

Hot-shot law firm Proskauer Rose quits MTA, says agency bigs too close to labor leaders

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A powerhouse law firm that has represented the MTA in labor negotiations for two decades abruptly quit after becoming concerned agency honchos were getting too friendly with labor, sources said.

[Proskauer Rose](#) was concerned transit officials weren't being candid about their dealings with the union, and the law firm feared it couldn't adequately represent the [Metropolitan Transportation Authority](#) if it was shut out of secret agreements between the two sides, sources said.

The firm walked away in February days after [NYC Transit President Howard Roberts](#) held the first meeting with an arbitration panel - without inviting Proskauer lawyers or the MTA's director of labor relations, sources said.

The agency turned to another firm, [Littler Mendelson](#), to represent its interest in front of the arbitration panel.

Just last week, the panel granted the union a generous pact with annual pay hikes totaling more than 11% by the end of the three-year deal.

It also lowered workers' health care contributions.

The binding contract will cost the MTA another \$350 million a year - at a time when it's gone begging to [Albany](#) for more aid and raised fares to keep from going broke.

Proskauer has a reputation for aggressively fighting labor and has gone head-to-head with [Transport Workers Union Local 100](#) for years, including court fights related to the union's illegal 2005 strike.

Former [MTA CEO Elliot Sander](#), who resigned in April, asked Proskauer lawyers to change their minds about pulling out of the contract fight but ultimately had to hire another firm, sources said.

Sander, who joined the MTA in 2007, and Roberts, his appointee, had made improved labor relations a top priority and forged a close working relationship with Local 100 chief [Roger Toussaint](#).

Before the contract went to arbitration, Sander and Toussaint had agreed on major provisions, leaving only the wage question to be settled by the panel, transit sources said. The MTA agreed to lower worker health care contributions - which the agency won after the 2005 strike - in exchange for changes in work rules.

The raises ultimately granted by the panel were in line with what [Mayor Bloomberg](#) awarded city workers. The MTA has unsuccessfully argued it should not have to follow a pattern set for city employees.

Proskauer declined to comment.

Roberts' supporters downplay the significance of the panel's first meeting in February and pointed out the union's law firm also wasn't invited.

"Why would the panel need the approval of the MTA's outside lawyers to discuss availability and outline a preliminary schedule?" said Toussaint, who was the union's representative on the panel.

After quitting, Proskauer later agreed to continue working on a retroactive contract involving once-private bus lines the MTA runs - but not the main bus-subway contract with TWU.

At the request of acting [MTA CEO Helena Williams](#), the law firm is reviewing the arbitration award to determine if the authority should appeal the costly decisions.

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