

## City of Annapolis Budget Revision Request

Control number \_\_\_\_\_

Department:

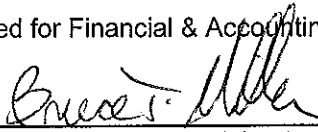
Office of Law

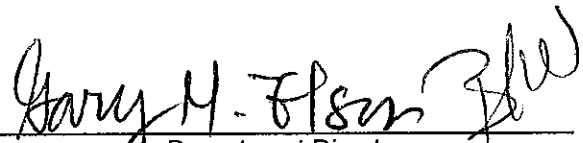
Date 30-Jun-2014

Account Name Only	Transfer TO	Transfer FROM
Contingency General		18,000.00
Law - Salaries	18,000.00	

To cover the final payment of Karen Harrdwick's settlement agreement. The current balance in the Contingency General Fund is \$19,120.90. If approved, the ending balance in the Contingency General Fund will be \$1,120.90.

Approved for Financial & Accounting Sufficiency:

  
\_\_\_\_\_  
Finance Director

  
\_\_\_\_\_  
Department Director

Approved by:

Mayor

Finance Committee

City Council

  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SETTLEMENT AGREEMENT**

This Settlement Agreement is entered into on this 15 day of <sup>July</sup>~~June~~ 2014, by and between Karen M. Hardwick ("Hardwick") and the City of Annapolis ("City"). Collectively, Hardwick and the City shall be referred to as the "Parties."

WHEREAS, Hardwick served as City Attorney of the City of Annapolis during the administration of Mayor Joshua J. Cohen; and

WHEREAS, during the tenure of Mayor Cohen on December 2, 2013, the City and Hardwick entered into a certain document entitled "Separation and Transition Support Agreement" dated the 2nd day of December 2013; and

WHEREAS, Michael J. Pantelides succeeded Cohen as Mayor of the City of Annapolis on the afternoon of December 2, 2013; and

WHEREAS, the Parties differ as to whether the document entitled "Separation and Transition Support Agreement" is enforceable; and

WHEREAS, Hardwick asserts that the document entitled "Separation and Transition Support Agreement" is fully binding on the City and fully enforceable in every material respect; and

WHEREAS, the City asserts that the document entitled "Separation and Transition Support Agreement" is not at all binding on the City and not at all enforceable in any respect; and

WHEREAS, the City does not agree that the document constitutes an enforceable agreement due to lack of adequate consideration, a factually incorrect premise, and for other reasons; and

WHEREAS, there are provisions in the document entitled "Separation and Transition Support Agreement" which require that certain mandatory payments be made to Hardwick, pursuant to the Annapolis City Code, namely: five thousand forty-six and 93/100 dollars (\$5,046.93) for accrued leave and salary up to December 6, 2013; and sixteen thousand nine

hundred sixty -seven and 28/100 dollars (\$16,967.28) in severance, for a total of twenty-two thousand fourteen and 21/100 dollars (\$22,014.21); and

WHEREAS, Hardwick acknowledges receipt of payments totaling \$22,014.21; and

WHEREAS, Hardwick asserts that further payments are due to her pursuant to the document entitled "Separation and Transition Support Agreement"; and

WHEREAS, the City asserts that no further payments are due to Hardwick; and

WHEREAS, the Parties are entering into this Settlement Agreement to dispense with any litigation and to settle the dispute:

NOW THEREFORE, in consideration of these premises and the terms set forth in this Settlement Agreement, the sufficiency of which the Parties hereby acknowledge, the Parties agree as follows:

1. The City shall pay Hardwick Seventeen Thousand Nine Hundred Eighty-Five and 79/100 Dollars (\$17,985.79) within 30 days of the date that this Settlement Agreement is fully executed. The check shall be made payable to Karen M. Hardwick and her attorney, Bruce L. Marcus, and shall be mailed to her attorney at: Marcus Bonsib, LLC, Capital Office Park, 6411 Ivy Lane, Suite 116, Greenbelt, MD 20770.

2. In consideration of the payment referenced in paragraph 1, and subject to paragraph 7 governing enforcement of this Settlement Agreement, Hardwick hereby voluntarily and forever releases and discharges the City of Annapolis, its elected officials, employees and agents, from any and all claims, complaints, suits, causes of actions, damages, losses, demands, rights, further payments, and all other such actions, which she now has or may have in the future arising out of the document entitled "Separation & Transition Support Agreement" dated December 2, 2013, referenced above, and all consequences thereof, whether known or unknown, whether foreseen or unforeseen, the intent being that she will not ever file suit or bring any other judicial action or administrative action against the City of Annapolis, its elected officials, employees or agents, to seek to enforce the document entitled "Separation & Transition Support Agreement" dated December 2, 2013, referenced above, or to seek damages or losses in

connection with such document, or any other type of relief commonly referred to as constituting either equitable relief or relief at law, the intent being that Hardwick hereby voluntarily and completely and forever releases any right she may have to pursue such claims.

3. In further consideration of the payment referenced in paragraph 1, Hardwick hereby acknowledges that the City's position concerning the document entitled "Separation & Transition Support Agreement" is that it is not enforceable and, as such, the document and the provisions stated therein establish no precedent that is binding or enforceable against the City of Annapolis.

4. In further consideration of the payment referenced in paragraph 1, the Parties acknowledge that this Settlement Agreement is the result of compromise of a disputed claim arising out of the document entitled "Separation & Transition Support Agreement" and that neither the payment referenced in paragraph 1 nor any other provision of this Settlement Agreement constitutes an admission of liability on the part of the City of Annapolis, its elected officials, employees and agents, and shall not be construed under any circumstances as an admission of liability. The City of Annapolis categorically denies liability to Hardwick under the document entitled "Separation & Transition Support Agreement" as well as under any theory of any type that relates to the document entitled "Separation & Transition Support Agreement."

5. In further consideration of the payment referenced in paragraph 1, Hardwick hereby acknowledges that it is the City's position, by the signature of the parties on this Agreement, the document entitled "Separation & Transition Support Agreement" is hereby rendered null and void.

6. If any provision of this Settlement Agreement is found to be invalid or unenforceable by a court of competent jurisdiction, all other provisions shall nevertheless continue in full force and effect.

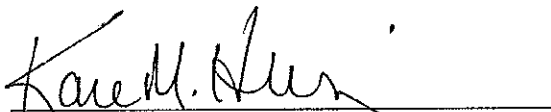
7. Notwithstanding anything to the contrary set forth in this Settlement Agreement, Hardwick and the City expressly reserve the right to seek enforcement of this Settlement Agreement.

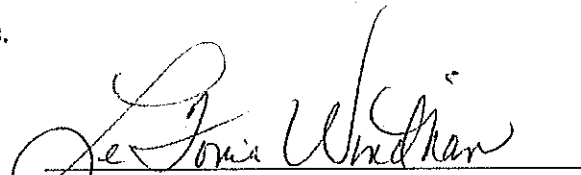
8. This Settlement Agreement shall be construed and enforced in accordance with the laws of the State of Maryland. Exclusive venue for any actions filed by any Party pursuant to paragraph 6 of this Settlement Agreement shall be in the courts of Anne Arundel County, Maryland.

9. No modification, waiver, or amendment of this Settlement Agreement shall be valid unless it is in writing and signed by the parties and witnessed.

10. The parties represent that no promise, inducement, or agreement not expressed in this Settlement Agreement has been made to obtain this agreement, that they have read and understand it, that they believe it to be fair, that they have been advised by their attorney regarding the meaning and consequences of it, that they enter into it freely, voluntarily and knowingly, and that it contains the entire agreement of the parties relating to the matters set forth in this Settlement Agreement.


11. This Settlement Agreement is binding upon the parties and their respective heirs, personal representatives, successors and assigns.


  
Karen M. Hardwick (Seal)

  
Witness

City of Annapolis:

Attest:


By:   
Michael J. Pantelides, Mayor (Seal)

  
Regina Watkins-Eldridge, City Clerk

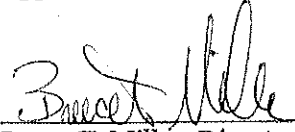
Approved for Form and Legal Sufficiency:

  
Gary M. Elson, Assistant City Attorney 7/1/14

Reviewed by:

  
\_\_\_\_\_  
Brian J. Woodward, Acting City Manager

Approved as to Sufficiency of Funds:

  
\_\_\_\_\_  
Bruce T. Miller, Director of Finance

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