



**APPROVED**  
**CEMETERY SYSTEM BOARD OF TRUSTEES**  
**MINUTES OF VIRTUAL MEETING**  
**CITY OF FORT LAUDERDALE**  
**CITY HALL 7<sup>TH</sup> FLOOR CONFERENCE ROOM**  
**100 N. ANDREWS AVENUE, FORT LAUDERDALE, FL 33301**  
**THURSDAY, JULY 9, 2020 – 3:30 P.M.**

<b>Members</b>	<b>Attendance</b>	<b>Cumulative Attendance 03/2020 through 02/2021</b>	
		<b>Present</b>	<b>Absent</b>
Dennis Ulmer, Chair	P	2	0
Fred Nesbitt, Vice Chair	P	1	1
Pamela Beasley-Pittman	P	2	0
Paul Gitnik	P	2	0
Chelsea Krebs	A	0	1
Richard Kurtz	P	2	0
John Lilli	A	0	2
Michael Watson	P	2	0
Lawrence Wechsler [until 5:25]	P	1	1
Patricia Zeiler	P	1	1

**City Staff**

Stacy Spates, Cemetery Administrator  
D'Wayne Spence, Assistant City Attorney  
Susan Grant, Finance  
Mark Almy, Parks and Recreation  
Trevor Jackson, Parks and Recreation  
Jodi Hart, Procurement Manager  
Lucretia Penrow, Parks and Recreation  
Diana McDowell, Parks and Recreation  
Ed Noceda and Jerry Jean-Philippe, Moderators  
Jamie Opperee, Recording Secretary, Prototype, Inc.

**Guests**

Mark Hall, Truist (Sun Trust)  
Kim Krause, Truist (SunTrust)  
Keith Farrell

**1. CALL TO ORDER**

Chair Ulmer called the meeting to order at 3:37 p.m.

**A. Roll Call**

**B. City Ordinance No. C-09-05, Quorum Requirement 9**

Roll was called and it was determined a quorum was present.

**2. OLD BUSINESS**

**A. Election of Vice Chair**

**Motion** made by Ms. Beasley-Pittman, seconded by Ms. Zeiler, to elect Richard Kurtz as Vice Chair. In a roll call vote, the motion passed unanimously (8-0).

**B. Cemetery Management Software RFP Update**

Ms. Spates noted that Mr. Gitnik served as a non-voting member on the RFP Committee. Two vendors have been chosen for additional evaluations in coming weeks and the process in progress. Mr. Gitnik commended Ms. Spates' summary.

**C. Cemetery Master Plan Project: Sunset Memorial Gardens Irrigation Automation**

Mr. Almy stated three contractors' quotes have been received: Continental Construction to do the automation is at \$600,000; Sun Eagle is at \$625,000; Landscape Service Professionals is at \$705,755. Procurement confirmed the 120-day offering expires on July 10 (tomorrow); this is not an emergency as the low bidder can still be asked to honor their prices. It was noted at the last meeting that perhaps the RFP could be put out for another bid due to the poor economy and possibly get a lower price.

Mr. Nesbitt wondered if Procurement has made a recommendation. Mr. Almy said it did go through Procurement and the lowest acceptable bid was Continental Construction at \$600,000. Mr. Nesbitt would like to see this move forward.

Ms. Spates noted there was a question about one of the other bidders regarding performance on another project. Mr. Almy said that was Continental and they are currently working with Department of Transportation and Mobility on the mobility hub downtown. There had been concerns on delivery as promised; however, TAM should be contacted as several months ago they were not very happy with the situation.

Mr. Gitnik recalled learning on the RFP for the software that the bid process could be reduced to two possible vendors and then could go back out to ask for "final best offer." Mr. Almy said Procurement had been asked about that but does not recall the outcome; he will research that option. Discussion ensued on how the RFPs can amended fairly for additional requirements as well as the two potential vendors scenario for final best offer. Ms. Spates reminded the Board that in March, the acceptance of Continental's low bid was deferred to the next meeting.

Ms. Pittman wondered if there is a situation being brought to the table about this lower bid? Is there a problem? Mr. Almy did not know about official complaints on the Mobility Hub, only that concerns were voiced to him regarding Continental; TAM could be asked how Continental has performed since then. Ms. Pittman wants to find out what those concerns are and if the Board wants to go ahead with Continental. Mr. Almy will ask the engineer at TAM and, if appropriate, discern whether it was a temporary situation that has improved or if there are ongoing issues with that vendor. Discussion followed on first contacting Continental to see if they will honor their bid as it will take several months to go through the bid process again; then speak with TAM to ascertain any other concerns; if the lowest bid is disqualified for whatever reason, perhaps the next lowest bid can be considered.

Ms. Spates stated that there is no sustainable irrigation system now and water use is out of control on so many levels. Mr. Gitnik asked if Continental could be validated after some inquiries; would a special meeting be in order to vote on this matter. Mr. Nesbitt proposed that the Board approve Continental if there are no issues; if disqualified, the bid can go to Sun Eagle, the number two bidder; if Sun Eagle falls through, start the process over. Discussion ensued on vetting of Sun Eagle and moving the project along with Procurement; also discussed was potential language for a motion to be made today and expediting the process through Procurement. Mr. Kurtz added a wish that the Board could go by Sunset Cemetery and see the condition of the irrigation system to understand the urgency of moving ahead now.

**Motion** made by Mr. Kurtz, seconded by Mr. Nesbitt to go with Continental Construction USA pending favorable TAM recommendation, if not, to go with Sun Eagle. Discussion followed, motion removed.

The Procurement Manager, Jodi Hart, was invited to join the meeting; in the meantime, the Board proceeded with the Agenda. (see pages 4-5 for continuation of Item 2.C.)

### **3. NEW BUSINESS**

#### **D. Approval of Meeting Minutes for March 12, 2020 (Discussion/Motion)**

Chair Ulmer noted that regarding annual investment training, instead of “new” it should read “every” board member is required to take the training, according to State Statute.

**Motion** made by Mr. Kurtz, seconded by Mr. Gitnik, to approve minutes of the March 12, 2020, meeting, as amended. In a roll call vote, the motion passed unanimously (8-0).

#### **E. Trust Fund Investment Review/SunTrust Bank (Discussion)**

Kim Krause of Truist (formerly SunTrust Bank) summarized the Trust Fund Investment Review (see attached), dated through June 30, 2020; highlights are as follows:

- Early March downturn in markets due to Covid-19 and shutting down of economy.
- First Quarter 2020 fastest move into bear market territory during first quarter, decline quickly followed by one of strongest rebounds ever.
- S&P rose 44% from low in March to early peak in June. However, there was a 3% negative return for the six month period; second quarter 20% gain made up for some earlier losses.
- Cemetery trust portfolios have an income need which requires, in addition to bonds, a need for dividend-paying equities, which have been very weak.
- Only two positives were Technology (up 16%) and Consumer Cyclical (up 7%).
- Second quarter recovery has been uneven. Broad based S&P is benchmark.
- Challenges to reopening economy: coronavirus has not been contained; escalating tensions with China; U.S. elections later in the year.
- Activity Summary shows a gain in the portfolio of \$2.5 million gain for the second quarter, but YTD loss of \$1.4 million.
- Second Quarter ending market value of \$29,408,000.
- Asset Allocation 40%-60% range of equities, 40%-60% fixed income; both are split at roughly 45% of portfolio with remainder in just under \$3 million in cash.
- Domestic and International Equities were explained.
- Well diversified, high quality fixed income.
- Investment Performance: Portfolio down 3.7% for the year.
- Portfolio of fixed income securities are focused primarily on corporate bonds where strength of Barclay's aggregate index came from US Treasury starting in the first quarter which performed well.
- Positioned through dividend strategies and equity, but those underperformed the S&P.
- Benchmark in IPS is S&P 500, which is weighted to technology birth stocks rather than dividend stocks.
- Performance tables were explained.

Mr. Gitnik asked Ms. Krause for any recommendations at this time based upon her review regarding investment policy going forward. Ms. Krause referenced a red-line version given earlier to Ms. Spates to share with Finance to go through revisions and updates over time. Incorporated in the benchmark area for consideration is a dividend benchmark for equity exposure for relative return. This won't change management of portfolio, rather will provide clarity on performance evaluations. No other changes are recommended; however, there is a flexibility in Investment Policy Statement to incorporate tactical changes in the portfolio, such as the Edgewood Growth Fund added to compliment dividend strategy with some growth exposure (current policy allows for such changes without having to recommend an IPS change).

[return to Item 2.C. Cemetery Master Plan Project: Sunset Memorial Gardens Irrigation Automation}

Jodi Hart, Procurement Manager, joined the virtual meeting. Mr. Almy gave the background on the contemplated project: low bidder Continental Construction at \$600,000 for irrigation automation, specifically the concerns on the TAM project for the Mobility Hub. The question here is, what can be done to investigate with vendor complaints or official documentation with TAM re: Continental Construction and can the Board go with the second lowest vendor if desired. Ms. Hart asked for further particulars of the bid process to date; questions as to whether any references have been received along the way. Mr. Almy said no, understanding that Procurement was to do this. Ms. Hart explained how debarment works, that it comes from City Commission, not this Board. Recommendation was that this Board agree upon the first or second vendor, so Procurement can go forward with the recommendation of the second vendor once the approval is received, at which time reference checks will be done on both vendors. However, in this instance the first vendor will be found non-responsible based on their prior work with the City, which was the information the Board had been seeking.

**Motion** made by Mr. Kurtz, seconded by Mr. Nesbitt to approve the first or second vendor for an amount not to exceed \$625,000. In a roll call vote, the motion passed unanimously (8-0).

Mr. Almy clarified that Procurement will take care of checking references as part of the process going forward.

**3. NEW BUSINESS** (continued)

F. Maintenance Reimbursement Request for February, March, April, and May 2020 (Discussion/Motion)

Mr. Nesbitt noted the Ms. Spates had been asked to send out income statements, profit and loss, to the Board so maintenance reimbursements would not be considered in isolation to lend confidence in voting for the reimbursements.

**Motion** made by Mr. Nesbitt, seconded by Mr. Gitnik, to approve the Maintenance Reimbursement for February 2020 in the amount of **\$116,507.70** to the City of Fort Lauderdale. In a voice vote, the motion passed unanimously (8-0).

**Motion** made by Mr. Watson, seconded by Ms. Zeiler, to approve the Maintenance Reimbursement for March 2020 in the amount of **\$139,497.55** to the City of Fort Lauderdale. In a voice vote, the motion passed unanimously (8-0).

**Motion** made by Mr. Kurtz, seconded by Mr. Gitnik, to approve the Maintenance Reimbursement for April 2020 in the amount of **\$126,837.48** to the City of Fort Lauderdale. In a voice vote, the motion passed unanimously (8-0).

**Motion** made by Mr. Nesbitt, seconded by Ms. Zeiler, to approve the Maintenance Reimbursement for May 2020 in the amount of **\$117,117.13** to the City of Fort Lauderdale. In a voice vote, the motion passed unanimously (8-0).

#### G. Cemetery Master Plan Projects Implementation

- Community Mausoleums at Lauderdale Memorial & Sunset

Ms. Spates and Mr. Jackson gave a presentation onscreen from the Cemetery Master Plan on the opportunities for expansion, designated space for additional mausoleums, and the desperate need for more mausoleums. An update memo has been sent to City Commission regarding the strategy for moving forward. The funding had been discussed in January; Mr. Nesbitt suggested a City loan. The basis will come from the Perpetual Care Trust Fund. The process will include going through a procurement process the same as for other projects and use a budget amendment to fund it (the last mausoleum was built at least 10 years ago). Mr. Nesbitt discussed a funding scheme of securing a City loan to be paid back through Perpetual Care Trust Fund with long-term funding from sales. Ms. Grant will need numbers and estimate of construction time for feedback on best way to structure the financing plan. Mr. Gitnik offered to get current industry pricing for mausoleum development and noted that some contractors will offer financing. Mr. Jackson will contact the last vendor to see how that was handled. Mr. Kurtz wondered how far into construction before pre- and regular sales can be made; Mr. Jackson said that would be up to the builder to estimate the construction time. Mr. Nesbitt asked if the proposed mausoleums are approved today, can Ms. Spates put the paperwork together and submit to City Commission and Procurement to get the RFP created. Mr. Gitnik said a list of companies to notify can be provided. Further discussion followed on bringing the actual project to bid, two different phases of the project, the language for the motion, and what clarification is needed for staff regarding the Master Plan.

[Mr. Wechsler left meeting without voting at 5:25 p.m.]

**Motion** made by Mr. Gitnik, seconded by Ms. Zeiler, to enable staff to move forward with design, building and construction for proposed mausoleum at the Lauderdale Memorial Park and report back with projected dollar amount and revenue projections. In a roll call vote, the motion passed unanimously (7-0).

Ms. Spates gave a brief presentation on the Sunset Mausoleums for phase 1, proposal of mausoleums following the same procedures as discussed above and to run simultaneously with Lauderdale Memorial.

**Motion** made by Mr. Kurtz, seconded by Mr. Watson, to direct staff to move forward with phase 1 for mausoleum project at Sunset Park and to report back. In a voice vote, the motion passed unanimously (7-0).

- Creation of Hedge Estate Garden at Lauderdale Memorial

Mr. Jackson showed a map with the location at the right hand side for the proposed Hedge Estate Garden (a private area for family plots set off by foliage, trees) at Lauderdale Memorial. In the past, these projects were done by staff. This project can begin now, before the mausoleums. The last hedge estate project had 45 lots, however, this area is much bigger. Spaces can be two, four, or six; for an estimate on price, a double would sell for \$6,496 (non-resident) and a single would be \$3,595 (non-resident). Mr. Gitnik noted that Hedge Estates are the most valuable foot-print property, so the prices could be raised for the entrance of the site.

**Motion** made by Mr. Nesbit, seconded by Mr. Watson, to create Hedge Estate Garden at Lauderdale Memorial. In a roll call vote, the motion passed unanimously (7-0).

- Convert vehicular roadways to pedestrian paths at Evergreen

Mr. Jackson stated the spaces at Evergreen are running low (less than 30 spaces) and would like to vacate some of the roads highlighted in green on the map and make into grave spaces (possibly 200 spaces; accurate number will be forthcoming in September). The remaining road structure would allow caskets to be carried to the grave sites. The work may possibly be done in-house. There are an average of 50 burials annually at Evergreen. Only two mausoleums remain, space can be freed up for six more.

**Motion** made by Ms. Zeiler, seconded by Dr. Pittman, to authorize staff to convert concrete roadways to grave space at Evergreen. In a roll call vote, the motion passed unanimously (7-0).

#### H. Other Business

- Chair Ulmer wondered if a special meeting is needed to approve software. Mr. Gitnik recommends a special meeting to expedite the project. Ms. Spates said the Board has already authorized the approval of procuring the system and the amount, the bids did not come in in excess of the authorized amount, so no further action is needed.
- Mr. Ulmer wondered if the City would require the \$700,000 payment this year that the City Manager waived last year. Ms. Spates said, to her knowledge, there is no obligation to make a transfer to the General Fund at this time. Also, a transfer was made to the General Fund, but not for the future; that may change, but that's the current status.

#### I. Communication to the City Commission – None

**4. ADJOURNMENT**

**NEXT SCHEDULED MEETING DATE: THURSDAY, SEPTEMBER 10, 2020 – 3:30 P.M.**

There being no further business to come before the Board, the meeting was adjourned at 5:47 p.m.

Attachments:    Trust Fund Investment Review  
                     Bid packages for Sunset Memorial Upgrade  
                     Community Mausoleums at Lauderdale Memorial & Sunset  
                     Creation of Hedge Estate Garden at Lauderdale Memorial (map)  
                     Convert vehicular roadways to pedestrian paths at Evergreen (map)

[Minutes prepared by M. Moore, Prototype, Inc.]