

SETTLEMENT AGREEMENT AND RELEASE OF ALL CLAIMS

This Settlement Agreement and Release of All Claims, (“the Agreement”), is made and entered into between Stanley Hafoka (“Hafoka”) and Ramsey County (“the County”) (collectively “the Parties”). The purpose of the Agreement is to resolve all pending litigation, claims, and disputes relating in any way to Hafoka’s employment with the County.

1. Recitals

Hafoka filed a discrimination charge against the County with the Minnesota Department of Human Rights (MDHR) and Equal Employment Opportunity Commission (EEOC), *Hafoka v. County of Ramsey*, MDHR Charge No. 71640, and subsequently commenced with seven other Plaintiffs a civil action in the Second Judicial District against the County, *Devin Sullivan et al. v. County of Ramsey*, No. 62-CV-21-651, asserting claims arising out of his employment with the County (“the Matter”). To avoid the risks, uncertainty, and costs associated with litigation, the Parties have agreed to compromise and settle this dispute and end the litigation. The County has denied and continues to deny liability.

2. Consideration

In consideration of the above and the payment and promises set forth herein the parties agree as follows:

- A. Provided that Hafoka signs the Agreement by the last day of the consideration period set forth in paragraph 6 below and does not rescind the Agreement pursuant to paragraph 6 below, the County will pay to Hafoka and his counsel the total sum of \$250,625, divided into three checks as follows:
- 1) A payment to “Nichols Kaster, PLLP” in the amount of \$111,526.23 as and for claimed attorneys’ fees and costs for which an IRS Form 1099-MISC (Box 3) will be issued to Nichols Kaster, PLLP.
 - 2) A payment to “Stanley Hafoka” in the amount of \$69,549.38 as and for claimed lost wages for which an IRS Form W-2 will be issued to Hafoka.
 - 3) A payment to “Stanley Hafoka” in the amount of \$69,549.39 as and for claimed emotional distress for which an IRS Form 1099-MISC (Box 3) will be issued to Hafoka.

The three checks will be delivered to Hafoka’s counsel, within ten (10) business days following the date this Agreement is approved by the County Board, to the following address:

Nichols Kaster, PLLP
4700 IDS Center
80 South Eighth Street
Minneapolis, MN 55402

- B. The County will pay mediator Sheila Engelmeier's fees and costs incurred in connection with the Matter.
- C. In response to inquiries from prospective employers, the County will provide only dates of employment, position held, and any other public information requested, as required by the Minnesota Government Data Practices Act, Minn. Stat. chapter 13 *et seq.* and will provide requested information in accordance with Minn. Stat. § 626.87 and other applicable law.
- D. As set forth more fully below, Hafoka agrees to waive all known and unknown charges, claims, causes of action, appeals, grievances, and complaints, which were raised or could have been raised in connection with his employment by the County as of the date of this Agreement. Hafoka will take all necessary steps to cause any pending charges, claims, causes of action, appeals, grievances, and complaints to be withdrawn and dismissed with prejudice. Specifically, within five (5) business days following his counsel's receipt of the payments described in paragraph 2.A above, Hafoka's counsel will file with the district court a stipulation of dismissal of the Matter. Following execution of this Agreement, Hafoka agrees to execute any documents and provide information necessary to effectuate the settlement and issuance of a settlement check.
- E. Hafoka agrees that payment of the amount above constitutes full and final settlement of all claims and fully satisfies all monetary obligations related to this Matter, including claims for attorney fees, costs, or disbursements.
- F. By executing the Agreement, Hafoka acknowledges and warrants that he has previously returned all County property in his possession or control, including County-issued cellphones and other electronic devices.

3. Release of All Claims

Hafoka hereby knowingly, voluntarily, irrevocably, and unconditionally waives and releases the County, its past and present employees, elected officials, representatives and agents from any and all claims, controversies, causes of action, damages, costs, attorney fees, or liabilities of any nature, known and unknown, related in any way to his employment

with the County, including but not limited to claims existing at any time up to and including the date of this Agreement.

The foregoing specifically includes, but is not limited to, any claims under the Minnesota Human Rights Act; civil rights laws enforced by the Equal Employment Opportunity Commission (EEOC), which includes the Age Discrimination in Employment Act (ADEA), Title VII, Americans with Disability Act (ADA), Older Worker's Benefits Protection Act (OWBPA), the Equal Pay Act (EPA); the Fair Labor Standards Act (FLSA), the Veteran's Preference Act, and each of these laws as amended; Sections 1981 and 1983 of the Civil Rights Act of 1866 and all other federal, state, and local civil rights laws; any other claim for unlawful employment practices, whistleblower claims, retaliation, whether legal or equitable; and any claim or right or entitlement under the Ramsey County Personnel Act, Minn. Stat. § 383A.281, *et seq.*, the Ramsey County Personnel Rules, the Ramsey County Benefits Policies and any and all applicable collective bargaining agreements. Hafoka waives the right to receive monetary damages or other legal or equitable relief awarded by or to any governmental agency related to any such claim or charge. Hafoka does not waive or release any claim for earned retirement or pension benefits.

Hafoka acknowledges, understands, and agrees he is releasing in the Agreement all claims that have arisen through the date of his signature below.

4. Hafoka's Ability to Execute Agreement and Receive Payment

Hafoka expressly represents and warrants he is able to execute this Agreement and is not a party to any bankruptcy proceeding before any court. Hafoka further expressly represents and warrants that to the best of his knowledge no person, firm, corporation, governmental entity, or other entity has any right to proceed by way of subrogation, enforcement of a lien, or otherwise against the County.

Hafoka represents and agrees he is not a Medicare beneficiary and he is not currently receiving, has not received in the past, will not receive as of the time of payment under the Agreement, is not entitled to, is not eligible for, and has not applied for or sought Social Security Disability or Medicare benefits. Hafoka will indemnify and hold harmless the County from Medicare claims, liens, damages, conditional payments, and rights to payment, if any, including attorney fees, and Hafoka further agrees to waive any and all private causes of action for damages.

Hafoka hereby agrees to indemnify and hold harmless the County from any liability whatsoever to any person, firm, or corporation beyond the consideration already paid as a part of the Agreement, including, without limitation, liability for claims of negligence, constitutional claims, breach of contract, fraud, misrepresentation, strict liability and/or breach of express or implied warranty and/or actions for enforcement of any liens

including, without limitation, any subrogation claim and/or lien enforcement claim arising from payment of any insurance benefits, Medicare payments, medical assistance claim, or otherwise, which may now exist or thereafter arise. It is agreed all liens and any statutory obligations will be satisfied by the proceeds of the settlement.

5. Other Agreements

- A. The parties understand and agree that the term “the County”, as used in the Agreement includes Ramsey County and all of its departments, facilities, agencies, and past and present elected officials, employees, representatives, insurers, and legal counsel.
- B. The Agreement shall not be effective unless and until it and all similar settlement agreements with the other seven Plaintiffs in the Matter are approved by the County’s Board of Commissioners and are not rescinded pursuant to Paragraph 6 below.
- C. Hafoka agrees the Agreement binds him and also binds his heirs, executors, administrators, assigns, agents, partners, and successors in interest. Hafoka represents that no right, claim, or cause of action covered by the Agreement has been assigned or given to someone else, nor are any attorney fees owed to any counsel for which the County is liable.
- D. Hafoka agrees the Agreement is not an admission by the County of any violation of Hafoka’s rights, any statutory violation, or of any liability whatsoever and that the County has and continues to deny any liability whatsoever. The County will issue a written statement and apology acknowledging that the May 29, 2020 order by ADC Superintendent Lydon was discriminatory and wrong.
- E. Data concerning Hafoka shall be maintained and disclosed in accordance with the Minnesota Government Data Practices Act and other applicable law.
- F. Hafoka agrees that he is responsible for all tax consequences associated with the payments described in paragraph 2.A(2) above and agrees to indemnify and hold harmless the County from any and all actions against it by any taxing authorities as a result of tax characterization and treatment of the payments.
- G. Hafoka specifically acknowledges and affirms that the Agreement supersedes and replaces any rights or protections he may have under any Ramsey County Personnel Rules, Ramsey County Benefits Policies, Ramsey County Board Resolutions, or any other County pronouncement, directive, or ordinance. The Agreement contains the entire understanding between the County and Hafoka.

- H. Hafoka also represents that he has suffered no unreported workplace injuries and has not been denied leave under the Family and Medical Leave Act (FMLA).
- I. The invalidity or partial invalidity of any portion of the Agreement shall not invalidate the remainder thereof and said remainder shall remain in full force and effect. Moreover, if one or more of the provisions contained in the Agreement shall, for any reason, be held to be excessively broad as to scope, activity, subject, or otherwise, so as to be unenforceable, such provision or provisions shall be construed by the appropriate judicial body by limiting or reducing it or them, so as to be enforceable to the maximum extent compatible with then applicable law. To the extent that any claim is ultimately determined to be not waivable, Hafoka agrees that the consideration paid as part of the Agreement upholds the validity of the waiver of all remaining claims.
- J. Hafoka represents and certifies that he: (a) has read the Agreement carefully; (b) understands its provisions; (c) has been advised of his right to consult counsel and in fact is represented by counsel; (d) has not been influenced to sign the Agreement by any statement or representation by the County; and (e) enters into the Agreement knowingly and voluntarily with full knowledge of what it means.
- K. Hafoka hereby agrees to indemnify the County and hold it harmless as to any claim for attorney fees, costs, disbursements, and any other costs whatsoever incurred by his counsel.
- L. The parties agree the Agreement is not precedential and may not be offered or received into evidence in any proceeding except to enforce its terms.
- M. Hafoka and the County acknowledge and agree that in the event of a material breach or threatened breach, the aggrieved party shall be entitled to appropriate injunctive relief and may be entitled to recover its reasonable costs and attorney fees.
- N. Agreement shall be governed by Minnesota law. The courts of the State of Minnesota, either federal or state, shall have jurisdiction over, and be the proper venue for, any disputes arising out of the Agreement.
- O. This Agreement may be executed in one or more counterparts, all of which together, if they have not been modified, shall be deemed one original Agreement and shall be final and binding on the parties. In addition, signatures may be submitted via facsimile.
- P. Hafoka agrees that the drafting of the Agreement involved his attorneys and attorneys for the County and that the Agreement shall not be construed against either party as the drafter.

6. Right to Consult and Rescission Period

Hafoka is specifically advised to consult with an attorney of his choice before signing this Agreement which releases rights he has or may have under federal, state, and local law, including, but not limited, to the Age Discrimination in Employment Act (“ADEA”), the ADA, Title VII, and the Minnesota Human Rights Act. Hafoka has twenty-one (21) days to consider this Agreement and whether to sign it.

Having elected to execute this Agreement, to fulfill the promises set forth herein, and to receive the sums and benefits set forth in Paragraph 2.A above, Hafoka freely and knowingly, and after due consideration, enters into this Agreement intending to waive, settle, and release all claims he has or might have against the County.

In the event Hafoka signs this Agreement, he may revoke or rescind the agreement within seven (7) days of signing it with respect to claims under the Age Discrimination in Employment Act, and it will not become effective or enforceable until this seven-day (7) day period has expired. To effectively revoke or rescind, the revocation or rescission must be in writing and must be delivered by hand or sent by certified mail, return receipt requested, postmarked within the seven (7) day period, respectively, and properly addressed to:

Rebecca J. Krystosek
Ramsey County Attorney’s Office
121 East Seventh Place, Suite 4500
St. Paul, MN 55101

Hafoka agrees that he has had the opportunity to consult with counsel of his own choosing and that if he signs this Agreement, he did so voluntarily and without any pressure or coercion of any nature from anyone. Hafoka further agrees that any amendment to this Agreement will not extend or otherwise restart any of the time periods referred to in this Paragraph 6.

ACCEPTED AND AGREED:

Date: 08/02/2022, 2022

STANLEY HAFOKA:



Date: _____, 2022

RAMSEY COUNTY:

By: _____

Its: _____