

**EMPLOYEES' RETIREMENT SYSTEM OF THE CITY OF MILWAUKEE
ANNUITY AND PENSION BOARD**

Minutes of the Administration and Operations Committee Meeting
held May 28, 2019

The meeting was called to order at 8:33 a.m.

Committee Members Present: James Campbell
 Thomas Klusman, Chair
 Martin Matson

ERS Staff Present: Bernard Allen, Executive Director
 David Silber, Chief Investment Officer
 Daniel Gopalan, Chief Financial Officer
 Melody Johnson, Deputy Director
 Venkat Manchu, Functional Applications Manager
 Manny Raynal, Senior Systems Administrator
 Mary Turk, Business Operations Analyst
 Lisa Ory, Administrative Assistant II
 Jan Wills, Board Stenographer

Others Present: Rachel Kennedy, City Attorney's Office; Gust Petropoulos, Adecco; Terry Siddiqui, DS Consulting Partners, Inc.

Approval of Proposed First Amendment to Lease with Two Park Place LLC. Mr. Allen stated there is an option to renew the lease for five years and a second option for five years upon completion of the first renewal. He said the rate is not changing from 2019 to 2020 and that the contract expires April 2020. Mr. Allen noted for background information that the original cost to outfit the facility was approximately \$750,000, about 10 times the annual rent. He said outfitting the facility included digging a trench for fiber optic cable. Mr. Allen said it was previously suggested that vacant City properties be used for a remote office but he noted those properties are not suitable for the telecommunication needs of the ERS. He noted the remote office is highly customized and not suitable for another City department.

Mr. Allen asked Ms. Kennedy to comment on the lease document and she noted it was important to comply with the language in the timing to exercise the option. She said the document lays out the timeframe to submit initial informal notice for extension of the lease by a certain timeframe as well as formal notice, which is binding. She said she recommended that the Committee meet to recommend the approval of the amendment to the Board and the Board approve it so the signed document could be submitted to the landlord by the May 31 deadline.

Mr. Allen commented that the remote office is for the purpose of continuity of service if the main building burned or there were other disruptions Downtown. Discussion ensued regarding the distance required to locate a remote office and costs involved for build-out and lease.

Mr. Matson suggested signing off on this lease but have the Staff do a study in the next three years on the cost of a build-out in another location. Mr. Klusman suggested bringing the study to the Board six months prior to making a decision.

05/28/2019

It was moved by Mr. Matson, seconded by Mr. Campbell, and unanimously carried, to approve the Proposed First Amendment to Lease with Two Park Place LLC.

There being no further business, Mr. Klusman adjourned the meeting at 8:48 a.m.

Bernard J. Allen
Secretary and Executive Director

(NOTE: All proceedings of the Annuity and Pension Board Meetings and related Committee Meetings are recorded. All recordings and material mentioned herein are on file in the office of the Employees' Retirement System, 789 N. Water Street, Suite 300.)