



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 20-0465, Version: 1

Dept/ Agency: Law

Action: () Ratifying (X) Authorizing () Amending

Purpose: Settlement of Civil Litigation

Docket No.: ESX-L-3042-18

Claimant: Valerie Gholston-Key

Claimant's Attorney: James A. Key, Jr., Esq.

Attorney's Address: 200 Centennial Avenue, Suite 200, Piscataway, New Jersey 08854

Settlement Amount: \$175,000.00

Funding Source: 2020 Budget/Department of Law/NW025, Dept. 25T, Division/Project 5T25 and Account #96320/Insurance Fund Trust

Additional Comments:

Total settlement amount of \$175,000.00 divided as follows: \$58,333.32 payable as Attorney's fees and \$116,666.68 payable to Plaintiff as back pay.

WHEREAS, Plaintiff, Valerie Gholston-Key, instituted a suit in the Superior Court of New Jersey, captioned Valerie Gholston-Key v. City of Newark (a Municipal Corporation, Newark Business Administrator, John "Jack" Kelly, Newark Director or Personnel, Kecia Daniels, Mayor of the City of Newark, Ras J. Baraka, Docket No. ESX-L-3042-18, in which the Plaintiff sought recovery for damages allegedly stemming from her employment with the City, as a result of the alleged actions and/or omissions of the City of Newark and/or its agents; and

WHEREAS, a proposal has been made to resolve this litigation in its entirety by execution of the Confidential Settlement Agreement and Release and payment in the total settlement amount of One Hundred Seventy-Five Thousand Dollars and Zero Cents (\$175,000.00) ("Settlement Sum"), divided as follows: Fifty-Eight Thousand Three Hundred Thirty-Three Dollars and Thirty-Two Cents (\$58,333.32) payable as attorney's fees and One Hundred Sixteen Thousand, Six Hundred Sixty-Six Dollars and Sixty-Eight Cents (\$116,666.68) as back pay; and

WHEREAS, since a portion of the Settlement represents back pay, the necessary applicable deductions shall be made from Plaintiff's gross salary payment including, but not limited to, State and Federal taxes, pension and health contributions and Social Security; and

WHEREAS, the Corporation Counsel, based upon all facts and circumstances presented, deems it is in the best interest of the City of Newark to resolve said matter by execution of the attached Confidential Settlement Agreement and Release and payment of the proposed Settlement Sum.

NOW, THEREFORE, BE IT RESOLVED BY MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. The Corporation Counsel is hereby authorized on behalf of the City of Newark to execute and accept the terms of the Confidential Settlement Agreement and Release,

attached hereto.

2. Upon receipt by the Corporation Counsel of all documents deemed necessary, the Director of Finance is hereby authorized and directed to issue payment in the amount of One Hundred Seventy-Five Thousand Dollars and Zero Cents (\$175,000.00) payable as follows: Fifty-Eight Thousand Three Hundred Thirty-Three Dollars and Thirty-Two Cents (\$58,333.32) payable to: James A. Key, Jr., Esq., 200 Centennial Avenue, Suite 200, Piscataway, New Jersey 08854 and One Hundred Sixteen Thousand, Six Hundred Sixty-Six Dollars and Sixty-Eight Cents (\$116,666.68), payable to Plaintiff as back pay, including the appropriate salary deductions, including, but not limited to taxes, pension, health insurance contribution and Social Security.
3. Annexed hereto is a partial Certification of Funds issued by the Director of Finance, City of Newark, which states that there are available sufficient legally-appropriate funds from Business Unit NW025, Dept. 25T, Division/Project 5T25 and Account #96320, in the amount of Fifty-Eight Thousand Three Hundred Thirty-Three Dollars and Thirty-Two Cents (\$58,333.32) for the purpose set forth herein.
4. The Corporation Counsel shall file a copy of the Comptroller's Certification in the Office of the City Clerk along with this resolution.
5. The Corporation Counsel shall file a fully executed copy of the Settlement Agreement and Release in the Office of the City Clerk.
6. This resolution shall be effective upon adoption in accordance with applicable State Law.

STATEMENT

This resolution authorizes the Corporation Counsel, on behalf of the City of Newark to enter into a Confidential Settlement Agreement and Release to settle civil litigation captioned Valerie Gholston-Key v. City of Newark (a Municipal Corporation, Newark Business Administrator, John "Jack" Kelly, Newark Director or Personnel, Kecia Daniels, Mayor of the City of Newark, Ras J. Baraka, Docket No. ESX-L-3042-18, in the amount of One Hundred Seventy- Five Thousand Dollars and Zero Cents (\$175,000.00), in exchange for Plaintiff's dismissal of any and all claims against the City of Newark and its employees, and a complete release.