



City of Newark

City Hall
920 Broad Street
Newark, New Jersey 07102

Legislation Text

File #: 12-1139, Version: 1

Dept/ Agency: Law

Action: () Ratifying (X) Authorizing () Amending

Purpose: Settlement of Demand for Payment

Docket No.: Pre-Suit

Claimant: ParenteBeard, LLC and Ted Felix

Claimant's Attorney: None

Attorney's Address: 65 Madison Ave., Morristown, NJ 07960

Settlement Amount: \$250,000.00

Funding Source: City of Newark/Office of the City Clerk/2011 Budget

Additional Comments:

Invitation: Corporation Counsel, June 19, 2012

WHEREAS, the **City of Newark** was in need of Special Tax Abatement Accounting Services and engaged **ParenteBeard, LLC**, by Resolution 7R9-k (A.S.), dated August 4, 2010, for a term of one year, commencing June 1, 2010 and terminating on May 31, 2011, for an amount not to exceed \$250,000.00; and

WHEREAS, **ParenteBeard, LLC and/or Ted Felix**, continued to provide accounting services following termination of the contract, for an additional sum of \$372,385.00; without a new contract or contract amendment; and

WHEREAS, **ParenteBeard, LLC and Ted Felix** claim and the City Clerk acknowledges that they provided the services; and

WHEREAS, **ParenteBeard, LLC and Ted Felix** have claimed that the total cost of the additional services provided is \$372,385.00; and

WHEREAS, the parties have agreed to settle the matter for the payment by the City of Newark of the sum of \$250,000.00 (Two Hundred Fifty Thousand Dollars), in one lump sum, in exchange for the execution of a Settlement Agreement and General Release as a full and complete settlement of all of **ParenteBeard, LLC's and Ted Felix's** claims, including any claims for attorney's fees; and

WHEREAS, the within settlement and release does not admit nor should it be construed as an admission of liability or violation of any law, statute or regulation or a breach of any duty by the City of Newark, its agents, officers and/or employees whatsoever and is entered into to resolve this matter and prevent the incurring of additional costs and fees; and

WHEREAS, the City has determined that it is in the best interest of the taxpayers to settle and avoid the cost, expense, delay and uncertainty of litigation; and

WHEREAS, the Director of the Department of Finance has certified that there are adequate, appropriated monies available to pay the settlement.

NOW, THEREFORE, BE IT RESOLVED BY THE MUNICIPAL COUNCIL OF THE CITY OF NEWARK, NEW JERSEY, THAT:

1. **The** Corporation Counsel is hereby authorized on behalf of the City of Newark to negotiate and execute a Settlement Agreement and Release any other documents, sufficient in form and content to Corporation Counsel and to take whatever actions are necessary to effectuate the terms of the within resolution and settlement of this matter pursuant to the terms contained in the within Resolution.
 2. The Municipal Council of the City of Newark hereby authorizes the payment by check made payable to **ParenteBeard, LLC** in the amount of \$250,000.00 (Two Hundred Fifty Thousand Dollars), which check shall be mailed to 65 Madison Avenue, Morristown, New Jersey 07960, as consideration of and pursuant to the terms and conditions contained in the Settlement Agreement and Release annexed hereto.
 3. In exchange for the execution by **ParenteBeard, LLC and Ted Felix** of the Settlement Agreement and Release, acceptable in form to the Corporation Counsel and after passage of this resolution and upon receipt by the Corporation Counsel and the Director of Finance of any and all other documents deemed necessary, the Director of Finance of the City of Newark is hereby authorized to issue the check made payable to **ParenteBeard, LLC**.
4. The within settlement and resolution does not admit nor should it be construed as an admission of liability or violation of any law, statute or regulation or a breach of any duty by the City of Newark, its agents, officers and/or employees whatsoever and is entered into based upon recommendations of counsel and to eliminate all risks and future litigation costs.
5. Attached hereto is a certification of funds issued by the Director of Finance, City of Newark, which states that there are available sufficient, legally appropriated funds of \$250,000.00 (Two Hundred Fifty Thousand Dollars) for the purposes set forth hereinabove. A copy of the certification of funds issued shall be filed in the Office of the City Clerk together with this Resolution by the Corporation Counsel.
 6. A fully executed copy of the Settlement Agreement and Release shall be filed in the Office of the City Clerk by Corporation Counsel.
 7. The funds for this settlement in the amount of \$250,000.00 are provided from the Budget of the Office of the City Clerk.
 8. This Resolution shall be effective upon adoption in accordance with applicable State law.

STATEMENT

This resolution authorizes the settlement of a demand for payment from **ParenteBeard, LLC and Ted Felix**, for Special Tax Abatement Accounting Services, through the payment of the lump sum of \$250,000.00 (Two Hundred Fifty Thousand Dollars), in exchange for the execution of a Settlement Agreement and Release.