

**CareerSource Pinellas
Special Board of Directors minutes**

Date: March 27, 2018 at 10:00 a.m.
Location: EpiCenter: 13805 58th Street N. Clearwater, FL 33760

Call to Order

Chair Jack Geller called the meeting to order at 10:00 a.m. There was a quorum present with the following board members participating.

Board Members in attendance

Kyle Barr, Tom Bedwell (phone), David Fetkenher, Jack Geller, Commissioner Patricia Gerard, John Howell, Jack Jarrell, Debra Johnson (phone), Kelly Kirschner (phone), Karla Leavelle, Kim Marston (phone), Mike Meidel, Mike Mikurak, Lenne Nicklaus, Debbie Passerini (phone).

Board Members not in attendance

Dr. Bob Arnold, Lounell Britt, Scott Callison, Celeste Fernandez, David Fries, Michael Grego, Sandy Ho, Carolyn King, Samuel Kolapo, Adrian Latrace, Russell Leggette, Bill Price, Mark Van Dame, Dr. Tonjua Williams.

Board Counsel

Charles Harris

Guests

Andrea Henning (for Dr. Williams) - St Pete College
Marion Hale- Johnson Pope
Edward Peachey
Whitney Creech- Commissioner Gerard's Office
Jewel White- County Attorney
Mark Douglas- WFLA
Mark Puente and Zachary Sampson- Tampa Bay Times

Staff in attendance

Jennifer Brackney, Luna Clarke, Joseph Calhoun

Public Comments

Mr. Peachey's attorney- Ms. Marion Hale- was permitted by the Chairman to speak to the Board prior the votes being taken. A summary of her comments are below:

- the 3/21/18 DEO letter which advises against the payment of a settlement to Mr. Peachey should not have any effect on the Board's decision, as it was understood that any settlement payment would be made out of private funds.

-Board Counsel previously stated that the Sheriff's signature was not forged

-though there are several ongoing investigations, it is not known when they will be completed.

Action/Discussion Items

Action Item 1 – Approval of Minutes

The minutes of the March 21, 2018 Board of Directors meeting were presented for approval.

Motion: Patricia Gerard

Second: Lenne Nicklaus

The minutes were approved as presented. The motion carried.

Action Item 2 –Addressing the previous Determination to Pay Settlement

During the March 21, 2018 Board of Directors meeting, a decision to pay a settlement to Mr. Edward Peachey – former President and CEO- was taken as follows:

Motion to pay Mr. Peachey a settlement equal to five months' pay and employee benefits, in return for a full release of all claims was brought to a vote.

Motion: Tom Bedwell

Second: Mike Mikurak / Lenne Nicklaus

The motion carried with 9 affirmative votes – 6 dissention votes.

- The afternoon of March 21, 2018, a letter from DEO's Executive Director—Ms. Cissy Proctor—was received by Chairman Geller and later distributed to the other board members. The letter states in part, the following: *“The CareerSource Pinellas Board should immediately reconsider agreeing to pay Mr. Peachey a severance package or a settlement, especially since multiple agencies are currently investigating troubling allegations. Furthermore, pending the outcome of these investigations, DEO will prohibit the use of state or federal funds for severance or settlement payment to Mr. Peachey.”*

The floor was then opened for discussion.

- After calculations, it was determined that the previous offer for settlement payment would be approximately \$47,000, the equivalent of five months' pay and employee benefits.
- Counsel confirms to Board members, that additionally to D&O liability insurance, CSPIN is obligated to tender a defense to Board members that are sued, according to the organization's By-Laws (Article XI-Section 1, CSPIN By-Laws); so long as such behavior is not criminal or illegal.
- Varied discussion regarding the type of funds that CareerSource would be permitted to use, in case of a settlement. Those funds would have to be from non-public or federal sources.
- The DEO letter makes it clear that they are not in favor of a payment for settlement, but this also opens up the door for possible litigation.

- Tom Bedwell: Motions to table the settlement motion indefinitely.
The motion dies for lack of a second.
- **Motion to rescind the prior motion: “Re-Vote: Determination to pay settlement”, which was taken at the 3/21/2018 Board of Directors meeting.**

Motion: Jack Geller

Second: Patricia Gerard

The Board of Directors rescinds the motion to pay a settlement to Mr. Edward Peachey. The motion carries with 12 affirmative votes- 3 dissention votes.

Other Administrative Matters

- Board to possibly consider the option of a settlement offer put in escrow, with a time limit.
- Respond to Ms. Proctor's letter, confirming that Trenam is in fact the Board Counsel, and provide clarification about the funds available for use, in the event of a settlement.
- Coordinate an upcoming Compensation Committee meeting to discuss the compensation for the Interim Directors.
- Coordinate an Ad Hoc Committee meeting to discuss the future direction of the two regions, as it relates to shared services and staff, and conduct search for a replacement Executive Director.

Public Comments

None

Adjournment

The meeting was adjourned at approximately 10:54 a.m.