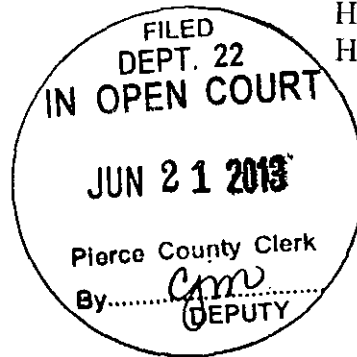


06-2-04611-6 40763811 ORAPST 06-26-13

The Honorable John R. Hickman  
Hearing Date: June 21, 2013  
Hearing Time: 3:30 p.m.



**SUPERIOR COURT OF WASHINGTON FOR PIERCE COUNTY**

KEVIN DOLAN and a class of similarly situated individuals, )  
 )  
 ) Plaintiffs, )  
 )  
 ) v. )  
 )  
 ) KING COUNTY, a political subdivision of )  
 ) the State of Washington, )  
 )  
 ) Defendant. )

NO. 06-2-04611-6

**FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER APPROVING SETTLEMENT**

This matter came before the Court on June 7, 2013, for final approval of the Settlement Agreement. The Court has considered the Settlement Agreement, the lengthy prior proceedings in this case, the objection to the settlement submitted by class member Kevin McCabe, the objections to the settlement by the intervenor Department of Retirement Systems (DRS), the statements in support of the settlement by class members, and the responses to the objections submitted by plaintiffs and King County.

**FINDINGS OF FACT**

1. On March 29, 2013 the Court entered an order preliminarily approving the proposed settlement in this class action lawsuit and setting June 7, 2013 for the fairness hearing to determine whether to approve the settlement. Before preliminary approval, the parties submitted the Settlement Agreement to the King County Council for its approval. The settlement received wide publicity, especially among class members, and it was posted on class counsel's website, along

1 with an explanation of the proposed settlement. The King County Council conducted hearings  
2 concerning the settlement. DRS testified at one of those hearings and asked the Council not to  
3 approve the settlement based on DRS's objections. The King County Council approved the  
4 settlement on March 18, 2013.

5 2. Notices were sent to class members as provided in the preliminary approval order.  
6 DRS received a copy of the Settlement Agreement in early December 2012, as well as discussing  
7 key provisions of the proposed agreement with County representatives prior to the parties'  
8 completion of the agreement. DRS was fully and timely informed of the provisions of the  
9 Settlement Agreement and it had ample opportunity — several months — to become fully  
10 informed and make its arguments with any evidence it had, before and at the final settlement  
11 hearing.

12 3. The preliminary approval order provided that class members who objected and  
13 those who supported the settlement could submit written statements in opposition or support to be  
14 considered at the fairness hearing. That order also provided that DRS could be heard with respect  
15 to any objections. The order stated that objections by class members or by DRS had to be  
16 submitted in writing by April 26, 2013.

17 4. One class member submitted an objection, and 166 class members submitted  
18 statements in support of the settlement. DRS moved to intervene to raise and argue its objections  
19 to the settlement and it submitted a two-page objection. The Court granted DRS limited  
20 intervention to raise the agency's arguments and objections and to appeal if DRS wished. Order of  
21 May 10, 2013, p. 3. The plaintiffs and defendant King County agreed to the limited intervention  
22 by DRS. *Id.*, p. 2. The plaintiffs and the defendant King County timely submitted their responses  
23 to the objections of the one class member, Kevin McCabe, and to DRS.

24 5. At the final settlement hearing on June 7, 2013, class member William Gales spoke  
25 in favor of the settlement, class member Kevin McCabe spoke and substantially withdrew his  
26 objection and asked for other relief, and DRS's attorney, Jeff Freimund, argued for DRS's  
27

1 objections and for DRS having a right to unilaterally veto the settlement or opt out of it. Tim Filer,  
2 for King County, and David Stobaugh for the plaintiffs, spoke in favor of the settlement.

3 6. This settlement is of an action filed by Kevin Dolan in January 2006 against King  
4 County on behalf of the lawyers and the staff of the King County public defense agencies. Dolan  
5 alleged that King County breached its duty to enroll the lawyers and staff of the King County  
6 public defense agencies in the Public Employees Retirement System (PERS) and that King County  
7 failed to pay required PERS contributions to DRS. King County denied liability and denied that  
8 Plaintiffs were due any relief. King County asserted that it had no obligation to enroll the lawyers  
9 and staff of the King County public defense agencies in PERS or to make contributions to PERS  
10 on their behalf because the lawyers and staff of the King County public defense agencies were not  
11 employees of King County and were instead employees of non-profit corporations that were  
12 independent contractors to King County. DRS was aware of the litigation from at or near its start,  
13 it communicated with the County about it, and it participated in the litigation by submitting several  
14 amicus briefs which argued the public defense employees could not be enrolled in PERS.

15 7. Dolan moved to certify the class as a mandatory injunctive class action under  
16 Civil Rule 23(b)(1) and (2) and it was certified. After extensive discovery and numerous  
17 depositions, the parties moved for summary judgment on liability. The Court denied the cross-  
18 motions for summary judgment because the material facts were in dispute. The parties then  
19 requested a trial to the Court on the written summary judgment record. The Court agreed and  
20 the *Dolan* case was tried in November 2008. After its review of the extensive record, the Court  
21 issued a written decision in favor of plaintiffs on liability in February 2009. The Court later  
22 issued a permanent injunction requiring King County to enroll currently employed class  
23 members in PERS. The Court stayed the injunction while King County appealed.

24 8. The Supreme Court agreed to directly hear King County's appeal. In August  
25 2011, the Washington Supreme Court issued its decision affirming the Court's decision on  
26 liability. *Dolan v. King County*, 172 Wn.2d 299 (2011). The Supreme Court's decision was 5  
27 to 4.



1           9.       The permanent injunction was modified in March 2012 and it required King  
 2 County to commence enrolling current King County public defense employees in PERS and to  
 3 start making PERS contributions on their behalf. King County timely complied with, and  
 4 remains in compliance with, that order. The Court also postponed the time at which class  
 5 members (not already enrolled in PERS 1 or PERS 3) may choose between PERS Plan 2 and 3.  
 6 The Court ordered class members be enrolled in PERS Plan 2 until such time as the Court  
 7 determines that the class members have adequate information to make an informed choice  
 8 between PERS 2 and 3.

9           10.       While the plaintiffs and King County were discussing settlement, but before  
 10 they finalized their written Settlement Agreement, the Court entered orders requiring the  
 11 immediate retroactive enrollment of three seriously ill class members, Kathryn Beckerman  
 12 (Order of May 25, 2012), Ray Contreras (Order of September 21, 2012), and Cathy Tombow  
 13 (Order of November 16, 2012). The order directed King County to enroll the class members  
 14 and make all contributions back to the class members' initial hire date: 1989 for Beckerman,  
 15 1987 for Contreras, and 1988 for Tombow. King County provided DRS with copies of the  
 16 Court's orders, enrolled the class members, provided their pay and service information, and  
 17 made all the omitted contributions for service credit on the required DRS forms, following  
 18 DRS procedures. (The information provided to DRS was the same as specified in paragraphs  
 19 90-92 of the Settlement Agreement.) King County made contributions for Beckerman for 1989  
 20 to 2012, for Contreras for 1987 to 2012, and for Tombow for 1988 through November 1995.  
 21 The contributions were made without interest. The employees thereafter retired and started  
 22 receiving their PERS retirement benefits.

23           11.       The parties engaged in extensive settlement negotiations. King County  
 24 consulted with DRS on its major concerns, particularly interest and the method for class  
 25 members to pay attorney fees. The parties recognized that to further continue the *Dolan*  
 26 litigation would delay its resolution for a considerable time (possibly for many years due to  
 27 possible appeals of rulings in the relief phase), would create additional burdens and costs for

1 the parties, and would present uncertainties and risks for all parties as to the ultimate outcome.  
2 To avoid uncertainty, risks, delays, expenses, and burdens of further litigation, the parties  
3 agreed to settle the *Dolan* litigation and entered into a Settlement Agreement. The Settlement  
4 Agreement is a compromise and is the product of serious and extended negotiations. King  
5 County's entry into this Settlement Agreement is a result of compromise and does not  
6 constitute an admission of liability, fault or wrongdoing.

7 12. The class is defined in paragraph 51 of the Settlement Agreement. For purposes  
8 of relief, the class consists of five groups, members of which were listed on five separate  
9 exhibits to the Settlement Agreement. There are 926 known class members who are identified  
10 in the Settlement Agreement: 374 in group 1; 182 in group 2; 50 in group 3; 13 in group 4; and  
11 307 in group 5.

12 13. The relief provided to class members is set forth in the Settlement Agreement  
13 (¶¶76-86). The relief is excellent, quite valuable for class members, and is fair, adequate and  
14 reasonable. The settlement was negotiated by experienced counsel on both sides over a period  
15 of months, and counsel strongly support the settlement resulting from the negotiations. The  
16 King County Executive and County Council approved the settlement.

17 14. In the course of this litigation, and as part of working toward the settlement, the  
18 parties obtained a very large amount of information about the class and became well-informed  
19 about the class. Class members are themselves well-informed people, primarily lawyers, along  
20 with others who work in the law offices with the lawyers. Class members have shown strong  
21 support for this settlement, as did a union that represented many of them. The class as a whole  
22 clearly and strongly supports the settlement.

23 15. The Settlement Agreement provides that the named plaintiff Kevin Dolan is to  
24 receive a plaintiff's award of \$45,000 for his work in assisting class counsel. Mr. Dolan's  
25 participation from 2006 through 2012 included but was not limited to, commencement of this  
26 lawsuit, class certification, discovery matters (including answering interrogatories, producing  
27 extensive personal records, and deposition testimony), preparation of declarations, attendance

1 at meetings, communications with class members, and assisting class counsel in the trial court  
2 proceedings, the proceedings in the Supreme Court, and in the Legislature. No class member  
3 objected to the award for Mr. Dolan and the award is reasonable.

4 16. The attorney fees of class counsel shall be paid by class members themselves,  
5 out of the common fund that exists due to this successful litigation. The common fund here is  
6 the value of the PERS pension benefits conferred upon class members as the result of class  
7 counsel's efforts. Settlement Agreement ¶¶72, 124. The common fund is based on the present  
8 value calculation for the class members' service in the King County public defense agencies  
9 (not for other PERS service they had otherwise or will have in the future in public defense or  
10 other jobs). *Id.* ¶¶72, 124-25. The sum of these present value calculations for the individuals  
11 in Groups 1-4 equals the common fund in this case, *i.e.*, the present value of the PERS  
12 pensions is about \$130 million.

13 17. The present value calculation of PERS pension benefits obtained due to class  
14 counsel's effort is necessary in this case for two purposes: (1) to determine the reasonableness  
15 of the common fund fee for class counsel and (2) to assure that DRS is repaid by the class for  
16 the employee contributions paid by King County that are applied to pay the common fund fee  
17 for the class.

18 18. The present value calculation establishes the value of the common fund in this case  
19 and that the common fund value is \$130 million for these two purposes.

20 19. The Settlement Agreement provisions governing attorney fees are in paragraph 126-  
21 32. Class counsel seek a \$12 million common fund attorney fee, which is 9.2% of the present  
22 value of the common fund. Class counsel's request for attorney fees is based on *Bowles v. DRS*,  
23 121 Wn.2d 52, 72-73 (1993). As set forth below, the Court determines that the requested fee is  
24 fair and reasonable.

25 20. Class counsel are the law firm of Bendich, Stobaugh & Strong, P.C. and the firm's  
26 attorneys. They have extensive experience in litigating class actions for employees to obtain pay  
27 and benefits.

1           21.     The *Dolan* litigation, which class counsel undertook on a contingency fee basis, has  
2 taken many years and has been very complicated, challenging and time-consuming litigation for  
3 the Court and the parties. The case is factually complex and it was also legally challenging  
4 because there was precious little case law that could give the Court real guidance.

5           22.     Class counsel exercised great skill in presenting the case for the class and in  
6 persuading this Court and the Supreme Court to rule that the class members are King County  
7 employees entitled to PERS pensions.

8           23.     The *Dolan* litigation that class counsel undertook is high-risk litigation at best,  
9 which is shown in part by the closeness of the Supreme Court's 5 to 4 decision in favor of Dolan  
10 and the class.

11          24.     No class member objected to class counsel's requested common fund attorney fee  
12 and many class members expressly supported the fee. The requested fee is below the normal  
13 range for common fund attorney fees.

14          25.     Class counsel invested several lawyer years of work in this complex case on a  
15 contingent-fee basis and assumed substantial risk in the representation of the plaintiffs, including  
16 loss of other valuable work. Class counsel obtained excellent results for the class, and the class  
17 members will receive valuable pension benefits in the future that they otherwise would not have  
18 received but for class counsel's efforts. The class members employed as King County defense  
19 employees on July 1, 2013 will also be recognized by King County as King County employees  
20 with full benefits for their positions. This relief is also valuable.

21          26.     Class counsel's \$12 million common fund fee is quite reasonable. It is to be paid  
22 by King County from the employee PERS contributions that King County is making for the class  
23 members.

24          27.     The Settlement Agreement provides that the class members will reimburse DRS  
25 for the fraction of the employee PERS contributions applied to pay the common fund fee on  
26 behalf of class members, through deductions from their eventual monthly PERS retirement  
27



1 checks. Alternatively, the Settlement Agreement provides that the class members may pay DRS  
2 directly, as provided in paragraph 138 of the Settlement Agreement.

3 28. The repayment mechanism and the deduction percentage specified in paragraphs  
4 136-137 are reasonable and sufficient to assure that DRS is repaid with interest by the class for  
5 the employee PERS contributions used to pay the common fund attorney fee.

6 29. The repayment mechanism in paragraph 138 of the Settlement Agreement for the  
7 class members who wish to pay DRS directly for the employee PERS contributions used to pay  
8 the common fund fee is reasonable and sufficient to assure repayment to DRS of the employee  
9 PERS contributions.

10 30. The limitation on withdrawals of employee PERS contributions in paragraph 139 of  
11 the Settlement Agreement is reasonable and sufficient to protect DRS.

12 31. The Settlement Agreement provisions for repayment to DRS of the common fund  
13 fee shows a fairness by class members in their willingness to pay and the fairness by class counsel  
14 in structuring the settlement to allow the common fund fee to be repaid.

15 32. Class counsel have an attorney lien under RCW 60.40.010 for their common fund  
16 attorney fee on the proceeds of this lawsuit, *i.e.*, the PERS employee contributions. Class  
17 counsel's attorney lien, under RCW 60.40.010, is superior to all other liens, including any lien or  
18 interest that DRS has in the PERS contributions. The Settlement Agreement provides a  
19 mechanism by which DRS will be fully repaid by the class members from the proceeds attached  
20 under the attorney lien, which is more protection than DRS has under the attorney lien statute.

21 33. Payment of the common fund fee from the employee contribution to be paid by  
22 King County does not violate Treasury Regulation § 1.401-1(b)(1)(i), the anti-alienation provisions  
23 of PERS or federal tax law or the exclusive benefit provision of federal tax law.

24 34. The method of repayment of attorney fees in paragraphs 136-138 of the Settlement  
25 Agreement is approved. The small administrative burden on DRS does not penalize or harm DRS  
26 in any significant way.



1           35.     DRS has discretionary authority to charge an employer interest on unpaid  
2 contributions only when there is an unpaid and overdue bill for these contributions. WAC 415-  
3 114-100 - 400. Here, no interest is owed on the PERS contributions because there was never any  
4 unpaid overdue bill from DRS for the contributions that King County had not paid. On the  
5 contrary, DRS agreed with King County that class members were not eligible for PERS, DRS  
6 argued they could not be enrolled, and DRS said King County should not make contributions for  
7 class members.

8           36.     DRS has never charged an employer interest when the employer mistakenly does  
9 not enroll eligible employees and, therefore, does not make the contributions for the plan. Any  
10 obligation to pay is indefinite and uncertain and the amount is unknown until a correct report is  
11 provided to DRS and DRS calculates a bill. In such instances, DRS has always just required the  
12 employer to pay DRS only the omitted contributions after the amount is determined and billed.  
13 King County presented evidence of two prior cases in which it was involved where DRS followed  
14 this exact procedure. DRS also followed this procedure for those class members in Finding 10.

15           37.     There is no evidence before the Court that PERS members or PERS employers will  
16 be negatively affected by the Settlement Agreement's provision that the PERS contributions will  
17 be made without interest.

18           38.     DRS charges employers interest at the rate of 12% (simple interest, not compound)  
19 on unpaid overdue bills. DRS repeatedly represented to the Court that interest for the  
20 approximately \$30.3 million of PERS contributions estimated in the Settlement Agreement is up  
21 to \$100 million. DRS did not explain how it calculated this interest and DRS exaggerates the  
22 interest at issue here. Even at the high rate of 12%, the amount of interest for the estimated  
23 amount of the PERS contributions would be about \$35 million, if DRS could charge interest in a  
24 situation such as this where the amount of contributions was uncertain and King County has never  
25 received a bill.

1 39. DRS's financial statement for 2012 shows that the PERS 2/3 fund has over  
2 \$20 billion in assets and \$35 million is only 0.17% of the over \$20 billion PERS 2 fund.  
3 Investment values normally vary much more than .17% (about one-sixth of one percent).

4 40. The State Actuary's Valuation Report for 2011 (the 2012 report is not yet  
5 available), which the State Actuary published in September 2012, shows that PERS Plan 2/3 is  
6 funded at 113%. Thus, according to the State Actuary, the PERS 2 plan is overfunded by more  
7 than \$2 billion.

8 41. Even if DRS had discretion and legal authority to charge interest for PERS  
9 contributions, it would be unfair, inequitable, arbitrary and capricious, and an abuse of discretion  
10 for DRS to charge King County interest here, as set forth below.

11 42. Plaintiffs tried to get DRS to assist the plaintiffs' side before the case was filed.  
12 DRS did not support the plaintiffs. Nor did it ever send King County any request or bill for the  
13 PERS contributions for class members. Instead, DRS fully supported King County in its  
14 argument that the class members were not eligible for PERS. DRS argued that class members  
15 could not be enrolled, giving advice to King County before trial and submitting amicus briefs  
16 arguing that PERS enrollment of class members would be unlawful.

17 43. When King County discussed the settlement provisions regarding interest with  
18 DRS, the DRS representatives informed King County that DRS did not plan to charge King  
19 County interest on the retroactive contributions because this was its normal practice in situations  
20 like this.

21 44. Only after DRS learned King County intended to agree to the payment mechanism  
22 for the common fund fee provided in *Bowles v. DRS*, 121 Wn.2d 52 (1993), did DRS take the  
23 position that interest should be charged on the omitted contributions. Under these circumstances  
24 it would be unfair, inequitable, arbitrary and capricious, and an abuse of discretion for DRS to  
25 charge King County interest when it fully supported King County's position that no contributions  
26 were due and DRS has never charged any employer interest in such a situation before.

1           45. King County will pay the PERS contributions required by the Settlement  
2 Agreement and those contributions are the only payments required by King County. The  
3 contributions are to be reduced by the amounts King County has already paid on behalf of class  
4 members Beckerman, Contreras and Tombow, as provided in the Court's orders. The Settlement  
5 Agreement estimates the contributions at \$30.3 million and King County now estimates that they  
6 will be about \$31 million. These are only estimates and King County will pay PERS  
7 contributions owed under the settlement even if they are more than the estimated amounts. No  
8 contributions are required from class members beyond those provided in this settlement to be  
9 paid by King County, for which the class has provided King County full and adequate  
10 consideration. Class members will have effectively reimbursed King County for the employee  
11 pick-up contributions through the release of claims provided in the Settlement Agreement.

12           46. DRS objects to service credit for class members who performed services for the  
13 City of Seattle under a contract between the City and the King County public defense agencies.  
14 The Supreme Court was aware that some public defense employees worked in Seattle Municipal  
15 Court. *Dolan*, 172 Wn.2d. at 319 n. 16. Nevertheless, it held that the King County public  
16 defense agencies were "arms and agencies" of King County, and the "employees of the defender  
17 organizations are employees of the county for the purposes of PERS." *Dolan*, 172 Wn.2d at 320.  
18 DRS's objection that King County public defense employees who perform misdemeanor defense  
19 for the City of Seattle should not receive service credit under the Settlement Agreement is barred  
20 by the Supreme Court's mandate.

21           47. Eligibility for PERS is determined by whose employee is performing the work,  
22 not where the service is performed. PERS employers often have their employees perform  
23 services for another employer pursuant to contract. For example, the Pierce County Department  
24 of Assigned Counsel has its employees perform misdemeanor defense for the City of Tacoma,  
25 which has its own retirement plan. The Pierce County employees performing these services are  
26 in PERS, not the City of Tacoma's retirement plan, because the employees are Pierce County  
27 employees. They are not employees of the City of Tacoma. The same is true here -- the King

1 County public defense employees performing misdemeanor defense for the City of Seattle are  
2 King County employees who belong in PERS.

3 48. At the fairness hearing Kevin McCabe substantially withdrew his objection and  
4 he no longer seeks to reject the settlement. The remedy he now seeks is review of how King  
5 County is organizing King County public defense with the class members as recognized King  
6 County employees. But the fact that there may be some shift in how King County does business  
7 in the future in terms of treating these new King County employees is beyond the scope of the  
8 Settlement Agreement itself, does not concern the fairness of the Agreement and does not relate  
9 to whether the Court should approve the settlement. Kevin McCabe's original and modified  
10 objections are therefore overruled.

11 49. Paragraphs 89-95 of the Settlement Agreement contain provisions concerning the  
12 information to be compiled by the plaintiffs and King County for the retirement relief and for  
13 implementation of the retirement relief. These provisions are reasonable and they are adopted by  
14 the Court. The Court will, if needed because the parties cannot agree, sort out differences  
15 between the plaintiffs, King County and DRS in implementing these retirement implementation  
16 provisions, including those for determining the amount owed for contributions and those for  
17 determining service credit.

18 50. DRS raises an objection that the Settlement Agreement removes the option that  
19 class members have under state law of choosing either PERS Plan 2 or 3. This is incorrect. The  
20 Settlement Agreement is merely following the Court's order of March 2, 2012 that enrolls  
21 everyone in PERS 2 except those already in PERS 1 or 3. As provided in the Court's order, the  
22 class members will be allowed to choose between PERS Plan 2 and 3 at a later date set by the  
23 Court. See Finding 9.

#### 24 CONCLUSIONS OF LAW

25 1. The notice to the class of the settlement hearing and the methods by which  
26 notice was provided were reasonably calculated under the circumstances to advise the class  
27 members of the pendency of this action, all material terms of the Settlement Agreement, their

1 opportunity to object or comment on the fairness, adequacy and reasonableness of the  
2 Settlement Agreement, and their opportunity to appear at be heard at the final settlement  
3 hearing. The notice was reasonable and the best notice practicable under the circumstances,  
4 was adequate and sufficient notice to all class members and to DRS and fully complied with the  
5 laws of the state of Washington, the Washington Civil Rules, state and federal constitutional  
6 due process, and any other applicable rules or orders of the Court.

7 2. The Settlement Agreement is fair, adequate and reasonable.

8 3. The common fund attorney fee is fair and reasonable.

9 4. The plaintiff's award for Kevin Dolan is reasonable.

10 5. The repayment procedure is fair and reasonable and will provide sufficient  
11 repayment with interest by the class members to DRS for the common fund attorney fee paid  
12 by King County from employee contributions.

13 6. Class counsel have an attorney lien under RCW 60.40.010 for their common  
14 fund attorney fee on the proceeds of this lawsuit, *i.e.*, the employee PERS contributions.

15 7. DRS has no legal authority to charge interest here. See WAC 415-114-100-400.

16 8. Even if DRS had discretion and legal authority to charge interest on PERS  
17 contributions here, it would be unfair, inequitable, arbitrary and capricious, and an abuse of  
18 discretion for DRS to charge interest against King County.

19 9. The objections of DRS and Kevin McCabe to the Settlement Agreement are  
20 overruled.

21 10. DRS's renewed request for some type of party status that would give it a veto  
22 over the settlement, unless DRS expressly agreed to it, is untimely and highly prejudicial to the  
23 class and King County for the reasons stated in the Court's order of May 10, 2013. Moreover,  
24 DRS has no right under the civil rules to veto the settlement.

25 11. The Settlement Agreement is approved and each term therein is a binding order  
26 of the Court.

27

**ORDER**

Based on the foregoing Findings of Fact and Conclusions of Law, it is hereby ordered:

1. The Settlement Agreement is approved.

2. Each term in the Settlement Agreement is and shall be a binding order of the Court.

3. This Court retains jurisdiction in this matter as provided in the Settlement Agreement.

4. King County shall pay class counsel the \$12 million common fund attorney fee from the employee PERS contributions that King County is making for the class members within thirty-five (35) calendar days after the effective date, as defined in ¶60 of the Settlement Agreement.

5. King County shall pay a plaintiff's award of \$45,000 to Kevin Dolan within thirty-five (35) calendar days after the effective date as defined in ¶60 of the Settlement Agreement.

6. DRS shall provide the class members with service credit and retirement benefits as provided in the *Dolan* decision by the Supreme Court and the Settlement Agreement. DRS shall assist the parties and the Court in implementing the Settlement Agreement. King County shall make the PERS contributions as provided in the Settlement Agreement. The Court will, if needed, assist the plaintiffs, King County and DRS in implementing these retirement provisions, including those for determining the amount owed for contributions and those for determining service credit. DRS shall not charge interest on the PERS contributions required by the Settlement Agreement.

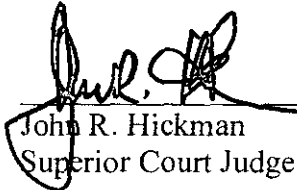
7. The claims and counterclaims that are the subject of the Settlement Agreement, ¶¶97-99, are released contingent upon the occurrence of the effective date, defined in the Settlement Agreement, ¶60.

1 8. The settlement and the terms contained in the Settlement Agreement shall not be  
2 used in any other proceeding as evidence of any admission, fault, wrongdoing or liability of  
3 King County, except to enforce its provisions.

4 9. The parties, including the limited intervenor DRS, are subject to and shall  
5 comply with the Court's orders, including these concerning implementation of the Settlement  
6 Agreement.

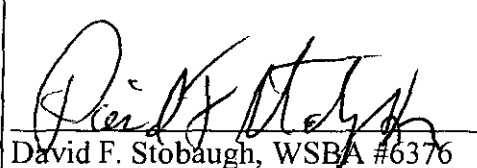
7 10. Entry of this order shall commence the time period for the occurrence of the  
8 effective date. If this order is reversed on appeal and the reversal becomes final or the effective  
9 date does not occur for any reason, the Settlement Agreement shall, without notice, be  
10 automatically terminated. In the event of termination, the plaintiffs and King County shall  
11 jointly request the Court to set a status conference to schedule further proceedings.

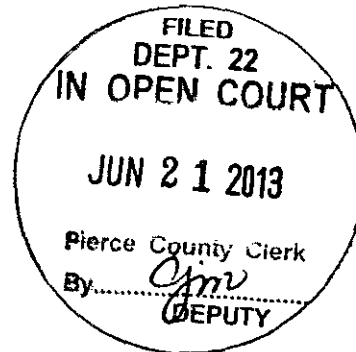
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13 DATED this 21<sup>st</sup> day of June, 2013.

14  
15   
16 John R. Hickman  
Superior Court Judge

17 Presented by:

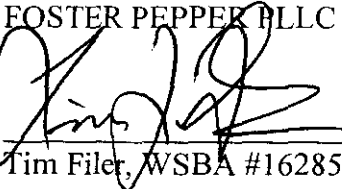
18 BENDICH STOBAUGH & STRONG, P.C.

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21 David F. Stobaugh, WSBA #6376  
Attorneys for Plaintiffs



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23 Approved for Entry:

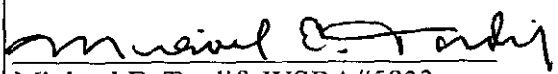
24 FOSTER PEPPER PLLC

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26   
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