



APPROVED

SPECIAL SCHOOL BOARD MEETING MINUTES

Wednesday, June 2, 2010 – 10:00 a.m.
School Board Meeting Room
500 E. Ocean Boulevard
Stuart, FL 34994

Members Present

Lorie Shekailo, Chair
Susan Hershey, Vice Chair
Dr. David Anderson
Maura Barry-Sorenson
Laurie Gaylord
Nancy Kline, Superintendent
Doug Griffin, Attorney

AFSCME: No Representative

MCEA: No Representative

Call to Order by the Chair and Pledge of Allegiance to the Flag of the United States of America.

1. Adoption of the Agenda

Motion to Approve the Agenda was made by Susan Hershey, seconded by Laurie Gaylord, and carried 4 – 0.

Lorie Shekailo noted that Dr. David Anderson was not present.

2. Private Attorney-Client Session

Florida Mechanical, LLC v. School Board of Martin County, Florida

2.01 Case No. 09-2679CA

2.02 Case No. 09-2788CA

Chair Lorie Shekailo announced that the Board is commencing a Private Attorney-Client Session, the estimated length of which is 90 minutes; the subject matter of the Session is Florida Mechanical, LLC. v. School Board of Martin County, Florida, Case Numbers 09-2679CA and 09-2788CA. Mrs. Shekailo indicated that the names of the persons attending are: Mrs. Maura Barry-Sorenson; Mrs. Laurie Gaylord; Mrs. Susan Hershey; Mrs. Lorie Shekailo; Mrs. Nancy Kline, Superintendent; Douglas G. Griffin, School Board Attorney; and Thomas Wackeen, Attorney for the School District.

Doug Griffin noted for the record that he desires advice from the Board regarding Florida Mechanical Case No. 09-2679CA and Case No. 09-2788CA.

Maura Barry-Sorenson noted that on the front page of the paper today is an article which states School is Planning to Settle Law Suits. She questioned how this information got to the paper prior to the topic being discussed by the Board in the shade meeting. Doug Griffin indicated that Approve Settlement is on the Agenda which was published prior to the meeting, and the rest of the information contained in the article the reporter got from the District as a public record.

The Board commenced the private attorney/client session.

June 2, 2010
Special Meeting

3. Approve Settlement

Lorie Shekailo reconvened the public portion of the meeting. She noted for the record that Dr. David Anderson was present at the private attorney/client session and is currently in attendance.

Attorney Thomas Wackeen reported that the firm of Fox, Wackeen, Dungey, et al was hired to represent the School Board and School District in the Florida Mechanical cases regarding public records and unpaid invoices in the amount of \$238,000 rounded.

Mr. Wackeen reported that a forensic audit was performed by the firm Accretive Solutions who determined that between \$138,000 and \$168,000 was due on the unpaid invoices; and also recommended that the Phase II portion, which is review of the paid invoices, not be performed because of the unlikelihood that sufficient offsets would be developed and if they were, that they would not offset the additional costs involved.

Based upon the auditor's report that the range of monies due and owing would be between \$138,000 and \$168,000, and applicable costs and pre-judgment interest, and, in the public record's case, the potential for attorney's fees, and the proposal for settlement from Florida Mechanical for \$150,000 for the unpaid invoices case, Mr. Wackeen made the recommendation that the Board settle both cases for the sum of \$169,000 with dismissal of prejudice on both cases. He indicated that this is the negotiated settlement with the attorney for Florida Mechanical that is incorporated in his May 28th letter addressed to the Chair and the School Board Attorney.

Mr. Wackeen offered to present for the record a copy of his cover letter with recommendations and attachments of the findings and opinions of the Auditor as Attachment 1. Mr. Griffin indicated that he has a copy which he will present to the clerk for inclusion in the minutes (attached).

Motion was made by Susan Hershey to settle with Florida Mechanical for \$169,000, inclusive of Mr. Wackeen's recommendations to be attached as Attachment A, for Case 09-2679CA and 09-2788 CA.

Mrs. Hershey asked if the Superintendent wanted to pull the public records case from the settlement. Mr. Wackeen indicated that if the Superintendent desired to do that, the case will be dismissed with prejudice.

The motion was seconded by Dr. David Anderson.

Lorie Shekailo asked if Mrs. Kline wanted to state for the record prior to the vote that she is not in favor of the settlement. Nancy Kline indicated that the Board is welcome to take the vote; however she is not in favor of the recommendation to settle at this time.

Upon being put to a vote, the motion carried 5 – 0.

4. Adjourn

There being no further business, the meeting adjourned at approximately 12:14 p.m.



CHAIR (Lorie Shekailo)



SECRETARY (Nancy Kline)