

Office of School Board Attorney
Luis M. Garcia, Interim School Board Attorney

**SUBJECT: PRE-SUIT SETTLEMENT OF THREATENED LITIGATION
INVOLVING CONTRACT AT JOHN A. FERGUSON SENIOR HIGH
SCHOOL**

On May 8, 2007, Hawk's Cay Resort (the "HCR"), in Duck Key, Florida, entered into an event contract that was executed by the then principal of John A. Ferguson Senior High School. The purpose of the contract was for a staff retreat with the school's faculty. The purpose of the retreat was to provide a seminar to the school's staff on gifted education. The initial invoice for the event totaled Eighty-Three Thousand Nine Hundred Seventy-Four and 40/100 Dollars (\$83,974.40). To date, the invoice has not been paid and counsel for HCR has formally notified the school district of HCR's intent to file suit in order to collect the past due amount, plus interest and attorney fees.

HCR has offered to resolve this matter without resorting to litigation. In consideration for the School Board's acceptance of a pre-suit settlement, HCR has agreed to forego any interest and late fees on the amount due, and will also deduct from its invoice, charges for other incidental costs, specifically beverages consumed by the participants at the retreat. This settlement offer amounts to an approximate reduction of \$21,000 from the total costs incurred by school district employees and through the elimination of interest and late fees. Accordingly, the proposed settlement amount and the payment that would be due HCR is \$79,471.40.

It is our opinion that the proposed settlement agreement is in the best interests of the School Board and administration is in agreement with settlement of this case. A copy of the proposed settlement documents will be provided to the Board under separate cover.

RECOMMENDED: That The School Board of Miami-Dade County, Florida, approve the pre-suit Settlement and General Release in the matter of the outstanding debt involving Hawk's Cay Resort and John A. Ferguson Senior High School in the amount of \$79,471.40.