

SEPARATION AGREEMENT

THIS SETTLEMENT AGREEMENT is made and entered into this _____ day of June, 2014, by and between the City of Key West, a Florida municipal corporation (hereinafter the "CITY"), and Bogdan Vitas, Jr. (hereinafter "VITAS").

WITNESSETH

WHEREAS, on June 19, 2012, the City Commission of the City of Key West passed Resolution 12-211, approving the attached City Manager Employment Agreement, hereinafter "Agreement", between the CITY and VITAS for the position of City Manager; and

WHEREAS, the CITY desires to terminate the Agreement without cause; and

WHEREAS, the Agreement contains a provision addressing the rights and responsibilities of the Parties in the event the Agreement is terminated without cause; and

WHEREAS, the Parties desire to modify the provision in the Agreement pertaining to termination without cause, resulting in a final settlement between the parties with regard to the Agreement.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. The Agreement shall be terminated by CITY without cause effective June 30, 2014.

2. The CITY agrees to tender, no later than July 15, 2014, and VITAS agrees to accept, a sum equal to the total of the prospective benefits including car allowance in the amount of \$1,250.00, medical, dental and vision insurances in the amount of \$4,464.80 and salary in the amount of \$64,176.84 that would have been earned by VITAS as if still employed under the Agreement for the eighteen (18) calendar weeks following June 30, 2014

3. VITAS, on his own behalf, and on behalf of his successors, and assigns, does hereby remise, release, acquit, satisfy, and forever discharge CITY, of and from all, and all manner of action and actions, cause and causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, whether presently known or unknown, in law or in equity, which VITAS ever had, now has, or which any personal representative,

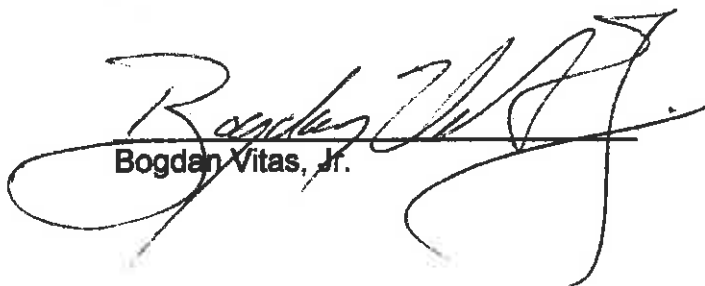
successor, heir, or assign hereafter can, shall or may have, against CITY, for, upon or by reason of Vitas' employment with the City, including, but not limited to, the City Manager Employment Agreement dated June 19, 2012.

4. In addition to the payment provided for in paragraph 2 of this Agreement, VITAS shall be entitled to receive payment for accrued and unused annual leave in the amount of \$13,191.94, and accrued and unused sick leave in the amount of \$14,742.87 as is customarily paid to employees of the CITY upon separation from employment. Further, VITAS shall also be reimbursed his contributions to the CITY Retirement Plan in the amount of \$21,212.73.

5. The PARTIES agree that there will be no representations or statements made by the CITY (or by its individual Commissioners or officers) or VITAS after the execution of this Agreement, including without limitation, those made anonymously, that shall, either directly or indirectly in the form of oral or written statements or representations in any other form, that slander, libel, or defame the reputation of either Party. Notwithstanding the foregoing, this paragraph shall not be inconsistent with Section 215.425, Florida Statutes.

6. CITY agrees not to interfere with VITAS' pursuit of future employment opportunities. Interfere shall be defined as the initiation of communication for the purpose of intentionally creating a hindrance or obstacle. However, the foregoing shall not apply to CITY's compliance with applicable laws and regulations.

IN WITNESS HEREOF, the Parties have made their agreement on the date first written above and, except as otherwise provided herein, is effective immediately.



Bogdan Vitas, Jr.

ATTEST:

THE CITY OF KEY WEST

Cheryl Smith, City Clerk

Craig Cates, Mayor