Ordinance Nos. 320-2016, 326-2016, 327-2016, and 328-2016 (collectively, the "Ordinances") pertaining to the City's supplemental retiree medical benefit program ("SRB"); and

WHEREAS, the CSPA, on behalf of CSPA eligible retired employees ("CSPA Retirees"), filed a grievance dated October 27, 2016 (the "Grievance"), challenging the modifications enacted by the Ordinances as they pertained to CSPA Retirees; and

WHEREAS, the City disputes that its enactment of the Ordinances constitutes a violation of the CBA and, therefore, is not a matter subject to the grievance process; and

WHEREAS, the City further disputes that the Grievance could proceed to arbitration pursuant to the grievance process provided for in the 2016-2018 collective bargaining agreement between the City and the CSPA (the "CBA") and, therefore, did not agree to the filed Grievance proceeding to arbitration; and

WHEREAS, the CSPA Union filed a Complaint to Compel Arbitration on September 25, 2018, bearing Case Number CV-2018-09-3979; and

WHEREAS, the City filed a timely Answer to the CSPA Union's Complaint; and

WHEREAS, the Parties desire to settle, resolve, and terminate all disputes, including all claims, asserted or unasserted, existing between them related to the SRB and/or medical benefit as it pertains to CSPA Retirees, arising out of the City's adoption

of the Ordinances and/or implementation of administrative policy changes; and

WHEREAS, the Parties have reached an agreement intended to avoid the expense, inconvenience, and risk of proceeding with the disputes and claims existing between them concerning the SRB and/or medical benefit as it pertains to CSPA Retirees.

NOW, THEREFORE, intending to be legally bound hereby, in consideration of the foregoing recitals and the mutual promises and covenants contained herein, the amount and sufficiency of which is hereby expressly acknowledged, the Parties agree as follows:

- 1.) **Recitals**. The Recitals above are incorporated as if repeated in full.
- 2.) **Applicability of Ordinances**. All the aforementioned Ordinances shall not be applicable to CSPA Retirees.
- 3.) **SRB Effective February 1, 2019**. The City will make available to CSPA Retirees a SRB, which will include access to the same medical benefit as the active employees on a supplemental basis. To be eligible to enroll in the SRB, a CSPA Retiree under the age of 65 must obtain OPERS health insurance as their primary plan, if available. CSPA Retirees under the age of 65 who are not eligible for OPERS health insurance will be eligible for the SRB as long as they have a primary health plan that meets a minimum of the Bronze Level Health Plan as defined by the Health Insurance Marketplace. In the event that the Affordable Care Act has been repealed and/or the Health Insurance Marketplace eliminated, CSPA Retirees must obtain a primary health plan that is equivalent to the former Bronze Level Health Plan to be eligible for the SRB. The SRB does not include

coverage for any prescription drugs.

Upon obtaining the age of 65, in order to obtain the SRB, which will be tertiary, CSPA Retirees need to obtain primary healthcare through Medicare as well as a Medicare supplement plan and/or OPERS.

CSPA Retirees who are enrolled in the SRB program may also enroll their eligible spouses and/or dependent children in the program. To be eligible, the spouses and/or dependent children must meet the same eligibility requirements as the CSPA Retiree, as set forth in the preceding paragraphs, regarding primary health insurance coverage.

Should a CSPA Retiree who is enrolled in the SRB program become deceased, the CSPA Retiree's surviving spouse may continue to enroll in the SRB program so long as the surviving spouse was enrolled in the SRB program at the time of the CSPA Retiree's death and continues to meet the eligibility requirements for enrollment.

- 4.) **Inclusion of the SRB in the 2019 Collective Bargaining Agreement.** The SRB will be included in the collective bargaining agreement between the City and the CSPA that will begin in 2019. Any changes to the SRB subsequent to the collective bargaining agreement that will begin in 2019 will be negotiated or modified by mutual agreement or in a manner consistent with applicable impasse procedures. Consistent with the foregoing, the term of the benefits conferred in this Agreement and included in the collective bargaining agreement shall be the same as the collective bargaining agreement that will begin in 2019.
- 5.) **Retiree Contribution for the SRB.** The City agrees to reimburse the CSPA

Retirees 75% of the cost of the contributions invoiced for the months between February, 2018, and January, 2019. The Parties agree that no further payment is due CSPA Retirees except as provided in Section 7 below.

- 6.) **Retiree Contribution as of 2019.** The Parties agree that, effective February 1, 2019, in order to receive the supplemental benefit, CSPA Retirees will pay one-half (50%) of the contribution required of the current active City of Akron CSPA bargaining unit members for medical benefits.
- 7.) **Retirees, Widows and Widowers who did not Qualify for OPERS.** CSPA members who retired prior to the end of the open enrollment period in Section 11 of this Agreement, or CSPA Retirees' widows or widowers who did not qualify for OPERS, and therefore, lost benefits effective February 1, 2018, through the end of the open enrollment period in Section 10 of this Agreement, shall be eligible to receive reimbursement for any premiums paid for other healthcare insurance or other covered medical expenses an amount not to exceed \$2,500.00 per individual or \$5,000.00 per family. Individuals seeking reimbursement under this provision must provide the City Employee Benefits Division with invoices or other documents evidencing premiums paid or other medical expenses incurred prior to the City issuing a reimbursement check. Any dispute regarding payments under this paragraph shall be subject to the Grievance and Arbitration Procedure in Article X of the Collective Bargaining Agreement between the City and the CSPA. However, prior to initiating the grievance procedure, the parties agree to engage in mediation.
- 8.) **Dental and Vision Coverage.** The Parties agree that the CSPA Retirees and

their dependents, widows and widowers will continue to receive dental coverage with a \$500 annual maximum for basic coverage and a \$500 lifetime maximum for orthodontia per covered individual and vision coverage on the same terms as a current City of Akron CSPA bargaining unit member at no cost, subject to any future agreements entered into as part of the collective- bargaining process.

9.) **Eligible CSPA Retirees to Contact City Department of Human Resources.**

The City Department of Human Resources will notify CSPA Retirees that there is a Settlement Agreement regarding CSPA Supplemental Retiree Benefits and provide the Union's contact information to the CSPA Retirees. It is the responsibility of the eligible CSPA Retiree to contact the City Department of Human Resources in order to be verified for, and receive the reimbursements in paragraphs 5, 6, and 7 of this Agreement. Eligible CSPA Retirees will have 120 days from date of the mailing of the notification from the Department of Human Resources to contact the City in order to receive the aforementioned reimbursements but in no event later than one (1) year from the execution of this Agreement. The City will not be liable to pay the reimbursements in paragraphs 5, 6, and 7 for eligible CSPA Retirees that do not contact the City Department of Human Resources within the limits set forth above.

10.) **Open Enrollment.** It is understood that CSPA Retirees are permitted to enroll in the SRB as a qualifying event for a 30-day period from August 1 through August 31, 2019, or such other period as is mutually agreed.

11.) **Settlement Supersedes Conflicting Language in Ordinance No. 169-2012.**

The parties agree that the attached tentative agreement will be added to the CBA

that commences on January 1, 2019, and that it will supersede any conflicting language in Akron Codified Ordinance No. 169-2012.

- 12.) **Dismissal of Court Action**. The CSPA Union agrees to voluntarily dismiss its Complaint to Compel Arbitration pursuant to this Agreement currently filed with the Summit County Court of Common Pleas under case number CV-2018-09-3979 with prejudice within seven (7) business days upon execution of this Agreement.
- 13.) **Dismissal of Grievance**. The CSPA Union agrees to dismiss its Grievance filed on October 27, 2016, with prejudice, immediately upon execution of this Agreement, pursuant to this Agreement.
- 14.) **Resolution of Grievance**. The Parties agree this is a full and final resolution of the CSPA Union's Grievance filed on October 27, 2016.
- 15.) **General Release of the City by the CSPA**. The CSPA, in consideration of the above, does hereby, for itself and its members, their heirs, executors, administrators, and assigns, hereby release and forever discharge the City, as well as its agents, employees, former employees, elected officials, officers, attorneys, and insurers, from all actions, causes of action, claims, suits, discrimination charges or claims, debts, grievances, sums of money, attorneys' fees, costs, or claims and demands of any kind or description whatsoever in law or in equity, known or unknown, arising out of any matter which are the subject of the SRB and/or medical benefit, known or unknown, to the date hereof, and including, but not limited to, any claims made under any federal, state, and/or local statutes, ordinances and/or regulations.

- 16.) **Representation by Counsel.** The CSPA acknowledges that it has been represented by and had the opportunity to consult with counsel throughout the grievance proceedings, as well as during the negotiations giving rise to this Agreement. The CSPA further represents that it has consulted with its attorney before signing this Agreement. The CSPA further acknowledges that this Agreement reached in the grievance and litigation proceedings was voluntary on its part and reached with its and its counsel's full participation and input.
- 17.) **Authority to Enter into Agreement/General Warranties.** The CSPA warrants and represents that prior to and including the date of this Agreement, no claim, demand, cause of action or obligation which is the subject of this Agreement has been assigned or transferred to any other person or entity, no other person or entity has or has had any interest in said claims, demands, causes of action or obligation, and that the CSPA has the sole right to execute this Agreement. The CSPA represents and warrants that it has had an opportunity to inquire as to all material facts pertinent to this Agreement and that it understands the terms of the Agreement. The consideration stated herein is in full consideration of this Agreement and the CSPA, for itself and its members, their heirs, executors, administrators, and assigns, accepts said consideration voluntarily and with complete knowledge for the purpose of making a full and final compromise, adjustment, and settlement.
- 18.) **Applicability of Agreement.** This Agreement may be pleaded as a full and complete defense to, and may be used as a basis for injunction against, any action at law, proceeding in equity, or any other judicial or non-judicial

proceeding that the CSPA or its members may institute, prosecute, maintain, or continue to maintain to prosecute in breach thereof.

- 19.) **Severability**. It is agreed that the invalidity or unenforceability of any one provision or part of this Agreement will not render any other provision or part thereof invalid or unenforceable and that such other provisions or parts shall remain in full force and effect.
- 20.) **Entire Agreement**. This document contains the entire agreement of the Parties and the same shall not be amended or modified in any way except upon written agreement by the Parties. This Agreement shall inure to the benefit of and be binding upon the City and the CSPA, itself and its members, their heirs, executors, administrators, and assigns.
- 21.) **Modification**. This Agreement cannot be modified, altered, or changed except by a written modification signed by both Parties.
- 22.) **Headings**. The titles and headings of any provision herein exist solely for convenience and in no way shall restrict or modify the terms of this Agreement.
- 23.) **Additional Documents**. The Parties agree to cooperate fully and execute any and all supplementary documents and to take all additional actions, which may be necessary or appropriate to give full force and effect to the basic terms and intent of this Agreement.
- 24.) **Counterparts**. This Agreement may be signed in one or more counterpart copies.

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SIGNATURE PAGE

IN WITNESS HEREOF, the Parties hereto have caused this Agreement to be executed as of the day and year first written above.

Civil Service Personnel Association,

The City of Akron,

By: 

By: 


Name: DON SLADEK

Name: YAMINI ADKINS

Title: PRESIDENT

Title: Deputy Law Director

Approved as to
Form and Correctness:

By: 
Eve V. Belfance, Director of Law