



April 25, 2022 - 9:00 AM
Virtual Zoom Meeting

Zoom Info:

*Join via Zoom – Meeting ID: 338 034 9468

[Zoom Link](#)

*Dial In via Phone – Meeting ID: 338 034 9468

Phone: +1 646-558-8656

Special Board of Directors Meeting Agenda

- I. **Welcome and Introductions** Barclay Harless, Chair
- II. **Public Comments**
- III. **Roll Call**
- IV. **Action/Discussion Items**
 - 1. Approval of Minutes: April 8, 2022, Special BOD Meeting.....Page 1
 - 2. Coverage Counsel Approval.....Page 6
- V. **Other Administrative Matters**
- VI. **Open Discussion**
- VII. **Adjournment**

Finance Committee – April 27, 2022 (10:00 am - 11:00 am)
 Audit Committee – April 27, 2022 (11:00 am - 12:00 pm)
 Compensation Committee – TBD, 2022 (11:00 am - 12:00 pm)
 Workforce Solutions Committee – June 23, 17, 2022 (2:30 pm - 3:00 pm)
 One-Stop Committee – June 23, 2022 (9:00 am - 10:00 am)
 Next Board of Directors Meeting – May 26, 2022 (11:45 am - 12:45 pm)

**All parties are advised that if you decide to appeal any decision made by the Board with respect to any matter considered at the meeting or hearing, you will need a record of the proceedings, and that, for such purpose, you may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.*

**If you have a disability and need an accommodation in order to participate in this meeting, please contact the executive assistant at 727-608-2551 or admin@careersourcepinellas.com at least two business days in advance of the meeting.*





ACTION ITEM 1

Approval of Minutes

In accordance with Article VII, Section 1(H), of the approved WorkNet Pinellas By-Laws: Minutes shall be kept of all Board and Committee meetings. Minutes shall be reviewed and approved at the next CareerSource Pinellas Board or Committee meeting as appropriate.

The official minutes of meetings of the Board and Committees of the Board are public record and shall be open to inspection by the public. They shall be kept on file by the Board Secretary at the administrative office of CareerSource Pinellas as the record of the official actions of the Board of Directors.

The draft minutes from the April 8, 2022, Special Board of Directors Meeting have been prepared and are enclosed.

RECOMMENDATION

Approval of the draft minutes, to include any amendments necessary.

**CareerSource Pinellas
Special Board of Directors Minutes**

Date: Friday, April 8, 2022, at 9:00 am.
Location: *Virtual Zoom

Call to Order

Chair Barclay Harless called the meeting to order at 9am. There was a quorum present with the following board members.

Board Members in Attendance

Andrea Cianek, Belinthia Berry, Candida Duff (came on at 9:45am), Commissioner René Flowers, David Fetkenher, Jack Geller, Kevin Knutson, Michael Jalazo, Michael Logal, Patricia Sawyer, Scott Thomas, Ivonne Alvarez, Mark Hunt, Zachary White, Glenn Willocks

Board Members Not in Attendance

Celeste Fernandez, Chris Owens, Dr. Rebecca Sarlo, Lisa Cane, Jody Armstrong, John Howell, Elizabeth Siplin, Kenneth Williams

Staff in Attendance

Steven Meier, Jay Burkey, Mary jo Schmick, Kris Lucas, Leah Geis

Counsel in Attendance

Stephanie Marchman

Guests in Attendance

Casey Penn, Charles Chunn

Public Comments

There were no public comments.

Action Item 1 – Approval of the Minutes – 3.16.2022 Board of Directors

The minutes of the March 16, 2022, Board of Directors meeting were presented for approval.

Discussion: None

Motion:	Pattye Sawyer
Second:	Michael Jalazo

The minutes were approved as presented. This motion carried unanimously.

Action Item 2 – DOL Compliance Review – Final Determination of Disallowed Costs

On March 11, 2022, the U.S. Department of Labor (DOL) issued their Final Determination (FD) based on the Compliance Review and its findings concerning the Workforce Innovation and Opportunity ACT (WIOA) Adult, Dislocated Worker and Youth and Wagner-Peyser (WP) Grants specifically in the CareerSource Tampa Bay and CareerSource Pinellas Local Workforce Areas (LWAs), awarded to the Florida Department of Economic Opportunity (DEO). The findings of the onsite visit listed \$17,702,839.87 in questioned costs and 17 findings. Of this amount, \$6,787,051.32 pertained to CareerSource Pinellas (38.3%). Through efforts of DEO working directly with the DOL, and supported by CareerSource Pinellas and CareerSource Tampa Bay, the amount allowed was \$13,353,462.90.

The FD establishes a debt owed to the DOL in the amount of \$4,349,376.97. The FD is calculated as followed:

- **Finding #2:** Lack of Documented Program and Service Eligibility for OJT Participants. \$2,408,912 disallowed and Subject to Federal Debt Collection.
- **Finding #3:** Supportive Service Payments Potentially Issued to Ineligible Participants. \$151,822 disallowed and Subject to Federal Debt Collection.
- **Finding #4:** Improper Business Services Staff Incentive Compensation. \$1,320,725.97 disallowed and Subject to Federal Debt Collection.
- **Finding #5:** Improper Executive Director and Management Compensation Salary Increases. \$467,917 disallowed and Subject to Federal Debt Collection.

The final amount determined to be disallowed for CareerSource Pinellas is \$1,862,989.81 (42.8%). The preferred method of repayment is lump sum, which no interest will be charged if received by April 24, 2022. The disallowed amount be repaid from non-federal funding sources.

Per DEO draft policy titled 'Resolution of Recipient and Subrecipient Monitoring and Audit Findings (Federal & State)', the subrecipient may request a formal appeal within 10 days following receipt of the *Final Determination* letter.

DEO will make the following repayment options available to subrecipients.

Option 1: The Grantee pays the full amount in a lump-sum by sending a lump-sum repayment from non-federal/unrestricted funds to DEO within 30 days after issuance of the final determination, unless a repayment or offset/substitution plan is negotiated with and approved by DEO.

Option 2: The subrecipient may contact DEO to negotiate a short-term installment agreement (generally executed over a period of three years or less) in lieu of a lump-sum payment.

Option 3: Stand-in costs are defined as costs that may be used to substitute disallowed costs. If an organization agrees the cost is disallowed or decides not to contest the finding, it has the option of proposing stand-in costs as substitutes.

Staff feels, after discussion with DEO management and their belief that a favorable negotiated outcome occurred, that the findings in the FD and disallowed costs attributable to CareerSource Pinellas should be accepted.

In addition, when the Science Center was sold in November 2019, the Board designated the net proceeds from the sale of the Science Center to be unrestricted and held in a separate money market account pending the completion of the DOL compliance review. As of the end of February 2022, the amount in our money market account, representing net proceeds and accumulated interest) was \$2,379,338.74. Furthermore, CareerSource Pinellas has enough unrestricted funds that Pinellas County will not have to contribute any tax dollars to cover any of the disallowed costs.

RECOMMENDATION:

1. Approval to accept the Final Determination issued by the U.S. Department of Labor.
2. Approval to accept Florida Department of Economic Opportunity's determination of CareerSource Pinellas' share of disallowed costs of \$1,862,989.81.
3. Approval to accept Option 1, payment of full amount in a lump-sum by April 24, 2022, utilizing unrestricted funds set aside from the sale of the Science Center.
4. Authorize the CEO and General Counsel to research whether this payment of \$1,862,989.81 can be recovered from CareerSource Pinellas' insurance carriers or, alternatively, through legal action.

Discussion: Stephanie Marchman brought up the fact that we should potentially consider partnering with CareerSource Tampa and possibly take legal action against former CEO. Also, we should search for insurance coverage counsel that could evaluate the potential level of benefit from pursuing legal action, if any, to recover our payment to DEO.

Motion:	Jack Geller
Second:	David Fetkenher

The Board of Directors made a motion to approve of making the payment now with the amendment that we research option for potentially seeking out insurance coverage counsel to see if we are able to recover any of our payment. The motion carried unanimously.

ACTION ITEM 3 – Approve CEO Job Description

The CEO job description approved at the April 4, 2022 Ad Hoc Search Committee meeting was attached for review and approval.

RECOMMENDATION

Approval of the CEO job description as amended.

Discussion: Mark Hunt recommended amending the job description to state that 10 plus years of experience in a non-profit or governmental agency is preferred.

Motion:	Mark Hunt
Second:	Andrea Cianek

The Board of Directors made a motion to approve of the attached CEO job description as amended. The motion carried unanimously.

ACTION ITEM 4 – Approve Retained Search Firm RFQ

The Ad Hoc Search Committee decided at its March 22, 2022, meeting that the organization should utilize the services of a retained search firm to recruit for the CEO position. Board of Director and Committee member, Kevin Knutson, indicated that Pinellas County recently utilized the services of a retained search firm to recruit for the Pinellas County Economic Development Director position. He supplied the organization with the County’s Request for Proposal to use as a starting point.

Since the fees charged by the retained search firm will be under \$150,000, it was decided to use Procurement by Small Purchases utilizing a Request for Quote process. Small purchases are relatively simple and informal procurement methods for securing services, supplies, or other property that are less than \$150,000.

The Request for Quote (RFQ), approved at the April 4, 2022 Ad Hoc Search Committee meeting details the timeline, scope of services, and qualifications and requirements of the search firm. The RFQ was attached for review and approval.

RECOMMENDATION

Approval of the attached Request for Quote for a retained search firm for the recruiting of the Chief Executive Officer for CareerSource Pinellas.

Discussion: None.

Motion:	Mark Hunt
Second:	Patricia Sawyer

The Board of Directors made a motion to approve of the attached Request for Quote for a retained search firm for the recruiting of the Chief Executive Officer for CareerSource Pinellas. The motion carried unanimously.

Other Administrative Matters

Michael Logal removed himself from the Ad Hoc Search Committee due to the fact that his brother-in-law may be applying for the CEO position. Michael Logal also announced withdrawal of his acceptance of the chair-elect position. A new vote will need to take place to decide on the next board chair.

Open Discussion

None

Adjournment

Barclay Harless adjourned the meeting at 9:55 AM.



ACTION ITEM 2

Insurance Coverage Counsel Approval

At the April 8, 2022, Special Board Meeting, the Board authorized the CEO and General Counsel to begin the process to engage outside insurance coverage counsel to determine whether the final disallowed costs of \$1,862,989.81 from the DOL compliance review can be recovered from CareerSource Pinellas' insurance carriers. Stephanie Marchman, Outside General Counsel, has previously worked with Attorneys James J. Dean and Robert A. McNeely of the law firm Messer Caparello, P.A. (Messer Caparello) in coverage litigation involving a quasi-governmental non-profit and recommended that CareerSource Pinellas likewise engage them to represent it in all matters in connection with a claim for insurance coverage relating to a monetary demand made by the U.S. Department of Labor in March 2022, whether arising in litigation or otherwise. Messer Caparello has determined that they are available and willing to do so, under the terms outlined in their attached proposal. It is further recommended that CareerSource Pinellas execute the attached conflict waiver so that Messer Caparello may represent both CareerSource Pinellas and CareerSource Tampa in connection with their separate claims for insurance coverage relating to a monetary demand made of the Clients by the U.S. Department of Labor in March 2022, as the organizations interests are aligned and efficiencies will likely be gained by engaging joint coverage counsel due to similar operative facts in this case.

CareerSource Pinellas' By-Laws require that the Ad-Hoc Committee establish legal counsel qualifications, terms of engagement, recruitment process, and rating proposals, subject to approval by the full Board of Directors and the Pinellas County Board of County Commissioners. Given the time sensitive nature of this matter, it recommended that CareerSource Pinellas follow this process for engaging legal service providers as outlined in its By-Laws, but it proceed as expeditiously as possible in light of the time sensitive nature of this representation.

RECOMMENDATION

Approval of Messer Caparello's proposal and conflict waiver so they may serve as insurance coverage counsel in all matters related to a claim for insurance coverage relating to a monetary demand made by the U.S. Department of Labor in March 2022, subject to approval by the full Board of Directors and Pinellas County Board of County Commissioners.



April 14, 2022

ATTORNEY-CLIENT PRIVILEGED INFORMATION

WorkNet Pinellas, Inc.
d/b/a CareerSource Pinellas
c/o Barclay Harless, Board Chair
13805 58th Street North
Suite 2-140
Clearwater, FL 33760

Re: *Coverage Counsel Representation Agreement*

Dear Mr. Harless:

This letter discusses the terms of engagement if WorkNet Pinellas, Inc., d/b/a CareerSource Pinellas (“CSP”) chooses to retain our firm to represent it in all matters related to a claim for insurance coverage relating to a monetary demand made by the U.S. Department of Labor in March 2022. This representation includes all matters related to insurance coverage whether arising in litigation or otherwise.

Our billing rates are as follows: Senior attorneys (those with 25 years or more of legal experience), \$345 per hour; all other attorneys, \$225 per hour; and paralegals, \$85 per hour. In order to commence representation, we will require an advance fee deposit of \$10,000, which can be delivered to our physical address by check, wired to our firm account (instructions below), or paid over the phone by credit card. Please call our office for assistance with a credit card payment. We will place these sums in trust and bill against them as fees and costs are incurred.

We will provide CSP a monthly invoice showing services rendered, costs incurred (if any), the balance paid from trust, and the balance remaining in trust. Should the balance remaining fall to or below \$1,000, CSP agrees to replenish the trust account with an additional \$10,000 advance fee deposit. Within 30 days after the expiration or earlier termination of this representation, any unused portion of the deposit, shall be delivered to CSP at the address set forth above.

Should any balance due remain on CSP’s account for more than 30 days, then CSP agrees we may, in our discretion, withdraw from any further representation. In the event it is necessary to institute suit for the collection of fees and advances, CSP will pay, in addition to any judgment for such fees and advances, all costs and expenses necessitated thereby, including reasonable attorney’s fees for suit.

CSP agrees that the provisions of this agreement may be disclosed to the Court in connection with any application for attorney's fees and costs for services that may be rendered on CSP's behalf, and we have the right to advise the Court of any amounts that have been received on account of fees and costs.

Under certain circumstances, CSP may be entitled to reasonable attorney's fees and costs from an adverse party. CSP agrees we shall be paid based on the hourly rates described herein or, should this matter permit, an amount awarded by a court, whichever is higher. If we receive an award of reasonable attorney's fees and costs from a court that is higher than the aggregate amount paid by CSP, then CSP shall be fully reimbursed. The court award of fees, if any, does not set or limit the attorney's fee in any way. The collection of fees from an adverse party is an additional service on CSP's behalf, and CSP is expected to pay the further fee on the same basis as is set forth in the Agreement for performing such service.

If CSP agrees with the terms stated in this letter, please sign below and return a copy of this letter by email. Electronic signatures (using an app such as DocuSign) are acceptable and binding. Also please forward the advance deposit fee, so that we can begin working as soon as possible. If you have any questions at any time, please do not hesitate to call. It is our pleasure to be of service.

WIRE TRANSFER INSTRUCTIONS FOR TRUST ACCOUNT

Centennial Bank
3110 Capital Circle N.E.
Tallahassee, FL 32308
ABA# 082902757
Account# 0504196750
MESSER CAPARELLO, P.A.
Trust Account

Sincerely,
/s/ James J. Dean
James J. Dean
Robert A. McNeely

APPROVED AND ACCEPTED, on this ____ day of April, 2022.

WorkNet Pinellas, Inc.
d/b/a CareerSource Pinellas

BY: _____
Barclay Harless

ITS: _____

**CONFLICT WAIVER
JOINT REPRESENTATION OF MULTIPLE CLIENTS**

MESSER CAPARELLO, P.A. has been asked to be “coverage counsel” and to represent jointly WorkNet Pinellas, Inc. D/B/A CareerSource Pinellas (“CSP”) and Tampa Bay Workforce Alliance, Inc. D/B/A CareerSource Tampa Bay (“CSTB”) (collectively, the “Clients”) in connection with separate claims by CSP and CSTB for insurance coverage relating to a monetary demand made of the Clients by the U.S. Department of Labor in March 2022. This representation includes all matters related to insurance coverage whether arising in litigation or otherwise. The representation of MESSER CAPARELLO, P.A., is subject to the following understandings.

Although the interests of the Clients in this representation are consistent in that the Clients desire the insurance coverage to be upheld, the Clients recognize and understand that there are advantages and risks to joint representation. Among the risks are that facts will be discovered that could result in the Clients becoming adverse to each other. In such a situation, if the new information created an unwaivable conflict of interest, then MESSER CAPARELLO, P.A., would be required to withdraw from representing the Clients, and the Clients would need to obtain new counsel. Among the advantages of the joint representation are the economies of scale: the Clients expect to have substantially similar positions, factually and legally, throughout the representation. Accordingly, joint representation to present substantially similar facts and legal arguments would be significantly less expensive, more efficient, and more cohesive than presenting those facts and arguments by multiple different law firms.

MESSER CAPARELLO, P.A., has analyzed this matter and believes that it can provide competent and diligent representation to each client through joint representation.

Pursuant to the Rules Regulating The Florida Bar, the Clients agree, individually and collectively, that the joint representation of both of them by MESSER CAPARELLO, P.A., is not directly adverse to either of them, and, moreover, that there is not a substantial risk that the joint representation of the Clients will be materially limited by the responsibilities of MESSER CAPARELLO, P.A., to each individual client. Furthermore, having explored the advantages and risks of joint representation and having had the opportunity to consult with independent legal counsel regarding the joint representation, the Clients understand and agree, jointly and individually, to waive any conflict of interest in this joint representation.

The Clients understand that MESSER CAPARELLO, P.A., will be sending bills for services rendered to the Clients directly to each individual client for payment under the terms of its Fee Agreement. In general, attorney’s fees and costs will be split equally among each client for services generally applicable to both clients. Exceptions would arise where, by way of example only, one client’s insurance policy has materially different and more complex provisions than the other client’s insurance policy. In such a case, time for services specific to the more complex policy will be allocated only to the individual client. Services unique to a particular client will be billed to that client.

It is further understood and agreed that MESSER CAPARELLO, P.A., and its attorneys may freely convey necessary information provided by one client to the other in this matter, and that there will be no secrets as between the undersigned and the Clients unless otherwise agreed by both of the Clients.

The undersigned agrees and acknowledges that this Conflict Waiver - Joint Representation of Multiple Clients has been carefully read, fully considered and understood, and voluntarily executed. This document may be executed in counterparts and remain fully binding.

WORKNET PINELLAS, INC.
D/B/A CAREERSOURCE PINELLAS

TAMPA BAY WORKFORCE ALLIANCE, INC.
D/B/A CAREERSOURCE TAMPA BAY

BY: _____
Barclay Harless

BY: _____
Benjamin Hom

ITS: _____

ITS: _____

DATE: _____

DATE: _____

James J. Dean



Education

- Florida State University College of Law, J.D., *summa cum laude*, 1989
- University of South Florida, B.A., *summa cum laude*, 1985

Practice Areas

- Labor and Employment
- Constitutional Law
- Civil Rights
- Education Law
- Americans With Disabilities Act
- Libel and Slander
- Insurance Coverage Disputes
- Civil Litigation and Appeals
- Arbitration and Mediation

Direct Phone: (850) 201-5221
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Education

- The Florida State University College of Law, J.D., *with high honors*, 1993
- University of Kansas, B.S., Journalism, 1981

Practice Areas

- Entertainment Law
- Intellectual Property Law (Trademarks & Copyrights)
- Florida Appellate Law
- Florida Administrative Law
- Business Transactions & Commercial Litigation

Rob McNeely



Direct Phone: (850) 553-3470
Email Address: rmcneely@lawfla.com



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