

## **NON-BOARD SETTLEMENT AGREEMENT**

This Settlement Agreement and General Release (“Agreement”) is made and entered into, by and between Palo Alto Medical Foundation dba Sutter Walk-In Clinics (“PAMF”) and Engineers and Scientists Union, Local 20 (“Union”) (individually referred to as “Party” or collectively as “Parties.”)

### **I.**

#### **GENERAL RECITALS**

This Agreement is made for the following purposes and with reference to the following facts:

##### 1.1 PENDING NLRB MATTERS

There is now pending in Regions and 20 and 32 of the National Labor Relations Board a second amended administrative complaint in Case No. 32-CA-288250; a compliance case in Case No. 32-CA-281810; and administrative charges in Case No. 32-CA-292342 and Case No. 32-CA-296111 (the “Pending NLRB Matters”).

##### 1.2 PURPOSE

The purpose of this Agreement is to settle and compromise all disputes and controversies existing between the Parties hereto including, but not limited to, any and all claims that are raised or might have been raised in the Pending NLRB Matters.

### **II.**

#### **SETTLEMENT OBLIGATIONS**

2.1 PAMF OBLIGATIONS: Subject to the adherence to the terms of this Agreement, PAMF shall take the following actions:

2.1.1 Employee Notice. PAMF shall electronically distribute the communication attached hereto as Exhibit A to bargaining unit members.

2.1.2 2021 Wages. PAMF shall provide to bargaining unit members employed as of May 20, 2022, the same merit and market wage increases provided to management-represented APCs employed by PAMF in 2021. PAMF shall pay this increase retroactive to July 18, 2021. The retroactive increase will be paid in a lump sum and will include statutory interest calculated at the rate of 3%.

2.1.3 2022 Wages and Benefits.

- 2.1.3.1 PAMF shall provide to bargaining unit members the same merit and market wage increases provided to management-represented APCs employed by PAMF in 2022. PAMF shall provide the merit and market wage increases to bargaining unit members at the same time that like raises are provided to management-represented APCs in 2022. PAMF will provide information to the union about the wage increases given to management-represented APCs that is necessary to confirm compliance with this provision.
- 2.1.3.2 Lump Sum Payment for APCs Who Resigned. PAMF shall issue a lump sum payroll check in the amount of Two Thousand Dollars (\$2,000) to the APCs identified on Exhibit B hereto. The payment shall be in the form of wages and a W-2 tax form shall be issued to each recipient reflecting the amount of the payment.
- 2.1.3.3 Retroactive Payment to Redeployed APCs. For the employee identified on Exhibit C, PAMF agrees to pay a retroactive pay increase, including 3% statutory interest, for the time period of July 18, 2021 until January 1, 2022. The retroactive pay increase shall be equivalent to the market and merit increases provided to management-represented APCs employed by PAMF in 2021.
- 2.1.3.4 This Parties acknowledge and agree that this Agreement does not establish wages for 2023, and that such wages shall be subject to bargaining.
- 2.1.3.5 Through January 1, 2023, PAMF shall provide the identical benefits to bargaining unit members that are provided to management-represented APCs employed by PAMF. For purposes of this settlement, “benefits” refers to health, vision, dental, long-term disability, short-term disability, retirement, and life insurance. PAMF will provide information to the union about changes to benefits for management-represented APCs that is necessary to confirm compliance with this provision.
- 2.1.4 Holiday Schedule: At the election of the Union, which shall be made within fourteen (14) days of this Agreement, PAMF shall either (i) restore the previous holiday schedule applicable to the SWICs, or (ii) maintain the current holiday schedule. In the event that the Union elects to restore the prior holiday schedule, APCs scheduled to work a holiday shall receive eight (8) hours of pay but shall only be required to work six (6) hours on the holiday.
- 2.1.5 Offers of Reinstatement: For twelve (12) months following this Agreement, in the event of a vacancy in any bargaining unit positions, PAMF shall offer, in order of seniority, reinstatement to any APC who resigned or redeployed as a result of the January 1, 2022 change of hours.

2.1.6 Bargaining Committee Scheduling Accommodations: On a one-time basis, at the Union's election, which shall be made within thirty (30) days of this Agreement, PAMF shall temporarily modify the work schedule and/or FTE status of any Union bargaining committee member to facilitate the committee member's attendance at contract bargaining sessions. Any change in FTE status under this paragraph shall be limited to a reduction of one (1) scheduled workday per week. Any scheduling changes made under this paragraph shall be temporary and shall terminate upon the conclusion of contract bargaining. In addition, PAMF is agreeable to meet for bargaining between 8 a.m. and 11 a.m. Further, unit employees may elect to take a day off from work to attend a bargaining session and may use a full day (*i.e.*, eight hours) of PTO to attend bargaining on the day of the bargaining session.

2.1.7 **One-Time Change in FTE Status**. On a one-time basis, at the Union's election, APCs may request to change their current FTE status within thirty (30) days of the execution of this Agreement. PAMF may initially approve or deny any individual FTE status change request based on operational needs but shall accommodate the request within 180 days.

## 2.2 UNION OBLIGATIONS

2.2.1 Dismissal of the Pending NLRB Matters. In addition to the other obligations of Union set forth herein, the Union shall withdraw all administrative charges in the Pending NLRB Matters. As an express and material part of this obligation, the Union shall request dismissal of the pending compliance case in Case No. 32-CA-281810. The Union agrees to take all actions necessary to effectuate the complete dismissal of the Pending NLRB Matters.

2.2.2 No Other Actions. The Union covenants and represents that it has no other claims against PAMF and has not filed any complaints, charges, or lawsuits against PAMF with any governmental agency or court, except the Pending NLRB Matters, and the Union will not do so at any time hereafter with respect to the matters released under this Agreement.

### III.

## COMPROMISE OF DISPUTED CLAIMS

### 3.1 NO ADMISSION OF LIABILITY

Union acknowledges the settlement embodied in this Agreement is a compromise of disputed claims and is not an admission of liability.

## IV.

### **GENERAL RELEASE AND WAIVER OF CLAIMS**

#### 4.1 **GENERAL RELEASE**

For and in consideration of the obligations above described, Union, on behalf of its agents, attorneys, representatives, successors and assigns, confirms UNION has no further claims against PAMF and forever releases and discharges PAMF and, as applicable, PAMF's respective agents, representatives, successors, assigns, customers, employees, officers, directors, attorneys, insurers, parent, subsidiary and affiliated entities, and businesses ("Releasees") from any and all claims, demands, debts, liabilities, attorneys' fees, accounts, obligations, costs, expenses, liens, actions, causes of action (at law, in equity, or otherwise), rights, rights of action, rights of indemnity (legal or equitable), rights to subrogation, rights to contribution and remedies of any nature whatsoever, known or unknown, (except for those arising as a result of a breach of any provision of this Agreement) relating to the 2022 change in operating hours at the WICs, the lack of wage increases for bargaining unit members in 2021, and any flyers issued by PAMF during the de-certification election campaign.

## V.

### **MISCELLANEOUS PROVISIONS**

#### 5.1 **ENTIRE AGREEMENT**

This Agreement contains the sole and entire agreement and understanding of the Parties with respect to the entire subject matter hereof, and any and all prior discussions, negotiations, commitments and understandings related hereto are hereby merged herein. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any Party hereto. Other than this Agreement, no other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the Parties hereto.

#### 5.2 **UNDUE DELAY**

All Parties hereto agree, on the demand of the other party hereto, to execute or deliver any instrument, furnish any information or perform any other act reasonably necessary to carry out the provisions of this Agreement without undue delay or expense.

#### 5.3 **INVALID PROVISION**

Should any provision of this Agreement be declared or determined by any court of competent jurisdiction to be illegal, invalid, or unenforceable, the legality, validity, and enforceability of the remaining parts, terms or provisions shall not be affected thereby and said illegal, unenforceable or invalid part, term, or provision shall be deemed not to be part of this Agreement.

5.4 BINDING

This Agreement shall bind and inure to the benefit of the Parties hereto and to their respective successors, assigns, legatees, heirs, and personal representatives.

5.5 CHOICE OF LAW

This Agreement is entered into pursuant to the laws of the State of California and shall be interpreted pursuant to those laws.

5.6 COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which shall constitute together one and the same instrument.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement on the date set forth below.

**APPROVED AND ACCEPTED.**

Dated: 5/20/22

Engineers and Scientists Union, Local 20

By:  \_\_\_\_\_

Title: General Counsel

Dated: 5/20/22

Palo Alto Medical Foundation dba Sutter Walk-In Clinics

By:  Eric Ostrem

Title: Assistant General Counsel

## **EXHIBIT A**

On May 18, 2022, PAMF entered into a settlement agreement with the Engineers and Scientists Union, Local 20 that resolves all disputes pending with the National Labor Relations Board. As part of the settlement, PAMF agreed to wage increases for bargaining unit employees for years 2021 and 2022. PAMF further agreed to offer, in order of seniority, reinstatement to displaced APCs for any positions that may become vacant in the next twelve months. PAMF and the Union are pleased to resolve this matter on mutually-acceptable terms.