

UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

Isaiah Coffey and Ron Jaeger,
on behalf of themselves individually
and all others similarly situated,

Case No. 20-cv-02237 NEB/TNL

Plaintiffs,

v.

SETTLEMENT AGREEMENT

Lon Thiele, in his official capacity
as Steele County Sheriff,

Defendant.

Introduction

This agreement (the “Settlement Agreement”) is made and entered into by and among Isaiah Coffey (“Plaintiff Coffey”), individually and on behalf of the class of persons on whose behalf the named persons initiated this action (the “Class Members”), Ron Jaeger (“Plaintiff Jaeger”), individually, and Sheriff Lon Thiele in his official capacity as Steele County Sheriff (“Defendant”), by and through their duly authorized counsel in the above-captioned action (the “Action”). The Class Members and the Defendant are hereinafter referred to collectively as the “Parties.”

Background of the Action

On September 18, 2020, Plaintiffs filed a Class Action Complaint against Defendant asking for a declaratory judgment, alleging violations under the Eighth

and Fourteenth Amendments and Minn. Stat. § 641.12, subd. 3, by failing to make a determination whether Plaintiffs and Class Members qualified for a waiver of confinement fees assessed by the Steele County Detention Center. Defendant denied Plaintiffs' allegations and asserted several affirmative defenses.

The Parties exchanged Rule 26(a)(1) disclosures, written discovery, and produced documents, providing Plaintiffs with the necessary information to address settlement. The material terms of a preliminary settlement agreement were ultimately reached July 13, 2021 and approved by the Steele County Board on July 27, 2021.

Plaintiffs believe the Action has merit. However, Plaintiffs and their counsel recognize and acknowledge the expense and length of continued proceedings necessary to prosecute the Action against Defendant through trial and appeal. Plaintiffs and their counsel have also taken into account the uncertain outcome, risk and delay inherent in any litigation, especially in complex actions such as this one, the strengths and weaknesses of the claims and defenses asserted in the Action, and the benefits conferred on the Class Members by the expeditious settlement of the Action. Plaintiffs' attorneys (hereinafter referred to as "Class Counsel") have determined that the terms of the settlement set forth in this Settlement Agreement is in the best interests of the Plaintiffs and the proposed Class Members.

The Defendant believes that the Action lacks substantial merit. Defendant does not concede Plaintiffs' claims established constitutional violations or violations of

Minnesota law. However, Defendant recognizes and acknowledges the expense and length of continued proceedings necessary to defend the Action through trial and appeal. Defendant and his counsel have also taken into account the uncertain outcome, risk and delay inherent in any litigation, especially in complex actions such as this one, the strengths and weaknesses of the claims and defenses asserted in the Action, and the public interest benefits available with the expeditious settlement set forth in this Settlement Agreement. This Settlement Agreement shall not be construed or deemed to be evidence or an admission or concession by Defendant of any fault or liability for damages whatsoever. Defendant, upon advice of counsel, has determined it is desirable that the Action be settled in the manner and upon the terms and conditions set forth herein.

General Provisions

A. PLAINTIFF'S CLAIMS ARE DISMISSED WITH PREJUDICE AND GENERAL RELEASE

1. The parties agree Plaintiff Jaeger's claims will be dismissed for \$0, with prejudice and Plaintiff Jaeger will not proceed as a class representative. Plaintiff Jaeger did not have funds withheld for confinement fees. The parties therefore agree Plaintiff Coffey will serve as the Class Representative.
2. Settlement includes a full, general release of any claims against Defendant, his employees, officers, agents, and insurers that have been made or could have

been made. This Agreement does not release any claims of individuals who are not defined class members. The parties understand Minn. Stat. § 541.05 applies to Minnesota Department of Revenue collections from the date of invoice. The County will not seek collection from anyone six years after they have been invoiced, but the parties agree the County is not responsible for any actions or inactions of the Minnesota Department of Revenue.

3. The Parties agree to file a Stipulation of Dismissal with prejudice.

B. POLICY CHANGES

4. Steele County agrees to change its Pay-for-Stay policy to more clearly comply with Minn. Stat. § 641.12, subd. 3(b). The County agrees its policy will require the following: (1) Determine whether inmates are eligible for a waiver by inquiring about their ability to pay when they are presented with invoice; and (2) Communicate to inmates at the time they are invoiced that the law requires a waiver if they are unable to pay, that they may request a waiver, and detail the procedure for doing so.

C. FORM OF FINANCIAL AFFIDAVIT

5. The parties agree that a form of financial affidavit substantially as set forth in Exhibit 1 to this Agreement is acceptable.

D. CLASS CERTIFICATION FOR SETTLEMENT PURPOSES

6. Steele County agrees to conduct a retroactive determination of eligibility for a waiver of confinement fees using the factors set forth in Minn. Stat. § 641.12, subd. 3(b) for all former inmates: (1) who owe outstanding confinement fees; and/or (2) from whom the County withheld jail account funds or otherwise collected payment. The County agrees if it determines any former inmate is eligible for a waiver, it will waive any outstanding balance and, if applicable, return funds withheld or collected and cancel any collection efforts. Refunds will be paid directly to eligible Class Members by the County.

7. The Parties agree they will promptly and jointly move the Court for an order preliminarily certifying this case as a class action for purposes of this proposed settlement, to be maintained by Plaintiff Coffey as sole class representative through the undersigned counsel, Legal Assistance to Minnesota Prisoners (LAMP). The “Class” shall be defined as:

Former Steele County Detention Center inmates who owe outstanding confinement fees and/or from whom the County withheld jail account funds or otherwise collected payment from the individual or revenue recapture who were invoiced September 18, 2014 – July 13, 2021

8. It is expressly understood that the Class does not include any individuals who were boarded by Steele County on behalf of another County or whose confinement fees were already waived unless any fees were collected before

that waiver or the waiver was only a partial waiver of fees owed. The presumed Class Members are identified in Confidential Exhibit 2, as further explained below. The Parties agree a waiver request form, utilizing the attached form at Exhibit 3, will be submitted to each Class Member with a requirement to return a complete form to Steele County no later than March 1, 2022.

9. Defendant will review returned waiver applications to determine eligibility for a waiver of confinement fees invoiced between September 18, 2014, through July 13, 2021. This determination will be reached using the factors set forth in Minn. Stat. § 641.12, subd. 3(b), utilizing the attached form (Exhibit 3).
10. This determination will then be handled in one of the following manners:
 - a. For those inmates who are eligible for a waiver and paid the fees or had fees withheld from their inmate account, either in part, or in full, Steele County will issue a refund payable to the individual. Further, Steele County will cancel any collection submission to the Minnesota Department of Revenue. Steele County asserts it has adequate funds to distribute any necessary refunds.
 - b. For those inmates who are eligible for a waiver and did not pay the fees or have fees withheld from their inmate account, the invoice will be canceled.

Further, Steele County will cancel any collection submission to the Minnesota Department of Revenue.

- c. For those inmates who respond and are not eligible for a waiver, they will be notified of the determination their waiver request was denied.
- d. For those inmates who do not respond, they will be deemed ineligible for a waiver, and no further action will be taken during this class period. However, if a class member does not timely respond to the class notification and later seeks a waiver after the class period closes, the County agrees it will consider an untimely submission of a waiver request.

11. The Parties agree, solely for the purpose of this settlement and its implementation that the action may proceed as a class action in accordance with Rule 23(e). However, if such settlement fails to be approved or otherwise fails to be consummated, then the temporary class shall be decertified and the matter shall proceed.

12. In the event that the settlement receives preliminary approval by the Court, the Parties agree to move jointly for permanent certification as a class action for purposes of settlement in conjunction with their motion.

E. CLASS NOTICE REGARDING PROPOSED CLASS SETTLEMENT

13. The Parties agree they shall jointly request the Court to approve forms and procedure for providing notice to members of the class regarding the preliminary class certification and the proposed class settlement.

14. **Mailed notice to potential Class Members.** The Class Administrator, no later than December 1, 2021, will provide notice to the Class Members listed in Exhibit 2, other than the named Plaintiffs, by first class mail. The notice to be mailed to potential Class Members shall be substantially in the form contained in Exhibit 4. Addresses listed on prior invoices for presumed class members who are to receive this notice are listed in Exhibit 2, which will be filed under seal. Notice shall be mailed to the most recent address available to the Class Administrator unless Class Counsel or Defendant's counsel are aware of more current or accurate address, in which case the most current or accurate address shall be used.

15. **Published notice.** The Class Administrator will publish notice of the preliminary class certification and proposed settlement one time, no later than December 1, 2021, in each of the following publications: the Star Tribune (local printing), St. Paul Pioneer Press (local printing), Steele County Times, and Owatonna People's Press. The published notice shall be substantially in the form contained in Exhibit 5.

16. Class Counsel has authority to employ reasonable efforts to contact potential Class Members as part of their representation of the Class. Class Counsel also has authority to employ reasonable efforts to contact potential Class Members who are not reachable by mail in order to provide copies of the notices approved by the Court.

F. OPT-OUT OPPORTUNITY

17. If a potential Class Member does not request exclusion from the Class (i.e., opt-out), they will be deemed a Class Member for purposes of this Agreement and shall be bound by the settlement.

18. Any person who is named or otherwise eligible to be a Class Member has the right to opt-out of this settlement. Participation in this settlement is not mandatory. Any individual who opts out of this settlement will not receive the benefits provided by the terms of this Settlement Agreement.

19. Any person who chooses to opt out must submit a written, signed request to opt out, stating (1) name, address, and telephone number, (2) a reference to the litigation, and (3) a statement that they choose to opt out of the Class. Exhibit 6 provides a form that can be used to document the opt-out. Requests to opt-out must be sent to:

Bradford Colbert, LAMP
Mitchell Hamline School of Law
875 Summit Avenue, Room 254
St. Paul, MN 55105

20. Mr. Colbert will provide a copy of any opt-out documents received from potential Class Members to Defendant's counsel within ten (10) days of receipt. The deadline for opting out of the settlement is February 1, 2022.

G. CLASS MEMBER RIGHT TO INTERVENE OR OBJECT TO SETTLEMENT

21. Any class member who does not opt out will have the right to intervene in the litigation and to comment on or object to the settlement, the award of attorney's fees and costs, or other terms of this Settlement Agreement. Such objection should be received by the Court by March 28, 2022, or 14 days prior to the final fairness hearing.

H. PRELIMINARY APPROVAL OF THE SETTLEMENT

22. Promptly after the execution of this Settlement Agreement, the Parties shall jointly apply to the Court for an order (the "Preliminary Approval Order") substantially in the form attached as Exhibit 7.

23. Pursuant to 28 U.S.C. § 1715, within ten (10) calendar days of Plaintiff Coffey's filing of the Settlement Agreement and proposed Preliminary Order Defendant shall have prepared and provided to the Attorney General of the United States and the Attorneys General of all states in which members of the Settlement Class reside, a copy of the complaint and any amendments, notice of any scheduled judicial hearing, any proposed or final notification to class members, any proposed or final class action settlement, any settlement agreement, any

final judgment or dismissal, the names of the class members who reside in each State (or an estimate of the number if not feasible), and any written judicial opinion relating to the materials.

I. SETTLEMENT AWARD TO CLASS MEMBERS

24. The fund is administered by Defendant based on waiver eligibility decisions. A Class Member is not guaranteed a refund unless and until they are determined to be eligible for a waiver. Defendant will distribute refunds through its general fund as it makes waiver determinations based on the submissions of the Class Members who respond. Class Members' refund amounts will vary, since their confinement fees varied based on their length of confinement and collections. Additionally, others may have had no fees collected but will have collection efforts canceled with no compensation paid to the individual. Defendant's general fund is funded through the power of taxation, and the Parties therefore agree no common fund need be established for administration. Defendant may address any damages claims of any potential Class Member who chooses to opt-out. Class Counsel shall receive \$27,500 for attorney's fees and costs. Attorney's fees and costs incurred by Defendant's counsel shall be paid by Defendant and/or Minnesota Counties Intergovernmental Trust. Subject to Court-approval, Plaintiff Coffey shall receive an incentive payment in the amount of \$500 for serving as class

representative and undertaking the responsibilities and risks that come therewith. Regardless of Court-approval, Plaintiff Coffey has also received a refund of \$603.04 for his previously-withheld confinement fee and his fees were waived.

25. Payment. For those Class Members for which Steele County determines a waiver applies, the County will directly distribute the refund from its general fund.

J. RELEASE

26. Upon this Court's entry of a Final Order and Judgment approving the Settlement, each Class Member, and all of their respective heirs, executors and administrators, successors and assigns, shall be deemed to have released and forever discharged the Defendant, Steele County, and their past, present and future divisions, board members, elected officials, appointed officials, officers, agents, employees, contractors, or representatives, and other persons or entities, and also including all insurers and counsel for each of the foregoing as well as their predecessors and successors, from any and all claims, actions, suits, obligations, demands, promises, liabilities, costs, expenses and attorney's fees whatsoever (whether individual or class-wide in nature), whether based on any federal or state law or right of action, in law or in equity or otherwise, which the Class Members or any of them ever had, now have, or can have, or

shall or may hereafter have, arising out of any acts, failures to act, omissions, representations, facts, events, transactions or occurrences set forth or alleged in the Action or in any way related, directly or indirectly to the subject matter of the Action. The Settlement includes but is not limited to, a full resolution and discharge of claims for attorney's fees, costs, prejudgment interest and post-judgment interest, of all Class Members who have not effectively opted out. The terms of such final judgment shall have the same effect as if such persons had executed appropriate releases.

K. INCENTIVE PAYMENT

27. For his participation as a class representative, Isaiah Coffey will receive \$500.

L. ATTORNEY'S FEES

28. Class counsel, at the time it seeks final approval of this Settlement Agreement, shall seek an attorney's fees award of \$27,500, which shall also provide for payment of costs incurred. Class counsel implemented a legal strategy in this case that provided significant value to each Plaintiff and Class Member. By settling early in the discovery process, Class Counsel was able to obtain injunctive relief in the form of policy changes and retroactive determination, as well as potentially numerous refunds for Class Members who are eligible for fee waivers, without incurring additional, significant costs or requiring Class Members to pursue uncertain, small claims on their own. There is no right to

attorney's fees or costs from Defendant beyond those covered in this paragraph. Outside of this provision, each party shall pay for its own attorney's fees and costs.

M. CLASS ADMINISTRATION FEES

29. Steele County will pay the actual cost of class administration up to \$5,000. Any amount beyond \$5,000 will be paid by LAMP to the class administrator.

N. DISPUTE RESOLUTION PROCESS

30. The Parties hereby agree that any dispute shall be presented to the Magistrate Judge for this case for final resolution. The Court may use an informal or formal process to decide such disputes, and its decision shall be final and binding on the parties. The Magistrate Judge shall be expected to implement this Settlement Agreement in accordance with its material terms.

O. CONTACT INFORMATION

31. For any questions concerning this Settlement Agreement, eligibility, claims, or any related questions, all Class Members are encouraged to contact Class Counsel, specified herein:

Bradford Colbert, Esq.
LAMP
Mitchell Hamline School of Law
875 Summit Avenue, Room 254
St. Paul, MN 55105
(651) 290-6413
lamp@mitchellhamline.edu

Any questions or contacts needed with Steele County or Defendant may be made with:

IVERSON REUVERS
Stephanie Angolkar, Esq.
9321 Ensign Avenue South
Bloomington, MN 55438
Direct: (952) 548-7216
stephanie@iversonlaw.com

P. NOTICE OF FINAL SETTLEMENT APPROVAL AND CLAIMS

PROCEDURE

32. At the time the Court considers the Order Granting Preliminary Approval, the Parties will request that the Court set a Final Fairness Hearing. At the Final Fairness Hearing, the Parties will request that the Court, among other things:

- (a) enter an Order Granting Final Approval in accordance with this Agreement;
- (b) conclusively certify the Settlement Class; (c) approve the Settlement Agreement as final, fair, reasonable, adequate and binding on all Class Members; and (d) permanently enjoin any Class Member who has not opted-out from bringing any proceeding in Court. The Court's Order Granting Final Approval shall be available for Class Members to review at www.mitchellhamline.edu/clinics/lamp-legal-assistance-to-minnesota-prisoners/ for at least 30 days after the Order is filed.

Q. REASONABLENESS OF SETTLEMENT

33. Counsel for the Parties agree and represent to the Court that the settlement described herein is a reasonable compromise of the claims raised in this action and is fair to all Parties and Class Members. Counsel will provide the Court with a full explanation of the basis for this settlement in support of their motion for final approval. For purposes of preliminary approval, counsel represent to the Court that given the risks to Plaintiffs, Class Members, and Defendant in litigating these claims through trial, the enormous costs in dollars and time the trial of this action would require, it is in the best interests of all Parties and Class Members to settle this case at this time and the settlement terms are reasonable.

R. ENTRY OF JUDGMENT AND CONTINUING JURISDICTION

34. The Parties agree that they will jointly move for entry of judgment in the above-captioned action, to be entered in conjunction with the Court's final approval of the class settlement, dismissing all claims of the Class Members with prejudice.

35. The Parties will ask the Court to retain jurisdiction over this matter for purposes of resolving disputes as they may arise in the future.

S. NO ADMISSION OF LIABILITY

36. This Settlement Agreement is not intended to be and shall not operate as an admission of liability or wrongdoing on the part of Defendant, Steele County,

or any of their agents, employees, or representatives with respect to the underlying action or any allegations or claims therein.

T. EXHIBITS INCORPORATED

37. The following exhibits are incorporated herein by reference as if fully restated:

Exhibit 1 – Form of Financial Affidavit

Exhibit 2 - List of Class Members

Exhibit 3 – Retroactive Waiver Application

Exhibit 4 - Mailed Notice to Class Members

Exhibit 5 – Published Notice

Exhibit 6 – REQUEST FOR EXCLUSION (OPT-OUT FORM)

Exhibit 7 – Preliminary Approval Order on Class Certification and Proposed Settlement

This Settlement Agreement has 18 pages, counting signatures and not counting exhibits. This Settlement Agreement includes all pages, both the Settlement Agreement and its attached exhibits.

Dated: October 12, 2021

LEGAL ASSISTANCE TO
MINNESOTA PRISONERS

s/Bradford Colbert

Bradford Colbert, #166790

Claire Beyer, Certified Student Attorney

Andrew Harris, Certified Student Attorney

875 Summit Ave., Room 254

St. Paul, MN 55105

Attorneys for Plaintiffs

Dated: October 12, 2021

s/Stephanie A. Angolkar

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