

MEMORANDUM

Agenda Item No. 8(P)(2)

TO: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

DATE: June 18, 2024

FROM: Geri Bonzon-Keenan
County Attorney

SUBJECT: Resolution approving and authorizing the County Mayor to execute a Settlement Agreement between Bettoli Trading, Corp. and Miami-Dade County under which the County agrees to release certain contract claims against Bettoli Trading, Corp. in exchange for Bettoli Trading, Corp. releasing its claims against the County and paying the County \$300,000.00 as a non-refundable settlement payment related to Contract No. FB-00053 for vending machine services for multiple County departments; and authorizing the County Mayor to exercise any rights contained within the Settlement Agreement and to take any actions necessary or required to effectuate same

Resolution No. R-550-24

The accompanying resolution was prepared by the Strategic and Procurement Department and placed on the agenda at the request of Prime Sponsor Commissioner Kevin Marino Cabrera.


Geri Bonzon-Keenan
County Attorney

GBK/gh

MDC001

Memorandum



Date: June 18, 2024

To: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

From: Daniella Levine Cava 
Mayor

Subject: Recommendation for Approval of a Settlement Agreement between Bettoli Trading, Corp. and Miami-Dade County to Recoup Certain Unpaid Revenues Due County Under Vending Machine Services Contract FB-00053

Summary

This item seeks approval of a settlement agreement between Miami-Dade County (County) and Bettoli Trading, Corp. (Bettoli), with whom the County currently has a vending machine services contract, to recoup certain revenues the County maintains are owed by Bettoli under said contract. If approved, the proposed settlement would result in the County receiving \$300,000, via one upfront payment of \$150,000 and three additional monthly payments of \$50,000 each, in consideration of the County releasing contract claims to recover additional amounts from Bettoli for alleged sums past due under the same contract above \$300,000.

Recommendation

It is recommended that the Board of County Commissioners (Board) authorize the County Mayor or the County Mayor's designee to execute a Settlement Agreement between the County and Bettoli (attached) for *Contract No. FB-00053, Vending Machine Services*, for multiple County departments in the amount of \$300,000.

Background

This contract was approved by the Board on May 6, 2014, through Resolution No. R-416-14, for an initial five-year term with one five-year option to renew. The minimum monthly revenue sharing obligation under this contract was \$40,080 and was estimated to generate a minimum of \$4,809,600 in revenue over a ten-year period. The County exercised the contract's only five-year extension term on June 1, 2019. The current contract expires on September 30, 2024.

During the COVID-19 pandemic, the County had suspended collection of revenues on several concession contracts. In April 2020, shortly after remote working was instituted as a public health safety protocol, this contract was modified by staff to broaden the definition of force majeure and temporarily suspend collection of monthly payments due from Bettoli until normal conditions resumed. This modification, however, was not presented to the Board for approval or ratification. Bettoli stopped making its contractually guaranteed \$40,080 monthly payments to the County and did not resume making such payments until January of 2024, a non-payment period of 45 months.

As County buildings resumed normal traffic, a written notice was issued to Bettoli on January 18, 2022, directing Bettoli to resume its monthly payments to the County as of February 1, 2022; however, Bettoli claimed that its operations and vending sales' volumes had not returned to normal and as such they could not resume payments. Multiple discussions, meetings, and negotiations with Bettoli to resume their contractual payments (either in full or in part) did not result in a resumption of payments. Subsequently, following consultation with the CAO, the County issued Bettoli a Notice of Default for prolonged non-payment on October 16, 2023. The letter advised that Bettoli was in default of its contract payment obligations and was required to cure its default status by paying the principal amount then owed to the County plus interest (\$1,643,280) within thirty calendar days of the notice.

It is important to note that the contract required a fixed minimum monthly guarantee (MMG) of \$40,080 per month regardless of Bettoli's actual sales. The sales for the vending machines under this contract were much lower than anticipated due to safety protocols that were instituted during the COVID-19 pandemic and changes in market conditions. Given the emergence of working remotely and reduced traffic or occupancy at certain locations, the fixed MMG model for these services is no longer suitable. Staff conducted extensive research to identify what type of revenue sharing models are sustainable and equitable in this industry. Based on research and industry practices, all new County vending contracts include a fixed percentage of revenues as opposed to a fixed MMG that does not account for an increase/decrease in sales.

Per the contract terms and conditions, the total amount of unpaid revenue to the County under this contract, from April 2020 through December 2023, is based on the fixed MMG of the contract. In January 2024, Bettoli resumed their monthly payments under the contract. Through discussions and negotiations, the County and Bettoli have agreed that Bettoli will pay the County a non-refundable settlement payment of \$300,000 over the remaining term of the contract and release the County from any claims arising from the contract. This settlement amount is based on estimated electricity usage of Bettoli's machines during the non-payment period. Contingent upon Bettoli's satisfactory and timely payment of the settlement amounts owed, the County will release Bettoli from breaches of the contract. If Bettoli fails to make payments pursuant to this settlement agreement, the amount owed to the County shall accrue interest at the rate of 18 percent annum, compounding weekly in advance, and the full amount due shall become immediately due to the County.

Scope

The impact of this item is countywide in nature.

Fiscal Impact/Funding Source

Under the terms of this Settlement Agreement, Bettoli will pay the County \$150,000 within two business days of the effective date of the Settlement Agreement, and the remaining \$150,000 will be payable in three equal increments of \$50,000 per month each due on July 1, August 1, and September 1, 2024. In consideration of such payments, and Bettoli releasing any potential claims it has or may have against the County arising under the subject Contract, the County will release its Contract claims against Bettoli to recover additional sums, above the \$300,000 settlement amount, that may be due County under the Contract for the above-described non-payment period.

Track Record/Monitor

Christopher Grant-Henriques of the Strategic Procurement Department is the Procurement Contracting Manager.

Delegated Authority

If this item is approved, the County Mayor or County Mayor's designee will have the authority to execute the Settlement Agreement for and on behalf of the County and exercise all rights contained therein.

Attachment



Carladenise Edwards
Chief Administrative Officer

SETTLEMENT AGREEMENT

This Settlement Agreement is entered into as of the _____ day of _____, _____, by and among County vendor Bettoli Trading, Corp. ("Bettoli") and Miami-Dade County ("County"), a political subdivision of the State of Florida.

W I T N E S S E T H

WHEREAS, on or about March 26, 2014, the County advertised a competitive solicitation for vending machine services: FB-00053; and

WHEREAS, Bettoli submitted a formal bid in response to said vending services solicitation, which bid proposed to guarantee County a minimum monthly minimum payment of \$40,080 per month for each month of the agreement term and any exercised renewal or extension term; and

WHEREAS, On or about May 6, 2014, the Board of County Commissioners for Miami-Dade County ("Board") adopted Board Resolution No. R-416-14 authorizing the award of Contract FB-00053 to Bettoli Trading Corp. d/b/a Bettoli Vending in an amount of \$2,404,800 in total anticipated revenue to the County (through the agreement's initial term); and

WHEREAS, commencing in April of 2020, after the start of the COVID 19 pandemic, and continuing for a period in excess of 3 ½ years, Bettoli ceased making contractually required monthly payments to the County under Contract FB-00053, contending it was relieved from making such monthly payments by a purported contract modification no. 1 dated April 6, 2020 (the "Bettoli Claimed Modification") (a copy of said Bettoli Claimed Modification is attached as Exhibit 1 hereto for identification purposes only); and

WHEREAS, as the Bettoli Claimed Modification was never approved by the Board, the County Mayor or any Deputy Mayor, or any Director or Assistance Director of the County's ISD Department, the County contends, and Bettoli disputes this contention, such purported contract modification is invalid, of no effect, and void ab initio, and that Bettoli's failure to make regular minimum monthly payments to the County as required under Contract FB-00053 constituted a Bettoli breach and default of its obligations under said contract and that Bettoli owes the County a sum of \$1,723,440 for unpaid monthly payments plus interest thereon (in aggregate, the "Disputed Sum"); and,

WHEREAS, notwithstanding the disputed contentions, the Parties, in order to avoid the risks and cost of litigation, now desire to resolve their contract disputes amicably, as set forth hereinbelow.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, the receipt and sufficiency of which are hereby acknowledged, and subject to the terms and conditions set forth herein, the County and Bettoli hereby agree as follows:

ARTICLE I

DEFINITIONS

1. 1 Definitions. Except as specifically provided elsewhere herein, capitalized terms used herein shall have the meaning set forth below:

“County” shall mean Miami- Dade County, a political subdivision of the State of Florida.

“Effective Date” shall mean the date on which this Settlement Agreement has been fully executed by all the respective parties hereto, provided the County’s execution hereof, whether +by the County Mayor or any Deputy Mayor, or any Director or Assistance Director of the County’s ISD Department, may not occur until after this Agreement is first approved by the Board of County Commissioners for Miami-Dade County (“Board”) via an effective resolution adopted by the Board.

1.2 Rules of Construction. Unless the context clearly indicates otherwise:

(a) words in the singular include the plural, and words in the plural include the singular;

(b) a pronoun in one gender includes and applies to the other gender as well;

(c) all references to Articles and Sections shall refer to this Settlement Agreement, unless clearly stated otherwise; and 3

(d) the terms “hereof”, “hereto”, “herein”, “hereunder” and comparable terms refer to this entire agreement and not to any particular article, section or other subdivision thereof unless expressly provided otherwise.

1. 3 Recitals. The Whereas clauses at the beginning of this Agreement are hereby ratified and incorporated by reference herein.

ARTICLE II

AGREED UPON SETTLEMENT PAYMENTS TO COUNTY

2.1 Agreed Upon Settlement Payments Due to County from Bettoli. Bettoli agrees to pay the County a non-refundable settlement payment in the amount of \$300,000 payable to County as follows:

2.1.1 Bettoli shall wire the County one-hundred and fifty thousand dollars (\$150,000) (per wire instructions to be provided by County to Bettoli) within two (2) business days of the Effective Date hereof. In the event Bettoli fails to wire the full amount of said payment to County, interest shall accrue thereon at the rate of 18% per annum (compounding weekly in advance), and the full amount of (i) all monies due the County hereunder and all monies due the County from Bettoli under the subject Vending Contract, including, without limitation, the Disputed Sum, shall become immediately due to County from Bettoli.

2.1.2 Bettoli shall pay the County a second sum of \$150,000 payable in three equal increments of \$50,000 per month each due on July 1, August 1, and September 1, 2024. In the event any of these increments are not timely paid to the County in full, the entire remaining balance of this second \$150,000 payment shall become immediately due to County and interest shall immediately begin to accrue thereon at the rate of 18% (compounded weekly in advance), and, in such event, the full amount of all monies due the County (i) hereunder or (ii) under the subject Contract FB-00053, including, without limitation, the Disputed Sum, shall become immediately due to County from Bettoli.

2.2 Deletion of Purported Modification 1 to Vending Contract. The parties hereto mutually agree that effective upon the Effective Date hereof the Bettoli Claimed Modification shall be deemed permanently deleted and rescinded from said vending Contract and shall have no further force or effect.

ARTICLE III

COUNTY COMMITMENTS

3. County Commitments. As consideration for this settlement, the County agrees to make the following conditional release of County claims against Bettoli, excluding any claims arising in whole or in part under this Agreement, all of which excluded claims are fully and expressly retained and preserved by the County, provided such conditional release shall not become effective unless and until Bettoli fully and timely complies with all payment obligations set forth herein and fully complies with all of its payment and other obligations under the subject Vending Contract, as amended hereby, from the Effective Date hereof through and including September 30, 2024. In the event Bettoli breaches any of its obligations hereunder or breaches any of its obligations under the subject Vending Contract at any time during the period from the Effective Date through and including September 30, 2024, the County release contemplated herein shall become permanently null, void, withdrawn, ineffective, and of no force or effect.

3.1 County's Conditional Release in Favor of Bettoli. Subject to and contingent upon the prior satisfaction of the required condition precedent set forth in Section 3 above, and also subject to any condition subsequent set forth above, the County agrees to release Bettoli from breaches of Contract FB-00053 occurring prior to the Effective Date hereof that pertain to the failure of Bettoli to pay all or any portion of the Disputed Sum that were due to County prior to January 1, 2024, expressly excluding (a) any claims arising on or after January 1, 2024 and (b) any contract or other claims arising prior to January 1, 2024 that do not arise from Bettoli's prior failure to pay all or any portion of the Disputed Sum prior to January 1, 2024, all of which excluded claims are expressly retained and preserved by the County. The obligations, waivers, and releases in this section shall survive the expiration of this Agreement.

ARTICLE IV

BETTOLI'S RELEASE OF ALL CLAIMS AGAINST COUNTY ARISING FROM VENDING CONTRACT OR OTHERWISE

4.1 Bettoli's Release of All Claims Against County. Bettoli hereby permanently and irrevocably releases the County and all of its employees, officers, and elected officials from any and all claims, demands, suits, and causes of action that Bettoli or any of its principals has or may have against the County or any of County's employees, officers, or elected officials, now or in the future, whether at law or equity, choate or inchoate, whether sounding in tort, contract or otherwise, effective upon the Effective Date hereof, excluding only Bettoli claims for County's breach of this Agreement. The obligations, waivers, and releases in this section shall survive the expiration of this Agreement.

ARTICLE V

MISCELLANEOUS

5.1 Warranty. The parties hereto each represent and warrant that neither has heretofore assigned or transferred or purported to assign or transfer to any person or entity all or any part of any right or interest in the Petition.

5.2 Authority. Bettoli hereby represents and warrants to County that Bettoli is authorized to enter into this Settlement Agreement, that it is duly and validly executed, legally binding and enforceable against Bettoli. Upon approval of this Settlement Agreement by the Board of Miami-Dade County Commissioners and subsequent execution by the County Mayor or her designee, County warrants and represents that it is authorized to enter into this Settlement Agreement, that it is duly and validly executed, legally binding and enforceable against the County.

5.3 Fees & Costs. Each of the parties hereto agree to pay their own respective fees and costs incurred in connection with the negotiation and drafting of this Agreement.

5.4 Amendments. No change, amendment or modification of this Settlement Agreement shall be valid or binding upon the parties hereto unless such change, amendment or modification shall be in writing and duly executed by the parties hereto and, in the case of the County, be approved by the Board of County Commissioners.

5.5 Assignment. This Settlement Agreement may be assigned to parties, other than the parties to this Settlement Agreement, only upon the prior written consent of the other parties hereto.

5.6 Governing Law. This Settlement Agreement shall be governed by, and shall be construed in accordance with, the laws of the State of Florida.

5.7 Exclusive Venue/Enforcement. Venue for any court action arising from, relating to, or to enforce any term or provision hereof, shall lie exclusively in Miami, Dade County, Florida. This Settlement Agreement may be enforced in the Dade County Circuit Court. In the event an action is brought to enforce this Agreement, the substantially prevailing party shall be entitled to an award of its reasonable attorneys' fees and costs.

5.8 Severability. In case anyone or more of the provisions contained in this Settlement Agreement, or any application thereof, shall be invalid, illegal or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein, and any other application thereof, shall not in any way be affected or impaired thereby.

5.9 Successors and Assigns. This Settlement Agreement shall inure to the benefit of and shall be binding upon the parties hereto, their successors and permitted assigns.

5.10 Counterparts. This Settlement Agreement may be signed in any number of counterparts, each of which shall be an original and all of which shall represent but one agreement.

5.11 Entire Agreement. This Settlement Agreement constitutes the entire agreement among the parties with the respect to the subject matter addressed herein

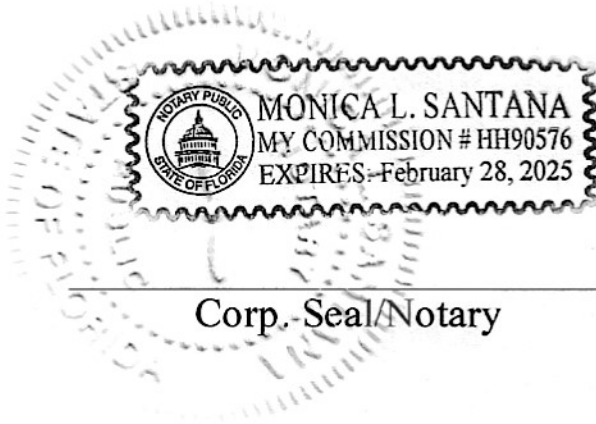
5.12 Construction. As all parties to this agreement were represented by counsel, and as the language contained herein was the product of negotiation by all such represented parties, this Settlement Agreement shall not be deemed or treated as a contract of adhesion, nor shall any of its terms be construed against the drafter thereof.

5.13 No Admission. The Parties further agree that this Settlement Agreement, and its execution by the Parties, is not and does not constitute an "admission" of fault or default, or an admission that either of the Parties is admitting any wrong doing or breach in regards to the vendor contract that is the subject of the dispute that arose as between the Parties.

End-of-page.

IN WITNESS WHEREOF, the Parties hereto have duly executed this Settlement Agreement as of the date first written above.

Bettoli Trading, Corp.



Corp. Seal/Notary

By: Maurizio L. Bettoli

Title: Director

[Signature]
Attest

Miami-Dade County

Attest

By: _____
Title: _____

MODIFICATION NO. 1

Contract Number: **FB-00053-1**

Contract Title: **Vending Machines**

Contractor: **Bettoli Trading Corp DBA Bettoli Vending**
6095 NW 167th Street, Suite D4
Miami, FL 33015

When properly executed, this Modification shall amend the original Contract by adding the information herein. This Modification shall become effective on April 1, 2020 and shall acknowledge that:

1. **Section 2.14, Force Majeure**, is hereby added to the contract. Accordingly, Section 2.14, Force Majeure shall state the following:

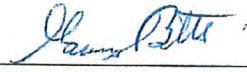
2.14 FORCE MAJEURE

Upon mutual agreement, the Awarded Bidder shall not be responsible or liable for any failure or delay in the performance of its obligations hereunder arising out of or caused by, directly or indirectly, forces beyond its control, including, without limitation, strikes, work stoppages, accidents, acts of war or terrorism, civil or military disturbances, nuclear or natural catastrophes or acts of God, and interruptions, loss or malfunctions of utilities, communications or computer (software and hardware) services. All payments made to the County for said services under this contract will cease until normal operations commence. It is also understood that the Awarded Bidder shall use reasonable efforts which are consistent with accepted industry practices to resume performance and/or payment as soon as practicable under the circumstances.

All terms, covenants and conditions of the original Contract and any Amendments issued thereto shall remain in full force and effect, except to the extent herein amended.

IN WITNESS WHEREOF, the parties have executed Modification No. 1 to Miami-Dade County Contract No. FB-00053-1.

Contractor

By: 

Name: Maurizio L. Bettoli

Title: Director

Date: 4/6/2020

Attest: 

Corporate Secretary/Notary

Corporate Seal/Notary



Memorandum



Date: June 6, 2024

To: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

From: Namita Uppal, CPM
Director and Chief Procurement Officer
Strategic Procurement Department

Subject: Request to Process Late Departmental Agenda Item

Namita Uppal

Digitally signed by Namita Uppal
DN: cn=Namita Uppal, o=Miami
Dade County, ou=Chief
Procurement Officer,
email=uppaln@miamidade.gov,
c=US
Date: 2024.06.03 22:51:39 -04'00'

I am requesting that the resolution approving a settlement agreement with Bettoli Trading, Corp. to recoup certain unpaid revenues due to the County under Contract FB-00053 for vending machine services be processed for placement on the June 18 Board of County Commissioners (BCC) agenda, as it does not require Committee review.

Although this item has not met the noticed deadline and has been provided to the Agenda Coordination Office late, this item is time sensitive. The negotiated settlement provides for the first installment to be paid to the County within two business days of the effective date, and subsequent payments would be due to the County in three equal increments on July 1, August 1, and September 1, 2024. Placement on the June 18 BCC agenda will allow the settlement to follow this timeline and ensure that the County may recoup the unpaid revenues due prior to the contract expiration of September 30, 2024.

Therefore, please process the item notwithstanding that the 4-day rule may be applicable to it. I am aware that this item is subject to approval for placement on the agenda by the appropriate committee chairperson as well as the BCC Chairman, and review by the Office of the County Attorney.

Approved by Mayor or Mayor's Designee

Carladenise Edwards

Print Name

Approved by Legislative Director or Designee

Nicole Tallman

Print Name

c: Geri Bonzon-Keenan, County Attorney
CAOagenda@miamidade.gov
Eugene Love, Agenda Coordinator



MEMORANDUM

(Revised)

TO: Honorable Chairman Oliver G. Gilbert, III
and Members, Board of County Commissioners

DATE: June 18, 2024

FROM: 
Gen Bonzon-Keenan
County Attorney

SUBJECT: Agenda Item No. 8(P)(2)

Please note any items checked.

- ☐ "3-Day Rule" for committees applicable if raised
- ☐ 6 weeks required between first reading and public hearing
- ☐ 4 weeks notification to municipal officials required prior to public hearing
- ☐ Decreases revenues or increases expenditures without balancing budget
- ☐ Budget required
- ☐ Statement of fiscal impact required
- ☐ Statement of social equity required
- ☐ Ordinance creating a new board requires detailed County Mayor's report for public hearing
- ☒ No committee review
- ☐ Applicable legislation requires more than a majority vote (i.e., 2/3's present ____, 2/3 membership ____, 3/5's ____, unanimous ____, CDMP 7 vote requirement per 2-116.1(3)(h) or (4)(c) ____, CDMP 2/3 vote requirement per 2-116.1(3)(h) or (4)(c) ____, or CDMP 9 vote requirement per 2-116.1(4)(c)(2) ____ to approve
- ☐ Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(P)(2)
6-18-24

RESOLUTION NO. R-550-24

RESOLUTION APPROVING AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXECUTE A SETTLEMENT AGREEMENT BETWEEN BETTOLI TRADING, CORP. AND MIAMI-DADE COUNTY UNDER WHICH THE COUNTY AGREES TO RELEASE CERTAIN CONTRACT CLAIMS AGAINST BETTOLI TRADING, CORP. IN EXCHANGE FOR BETTOLI TRADING, CORP. RELEASING ITS CLAIMS AGAINST THE COUNTY AND PAYING THE COUNTY \$300,000.00 AS A NON-REFUNDABLE SETTLEMENT PAYMENT RELATED TO CONTRACT NO. FB-00053 FOR VENDING MACHINE SERVICES FOR MULTIPLE COUNTY DEPARTMENTS; AND AUTHORIZING THE COUNTY MAYOR OR COUNTY MAYOR'S DESIGNEE TO EXERCISE ANY RIGHTS CONTAINED WITHIN THE SETTLEMENT AGREEMENT AND TO TAKE ANY ACTIONS NECESSARY OR REQUIRED TO EFFECTUATE SAME

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board approves and authorizes the County Mayor or County Mayor's designee to execute a Settlement Agreement between the County and Bettoli Trading, Corp., (Bettoli) in substantially the form attached to the accompanying Memorandum. Under the Settlement Agreement, the County agrees to release certain contract claims against Bettoli relating to recouping sums owed to the County under Contract No. FB-00053 (for the operation of automatic dispensing vending machines at multiple County facilities and locations) in excess of \$300,000.00 in consideration of, and contingent upon, Bettoli agreeing to release its claims against the County and timely paying the County \$300,000.00 as a non-refundable settlement payment. The Board further authorizes the County Mayor or County Mayor's designee to exercise any rights contained within the Settlement Agreement.

MDC014

The foregoing resolution was offered by Commissioner **Anthony Rodriguez**, who moved its adoption. The motion was seconded by Commissioner **Eileen Higgins** and upon being put to a vote, the vote was as follows:

Oliver G. Gilbert, III, Chairman	aye		
Anthony Rodríguez, Vice Chairman	aye		
Marleine Bastien	aye	Juan Carlos Bermudez	aye
Kevin Marino Cabrera	aye	Sen. René García	absent
Roberto J. Gonzalez	aye	Keon Hardemon	aye
Danielle Cohen Higgins	absent	Eileen Higgins	aye
Kionne L. McGhee	aye	Raquel A. Regalado	aye
Micky Steinberg	aye		

The Chairperson thereupon declared this resolution duly passed and adopted this 18th day of June, 2024. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this resolution and the filing of this approval with the Clerk of the Board.



MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

JUAN FERNANDEZ-BARQUIN, CLERK

By: **Basia Pruna**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

SB

Steven B. Bass