

*workforce*CONNECTIONS

**BOARD MEETING
MINUTES**

**June 26, 2012
10:00 a.m.**

**Culinary Academy of Las Vegas
710 W. Lake Mead Blvd.
Parlors C&D
North Las Vegas, NV 89030**

Members Present

Charles Perry	Commissioner Bill Kirby (Phone)	Commissioner Lawrence Weekly
Commissioner Tommy Rowe	Councilman Bob Coffin	Councilwoman Peggy Leavitt
Councilwoman Anita Wood	Councilwoman Gerri Schroder	Dan Gouker
Dan Rose	Dennis Perea	Dr. David Lee
Hannah Brown	Maggie Arias-Petrel	Michelle Bize
Mujahid Ramadan	Pat Maxwell	Sonja Holloway
Valerie Murzl	Vida Chan Lin	

Members Absent

Alex Garza	Bill Regenhardt	Commissioner Butch Borasky
Mark Edgel	William Bruninga	

Staff Present

Ardell Galbreth	Suzanne Potter	Jim Kostecki
Carol Turner	Heather DeSart	Rick Villalobos
Sylvia Spencer	Peter Bacigalupi	Celia Diaz
Madelin Arazoza	Chris Shaw	Tom Dang
Linda Yi	Clentine January	Kim Colagioia
Byron Goynes	Deb Collins	

Others Present

Jack DeGree, Board Counsel	Doug Geinzer, SNMIC
LaTanya Runnells, Nevada Partners, Inc.	Janice M. Rael, Nevada Partners, Inc.
L. Kelley, DETR	Earl McDowell, DETR
Ron Hilke, DETR	Tracey Torrence, SNRHA
Bob Butterfield, Nevada Partners, Inc.	Arneller Mullins, Nevada Partners, Inc.
Veronica Hayes, Nevada Partners, Inc.	Tiffany Tyler, Nevada Partners, Inc.
Joseph Terry, GNJ Family Life Center	Hernan, GNJ Family Life Center
Helicia Thomas, GNJ Family Life Center	Sharaf Rojas, Nevada Partners, Inc.
John Micah Collins, Basic High School	Charles Galbreath Jr., Nevada Partners, Inc.
Tajanae Runnells, Nevada Partners, Inc.	Aaliyah Viray, YGP
Elizabeth Gomez, YGP	Omar Martinez, YGP
Pamela Poston, HELP of Southern Nevada	Craig Hall, HELP of Southern Nevada

(It should be noted that not all attendees may be listed above)

1. Call to order, confirmation of posting, and roll call

The meeting was called to order by Chair Hannah Brown at 10:00 a.m. Staff confirmed the meeting had been properly posted in accordance with the Nevada Open Meeting Law. Roll call was taken and a quorum was present.

2. DISCUSSION and POSSIBLE ACTION: Approve the Agenda with the inclusion of any emergency items and deletion of any items

A motion was made to approve the Agenda as presented by Valerie Murzl and seconded by Charles Perry. Motion carried.

3. FIRST PUBLIC COMMENT SESSION:

Frank Woodbeck, Director, Department of Employment, Training, & Rehabilitation (DETR) – read the following communication from Assemblywoman Marilyn Kirkpatrick:

Dear Workforce Connections Board Members,

I am writing to ask for your support of the consolidation plan recently proposed to you by the DETR Director and Governor Sandoval. As a member of the Governor's Workforce Investment Board, which voted unanimously to support this plan, and as an assemblywoman serving North Las Vegas, I am committed to ensure that the investment of the WIA funding is utilized quickly and efficiently in the near future. The most important thing is that we get Nevada residents back into the workforce as well as ensuring our youth have as many opportunities as possible.

As long ago as 2005, through the most current history of the southern workforce investment boards, I have noticed several deficiencies and excessive operational expenditures, and have contemplated legislative remedies on more than one occasion. The audit findings from the most recent period are the most alarming.

This is a unique opportunity to consolidate under a plan that maintains the integrity of the workforce investment areas, south and north. It also ensures us that the allocation of WIA funding will remain unchanged. We will be able to view an administrative program oversight savings of \$5,000,000.00 plus, and redirect this funding to services and training in our communities.

I can assure you, as a sitting member of the Board, along with two other Southern Nevada Legislatures, and our terms do not expire for the next two years, that you will always have a voice to address any concerns. We are all seeking the same result, and that is making sure Southern Nevada residents maintain funding for our community as well as the opportunities through collaboration we can accomplish this endeavor. Therefore, I urge this Board to vote in favor of supporting the plan presented to the LEO Consortium and join the Governor's Board and the Northern Workforce Investment Board in an affirmative effort to unite the workforce investment system of the state in a meaningful and progressive way.

Sincerely,

Marilyn Kirkpatrick, Assembly District 1

4. DISCUSSION and POSSIBLE ACTION: Approve the Board Meeting Minutes for the meeting on May 22, 2012

A motion was made to approve the Board Meeting Minutes from the meeting on May 22, 2012 by Charles Perry and seconded by Dr. David Lee. Motion carried.

5. DISCUSSION and POSSIBLE ACTION: Board Officer Elections

A motion was made to nominate Valerie Murzl as Vice-Chair as presented by Dan Gouker and seconded by Charles Perry. Motion carried.

A motion was made to nominate Hannah Brown as Chair as presented by Dan Gouker and seconded by Charles Perry. Motion carried.

6. Youth Council ~ Sonja Holloway, Chair

Hannah Brown congratulated Sonja Holloway on her new role as Chair of the Youth Council.

Charles Perry congratulated Sonja Holloway for taking over as Chair of the Youth Council. Mr. Perry noted that former Chair Ken LoBene served well for many years and asked staff on behalf of the board to send a letter of gratitude to the former Chairman.

- a. INFORMATION: Youth Council Meeting Minutes of May 22, 2012

Minutes are provided for information only.

- b. DISCUSSION and POSSIBLE ACTION: Approve Youth Council's recommendation to increase the funding for the In-School Youth Programs in an amount not to exceed \$1,844,000.00

Ricardo Villalobos, Ready for Life Systems Director, reported that these are funds set aside for the JAG Initiative that the Board directed staff to reallocate to the In-School Youth Programs. Two additional high schools will be served, Basic High School and Bonanza High School, for a total of 14 high schools and 920 youth served.

HELP of Southern Nevada's total award is \$922,000 to serve a total of 460 high school seniors who are not on track to graduate, at the following high schools: Basic, Bonanza, Chaparral, Cimarron, Clark, Del Sol, and Sunrise Mountain.

Nevada Partner's total award is \$922,000 to serve a total of 460 high school seniors who are not on track to graduate at the following high schools: Canyon Springs, Cheyenne, Desert Pines, Mojave, Rancho, Valley, and Western.

Both agencies will help high school seniors attain their High School Diploma, through tutoring, credit retrieval, and proficiency testing; Work Readiness Skills; Youth Work Experiences; Placement in Post-Secondary education and/or employment.

A motion was made to approve Youth Council's recommendation to increase the funding for the In-School Youth Programs in an amount not to exceed \$1,844,000.00 by Hannah Brown and seconded by Valerie Murzl. Motion carried.

- c. DISCUSSION and POSSIBLE ACTION: Approve Youth Council's recommendation for state to negotiate and amend Nye Community Coalition's PY2011 contract for an additional \$150,000.00 and extend the contract date from September 30, 2012 to June 30, 2013

A motion was made to approve Youth Council's recommendation for staff to negotiate and amend Nye Community Coalition's PY2011 contract for an additional \$150,000.00 and extend the contract date from September 30, 2012 to June 30, 2013 by Councilwoman Anita Wood and seconded by Charles Perry. Motion carried.

- d. INFORMATION: Operation Healthcare Bound Update & Presentation

Debra Collins provided a report on the Operation Healthcare Bound event held on Wednesday, May 23, 2012. Operation Healthcare Bound is a free one-day job shadow opportunity for students interested in exploring health care careers.

Ms. Collins thanked the Nevada Hospital Association, Nevada Institute of Nursing, and Board staff, Lauren Stewart, Celia Diaz, Byron Goynes, Linda Yi, Janice Greer, Clentine January, and also Ardell Galbreth for allowing the program to take place.

Ms. Collins showed video highlights from the event.

Following, several of the youth participants provided testimony about their experience with the program.

Craig Hall, Education Counselor - HELP of Southern Nevada thanked the Board for allowing this event to happen and thanked Board staff for orchestrating the event. Mr. Hall was a chaperone at the event.

Mujahid Ramadan congratulated Ms. Collins for a job well done and said that he hopes to see more events like this happen with the money allocated to the In-School Youth Programs. Mr. Ramadan stated that this was a monumental event that provided these youth with options for career choices in the medical field as well as knowledge and experience that can be transferred to other career opportunities.

Mr. Ramadan noted that one of the young men referred to the program will be featured in a national magazine.

Carol Turner confirmed that the budget for this event was approximately \$8,500 purchase scrubs for the youth to wear during the event, services, and transportation fees, which were approximately \$5,000.

7. Operations Update

- a. INFORMATION: Budget & Finance Committee Meeting Minutes of May 2, 2012
Minutes are provided for information only.
- b. INFORMATION: PY2011 WIA Formula Budget July 1, 2011 through June 30, 2012 and PY2011 Budget Narrative

Jim Kostecki, Finance Manager, reported that there have been no changes made to PY2011 Budget since the last meeting.

c. INFORMATION: PY2012 WIA Formula Budget July 1, 2012 through June 30, 2013 and PY2012 Budget Narrative

Mr. Kostecki reported that there have been no changes made to the PY2012 Budget since the last meeting.

d. REVIEW, DISCUSS, and ACCEPT

i. Budget vs. Actual Finance Report (Workforce Connections' Operations) for the Period July 1, 2011 through June 30, 2012 (Formula WIA)

Mr. Kostecki reported that line item 6120/6129 Bank/Payroll Services is in the red and requires a budget revision. This line item was short due to an oversight and money will be transferred accordingly. Charges to this line item include \$3,500 for semi-annual bank fees and \$400 for monthly payroll processing fees.

Councilman Coffin inquired about the possibility of having bank fees waived for Workforce Connections.

Mr. Galbreth had previously looked into the matter, but was told the bank fees are non-negotiable.

A motion was made to accept Budget vs. Actual Finance Report (Workforce Connections' Operations) for the Period July 1, 2011 through June 30, 2012 (Formula WIA) by Pat Maxwell and seconded by Michelle Bize. Motion carried.

ii. PY2011 Awards & Expenditures Report – Monthly Update

Mr. Kostecki provided an overview of the Awards & Expenditure reports for ADW/Youth/Direct Grants.

Under WIA PY11 ADW Health Sector, CCSD – Desert Rose was given a no cost extension to December 2012. Nevada Hospital Association started late January 2012 but they are on track with expenditures.

Under WIA PY11 Youth, CCSD – Desert Rose's contract doesn't end until September 2012 and the provider has made progress with expenditures now at 41.36%.

HELP of Southern Nevada received additional funds (\$1,200,000) to be expended by September 2012 as well as Nevada Partners (\$680,000) and Nye Communities (\$88,000) which is to be expended by June 2012.

Under Direct Grants, Mr. Kostecki noted that the report has been revised to indicate the end date for the direct grants.

iii. Adult/Dislocated Worker & Youth Funding Plans

Carol Turner provided an overview of the ADW/YOUTH funding plans, which indicate when the funding streams will be used over the next five quarters.

Ms. Turner reported that current year ADW funds will be spent by 1st quarter 2012, remaining PY10 Youth funds were spent effective May 2012, and PY11 funds are committed and are expected to be spent by the September invoices.

Ms. Turner reported that the overhead for Workforce Connections have been reduced from 26% to 20% for the upcoming year.

Ms. Turner reported that the funded partners have done a great job with expenditures and delivery of services for their summer program, WEXs, and regular year-round programs.

Mr. Galbreth noted that Workforce Connections is right on target with expenditures and funding allocations.

iv. Audit Findings for Program Year 2010 (Year Ended June 30, 2011) Report

Ms. Turner provided an update on the Audit Findings Report. Staff is looking at and updating policies for the FE system. Ms. Turner reported that approximately half of the findings will be cleared by the next audit and the remaining will show significant progress.

e. INFORMATION: Workforce Connections Standing Professional Services Contracts

This item is for information only.

8. Interim Executive Director's Update ~ Ardell Galbreth

a. INFORMATION: Public Comment Response to State Proposal to Establish Statewide Unified Workforce Investment Board – June 2012

Ardell Galbreth read the *Chief Local Elected Official Consortium Public Comment Response to State of Nevada Integrated Workforce Plan for Title 1 of the Workforce Investment Act of 1998 Wagner-Peyser Act and Agricultural Outreach* into the record:

During its meeting on June 6, 2012, the Southern Nevada Workforce Investment Area Chief Elected Officials Consortium voted to oppose the State of Nevada Integrated Workforce Plan for Title I of the Workforce Investment Act of 1998, Wagner-Peyser Act and Agricultural Outreach initiative. The rationale for the opposition is for the following reasons:

1. *In accordance with the Workforce Investment Act (WIA) Section 116(a)(2) and 20 CFR 661.250(d), since Nevada was not a single local workforce investment area state prior to July 1, 1998, under the Job Training Partnership Act, the Governor or the state has no authority to (is prohibited from) re-designate the State of Nevada as a single service delivery area.*
 - a. *Even though the proposed state plan indicates Nevada's two local workforce investment areas will remain unchanged, i.e., retain their current formula funds distribution and continue to deliver services in their current jurisdictional areas, according to WIA Section 117(a) a workforce investment board shall be established in each local area. Thus, if the state intends to retain two local workforce investment areas, WIA under Public Law 105-220, requires there to be a local workforce investment board to serve each established local area.*

Thus, the proposed two Local Workforce Investment Areas, governed under a single board is contrary to WIA.

- b. Although there have been audit findings associated with Workforce Connections (Southern Nevada Workforce Investment Board), all independent audit reports of financial statements have been designated as “unqualified” which means no significant or substantial violations, and no questioned costs identified. It should also be noted that corrective action associated with the identifying findings has been taken with positive results.*
 - c. The overall performance of Workforce Connections has been exceptional – as Governor’s Discretionary funds have been awarded to the Southern Nevada Workforce Investment Board three consecutive years for meeting or exceeding established performance measures.*
- 2. In reference to the state’s plan focusing on administrative staff and office overhead costs, it should be noted that no more than the statutory limitation of 10% administrative cost has ever been utilized and all expenditures have been in accordance with WIA and associated OMB costs principles. It should also be noted that Workforce Connections Board of Directors have established a programmatic operating cost rate not to exceed 10% during each program year beginning July 1, 2012. This initiative has resulted in increased community resources while ensuring quality employment and training oversight services. Thus, administrative and operating costs expenditures are well within the range of standard Workforce Investment Board functions.*
 - 3. Under the state’s plan section “Status of the WIA System in Nevada”, the state infers that there are only two WIA service providers that have presence in a Nevada JobConnect office, yet in fact for several years in the Southern Nevada Workforce Investment Area there have been WIA service providers in each of the Southern Nevada JobConnect offices. This appears to be a clear indication that staff officials are not close enough to detect and understand the full impact of local workforce investment boards’ initiatives – particularly Workforce Connections in Southern Nevada.*
 - 4. Under the state’s proposed structure, the plan references aligning workforce development delivery in support of the Governor’s vision to provide “A vibrant, innovative and sustainable economy” with the mission being “High-quality jobs for Nevadans”. However, Workforce Connections’ Two-Year Strategic Compliance Plan is clearly aligned with the Governor’s vision along with certified assurances from Southern Nevada Workforce Investment Area Chief Elected Officials; Workforce Connections’ Board of Directors, and its Interim Executive Director.*
 - a. Workforce Connections’ Two-Year Compliance Plan outlines specific processes as to how the Southern Nevada area Workforce Investment Board will align its resources and support the Governor’s vision by*

clearly defined employment and training programs and services that meet the needs of Southern Nevada's demand-driven workforce development system, i.e., Nevada JobConnect. With such vetted assurances officially approved and recorded in open public meetings, the Southern Nevada Chief Local Elected Official Consortium sees no need for the state to intervene or take control of any Local Workforce Investment Board initiatives.

- b. Workforce Connections has revised several of its policies based on direct inputs from both businesses and job seekers to meet or exceed their workforce needs. Workforce Connections' Two-Year Compliance Plan outlines the intense efforts launched to align its workforce development resources with essential partners – in particular, the state's Office on Economic Development and Nevada's System of Higher Education, with community colleges serving as primary training components. The local plan re-establishes its board's governance goal that develops an effective workforce development system that meets the needs of all Southern Nevada stakeholders. With these noted and proved initiatives in place, most importantly, with Workforce Connections' staff serving as project lead in two of Nevada's targeted industry sectors, such a proposed restructuring is unwarranted.*
 - c. Though the State's plan refers to studies indicating soft utilization of Nevada's community colleges and higher education institutions, such studies fail to point out Workforce Connections' extensive use of On-the-Job Training (OJT) contracts placing a significant number of job seekers in gainful employment. The state's plan cites the lack of collaborative efforts between Local Workforce Investment Boards and industry sector employers and regional development authorities; however, with Workforce Connections' staff serving lead roles in the state's two most successful industry sector councils, in this instance, one can only conclude there's a disconnect at the state's level.*
- 5. The state expresses a desire to establish comprehensive One-Stop Centers in all Nevada JobConnect locations, i.e., a total of ten throughout the state. Workforce Connections' Board of Directors and Southern Nevada Chief Local Elected Officials Consortium share that same desire; however, to undertake such a task, Local Workforce Investment Boards will require the full support and the collaboration of most all state agencies and officials. This will help establish an environment for co-locating staffs to deliver seamless, comprehensive workforce development services to all who enter the One-Stop Centers. Workforce Connections' staff has taken the lead, and is in the process of bringing all workforce development partners and their resources together to help ensure a seamless, collaborative partnership.*
 - 6. In several areas of the State's plan, it highlights eliminating duplication of effort by establishing one statewide Workforce Investment Board as opposed to two Local Workforce Investment Boards. The plan also cites reduced*

overhead costs by establishing a single, statewide Workforce Investment Board. Fundamentally, such an approach is sound; however, in a practical sense, WIA was created to allow local areas to design a system to meet the needs of local area businesses and jobseekers. Such an approach from a statewide perspective is grossly contradictory and ignores the intent of WIA.

- 7. With regard to efficient and effective meeting of performance measures, resulting in an improved workforce, employable citizens, reduced employment, and a more sustainable economy, as the State's premier workforce development agency, Workforce Connections oversees over 70% of Nevada's workforce delivery system and meets or exceeds all related performance measures. For example, for three years running, The Governor's Workforce Investment Board has awarded Workforce Connections incentive funds for meeting or exceeding established performance measures. While serving in the toughest economy in the country, with Nevada having one of the highest unemployment rates in the country and other not so pleasant distinctions, such as having amongst the highest housing foreclosure and teen parenting rates, even with such difficult challenges Workforce Connections achieved success in a most positive way, i.e., meeting or exceeding all established Workforce Investment Act performance measures. A task only few Workforce Investment Boards have been able to achieve.*

The State's plan has many excellent initiatives of which Workforce Connections and the Southern Nevada Workforce Investment Area Chief Elected Officials Consortium embrace; however, with considerable thought and all due respect to the Governor and State officials, the Southern Nevada Workforce Investment Area, Chief Local Elected Official Consortium strongly opposes the State's plan to establish a single, consolidated Workforce Investment Board to oversee the delivery of statewide workforce development services. We appreciate the opportunity to respond to the State of Nevada Integrated Workforce Plan for Title I of the Workforce Investment Act of 1998, Wagner-Peyser Act and Agricultural Outreach. We look forward to working with any and all partners and stakeholders in overseeing the development and delivery of quality employment and training service in the State of Nevada.

Respectfully, on behalf of Southern Nevada Workforce Investment Area Chief Elected Officials Consortium.

*Ardell Galbreth, CPM
Interim Executive Director*

Discussion ensued.

Dennis Perea commented on the claim that the Workforce Investment Act is integrated in the JobConnect system, stating it is laughable, and noted that at the recent public comment, the Department of Labor raised concerns that this claim was being made.

Mr. Perea commented on "downplaying" the audits in these letters, and stated, "The audits were tragic and to downplay the significance of them is a mistake."

Councilwoman Anita Wood commented that no one on the Board is downplaying the audit and stated that Mr. Galbreth and his staff have been working extremely hard during the past year to make sure the audit findings are corrected.

Mr. Galbreth stated that audit findings status reports are provided to the Board at their monthly meetings. Galbreth stated that the biggest concern on the audit is the repeated audit findings that occur year after year. When the agency is put on notice it has the responsibility to take corrective action and report the findings to the Board; this has not always been the case, Ardell said.

Mr. Galbreth stated that based on these audit reports, the audit findings are accurate and staff meets each month with the Local Elected Official's Chief Financial Officers to review the findings and receive feedback as to how improvement can be made at Workforce Connections. Galbreth reiterated that the audit is not being taken lightly and staff will continue to produce very descriptive audit finding reports to the Board.

In reference to correspondence received by the Board from Frank Woodbeck and Assemblywoman Kirkpatrick regarding the Governor's plan, Valerie Murzl asked what kind of authority the Governor has per the Executive Order 2012-14 mentioned in the correspondence, as it appears to give the Governor authority to override the LEO's position on the state plan. Murzl also asked what authority, if any, the Board has.

Mr. Galbreth stated that he is not privy to the correspondence; however, in reference to the Workforce Investment Act, the Governor has authority to designate workforce investment areas within the state. The workforce investment areas were established at the beginning of the Job Training Partner's Act that dates back to the 70s. In order to change the workforce investment areas, the Governor is required to obtain a waiver from the U.S. Department of Labor, which the Governor is proposing to do as part of the state plan, said Galbreth.

Ms. Murzl stated that the correspondence also refers to a proposed \$5 million savings achieved by combining the local workforce investment boards. Murzl asked if the cost savings is based on eliminating Workforce Connections' budget of \$4.9 million and combining with the north. It is illogical to think that the state would be able to pick up and maintain the duties and work being done in the south and move it to the north without adding staff or expense, said Murzl.

Dan Gouker explained that the Governor's executive order is to realign his primary workforce investment board and has nothing to do with the consolidation local workforce investment boards in the north and south.

Mr. Gouker stated that most of the issues the Board is having is from audit exceptions, and without having another auditing agency review the audit, who knows if they are in fact audit exceptions. Gouker stated that over the years Piercy, Bowler, Taylor & Kern has not only charged for audit fees but also an exorbitant amount for consulting fees. Gouker said he's curious about the consulting fees and is concerned that the audit exceptions may not be accurate. Gouker referenced the finding that requires Workforce Connections to hire a CPA and stated that as long as the books are prepared correctly, it doesn't matter who prepares them. This should not be an audit exception, said Gouker.

Mr. Gouker stated he is completely on the fence regarding the Governor's plan, and as of now, does not know whether he is for or against it because not enough information is available. Gouker said he would like to see more of Workforce Connections' contracts and get a better explanation, justification on the audit findings.

Commissioner Bill Kirby commented that state's proposal has resulted in increased efficiency at Workforce Connections; the agency has gone through some changes and is running much more efficiently than it has been in the past.

Commissioner Lawrence Weekly disagreed with Mr. Perea's comment that it's laughable the Board would downplay the audit, and stated that no one is downplaying the audit. What is laughable, said Weekly, is that DETR has been very aware over the last several years of what's been going on at the local Board and did not say or do anything, and allowed it to continue.

Commissioner Weekly said it's his belief that none of the Board members mean any disrespect toward the Governor; however, they do have the right to share their individual concerns, views and opinions. It is important that the Board members say what they feel and where they stand, said Weekly.

Charles Perry agreed with Commissioner Weekly about Board members taking a stand and being clear about their beliefs. Perry said he supports the Governor's proposal mainly because of what he's experienced in the past, but nothing going on within the agency right now. Perry said he hopes the Governor's plan results in change that is substantive, meaningful and long-lasting.

Dan Rose said he feels the Board has built something great, but it's going to be imploded; whatever is going in its place will not be as effective or have the same positive impact on the community and the clients we serve.

Councilwoman Wood, Mujahid Ramadan, Hannah Brown, Michelle Bize, Councilwoman Leavitt, Valerie Murzl, and Commissioner Weekly stated that they are against the state plan.

Councilwoman Wood said the plan was created without the local perspective and does not take into consideration the Local Elected Officials and their respective jurisdictions.

Mr. Ramadan said the Governor's plan will hamper the progress of the programs that serve the re-entry population.

Ms. Brown said she's opposed to the Governor's plan because Southern Nevada will not get their fair share.

Ms. Bize said she's totally against the Governor's plan and commended Mr. Galbreth for the excellent job he did on writing the public comment response on behalf of the Chief Local Elected Officials. Bize is committed to the work of the Board and wants to continue its progress.

Ms. Murzl said after five years of service on the Board, hard work and dedication on both the Board and ADW Committee, it's demoralizing to receive communication from the state implying the Board will be tossed to the curb anyway. Ms. Murzl said she feels like quitting, and although she won't quit, she is not happy. Murzl is against the Governor's plan and would vote against it.

For clarification, Dennis Perea said his earlier comments did not imply that the decertification of the Workforce Investment Board is imminent, it's just one of the options, but it's not in the Governor's purview.

Commissioner Weekly: "You didn't imply it, Mr. Woodbeck implied it."

Commissioner Kirby commented that the south needs proper representation and may not get it under the Governor's plan.

Councilwoman Leavitt said she's considered both sides of the Governor's plan, with the information she's been provided. Leavitt said she voted against the plan because of the issues regarding LEO representation on the sector councils and losing the expertise of Workforce Connections staff. Over the years, Workforce Connections' staff developed programs, assisted clients and handled the intricacies of the workforce development delivery system over the years, doing a tremendous job.

Pat Maxwell said she respects the Local Elected Officials on the Board and feels the Board has worked very well together. Maxwell said she's not taking a position one way or another, but wants to continue to do the work that the Board is tasked with. Maxwell said she is interested in serving on the sector councils but doesn't know if she should while the outcome of the Board is uncertain.

Mr. Galbreth said the sector councils are going to happen regardless of the Governor's plan for a one state unified workforce board. The sector councils are part of legislation and required per the Governor's plan as well as this Board's strategic plan.

Mr. Perea reiterated Galbreth's comments and stated that the sector councils are required and separate from the proposal for one statewide workforce board. Perea said, the only reason the sector councils have been brought up in this conversation is to provide an avenue wherein the Local Elected Officials can have a voice and have representation.

Ms. Murzl thanked Mr. Perea for the clarification because she felt that serving on one of the Governor's sector councils would have been a betrayal to the Workforce Connections' Board.

Mr. Galbreth stated that DOL's Secretary of Labor will review the Governor's plan and the Public Comment response made by the Chief Local Elected Officials, and make a determination within 90 days. At the end of the 90 day period, if a decision has not been made, the Governor's plan will automatically be approved in accordance with the Workforce Investment Act.

b. DISCUSSION and POSSIBLE ACTION: One-Stop System (Center) Lease Agreement and Associated Partners' MOUs

Ardell Galbreth provided an overview of the one-stop system requirements and explained the importance of this Board moving forward to comply with the Workforce Investment Act, which requires the Local Workforce Investment Board (Workforce Connections) to implement and oversee the Workforce Investment Area's one-stop center.

Staff is requesting that the Board authorize Workforce Connections to enter into a lease agreement to secure a facility for the one-stop center. Mr. Galbreth noted that if the lease

is approved, Workforce Connections will take over the center by mid-September, early October.

Mr. Galbreth noted that the one-stop center has to be implemented regardless of whether there's one unified statewide board or two local workforce boards. During a U.S. Department of Labor onsite review, the State and Workforce Connections received a finding for not having a comprehensive one-stop center in our local area. USDOL is giving DETR an opportunity to take corrective action on the finding, which is the proposed one-stop center. If action is not taken, a monetary sanction can be levied against the State and possibly Workforce Connections.

Mr. Galbreth provided an overview of the benefits of a one-stop center; the projected timeline for operation; the pros including associated costs, tenant improvements, location, parking, and partners as well as the cons including shared cost of lease and maintenance, potential lease increase after five year renewal, and increase in staff by four, as outlined in the agenda packet.

Councilwoman Wood stated that Workforce Connections needs some assurance from DETR that they will take over the one-stop center and the assigned staff should Workforce Connections go away.

Mr. Galbreth replied, DETR is aware of this and has to approve this process before Workforce Connections can go forward.

Commissioner Bill Kirby asked if there was an escape clause in the lease.

Mr. Galbreth confirmed that the lease will have a clause that if there is no longer an allocation of funds to support the workforce development system, Workforce Connections will be let out of the lease.

Commissioner Kirby asked how long this can be delayed to ensure the Board is making the right move.

Mr. Galbreth said it can be delayed however long, but as long as it is, the board will continue to be out of compliance.

Commissioner Kirby asked when the lease is scheduled to start.

Mr. Galbreth replied that if approved, the plan is to take over the building by the middle of September, no later than the first of October.

Commissioner Kirby asked if the Board can get a commitment right now from DETR that they will accept what the Board does so that the continuity will be there in the event something happens to the Board.

Dennis Perea stated that DETR knows absolutely that a one-stop has to be established regardless of one board or two boards.

Commissioner Kirby stated that he is asking for a commitment in writing.

Dennis Perea stated that a consortium will be established to run the one-stop center to include Workforce Connections, DETR, Health and Human Services, and Title I providers. Perea said DETR is committed to having the one-stop center, but the consortium has to meet and iron out the details as a group.

Commissioner Kirby commented that with the consortium the agency is not subletting to these people, they are tied to it indefinitely, right?

Mr. Galbreth stated that Workforce Connections will be the lease holder and will be responsible for overseeing the consortium of entities operating the one-stop center. Workforce Connections will provide technical assistance and oversee the facility operations, such as utilities and ensuring that the center is operating in accordance with the Workforce Investment Act. The consortium entities will cost-share the lease based on the number of FTEs co-located at the one-stop center.

Commissioner Kirby said, so we are risking losing this if we don't take action right away. We don't need to take action on this today do we?

Mr. Galbreth commented that he would prefer it so that we can move forward and have the facility up and operating by October 1st.

Mujahid Ramadan suggested that Workforce Connections assemble an internal committee for the one-stop center that's run similar to the other standing committees and that is responsible for the management of the consortium.

Dan Gouker stated that CSN is committed to the one-stop center and understands that a comprehensive one-stop career center is a requirement of WIA and must be implemented. Gouker stated that the Board would be very prudent in proceeding with this project and he endorses it 100%.

Mujahid Ramadan made a motion to move forward and have staff bring back reports and establish an internal committee. Dan Gouker seconded the motion.

Councilwoman Wood called for further discussion in the interest of City of North Las Vegas as one of the fiscal entities responsible if Workforce Connections is not able to meet their obligations. Wood said something needs to be written in the MOU stating who is responsible should Workforce Connections cease, so that the financial liability does not fall back on North Las Vegas and other jurisdictions. Wood stated that the one-stop center is wonderful and she supports it wholeheartedly, but is worried about the financial responsibility and legal obligation part.

Legal counsel stated that Workforce Connections needs to have a lease termination provision crafted into the lease.

Mr. Galbreth agreed and confirmed that there will be such provisions in the lease and the lease has to be vetted by legal.

Galbreth provided the following language, to be crafted into the lease:

Fiscal Out Clause-Tenants shall have the right to terminate the lease should federal limit tenants funding to the point tenant no longer has the funds to satisfy the rental payment obligations. Upon no less than 90 days prior to written notice to be given to landlord within 30 days of such funding cut, along with documentation acceptable to landlord verifying such funding cut. Tenant may terminate the lease effective upon the end of such 90 day period.

In response to Councilwoman Wood's concerns regarding the outcome of the one-stop center staff, Galbreth stated that if Workforce Connections goes away and if the one-stop center goes away, the staff assigned will be terminated as well.

According to the Governor's proposal, the State will take over all fiduciary responsibility if the workforce investment board goes away, said Galbreth.

Commissioner Kirby: *From what I see we have a \$24 million budget roughly, okay, and we have to have this central point, okay, and is this going to enable us to perform better than what we have in the past. In other words, are we going to be able to spend our money better or is this going to be an additional cost for us to accomplish the same mission that we can get along without, other than the fact that we're required to have it by the Department of Labor. In other words, is this going to enhance the program or is this going to be an additional cost that the program didn't have before and were not going to be able to do any better than we did before?*

Mr. Galbreth replied, yes it will enhance the program. Galbreth offered to go into further detail with the Commissioner off line and send him some information.

Councilwoman Schroder suggested that the Board vote to continue this agenda item to allow the LEO's legal counsel time to review the MOU to ensure the different jurisdictions are protected.

Galbreth pointed out that the MOU and the language therein is not typical because it is based on the requirements of the Workforce Investment Act.

A motion was made by Mujahid Ramadan to approve the One-Stop System (Center) Lease Agreement and Associated Partners' MOUs with the condition that the MOU provides better direction should Workforce Connections leave the system and direction on who maintains the financial obligations. The motion was seconded by Charles Perry, with one opposition by Commissioner Bill Kirby. Motion carried.

c. DISCUSSION and POSSIBLE ACTION: Workforce Connections Board By-Laws

Ardell Galbreth asked the Board to review the enclosed Workforce Connections Board By-Laws over the next 30 days and take action at the next Board meeting. The By-Laws have been vetted by the LEOs and their legal counsel.

d. INFORMATION: BOARD DEVELOPMENT TRAINING

Heather DeSart, Deputy Director – Workforce Development, reported that at the July 24th Board meeting, Attorney John Chamberlain will provide board development training. Ms. DeSart requested the Board members to bring their calendars to schedule date for future strategic planning with Mr. Chamberlain.

Councilwoman Leavitt directed staff to videotape the training for Board members that will be absent.

9. SECOND PUBLIC COMMENT SESSION:

Frank Woodbeck, Director, DETR - Mr. Woodbeck said that the State's recommendation to the Department of Labor (DOL) for one statewide board of

governance is not about the Workforce Connections' Board – it's about the delivery of services as efficiently and effectively as possible to the citizens of Nevada, who have been out of work, underemployed, or unemployed. Woodbeck stated that without a waiver from DOL, the State's proposal for one statewide board will not happen. The State does not have any means of exerting undue influence on DOL by any means, said Woodbeck. The State is making a recommendation to DOL with opposition from the LEOs in the south.

Woodbeck said that deliberations began with the Governor's office and DETR in January 2012, at which time there was a previous Executive Director at Workforce Connections. Woodbeck commends Ardell Galbreth for the work he has done thus far; he has made a tremendous improvement at Workforce Connections; however, the fact is there's a \$5 million administrative and program oversight expense that must be looked at, and a decision has to be made. Woodbeck said it's not personal to anyone on this Board, nor is it a reflection on this Board. Prior to Mr. Galbreth's administration, there has not been a very good outcome for the delivery of services in Nevada.

Woodbeck stated that the programs will remain and the work in the sectors will continue. Regarding the healthcare sector, Woodbeck stated that there is no way he'll let Debra Collins out of DETR's employment; she will be transferred to the State. What the Board has built will be built upon; it's not a matter of taking the power away from someone. The Workforce Connections' Board has the opportunity to provide vital direction and advice through the industry sectors, and that advice will go directly to the Governor's Board that will make the determination regarding the appropriation of monies for training.

Woodbeck stated that the Governor's Board is not based out of Carson City and the majority of its Board members will be in Southern Nevada including four Local Elected Officials from the Boards.

Woodbeck said it's not the State against the local board and is sorry if it appears that way, but he has certainly tried to avoid that by having several private conversations with Board members and by having public presentations, all of which have been aimed toward having a logical discussion regarding the Governor's plan. The Governor is an honest person, he has honest intentions, said Woodbeck.

Woodbeck said he was very uncomfortable during this meeting because he feels like he and his staff are not being treated fairly regarding this matter.

LaTanya Runnells, Program Manager for Nevada's Positive Youth Impact Employment and Training Center at Nevada Partners, Inc. – Ms. Runnells distributed a report that provides a reflection of the NPI's Adult Department, Workforce Development Department, and Positive Youth Impact Program. Ms. Runnells reported that the Youth Department, over the course of three months, has provided the youth opportunities to participate in different events including, college tours, workplace tours, and various workshops. The workshops include Work Readiness, What it Means to be Green, Boys to Men, Girls' Circle, Responsible Teen Fathers, Responsible Teen Mothers, Positive Parenting, Urban Garden, Quarterly Family Nights, College & Career Fairs, Proficiency & Tutoring Boot Camps, Financial Literacy, First Aide, and Career Expos.

Ms. Runnells reported that 79 performance measures have been met to date, with 61 new enrollments. Some of the youth have attained their high school diploma or GEDs and received occupational skills training and certification for fork lift, OSHA, guest room attendant, bus person, and CPR/First Aide training. Ms. Runnells reported that six youth obtained a high school diploma or GED and enhanced their basic skills, and 11 youth entered employment or education.

Ms. Runnells said the youth would appreciate an opportunity to speak on their behalf to the Board about their accomplishments over the last few months.

Dan Rose, Board Member and Representative for Sheet Metal Local 88 Apprenticeship – The Sheet Metal Local 88 Apprenticeship program is bringing in a new class this year. Mr. Rose said that even though a large percentage of the apprenticeship is out of work, they know it's important to build a better future. The last day to take applications for this class, that will probably begin in August, is Tuesday, July 3rd. Applicants must have a High School Diploma or GED, be at least 18 years old, and possess a valid driver's license and birth certificate to apply. The test date for the building trades, which is one of the hardest, will begin on July 5th. More information is available at www.88training.com.

10. Adjournment

The meeting adjourned at 1:07 p.m.