

**JUPITER INLET COLONY
SPECIAL COMMISSION MEETING
Town Administration Building**

VIA TELECONFERENCE

Meeting ID: 84263956415

05/21/2020

12:00 PM

MINUTES

1. Call to Order, Pledge of Allegiance, Roll Call

Roll call for the record:

Mayor Daniel Comerford

Vice-Mayor Milton Block

Commissioner Michael Armato

Commissioner Richard Busto

Commissioner Cindy Keim

Town Attorney William P. Doney

Chief of Police John Pruitt

Town Administer Kevin Lucas

Town Clerk Jude M. Goudreau

Others in attendance: Approximately 5-6 members of the community via ZOOM.

2. Public Comments: Art Landro questioned how the proposed settlement with Giannetti went from approximately \$250,000.00 to the \$85,000.00. Mayor Comerford was able to give a detail explanation on how the proposed settlement was reached and what it included.
Mayor Comerford also said that he has been exchanging emails with Dr. Saeed Khan, who suggested a third party person be appointed to review the documents and the proposed settlement and report back to the Commission. Mayor Comerford thanked Dr. Khan for his continued interest and contribution to the financial well-being of the Town. Mayor Comerford suggested that the Commission appoint Tony Prosser as an independent third party to review all documents, correspondence, spreadsheets, and make a recommendation to the Commission regarding the proposed settlement offer.
3. Vote: to approve an agreement with Giannetti Contracting Corp. for the Town to accept payment in the amount of \$85,745.53 in full and complete payment by Giannetti to the Town for all work related to the Neighborhood Rehabilitation Project, and authorizing the Mayor to execute a Mutual Release concerning the resolution of this matter.
Motion: Commissioner Busto made a motion to table the item.
Second: Vice-Mayor Block
VOTE: Unanimous. Motion passed.
4. Vote: to appoint an independent third party to review documents and report back to the Commission at a Special Commission Meeting.
Motion: Vice- Mayor Block made a motion to appoint Tony Prosser as the third party independent person. Mr. Prosser will review all documents and report back to the Commissioners at a Special Commission Meeting.
Second: Dick Busto
Vote: Unanimous. Motion Passed.

5. Wrap-up and Adjourn:

Motion: Vice Mayor Block made a motion to adjourn the meeting at 12:17 p.m.

Second: Commissioner Keim.

VOTE: 5-0. Motion passed.

Approved by:

Mayor Daniel J. Comerford III

Date

Town Clerk Jude M. Goudreau

Date

STATE MANDATED STATEMENT

If a person decides to appeal any decision made by the board, agency, or commission with respect to any matter considered at such meeting or hearing, he/she will need a record of the proceedings, and that, for such purpose, he/she 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.

Any person requiring a special accommodation at this meeting because of a disability or physical impairment should contact the Town prior to the meeting. Please contact the Town Administration Office, Administration Building, 50 Colony Road, Jupiter Inlet Colony, and FL 33469 - telephone 746-3787.

Samuel J. Pruitt

From: Samuel J. Pruitt
Sent: Thursday, May 21, 2020 10:52 AM
To: 'saeed'
Cc: 'Chip Block'; 'Richard Busto'; 'armatocent@aol.com'; 'cindy keim'; 'lucask@jupiterinletcolony.org'; 'William P. Doney'; 'pruittj@jicpolice.org'
Subject: Giannetti

Saeed,

Thank you for taking the time from your busy schedule to respond to my email and offer your perspective as to what actually happened. First, let me state for the record that you are missing the main point and, that is, that the Project initially finished over \$600,000 under budget. It was only after a billing error was presented to us by LRD approximately 14 months later in the amount of \$267,000 that that amount was reduced to approximately \$350,000 under budget. As of today, we have \$1,141,875 in our Neighborhood Rehabilitation Project account. I believe that this is an indication that, overall, we have managed the Project, its execution and financing, satisfactorily. Further, it was always our intention to replace older asphalt and concrete driveways as part of the NRP and money was set aside to do that work because they were shedding water and not absorbing water. Whether you or any of the other 20+ residents benefitted from that driveway replacement program is not relevant and I was not accusing you of having received any special benefit.

After all of the restoration and repair work had been completed during the year following the completion of the Project when the laterals were being installed, the Town submitted a bill to Giannetti for **ALL** of the money that it had paid out (\$224,492.45). Giannetti made it very clear from the beginning of those negotiations, with few exceptions, they were **NOT** going to pay for driveway replacements. As I pointed out to you earlier, as a member of the Commission, you were aware of this fact over a year ago. During the rest of 2019 and into 2020, I continued to negotiate with Richie Gibbs and Giannetti in good faith, and at all times, keeping the Commission fully apprised at public Commission Meetings. I do acknowledge that you were vocal in your opposition to those updates.

I do not disagree with some of the points that you make in your email regarding how difficult it was for me to make contact with Richie Gibbs and the fact that I had to contact his wife in order for him to respond to me. I do, however, disagree that the reduction in discretionary spending, except in emergency situations, is more related to spending out of budget than to this particular situation. Discretionary spending adjustment had to do specifically with the topic of Budget Amendments. I do appreciate your comment that you “do not believe that there was any malicious intent on (your) part referring to me” During the entire process, “Neighborhood Rehabilitation Project” was a monthly Agenda topic and I candidly reported updates on the negotiations to the Commissioners and the public. The Town Attorney periodically supplemented my written correspondence with his own letters to Giannetti. As a result, I believe that we have achieved a fair outcome.

Thank you for your continued vigilance in looking out for the Town’s best interests.

Yours truly,

Mayor Dan

From: saeed [<mailto:sakhanmdmba@gmail.com>]

Sent: Wednesday, May 20, 2020 9:41 PM

To: Chief John Pruitt <jicolony@bellsouth.net>

Cc: Dan Comerford <comerfordd@jupiterinletcolony.org>; 'Chip Block' <cblock45@yahoo.com>; 'Richard Busto' <rbusto@comcast.net>; 'cindy keim' <cbkeim@gmail.com>; armatocent@aol.com; Kevin Lucas <lucask@jupiterinletcolony.org>; 'William P. Doney' <doney@caldwellpacetti.com>; Samuel J. Pruitt <PruittJ@jicpolice.org>

Subject: Re: Giannetti

Dear Mayor Comerford,

With the ongoing Pandemic I am currently busy caring for patients and the Community in general. As your special meeting is scheduled for tomorrow, I will try to address your response based on my recollection as of today. So, although I may not have exact numbers and probably exact dates (as an example you wrote it was \$224,492.45 as opposed to over \$235,000) which for some reason is an important distinction for you, I do remember the discussions and my concerns even though they may not be verbatim.

The reason for your confusion was when we last discussed this in December 2019, Giannetti Contracting Corporation had come back with a counteroffer in the range of \$76,890.71 was brought to the Commission and at that time there was no decision made except that offer was not acceptable and to go back and try to get the full amount or a substantial portion thereof.

In January there was no further discussion on this issue as you said you were awaiting their reply. Subsequently, I was not privy to any further discussions or developments until seeing the Notice of a Special Meeting.

At that point I sent you the e mail below to which you replied. I am deeply concerned that the Town will suffer a potential **loss of [\$224,492.45-\$85,745.53]=**\$138,746.47 (under the current offer)**** if accepted.

Course of events necessitating this communication

Upon joining the Commission and up to September 2019 I had multiple conversations with you about the Project. I voiced my concern about driveways being done, water bills being paid etc., on the Town dime. You stated on those occasions that Giannetti had agreed to cover the cost for the driveways, sprinklers etc. and that you had all of the invoices. I also questioned as to why we were paying them and not the other way around.

Your response had always been that you had an agreement with them and at the end of the project that they would just write a check for everything based on the invoices. You had also assured me that they were contractually obligated to do so.

As a new member on the Commission I deferred to your long experience in local government both as a Commissioner and then Mayor. I took what you said upon faith that you negotiated and signed the contract as it predated my term in office. I also questioned the fact that we were giving an interest free loan to Giannetti. You brushed these concerns away by saying that it was all taken care of, and he was a great guy, reputable company and you had attended some Foundation event run by him and gone to some wedding, none of which was relevant to the matter at hand.

In the Spring and Summer of 2019, the topic related to Giannetti came up on multiple occasions where I inquired about the status of payment as we had long completed the project. You told me that you had

called Ritchie several times and he had not returned your calls. You also said you then resorted to calling his wife which generated call backs and requests for more documentation. On several occasions I asked you to correspond through email which for some reason you were not willing to do. I also recommended that you to do a follow-up email after each telephone call with a "per our conversation" beginning to have a paper trail.

With regard to my residence at 72 Colony Road, the center of my driveway collapsed. This was a result of Giannetti charging me for but not filling in an old disused septic tank necessitating a new driveway.

I was going to pay for driveway and then take Giannetti to court to recoup my damages. At that time, you advised me against doing so independently as the Town was handling all complaints. Therefore, you as the Town Representative would pay 50% of the replacement cost with the Town in turn getting reimbursed by Giannetti. This made sense as it was consistent with what you had been saying all along.

By Fall 2019 the Town experienced a cash flow issue due to non-payment of Giannetti's obligation and overspending on non-Budget items approved by the Mayor. It was so bad that we were contemplating holding off paying some bills until the new budget revenues came in. I even offered to write a check to the Town to cover expenses until the Town was solvent again.

I again asked why we were not getting the \$200,000+ owed to us. I even offered to be part of the scheduled negotiating meeting but was told that was not possible due to the Florida Sunshine Law. Kevin Lucas our Town administrator who was new to his post and you could be the only ones there. During that meeting they offered Kevin and you \$76,890.71 for the sprinklers and other items.

I met with you following that meeting with Giannetti and their team. When I asked you about the contract you had assured me you had signed which obligated them to pay the invoices; later you then admitted that there was no signed agreement, but you had an understanding.

I asked about what remedies were available about the driveways which were done. You broke them down to those where the material could not be matched versus others. The unmatched ones were the responsibility of Loxahatchee Water District. I asked you when we were going to invoice them; you admitted that was not possible as you had already given them a release.

The other driveways which were replaced for whatever reason became the Town's responsibility. I recommended that the homeowners be informed that their replacements were in error and offer to the spread the replacement cost over a period of years.

During that meeting, you accused me of somehow profiting and stated that I had "received a new driveway for free". At that point I challenged your selective memory and offered to produce the actual check which I gave the pavement contractor. You then backed off from that accusation.

As a result of this and several other issues the Commissioners decided to limit your discretionary spending from over \$20,000.00 to \$5,000.00 and only in an emergency situation and only with Commission approval at the next meeting.

In your email response of May 19th 2020, you have again brought up this issue by somehow implying that I benefited from the Town paying for part of my driveway. I have said before and am

stating again for the record that if the Town has not been reimbursed for the damage done to my driveway by the contractor, then I will happily bear the cost. This I do with the understanding that given the time delay that I will have no recourse against Giannetti.

I have relayed the events to the best of my knowledge as of today. I do not believe there was any malicious intent on your part, and you trusted Ritchie Gibbs to live up to his commitments and his word.

If the motion passes at tomorrow's Special meeting, this will result in *Town losing*

\$224,492.45-\$85,745.53=\$138,746.47 (under current offer)

Although this offer is higher than **\$224,492.45-\$76,890.71=\$147,601.74 (under initial offer),**

Neither of these offers are acceptable.

Proposed Solution

I believe that we can negotiate a better settlement. All of the Commissioners including the Mayor have a fiduciary responsibility to uphold their Oath of Office and act in the best interest of the Town. I believe that one of the other commissioners who is currently running their own business rather than the Mayor take over the negotiations as the Mayor is too invested and may have a personal interest in having this matter going away.

Another suggestion would be to utilize our internal Town talent to set up a negotiating team. I recuse myself from being involved in any negotiation as I have served my time and I have responsibilities associated in caring for people during this pandemic.

Giannetti Contracting Corporation cannot afford to suffer reputational damage. They are like all other businesses and cannot afford loss of Goodwill and word of mouth recommendations. I anticipate they will try to negotiate a final deal by throwing a few more pennies the Town's way in exchange for either a discharge of any further obligation, a Non-Disclosure Agreement (NDA) or some other technical maneuver.

In my initial email I purposely left out the course of events as I had naively hoped that you would do the right thing without having to recount all of this. Unfortunately, your reply has forced me to respond for the good of the Town at the end of another exhausting day.

This email is being submitted as my public comment for the Special meeting scheduled for May 20th. 2020 at 12 noon and I expect it to be part of the official minutes of the meeting.

Stay Healthy and safe.

Regards

Saeed A. Khan, MD, MBA, CPE, FACP

Saeed A. Khan, MD MBA, CPE, FACP

Chief Executive Officer/President

Gateway Medical Group, LC

Big Lake Home Health Services Inc

Medical Associate Director

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From: Chief John Pruitt <jicolony@bellsouth.net>

Date: Tuesday, May 19, 2020 at 4:19 PM

To: 'saeed' <sakhanmdmba@gmail.com>

Cc: "'Dr. Dan Comerford'" <comerfordd@jupiterinletcolony.org>, 'Chip Block' <cblock45@yahoo.com>, 'Richard Busto' <rbusto@comcast.net>, 'cindy keim' <cbkeim@gmail.com>, <armatocent@aol.com>, Kevin Lucas <lucask@jupiterinletcolony.org>, "'William P. Doney'" <doney@caldwellpacetti.com>, <pruittj@jicpolice.org>

Subject: Giannetti

Saeed,

Thank you for reaching out to me and the Commissioners regarding the proposed final settlement with Giannetti which will be discussed at this Thursday's Special Commission Meeting. As this matter was discussed at many Commission Meetings, as a regular agenda item under "Neighborhood Rehabilitation Project" while you were a Commissioner, I am confused as to why you do not understand how the money owed to the Town was reduced from the initial request of \$224,492.45 (not \$235,000). As you are aware, there were a number of letters from myself and Mr. Doney beginning in September of 2019. These letters followed months of emails and telephone conversations with Giannetti Contracting Corporation. Several of these letters and emails you were copied on, so that I can assume that you were fully aware of the ongoing negotiations and the significant reduction in the amount of money that we were willing to accept. On December 23, 2019, I sent a letter to Richie Gibbs attempting to negotiate a larger settlement than the \$76,890.71 offer that I discussed with the Commission at the December meeting.

After several more, in-person, discussions with Richie Gibbs, I had Bill Doney send him another letter requesting a final resolution to this matter on April 28, 2020. On May 11, 2020, I received a letter from Richie offering \$85,745.53. After

discussing the matter with Mr. Doney, he advised me as to what procedures needed to be followed to move forward on this matter.

While I can certainly appreciate your statement that "the details of this issue are well known to all of you," they are equally well known to you in great detail from having attended all of those Commission Meetings, participating in those discussions, being briefed by those emails and having seen those letters. You have been party to the discussions to know exactly what Giannetti was paying for (sprinklers, water bills, landscaping, repairs to driveways) and what they were not paying for (new driveways, including \$7,810 for half of your driveway).

Finally, you mentioned a Bond which, I believe, expired one year after the Neighborhood Rehabilitation Project was declared "Substantially Complete" in November of 2017. As a concerned citizen, you are welcome to review any and all options needed to protect the Town's interests which is what I believe we have been doing over the past year and a half when you were our fellow Commissioner. Thank you for your continued interest in the well-being and financial security of the Town.

Mayor Dan

From: saeed <sakhanmdmba@gmail.com>

Date: May 19, 2020 at 1:37:54 PM EDT

To: Dan Comerford <comerfordd@jupiterinletcolony.org>, cindy keim <cbkeim@gmail.com>, Mike Armato <armatom@jupiterinletcolony.org>, Chip Block <blockc@jupiterinletcolony.org>, "Richard D. Busto" <bustod@jupiterinletcolony.org>

Cc: "doney@caldwellpacetti.com" <doney@caldwellpacetti.com>

Subject: Gianatti

Dear Mayor, Vice Mayor and Esteemed Commissioners,

I just received the notice of the Special Meeting scheduled for THURSDAY MAY 21st, 2020. During my time as Commissioner I understood the Debt due was over \$235,000. Why are we settling for \$85,745.53? This is our taxpayers Money which has to be made whole either by Gianetti or the Bond they had to put up. The details of this issue are well known to all of you. I am voicing my opposition and if this passes I will be forced to review any and all options needed to protect the Town's interests as a concerned citizen .

Respectfully
Saeed

Saeed A. Khan, MD MBA, CPE, FACP

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Gateway Medical Group, LC

Big Lake Home Health Services Inc

Medical Associate Director

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