

EXHIBIT 1

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND
SOUTHERN DIVISION

TIMOTHY K. ORMEROD et al.,)	
)	
Plaintiffs,)	
)	
)	
v.)	Case No: TDC-20-cv-1864
)	
PRINCE GEORGE’S COUNTY,)	
MARYLAND,)	
)	
Defendant.)	
_____)	

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into by and among all the Parties in the captioned case, namely Plaintiffs, each of whom are identified on Exhibit A attached hereto, and who have consented to be party Plaintiffs in the captioned case, and the Defendant, Prince George’s County, Maryland (the “County”), and is based on the following:

I. RECITALS

1.1 Plaintiffs are 14 individuals employed or formerly employed by the County. On June 18, 2020, they filed a complaint in this Court seeking overtime pay pursuant to the Fair Labor Standards Act (“FLSA”).

1.2 In the captioned case, Plaintiffs alleged that the County failed to properly pay them overtime compensation under the FLSA, 29 U.S.C. § 201 *et seq.*, and that, as a result, they were entitled to backpay, liquidated damages, a three-year statute of limitations and attorneys’ fees and costs.

1.3 In its Answer, Defendant admitted that the County had failed to pay the Plaintiffs properly pursuant to the FLSA. Although the County did not concede that the Plaintiffs were entitled to liquidated damages and a three-year statute of limitations, the Parties ultimately agreed to enter into mediation.

1.4 The Parties participated in a virtual settlement conference on December 2, 2020, before the Honorable Magistrate Judge Timothy Sullivan. Participating at the mediation were counsel for the Parties, as well as representatives of the Parties who were authorized to agree to a settlement to recommend for approval by the absent party Plaintiffs.

1.5 All of the Parties have agreed to settle the matters in dispute between and among them pursuant to the terms of this Agreement. Specifically, the Parties and their counsel have considered that the interests of all concerned are best served by settlement and dismissal of the Plaintiffs' FLSA claims. The Parties have concluded that the terms of this Agreement are fair, reasonable, adequate, and in the Parties' mutual best interests.

1.6 The Parties, through their counsel, by separate motion, will seek judicial approval of this Settlement Agreement. In the event the proposed settlement contained in this Agreement is not finally approved by the Court, this Agreement will no longer have any effect and the Parties will revert to their respective positions as of the date and time immediately prior to the execution of this Agreement.

II. PAYMENT AND DISTRIBUTION

2.1 In consideration for the terms, conditions, and promises in this Agreement, the County, in accordance with paragraph 2.2, shall pay or cause to be paid to Plaintiffs a total of \$177,889.52 ("the Settlement Amount"). The Settlement Amount will be divided and distributed to Plaintiffs as follows: (1) one check in the amount of \$117,422.44, payable to Plaintiffs' counsel,

McGillivray Steele Elkin LLP, representing \$52,500.00 in reimbursed attorneys' fees and expenses (the "Attorneys' Fees Amount") and \$64,922.44 in liquidated damages to Plaintiffs (the "Liquidated Damages Amount") and (2) and a set of payroll checks payable to individual Plaintiffs, totaling a pre-tax amount of \$60,467.08 ("the Back Pay Amount"), which shall be distributed to individual Plaintiffs in accordance with the pre-tax amounts set forth in Exhibit A to this Agreement, to which the County shall apply all applicable deductions and withholdings for that individual Plaintiff (the "Individual Back Pay Amounts Less Applicable Deductions"). These amounts are agreed to among the Parties to compromise, settle, and satisfy the Released Claims described in paragraph 3.1 below, liquidated damages related to the Released Claims, and all attorneys' fees and expenses related to the Released Claims.

2.2 Plaintiffs' counsel shall provide the County with a W-9 within two business days after the Parties have executed this Agreement.

2.3 The County shall pay the Settlement Amount within 30 days after the date that the Court enters an Order approving this Agreement. After this 30-day period, interest shall accrue on any unpaid Settlement Amount at the rate set forth in Md. Code § 11-107(a).

2.4 Plaintiffs' counsel, McGillivray Steele Elkin LLP, will be responsible for distributing to each Plaintiff listed in Exhibit A his/her respective share of the Liquidated Damages Amount.

2.5 The County will be responsible for distributing the Back Pay Amounts by sending to Plaintiffs' through a payroll check the amount that represents each Plaintiff's Individual Back Pay Amount Less Applicable Deductions. These payroll checks may be processed using the Defendant's normal payroll processing mechanisms, including direct deposit where applicable.

2.6 Plaintiffs and their counsel determined the method used to calculate the amounts to be paid to each Plaintiff. For purposes of computing the gross amount of back pay and liquidated

damages for each Plaintiff, Plaintiffs relied on the information provided by the County for the entire recovery period. The calculation methodology computes additional half-time pay (i.e., half the Plaintiff's proper regular rate of pay) for each hour of regularly scheduled overtime worked above the 86-hour overtime pay threshold in a 14-day work cycle for each Plaintiff during the recovery period. Plaintiffs and their counsel were solely responsible for determining the allocations among Plaintiffs and determining the distribution of funds.

2.7 Plaintiffs and their counsel, McGillivray Steele Elkin LLP, will defend, release, and hold the County harmless from any and all claims or causes of action arising from the allocation and distribution of the Settlement Amount.

2.8 The County shall issue W-2 forms to the Plaintiffs that reflect the Individual Back Pay Amounts set forth in Exhibit A to this Agreement, less applicable deductions. Plaintiffs' counsel shall distribute to each Plaintiff receiving liquidated damages a Miscellaneous Income Form 1099 reflecting the amount paid to that Plaintiff as liquidated damages. Each Plaintiff agrees that he or she will be responsible for his or her individual tax liability associated with the liquidated damages payments made to him or her under this agreement. Plaintiffs and Plaintiffs' counsel agree that they shall indemnify and hold the County harmless in the event of any dispute concerning whether taxes are owed by any Plaintiff on the liquidated damages part of the settlement.

2.9 All payments to Plaintiffs shall be deemed to be paid solely in the year in which such payments are issued to Plaintiffs. It is expressly understood and agreed that the receipt of such Settlement Payments will not entitle any Plaintiff to additional compensation or benefits under any other compensation or benefit plan or agreement in place during the period covered by the Agreement, nor will it entitle any Plaintiff to any increased retirement or matching benefits, or deferred compensation benefits. It is also expressly understood and agreed that no pension

contributions shall be taken from the back pay payments. It is the intent of this Agreement that the settlement payments provided for in this Agreement are the sole payments to be made to the Plaintiffs, and that the Plaintiffs are not entitled to any new or additional compensation or benefits as a result of having received payment pursuant to this Agreement.

III. RELEASE AND COVENANT NOT TO SUE

3.1 Each Plaintiff for himself or herself, and his or her spouse and family, attorneys (if any), agents, executors, administrators, personal representatives, heirs, successors, any future estates, assigns and beneficiaries, and any and all of them (collectively, the “Releasers”), voluntarily and with the advice of counsel, fully and forever releases, acquits, and discharges the County, its departments, agencies, employees, agents, attorneys, accountants, administrators, and any or all of them and all persons acting by, through, under, or in concert with any of them (collectively, the “Releasees”), in their personal, individual, official and/or corporate capacities, from all Fair Labor Standards Act claims asserted in the Lawsuit and/or Fair Labor Standards Act claims for unpaid overtime that could have been asserted in the Lawsuit, up to and through March 1, 2020 (the “Released Claims”).

3.2 All Plaintiffs shall be deemed to and shall have waived, released, discharged and dismissed all Released Claims as set forth in Paragraph 3.1, with full knowledge of any and all rights they may have, and they hereby assume the risk of any mistake in fact in connection with the true facts involved or with regard to any facts which are now unknown to them.

3.3 All Plaintiffs understand and agree that, to the fullest extent permitted by law, they are precluded from filing or pursuing any legal claim or action of any kind against any entity at any time in the future, or with any federal, state or municipal court, tribunal or other authority arising out of the Released Claims.

3.4 All Plaintiffs agree that they are entering this Agreement knowingly, voluntarily, and with full knowledge of its significance. Each Plaintiff affirms that he/she has not been coerced, threatened, or intimidated into agreeing to the terms of this Agreement, and he/she has been advised to consult with an attorney.

IV. DISMISSAL OF CLAIMS

4.1 Plaintiffs agree to dismissal of all claims asserted in the Lawsuit against the County with prejudice as specified in paragraph 3.1, upon the County's execution of the Settlement Agreement and the Court's Order approving the Settlement Agreement.

V. NO ADMISSION OF LIABILITY

5.1 The County does not admit any allegations made against it in this lawsuit, including but not limited to Plaintiffs' allegations of willfulness and lack of good faith. Nothing contained in this Agreement shall be deemed an admission of liability or of any violation of any applicable law, rule, regulation, order or contract of any kind.

VI. CONTINUED JURISDICTION

6.1 The U.S. District Court for the District of Maryland, Southern Division, shall have continuing jurisdiction to construe, interpret and enforce the provisions of this Agreement, and to hear and adjudicate any dispute or litigation arising under this Agreement.

VII. PARTIES' AUTHORITY

7.1 The signatories hereby represent that they are fully authorized to enter this Agreement and to bind the parties hereto to the terms and conditions hereof.

7.2 All of the Parties acknowledge that they have been represented by competent, experienced counsel throughout all negotiations which preceded the execution of this Agreement,

and that this Agreement is made with the consent and advice of counsel who have jointly prepared this Agreement.

VIII. MUTUAL FULL COOPERATION

8.1 The Parties agree to use their best efforts and to fully cooperate with each other to accomplish the terms of this Agreement, including but not limited to, execution of such documents and to take such other action as may reasonably be necessary to implement and effectuate the terms of this Agreement.

IX. ENFORCEMENT ACTIONS

9.1 In the event that one or more of the parties to this Agreement institutes any legal action, arbitration, or other proceeding against any other Party or Parties to enforce the provisions of this Agreement, the successful Party or Parties shall be entitled to recover from the unsuccessful Party or Parties reasonable attorneys' fees and costs, including expert witness fees incurred in connection with any enforcement actions.

X. MODIFICATION

10.1 This Agreement and its attachment may not be changed, altered, or modified, except in writing and signed by the Parties hereto, and approved by the Court.

XI. ENTIRE AGREEMENT

11.1 This Agreement and its attachments constitute the entire agreement between the Parties concerning the subject matter hereof. No extrinsic oral or written representations or terms shall modify, vary or contradict the terms of this Agreement. In the event of any conflict between this Agreement and any other settlement-related document, the parties intend that this Agreement shall be controlling.

XII. CHOICE OF LAW/JURISDICTION

12.1 This Agreement shall be subject to, governed by, construed, enforced, and administered in accordance with the laws of the State of Maryland, both in its procedural and substantive aspects, and shall be subject to the continuing jurisdiction of the United States District Court for the District of Maryland, Southern Division. This Agreement shall be construed as a whole according to its fair meaning and intent, and not strictly for or against any Party, regardless of who drafted or who was principally responsible for drafting this Agreement or any specific term or condition thereof.


XIII. VOIDING THE AGREEMENT

13.1 In the event this Agreement does not obtain judicial approval for any reason, this Agreement shall be null and void in its entirety, unless expressly agreed in writing by all parties.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the undersigned have duly executed this Agreement as of the date indicated below:

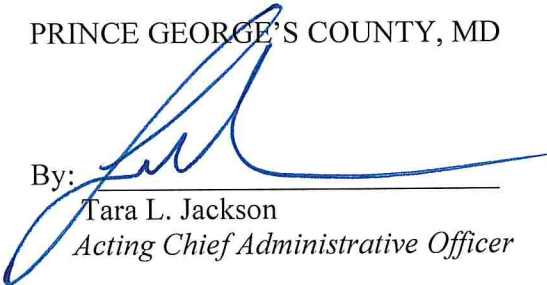
APPROVED FOR LEGAL SUFFICIENCY AND FORM


Tonia Y. Belton-Gofreed
Associate County Attorney
Office of Law

McGILLIVARY STEELE ELKIN LLP
1101 Vermont Street N.W., Suite 1000
Washington, D.C. 20005

By: 
Sara L. Faulman
Counsel for Plaintiffs

PRINCE GEORGE'S COUNTY, MD

By: 
Tara L. Jackson
Acting Chief Administrative Officer

Dated: January 6, 2021

Dated: January 19, 2021