

RESOLUTION NO. 2007 - 007

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF SOUTHWEST RANCHES, FLORIDA, APPROVING A MODIFICATION AND POST TERMINATION TERMS TO THE TOWN'S AGREEMENT WITH JOHN CANADA AND ASSOCIATES, INC.; AUTHORIZING THE MAYOR, TOWN ADMINISTRATOR AND TOWN ATTORNEY TO ENTER INTO A MODIFIED AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on December 13, 2000, the Town contracted with John Canada & Associates, Inc. ("John Canada & Associates") to serve as the Town's administration; and

WHEREAS, on October 14, 2004, pursuant to Resolution No. 2005—002, the Town entered into the First Amendment to the Agreement to extended John Canada & Associates term until September 30, 2008; and

WHEREAS, on May 11, 2006, the parties entered into a Second Amendment to modify the terms of the Agreement; and

WHEREAS, the Agreement, First Amendment, and Second Amendment are hereinafter collectively referred to as the "Agreement"; and

WHEREAS, on October 12, 2006, the Town Council voted to terminate this Agreement effective upon a new Town Administrator commencing work for the Town; and

WHEREAS, the execution of a modified Agreement, which establishes the post termination terms is necessary to effectuate the termination.

NOW, THEREFORE, BE IT RESOLVED, by the Town Council of the Town of Southwest Ranches, Florida:

Section 1: The above referenced recitals are true and correct and are incorporated herein by reference.

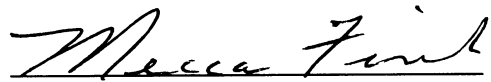
Section 2: The Town Council, in furtherance of Resolution No. 2007-004, hereby approves the modification and post termination terms relating to the Town's Agreement with John Canada and Associates, Inc., in substantially the same form as that attached hereto as Exhibit "A".

Section 3: The Town Council hereby authorizes the Mayor, Town Administrator and Town Attorney to enter into this modified Agreement, in substantially the same form as that attached hereto as Exhibit "A," and to make such modifications, additions and/or deletions which they deem necessary to effectuate the intent of this Resolution.

Section 4: This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED by the Town Council of the Town of Southwest Ranches, Florida, this 2nd day of November 2006, on a motion by Council Member Forest Blanton and seconded by Vice Mayor Don Maines.

Fink	<u>Y</u>	Ayes	<u>4</u>
Maines	<u>Y</u>	Nays	<u>1</u>
Blanton	<u>Y</u>	Absent	<u>0</u>
Knight	<u>Y</u>	Abstaining	<u>0</u>
Nelson	<u>N</u>		



Mecca Fink, Mayor

ATTEST:


Susan A. Owens, Town Clerk

Approved as to Form and Correctness:


Gary A. Poliakoff, J.D., Town Attorney

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THIRD MODIFICATION TO AGREEMENT

THIS THIRD MODIFICATION TO AGREEMENT entered into as of the 12th day of October, 2006 between the Town of Southwest Ranches, a municipal corporation of the State of Florida (the "Town") and John Canada & Associates, Inc., a corporation of the State of Florida ("Canada"), for the purpose of amending the Agreement between the Town and Canada dated December 13, 2000 (the "Original Agreement").

WITNESSETH:

WHEREAS, on December 13, 2000, the Town contracted with Canada to serve as the Town's administration; and

WHEREAS, on October 14, 2004, pursuant to Resolution 2005-002, the Town entered into the First Amendment to Agreement and on May 16, 2006, pursuant to Resolution 2006-065, the Town entered into the Second Amendment to Agreement; and

WHEREAS, on October 12, 2006, pursuant to Resolution 2007-004 the Town terminated Canada without cause, effective upon a new Town Administrator commencing work for the Town; and

WHEREAS, this third modification serves to set the terms and details of the termination and to effectuate a harmonious transition.

NOW THEREFORE, for and in consideration of the premises and for Ten Dollars (\$10.00) and for other good and valuable consideration the receipt and sufficiency whereof is hereby acknowledged, the parties hereto agree that the Original and modified Agreement shall be amended as follows:

1. The foregoing recitals are true and correct.
2. Section 4 "Term" shall be amended as follows:

4) Term

~~4.1 The parties mutually agree to extend the term of this Agreement through September 30, 2008. After this extended term, this Agreement may be further extended through mutual agreement of the parties.~~

4.1 The parties mutually agree that the term of this Agreement shall be bifurcated as follows:

As this Agreement specifically relates to Canada's hiring of John Canada and Pat Canada, their terms shall cease upon a new Town Administrator commencing work for the Town. As this Agreement specifically relates to Canada's other employees specifically delineated in Exhibit "B", their terms shall cease upon the earlier of six months or upon replacement by the new Town Administrator or at the discretion of the Town. The parties mutually agree that after the conclusion of their term, any employee delineated in Exhibit "B", at the new Town Administrator's sole discretion, may be retained directly by the Town or by another entity working for the Town.

3. Section 5.1 "Compensation" shall be deleted in its entirety and shall be amended to read as follows:

5) Compensation:

5.1 Effective October 13th, 2006, the compensation under this Agreement shall be a cost plus a five percent (5%) management fee as follow:

Prior to the termination of John Canada and Pat Canada, as delineated in Section 4.1 above, the Town shall make an advanced payment towards the estimated monthly overhead, which shall be reconciled prior to the next monthly payment, as delineated below.

Canada shall be advanced Sixty Thousand Two Hundred and Seven Dollars (\$60,207) on the first day of each month. Upon conclusion of the month, Canada shall calculate all employee monthly salaries who are currently employed by Canada and who are exclusively working for the Town net any employment taxes, as specifically delineated in Exhibit "B", plus all business expenses, as specifically delineated in Exhibit "C" excluding hotel stay for wetlands conference and health insurance for John Canada and Pat Canada, and shall add a five percent (5%) management fee. The total amount shall be Canada's total monthly compensation and a reconciliation of this total amount shall be made prior to receiving the next month's advancement.

In addition to those employees delineated in Exhibit "B", Canada may hire a qualified municipal bookkeeper who will be trained on the Town's accounting and bookkeeping system. The bookkeeper's salary shall not exceed Sixty Thousand Dollars (\$60,000) annually. Aside from those specific employees and salaries delineated in Exhibit "B" and the additional bookkeeper, who will be delineated by name and salary later, no modification of employees, employee salaries, employee benefits, new hires, or replacement hires, may be made without the express written consent of both parties.

Upon a new Town Administrator commencing work for the Town, as delineated in Section 4.1 above, Canada's monthly compensation shall be modified to reflect the actual monthly salaries of those employees currently employed by Canada, as delineated in Exhibit "B" including the bookkeeper, but excluding John Canada and Pat Canada, plus any directly related salary costs including FICA, unemployment insurance, and workers compensation insurance, plus a five percent (5%) management fee. This monthly compensation shall be estimated prior to first monthly payment and a reconciliation shall be made prior to the next monthly payment, which amount shall serve as the monthly amount due for future monthly payments, barring any modifications to direct salary costs or employee retention.

Until complete termination of Canada's services, as delineated in Section 4.1 above, Canada shall provide all related Federal and State reporting requirements.

4. Section 11 "Termination by Town Council" shall be amended to read as follows:

11) Termination by Town Council


- 11.3 Payment due under paragraph 11.2 shall be made within 30 days of termination upon a new Town Administrator commencing work for the Town. Said payment shall be prepared and processed by Canada and shall be verified in writing by the Mayor prior to payment.

11.4 In consideration of Canada repaying Fifty Thousand Dollars (\$50,000.00) to the Town, the Town agrees not to pursue legal action against Canada to seek reimbursement for sums paid to Canada pursuant to Section Three of the First Modification to Agreement. Said repayment shall be deducted from the termination payment referenced in Section 11.3 above.

5. All other terms and conditions not modified herein shall remain of full force and effect and binding on the parties.

IN WITNESS WHEREOF, this Third Modification is accepted and executed as of the ___ day of October, 2006.

TOWN OF SOUTHWEST RANCHES

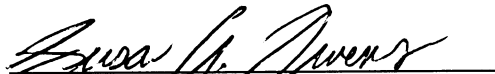


Mecca Fink, Mayor

JOHN CANADA & ASSOCIATES, INC.

John Canada, Principal

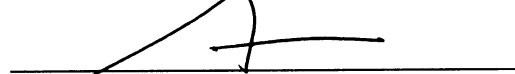
Attest:



Susan Owens, Town Clerk

Witness

Approved as to form and correctness:



Gary A. Poliakoff, Town Attorney

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Exhibit B

Canada Employees & Annual Compensation

1. John Canada	Town Administrator	\$124,929.00
2. Pat Canada	Assistant to the Town Administrator	\$62,460.00
3. Lee Rickles	Program Manager	\$68,640.00
4. December Haines	Program Manager	\$60,632.00
5. Malini Siew-Narine	Program Manager	\$41,800.00
6. Stacy Morin	Program Manager	\$32,760.00
7. Susan Owens	Town Clerk	\$43,890.00
8. Zipporah Irving (leaving November 22, 2006)	Administrative Assistant	\$30,576.00
9. Julie Kling	Intern	\$10,400.00
10. Bookkeeper; name & salary to be included later		

Exhibit "C"

Expenses

- | | |
|---|---|
| 1. Cell phone service for two cell phones | Not to exceed \$250 per month |
| 2. Computer repair | Not to exceed \$150 per month |
| 3. PC software service | Not to exceed \$200 per month |
| 4. Hotel stay for wetlands conference | One Time Expense for Hotel Stay |
| 5. Intranet | Not to exceed \$100 per month |
| 6. Town Minute preparation | Not to exceed \$250 per month |
| 7. Office supplies | Not to exceed \$100 per month |
| 8. Phone service | Not to exceed \$100 per month |
| 9. Software maintenance | Not to exceed \$100 per month |
| 10. Temporary employment agency for hiring bookkeeper | Not to exceed \$4000 per month |
| 11. Temporary office staff | Not to exceed \$1,000 a month |
| 12. Toll costs | Not to exceed \$20 per month |
| 13. Travel, as authorized by Town Council | Not to exceed \$3000 per month |
| 14. Vehicle rental during travel, as authorized by Town Council | Not to exceed \$100 per month |
| 15. Professional financial assistance | Not to exceed \$3,000 per month for four months |
| 16. Health insurance cost for John Canada and Pat Canada prior to their termination | Not to exceed \$800 per month |

The sum of the aforementioned business expenses shall not exceed \$15,000 per month, without prior written approval of the Town Council.