

MINUTES
SPECIAL PENSION BOARD MEETING
CITY OF HOLLYWOOD EMPLOYEES' RETIREMENT FUND
THURSDAY, APRIL 11, 2024 AT 2:30PM

1. CALL TO ORDER

Chair Shaw called the meeting to order at 2:30p.m.

2. ROLL CALL AND PLEDGE OF ALLEGIANCE

All attendees participated electronically. Board Members present: Chair Phyllis Shaw, Vice Chair Barbara Armand; Secretary Robert Strauss (joined at 2:31pm), Jeffrey Greene; and David Keller. Also present: Executive Director Christine Bailey; Jose Cortes and Dana Nelson of the City of Hollywood Department of Design and Construction Management; and Ron Cohen of Lorium Law.

Trustee George Keller was absent.

3. PENSION OFFICE RENOVATION - CONTRACTOR

Ms. Bailey provided an update on the status of the Pension Office Renovation. Mr. Dana Nelson advised that his office provided Vercetti with the substantial completion package on March 15th with items that still needed to be completed. He noted that the primary issues on the punch list had to do with doors, hardware, walls and overall painting. He advised that another contractor, State Contracting & Engineering Corporation had, after negotiation, provide a proposal to complete the outstanding items at a cost of \$40,000.

Mr. Nelson advised that Vercetti had been notified of this cost and that the remaining unpaid funds under the contract would be withheld, approximately \$27,000. He stated that Vercetti responded by claiming that the work was completed pursuant to the contract and had placed a lien on the property in the amount remaining on the contract. Mr. Nelson advised that he was confident that State could complete the work timely.

In response to questions from Trustee Shaw, Mr. Jose Cortes and Mr. Nelson, advised that pursuant to the contract Vercetti needed to be provided with certain notices and they did not believe that the Surety had yet been triggered. Mr. Nelson advised that \$14,000 of the \$27,000 was retainage. Trustee Shaw noted that Florida Statue allowed the withholding of up to 150% of the cost to the Fund to complete the outstanding punch list items and therefore, the Fund could withhold the entire balance.

In response to a question from Trustee D. Keller, Mr. Cortes noted that he was not in favor of paying Vercetti the outstanding \$27,000 and stated that he had already communicated to Vercetti that those funds would not be paid. He stated that Vercetti had been legally advised that they would not be paid and any action necessary would be in response to a further action by Vercetti.

The Board discussed possible actions against Vercetti and the proposal submitted by State to complete renovations.

MOTION made by Trustee D. Keller, seconded by Trustee Armand, as amended to ask DCM to come to an agreement with State Consulting & Engineering Corporation to complete the project within a budget amendment to fund the State Consulting proposal including a contingency of \$10,000. In a roll call vote of the members present, all members voted in favor. **Motion** passed 5-0.

Mr. Cohen advised that he had reached out to construction attorneys, and he understood from those attorneys that the Board was not required to take any action but there were things that could be done to expedite actions. He suggested that a construction attorney be brought to the next Board meeting to provide more information.

In response to questions from Trustee Strauss, Mr. Cohen advised that no action was required by the Board because of the lien as, unless Vercetti took action, it would expire in a year. However, he noted that there were actions the Board could take to expedite the removal of the lien.

MOTION made by Trustee D. Keller, seconded by Trustee Greene, to allow Mr. Cohen, if there are no fees, to seek the services of a construction attorney to review the options available to the Fund at the next meeting. In a voice vote of the members present, all members voted in favor. **Motion** passed 5-0.

Trustee D. Keller requested that Mr. Cohen research and advise the process of debarring Vercetti from doing any further work with the Fund. Mr. Nelson advised that they would also be looking into debarring Vercetti from doing any further work with the City.

4. **PUBLIC COMMENTS**

There were no public comments.

5. **ADJOURNMENT**

MOTION made by Trustee Greene, seconded by Trustee G. Keller, to adjourn the meeting. In a voice vote by the members present, **Motion** passed 5-0. The meeting adjourned at 3:30p.m.



Phyllis Shaw, Chair

Date 4/23/2024