



January 4, 2001

Metropolitan
Transportation
Authority
One Gateway Plaza
Los Angeles, CA
90012-2952

TO: BOARD OF DIRECTORS
FROM: PAUL J. LENNON
MANAGING DIRECTOR
OFFICE OF SYSTEM SAFETY AND SECURITY
SUBJECT: LEGAL SETTLEMENT: HERMAN V MTA
TO BE PAID FROM BOARD CONTINGENCY

ISSUE

The Office of System Safety and Security will require Board Contingency Funds to pay for a legal claim approved by the Board in closed session in July 2000. Funding of \$175,000 to pay for the claim will be transferred from the Board's current adopted Contingency Budget since this was an unanticipated cost. Scheduled payment will take place in January 2001.

Funding for this settlement is included in the FY01 budget in Project Number 100002--Governmental and Oversight Activities, Task 01--General Non-Allocable Overhead, Cost Center 0511--Non-Departmental Finance (Accounting), General Ledger Account Number 50399, Other Services.

BACKGROUND

The petitioner, Jack Herman, previously a lieutenant with the MTA Transit Police, was terminated by the Authority for cause as of November 1, 1995. Mr. Herman later sued for wrongful termination. Resolution of the case resulted in a proposal that the Authority remit to Mr. Herman a lump-sum payment of \$175,000 and grant other benefits. Such payment was authorized by the Board of Directors in closed session on July 27, 2000. Mr. Herman and Authority representatives subsequently signed the proposed agreement, including the \$175,000 payment, on November 9 and November 27, 2000 respectively.

This payment, in combination with other benefits as specified in the settlement agreement, represents complete resolution of all disputes between Mr. Herman and the MTA arising prior to the date of the agreement. Minutes/proceedings from the closed session of July 27, 2000 are attached for information.

Attachment



MINUTES/PROCEEDINGS OF CLOSED SESSION

REGULAR BOARD MEETING

July 27, 2000

Metropolitan
Transportation
Authority

One Gateway Plaza
Los Angeles, CA
90012-2952

Directors Present:

Yvonne Brathwaite Burke, Chair
Michael Antonovich
Hal Bernson
Jaime de la Vega
John Fasana
Don Knabe
Gloria Molina
Jenny Oropeza (via teleconference)
Richard Riordan
Frank Roberts
Zev Yaroslavsky

Recessed to Closed Session at 11:30 a.m.

22. **CLOSED SESSION**

A. Conference with Legal Counsel - Existing Litigation - G.C.
54956.9(a):

1. Herman v. MTA, Case No. BS048107

APPROVED settlement of \$175,000 plus layoff and retirement benefits.

2. Beauchamp v. MTA, Case No. CV 98-0402

NO ACTION TAKEN.

3. ATU v. MTA, Case No. BC200786

NO ACTION TAKEN.

B. Conference with Labor Negotiator - G.C. 54957.6:

Agency Negotiator: Tom Webb

Employee Organization: UTU, ATU, TCU, AFSCME

Staff was dismissed from the room.

Prepared by: Christina Lumba-Gamboa
Recording Secretary

A handwritten signature in cursive script that reads "Michele Jackson". The signature is written in black ink and is positioned above a horizontal line.

Michele Jackson
Board Secretary