



Item: City Commission to consider settlement of claims with Lisa Schneiderhan.

From: Sara R. Sexe, City Attorney and Jordan Crosby

Initiated By: Sara R. Sexe, City Attorney and Jordan Crosby

Presented By: Sara R. Sexe, City Attorney

Action Requested: Approve Settlement as presented.

Suggested Motion:

1. Commissioner moves:

“I move that the City Commission (approve/reject) the settlement with Lisa Schneiderhan.”

2. Mayor calls for a second, discussion, public comment, and calls the vote.

Background: Lisa Schneiderhan was hired by the City on August 12, 2002, to work as the City’s switchboard operator. She worked as an operator until 2014 when the position was eliminated due to the purchase of a new automated telephone system. Ms. Schneiderhan later was hired on March 17, 2014 as a Court Account Clerk Senior for the City’s Municipal Court (hereafter “Court”).

The City terminated Ms. Schneiderhan from her Court position in March 2015 based upon concerns the Court had with her performance. Ms. Schneiderhan made complaints about the Court’s work environment, and filed Human Rights Bureau (HRB) claims, and a grievance under the Montana Public Employees Association (MPEA) collective bargaining agreement. She also alleged various federal and state employment law claims.

An HRB investigator conducted numerous interviews and determined that he did not find cause to believe discrimination occurred. Ms. Schneiderhan objected to the determination and a hearing was scheduled with the Human Rights Commission on November 20, 2015. The hearing was postponed pending City Commission review of the proposed settlement.

The investigation of her retaliation complaint has not been completed by the HRB. The MPEA grievance of her termination from employment was scheduled for arbitration on December 8, 2015 and has been postponed pending Commission review of the proposed settlement.

Attorneys from both parties held a mediation conference with a third party mediator on November 17, 2015. To provide closure of all claims and resolve the uncertainty of litigation, at the mediation, the parties agreed to resolve the matter for \$90,000.00.

The City's risk management pool, Montana Municipal Interlocal Authority (MMIA) does not provide coverage for grievances under collective bargaining agreements, but does cover the other claims made by Ms. Schneiderhan. As such, both the City and MMIA would pay portions of the settlement, if the proposed settlement is approved by the Commission.

Fiscal Impact:

The proposed settlement agreement payment is \$90,000. Of the \$90,000, the City will pay \$40,000. The remaining balance of \$50,000 will be paid by MMIA.

Alternatives: Continue to litigate the matter in the Human Rights Commission, State District Court and/or before the Arbitrator.

Cc: Steve Bolstad, Municipal Court Judge
Greg Doyon, City Manager
Jordan Crosby, Counsel for City of Great Falls
Randy Tarum, Counsel for Lisa Schneiderhan