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March 8, 2023

To the Honorable Common Council of the City of Milwaukee Room 205 – City Hall

Re:

Settlement of Karl Kraai v. City of Milwaukee Eastern District of Wisconsin Case No. 20-CV-0909 C.I. File No. 1061-2020-735.001 Common Council File No. 212047

Dear Council Members:

Enclosed please find a proposed resolution authorizing the payment of the settlement amount regarding the claims asserted by the plaintiff in the above-noted case against the City of Milwaukee, as well as authorizing the settlement of said case. We respectfully request that the enclosed resolution also be referred to the Committee on Judiciary & Legislation for review.

This lawsuit involves a class and collective action alleging violations of the Fair Labor Standard Act for non-exempt employees of the Milwaukee Fire Department. The Plaintiffs claim that for the three years preceding the filing of the case, the City formed a practice of miscalculating overtime premiums based on the base hourly rate rather than the regular rate required by law. The City engaged in extensive discovery over the course of more than two years to investigate the plaintiff's claims. The Parties also engaged in mediation wherein settlement of the claims was recommended by the mediator.

**HEIDI WICK SPOERL** KATHRYN Z. BLOCK THOMAS D. MILLER PETER J. BLOCK PATRICK J. MCCLAIN HANNAH R. JAHN JULIE P. WILSON MEIGHAN M. ANGER ALEXANDER R. CARSON ALEXANDER T. MUELLER ALEXANDER D. COSSI LISA A. GILMORE **NICHOLAS R. SINRAM TAVISS K. SMITH** KATHERINE A. HEADLEY L. ANTHONY JACKSON STACY J. MILLER MICHAEL C. RADAVICH JORDAN M. SCHETTLE THERESA A. MONTAG TYLER M. HELSEL **NANCY A. DOMINSKI ALEXANDER E. FOUNDOS** CHRISTOPHER P. JACKSOI JAMES D. LEWIS TRAVIS J. GRESHAM **KYLE W. BAILEY** JOSEPH M. DOBBS WILLIAM K. HOTCHKISS CLINT B. MUCHE Assistant City Attorneys



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Because settlement in this matter is deemed appropriate given our review of the case, we recommend payment of the settlement amount of up to \$1,150,000.00, as provided by the Settlement Agreement, and have enclosed an appropriate resolution for your convenience.

Very truly yours,

TEARMAN SPENCER

City Attorney

ROBIN PEDERSON

Deputy City Attorney

JAMES LEWIS

Assistant City Attorney

JL/cdr

Enclosure

1061-2020-735.001/283480