

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

AGENDA ITEM SUMMARY

Meeting Date: 12/21/2021 Consent Regular
 Ordinance Public Hearing
 Department:
 Submitted By: COUNTY ATTORNEY

I. EXECUTIVE BRIEF

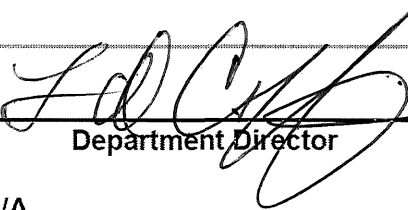
Motion and Title: Staff recommends motion to approve a Settlement Agreement, inclusive of attorney's fees and costs, in the total amount of \$1,160,000.00, pursuant to the pre-suit negotiations and mediations regarding Palm Beach County vs. Area Agency on Aging of Palm Beach/Treasure Coast, Inc. (the "Agency").

Summary: This settlement stems from pre-suit negotiations and two mediations regarding monies owed to Palm Beach County by the Agency. The Agency failed to pay invoices from January 2019 to April 2019 in the total amount of \$1,674,053.92. The Agency and its insurance carrier, Philadelphia Insurance, have agreed to pay \$1,160,000.00 of the monies owed to the County within 20 days from approval by the Board of County Commissioners, pursuant to a binding settlement agreement.

Background and Justification (or Policy Issues): The Agency failed to pay the County \$1,674,053.92 for invoices owed from January 2019 to April 2019 due to the mismanagement of funds by the Agency's prior CEO and CFO. The Agency is now under new leadership. Through pre-suit negotiations and mediations with the Agency's new leadership and the Agency's insurance carrier, the Agency has agreed to pay back the majority of funds owed, in the amount of \$1,160,000.00, to settle the pre-suit claim by the County.

Attachments:

1. Settlement Agreement
2. Release of All Claims

Recommended By:  12/14/2021
 Department Director Date

Approved By: N/A
 County/Deputy/Asst. County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2022	2023	2024	2025	2026
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income (County)					
In-Kind Match (County)					
NET FISCAL IMPACT	*				
# ADDITIONAL FTE					
POSITIONS (CUMULATIVE)					

Is Item included in current budget? Yes No

Does this Item include the use of federal funds? Yes No

Budget Account No.:

- Fund 1006 Agency 144 Organization 1443 Object 3469
- Fund 1006 Agency 144 Organization 1457 Object 3168
- Fund 1006 Agency 144 Organization 1458 Object 3168
- Fund 1006 Agency 144 Organization 1459 Object 3168
- Fund 1006 Agency 144 Organization 1461 Object 3168
- Fund 1006 Agency 144 Organization 1472 Object 3168

B. Recommended Sources of Funds/Summary of Fiscal Impact:

* This is a settlement for prior year (FY2019) debt for federally funded grant agreement. \$514,053.92 will not be recouped.

C. Departmental Fiscal Review:

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development & Control Comments:

Luz Maria 12/16/21
OFMB AP 12/16/21 8/12/10/21

Shirley L. Jaworski 12/16/21
Contract Dev. & Control
12-16-21 TW

B. Legal Sufficiency

[Signature]
Assistant County Attorney

C. Other Department Review

_____ Department Director


PALM BEACH COUNTY,
Claimant (s),
vs.
AREA AGENCY ON AGING,
Respondent (s)

IN THE CIRCUIT COURT OF THE 15TH JUDICIAL
CIRCUIT OF FLORIDA IN AND FOR PALM
BEACH COUNTY
CASE NO: PRESUIT

SETTLEMENT AGREEMENT

The parties mediated this case before Rodney Romano on 12-8-21 and reached agreement under the following terms which the parties agree are binding and enforceable:

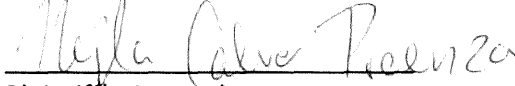
1. This agreement is subject to approval by the parties' respective governing bodies.
2. Philadelphia insurance will pay \$750,000.00 and Area Agency on Aging will pay \$410,000.00 to Palm Beach County in exchange for a general release of all claims, including current and former officers, directors, and employees. Philadelphia Insurance Company is being released.
3. Palm Beach County agrees that the payment under the settlement is full and final consideration for unpaid 2019 invoices due to Palm Beach County Division of Senior Services from the Area Agency on Aging Palm Beach / Treasure Coast totaling \$1,674,053.92. Specifically, invoices included in this settlement are ADI invoice ending 01/31/2019 for \$148,325.94, OAA invoice ending 01/3/2019 for \$147,923.72, CCE invoice ending 02/28/2019 for \$153,332.20, ADI invoice ending 02/28/2019 for \$84,286.45, OAA invoice ending 02/28/2019 for \$230,510.99, CCE invoice ending 03/31/2019 for \$153,734.36, ADI invoice ending 03/31/2019 for \$107,304.70, OAA invoice ending 03/31/2019 for \$219,275.01, CCE invoice ending 04/30/2019 for \$142,592.16, ADI for invoice ending 04/30/2019 for \$69,984.84, and OAA invoice ending 04/30/2019 for \$216,783.55.
4. The release shall be provided to plaintiff counsel within five business days.
5. Settlement funds shall be tendered to plaintiff's counsel within 20 days after County Commission approval.
6. Parties shall bear their own fees and costs. Electronic signatures shall have the same force and effect as original signatures; the mediator is a scrivener only.



Plaintiff

John Magee

Philadelphia Insurance


Defense Counsel


Plaintiff's Counsel


Area Agency on Aging

Signature: 
John Magee (Dec 8, 2021 13:33 EST)

Email: john.magee@phly.com

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GENERAL RELEASE

KNOW ALL MEN BY THESE PRESENTS:

In consideration of sum \$1,160,000.00, as set forth in the attached Settlement Agreement, Palm Beach County hereby releases and discharges the Area Agency on Aging (and all of its past and present officers, directors, managers, members, employees, trustees, parent corporations, parent entities, related entities, agents, attorneys, affiliates, insurers, (including, but not limited to Philadelphia Insurance Company), and all of the respective successors and assigns of the preceding entities and persons) (hereafter "Released Parties") from and against any and all liability to Palm Beach County upon claims, demands, actions, causes of action, suits, debts, sums of money, accounts, bills, covenants, contracts, controversies, agreements, premises, damages, or obligations of every nature whatsoever, whether known or unknown, in law or equity, or any other act, event, failure to act or things which have occurred or were created at any time before or upon the date on which this Release is signed and becomes effective; including, but not limited to, all claims mentioned in the attached Settlement Agreement and including but not limited to, all claims arising from the actions described in that certain letter from Palm Beach County dated July 6, 2020, including claims for attorneys' fees and any other items of damages or loss. Without limiting the generality hereof, this release covers claims or causes of action based upon all torts (such as, for example, negligence, fraud, fraudulent or negligent misrepresentation, defamation, breach of fiduciary duty); claims under any and all agreements entered into between the parties, including express and implied contracts; federal, state or local statutes and ordinances; any and all claims for violation of any statutory or administrative rules, regulations or codes.

ATTEST:

JOSEPH ABRUZZO, CLERK OF THE
CIRCUIT COURT & COMPTROLLER

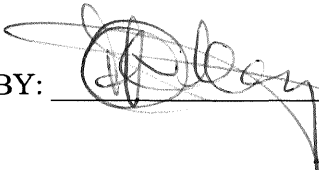
PALM BEACH COUNTY, FLORIDA,
BY ITS BOARD OF COUNTY
COMMISSIONERS

BY: _____
Deputy Clerk

BY: _____
Robert Weinroth, Mayor

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

APPROVED AND TO TERMS AND
CONDITIONS

BY:  _____

BY: _____