

SETTLEMENT AGREEMENT AND GENERAL RELEASE

This Settlement Agreement and General Release (hereinafter, the "Agreement") is hereby entered into between Public Employees Council 79, AFSCME, AFL-CIO and all of its agents, affiliates, successors, and assigns (collectively referred to as "Council 79"), and the CITY OF HIALEAH, FLORIDA and all of its departments, and affiliated governmental units, divisions, and other entities, as well as their current and former officers, agents, employees, and insurers (collectively referred to as "the City"). Council 79 and the City shall be collectively referred to as the "Parties."

WHEREAS, Council 79 has filed a Petition For Enforcement against the City in the Circuit Court for the Eleventh Judicial Circuit in and for Miami-Dade County, Florida, Case No. 13-21908-CA-04 (hereafter referred to as "the Litigation"); and,

WHEREAS, the Petitioner alleges that the City of Hialeah did not comply with the Public Employees Relations Commission's final administrative order rescinding a City Council impasse decision dated July 13, 2010 by not "making whole" affected employees who suffered economic loss as a result of the cost reductions imposed by the City to cope with the economic recession; and,

WHEREAS, the City responded that it complied with the administrative order and rescinded the impasse decision on March 8, 2011. The City further

asserted that when the Public Employees Relations Commission ordered the City to rescind the impasse decision, the Public Employees Relations Commission did not order the City to reimburse or “make whole” the employees who were impacted by the impasse decision; and,

WHEREAS, on July 20, 2015, the Court initially concluded that the Public Employees Relations Commission administrative order required the City to return AFSCME employees to the economic status quo during the period between July 13, 2010 and March 8, 2011; and,

WHEREAS, Council 79 and the City have agreed on the amount of economic loss by active AFSCME employees during the relevant period; and,

WHEREAS, nothing in this Agreement shall constitute an admission of any liability or wrongdoing by the City; and,

WHEREAS, the Parties desire to resolve and end any and all potential claims arising from the Litigation; and,

WHEREAS, the Parties agree that this Agreement is entered into without regard to the merits of the allegations underlying Council 79’s claims in the Litigation and solely for the purpose of resolving those claims; and,

NOW, THEREFORE, it is hereby agreed between the Parties fully and finally to settle and completely dispose of all existing or potential issues, claims, causes of action, grievances, and disputes between them arising or resulting from

the Litigation and the order of the Public Employees Relations Commission sought to be enforced, without any admission as to liability or any admission that any of Council 79's rights or the rights of any of the employees of the bargaining unit of AFSCME under any statute, contract, common law, claim or otherwise, were in any way violated in consideration of the mutual promises contained herein, and other good and valuable consideration as hereinafter recited, the receipt and adequacy of which is hereby acknowledged. Accordingly, the Parties agree as follows:

1. The recitals are incorporated by reference in their entirety as if fully set forth and made a part of this Agreement.

2. Upon execution of this Agreement, Council 79 shall withdraw its pending Motion For Partial Summary Judgment, the City shall withdraw its Motion For Summary Judgment and the Parties shall execute a Joint Motion For Court Approval of Settlement Agreement and General Release and a Stipulation for Dismissal with Prejudice and file them with the Court and request the Court to retain jurisdiction to assure that the City complies with the provisions in paragraphs 3(a) and (b), below.

3. Active employees in the AFSCME bargaining unit on July 20, 2015, when the Court heard the Parties' respective motions who were adversely affected by City's actions shall receive an agreed upon settlement of 0.468 percent of their

economic loss ("the Allocated Amount"). The total amount of the agreed upon settlement to be received by all such active affected employees, as reflected in Exhibit A, is \$793,784.36. The active affected employees, as listed in Exhibit A, are to be paid in the following manner:

a. Such adversely affected active employees in the AFSCME bargaining unit on the active payroll during the period between July 13, 2010 and March 8, 2011, listed in Exhibit A to this Agreement shall each receive an initial cash payment of Fifty Percent (50%) of his or her Allocated Amount. The amounts shall be paid within thirty (30) calendar days following Court approval.

b. Each employee listed on Exhibit A shall also be paid an additional Twenty Five Percent (25%) of his or her distribution, which shall be paid by December 31, 2016 and the remaining Twenty Five Percent (25%) shall be paid by December 31, 2017. If an employee separates from employment with the City prior to the lapse of the payment period, then each such employee shall be entitled to the installment(s) then remaining due, which shall be paid on the dates indicated above.

4. Each such employee shall be issued an Internal Revenue Form 1099 by the City. Each affected employee shall be solely responsible for all federal, state and local taxes that may be owed because of his or her cash payments in Paragraphs 3(a) and (b), above.

5. Council 79 releases and forever discharges the City from all and every manner of action and actions, charges, cause and causes of action, obligations, demands, liabilities, suits, debts, dues, sums of monies, accounts, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, expenses, and claims of any kind whatsoever, known or unknown, contingent or fixed, liquidated or unliquidated, matured or unmatured, in law, equity or otherwise, which Council 79 ever had or now has against the City arising out of or resulting from the Litigation and the final administrative order of the Public Employee Relations Commission which the Council 79 sought to enforce in the Litigation.

6. The Parties expressly agree that no party will be considered a "prevailing party" for any reason, including but not limited to, an award of attorney's fees under any statute or otherwise, and each party shall be responsible for its own costs and attorney's fees.

7. The Parties further agree that this Agreement shall be binding upon and inure to the benefit of their assigns, administrators, and successors.

8. The Parties further agree that this Agreement and the rights and obligations hereunder shall be governed by, and construed in accordance with, the laws of Florida, except that no effect shall be given to any provision of Florida law

