

*workforce*CONNECTIONS

**Local Elected Officials Consortium
MINUTES**

**July 10, 2012
1:00 p.m.**

*workforce*CONNECTIONS
**7251 W. Lake Mead Blvd.
Suite 200 Conference Room
Las Vegas, NV 89128**

Members Present

Councilwoman Gerri Schroder	Commissioner Lawrence Weekly
Councilwoman Peggy Leavitt	Commissioner Butch Borasky
Councilwoman Anita Wood	Commissioner William “Bill” Kirby (Phone)

Members Absent

Councilman Bob Coffin	Commissioner Tommy Rowe
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Staff Present

Ardell Galbreth	Suzanne Potter	Jim Kostecki
Heather DeSart	Carol Turner	Sylvia Spencer
Peter Bacigalupi	Madelin Arazoza	Emilio Pias
Melodye Stok		

Others Present

Sandra Douglas Morgan, Legal Counsel	Matt Cecil, Legal Counsel
Dr. Tiffany Tyler, Nevada Partners, Inc.	Earl McDowell, DETR
Michael Oh, City of Henderson	LeVerne Kelley, DETR
Ron Hilke, DETR	Stacey Smith, Nye Communities Coalition
Keith Hosannah, DETR-WISS	Donna Bensing, New Horizons
Thresea Kaufman, NHA	Renee Cantu Jr., Latin Chamber
Doug Geinzer, SNMIC	

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

1. CALL TO ORDER, confirmation of posting, roll call

The meeting was called to order by Chair Commissioner Lawrence Weekly at 1:11 p.m. Staff confirmed the meeting had been properly noticed and 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 inclusions of any emergency items and deletion of any items

A motion was made to approve the agenda as presented by Councilwoman Peggy Leavitt and seconded by Councilwoman Anita Wood. Motion carried.

3. FIRST PUBLIC COMMENT SESSION

None

4. DISCUSSION and POSSIBLE ACTION: Approve the Minutes from the Local Elected Officials Consortium Meeting on May 24, 2012

A motion was made to approve the Minutes from the Local Elected Officials Consortium Meeting on May 24, 2012 by Commissioner Butch Borasky and seconded by Councilwoman Gerri Schroder. Motion carried.

5. DISCUSSION and POSSIBLE ACTION: Approve the Minutes from the Local Elected Officials Consortium Meeting on June 6, 2012

A motion was made to approve the Minutes from the Local Elected Officials Consortium Meeting on June 6, 2012 by Commissioner Butch Borasky and seconded by Councilwoman Gerri Schroder. Motion carried.

6. DISCUSSION and POSSIBLE ACTION: New Board Member Appointment

Willie J. Fields, Jr.

WJF Shoe

Category: Local Business

Councilwoman Gerri Schroder said that although she didn't know Mr. Fields was applying, she has known him for many, many years through the Lions Club and he would be a wonderful asset to the Workforce Connections' Board.

Councilwoman Anita Wood stated that she too has known Mr. Fields for quite some time and thinks he would be an excellent addition to the Workforce Connections' Board.

A motion was made to approve new Board member appointment of Willie J. Fields, Jr., WJF Shoe as presented by Councilwoman Anita Wood and seconded by Councilwoman Gerri Schroder. Motion carried.

7. INFORMATION: PY2011 WIA Formula Budget July 1, 2011 through June 30, 2012 and PY2011 Budget Narrative

No changes have been made to the PY2011 Budget since the last LEO Consortium Meeting.

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

No changes have been made to the PY2012 Budget since the last LEO Consortium Meeting.

9. REVIEW, DISCUSS, and ACCEPT

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

Jim KostECKi, Finance Manager, reported that the Bank/Payroll Services line item is in the red at 143.71%. Staff underestimated the budget for this line item. The bank fees run about \$3,500 every six months and payroll service fees run about \$400 - \$500 each month. A revised budget will be presented at the next LEO Consortium Meeting.

A motion was made to accept Budget vs. Actual Finance Report for the Period July 1, 2011 through June 30, 2012 (Formula WIA) by Councilwoman Gerri Schroder and seconded by Councilwoman Anita Wood. Motion carried.

b. PY2011 Awards & Expenditures Report – Monthly Update

This report reflects Funded Partner expenditures through the May 2012.

Many of the contracts have been extended for PY2012. Staff is in the process of revising this report to breakout expenditures for existing and additional contract funds so that the columns reflect actual amounts.

Commissioner Weekly requested staff to breakout the Youth Summer School expenditures as well.

A motion was made to accept PY2011 Awards & Expenditures Report – Monthly Update by Councilwoman Anita Wood and seconded by Commissioner Butch Borasky. Motion carried.

c. Adult/Dislocated Worker & Youth Funding Plans

Carol Turner provided an overview of the ADW & Youth Funding Plans. The reports provide an estimate of when the ADW & Youth funding streams will be expended. Discussion ensued.

Ms. Turner reported that ADW funds, good until 6/202013, will be expended by invoices for August/September 2012. All of PY2010 Youth funds and a large portion of the PY2011 Youth funds have been expended. The remaining PY2011 Youth funds should be expended by September 2012 invoices.

Commissioner Weekly asked staff to provide a one-page summary of the services being provided in the rural areas and partner agency that is providing the services.

Ms. Turner provided an overview the Statewide Analysis of Expenditures (Reported by DETR), on page 48 of the agenda packet. The report, dated April 30, 2012, was distributed to the Governor's Workforce Investment Board. The report summarizes PY2010 and PY2011 WIA allocations and expenditures for Workforce Connections, NevadaWorks, and DETR's Rapid Response, Governor's Reserve, and Statewide Admin funding streams.

For PY2010, both NevadaWorks and Workforce Connections expended 100% of their allocations. DETR Rapid Response is at 59%, with \$219,415 remaining; Governor's Reserve is at 79%, with \$618,307 remaining, and Statewide Admin is at 71%, with \$421,471 remaining.

For PY2011, NevadaWorks has expended 32%, with \$5,051,225 remaining and Workforce Connections is at 36% spent, with \$11,718,996 remaining. DETR's PY2011 allocation for Rapid Response is \$3,539,466, and Statewide Admin is \$1,526,666; none of the funds have been expended.

A motion was made to accept Adult/Dislocated Worker & Youth Funding Plans by Commissioner Butch Borasky and seconded by Councilwoman Anita Wood. Motion carried.

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

Ms. Turner provided an overview of the Audit Findings Report. Staff is focusing on updating procedures for the new Financial Edge accounting system. Several of the staff is working on the reconciliation process between the two systems and for year-end.

Ms. Turner reported that about half of the audit findings will be resolved this fiscal year and the remaining should reflect significant progress.

Jim KostECKi reported that a preliminary audit review will take place in September and the audit is scheduled during the second week of November. Discussion ensued.

A motion was made to accept Audit Findings for Program Year 2010 (Year Ended June 30, 2011) Report by Councilwoman Peggy Leavitt and seconded by Councilwoman Anita Wood. Motion carried.

10. INFORMATION: workforceCONNECTIONS' Standing Professional Services Contracts

This item is for information only.

11. DISCUSSION and POSSIBLE ACTION: Southern Nevada One-Stop Career Center and workforceCONNECTIONS' Lease Agreement

Ardell Galbreth noted that language was added to the One-Stop Partner's MOU that relieves Workforce Connections from financial obligations should the agency be dissolved, in which case the financial obligation would become the responsibility of the State of Nevada Department of Employment, Training and Rehabilitation (DETR).

Matt Cecil, Legal Counsel - Workforce Connections' Board and Erin Barnett, Marquis Aurbach Coffing was available to answer questions regarding the revised lease agreement for the one-stop center location at 6330 W. Charleston Blvd, Las Vegas.

Commissioner Bill Kirby asked if DETR would assume legal responsibility for the lease in the event Workforce Connects could not meet its obligations.

Mr. Cecil replied that there are four different scenarios added to the lease that Workforce Connections' can use to terminate the lease without having any additional liability:

1. In the event federal funding is terminated, Workforce Connections can terminate the lease upon giving the required amount of notice.
2. In the event the State forms one State Board and assumes Workforce Connections' responsibilities, etc., the lease can be terminated upon giving the required amount of notice. If the State so chooses, it can assume the lease and not terminate it.
3. In the event that the landlord defaults, Workforce Connections can terminate the lease.
4. Workforce Connections has the right to terminate the lease for convenience (a requirement per CFR 97.36) upon giving 120 days notice.

Regarding leasehold improvements, Ms. Barnett stated that the lease does not bind Workforce Connections to a particular cost for leasehold improvement. Workforce Connections is going to do the renovations as it sees fit to meet its own operational needs. Once the lease is signed, Workforce Connections is bound to occupy the premises for the term and pay rent for the entire term.

Ms. Barnett said two important unresolved lease issues are termination and remedies that are available to the landlord. Typically when a tenant terminates a lease, the tenant is responsible to pay the rent up until the time the premises is rented again or up until the time that would be reasonable to expect the premises to be rented out assuming the landlord were advertising it properly. To protect the agency, a damage provision was added to the lease that says, even

in the event the agency fails to pay rent and there's a default by the agency, the remedy is unlawful detainer and the possible rent is capped by one month. Ms. Barnett stated that this is in accordance with what the agency is able to agree to by law.

Mr. Galbreth stated that Workforce Connections' costs can increase based upon the number of partners in the one-stop. The fewer partners there are, the higher expense the agency will have.

Ms. Barnett clarified Section 2.02 regarding tenant's obligation to pay rent. Ms. Barnett stated the lease allows for three months of tenant improvements for both the first and second areas (office space for the agency) before the rent commences.

Mr. Cecil clarified that the lease is a two-tier lease. The first tier is the 8,000 sq. ft. space for the one-stop center location. Tenant improvements will be done this summer. The second tier is for the 10,000 sq. ft. space directly next to the one-stop center for the Workforce Connections office. This area must be operating by September 1, 2013, so the agency's goal is to have it operating by August 1, 2013. Tenant improvements for this space will take place during the summer of 2013. Mr. Cecil stated that in this regard this lease is not conventional because it is a single lease with two different commencement dates.

Mr. Galbreth stated that Workforce Connections' current lease does not end until September 30, 2013; hence the two different commencement dates.

Mr. Cecil clarified that this entire lease is still under negotiation and Workforce Connections would not enter into any lease agreement that would negatively impact or not be in its best interest.

Commissioner Weekly directed staff to bring the amended lease agreement back to the LEOs for final review, with ample time for the LEOs to review the lease prior to the meeting. Weekly requested staff to print the lease in larger font that is easier to read.

Mr. Galbreth reported that the draft Memorandum of Understanding (MOU) has been sent to the one-stop partners for their review. Once the MOU is vetted by the particular agencies it will be returned and executed by Workforce Connections.

Mr. Galbreth stated that the employment conditions for the four positions at the one-stop center will indicate that funding for the positions is based upon the grants Workforce Connections receives from the Department of Labor. Galbreth stated that DETR is not obligated to take over the one-stop staff, should Workforce Connections dissolve; however, DETR has expressed interest in some of the talent at Workforce Connections if the proposal for one-statewide workforce board goes into effect. Galbreth stated that previous staff affected by the Reduction in Force will be considered for the one-stop center positions if they apply and have the skills and qualifications.

A motion was made to table this item and direct staff to bring back the final language to the LEO Consortium, wherein a special meeting will be called to take action on the final version of the lease by Councilwoman Gerri Schroder and seconded by Councilwoman Anita Wood. Motion carried.

12. INFORMATION: Interim Executive Director's Report

Ardell Galbreth, Interim Executive Director reported that Workforce Connections has participated in a re-entry consolidation meeting. Several community leaders attended the meeting to discuss some of the concerns for the prisoner re-entry population, such as getting them integrated back into the community.

Mr. Galbreth reported that staff is working on the comprehensive one-stop center and focusing on the regional industry sectors, ensuring that funds and efforts are in alignment with the state plan and sector initiatives.

Commissioner Weekly asked when the re-entry funds will be available to the community. Weekly said he referred individuals to the agencies awarded re-entry funds and according to these individuals, they were told they had to leave their contact information because the re-entry programs haven't started yet. Apparently, the agencies don't know how they're going to roll out their programs and/or have claimed that they haven't received their funding yet.

Heather DeSart thanked Commissioner Weekly for the information and stated that she will address these concerns and take action with the providers.

13. DISCUSSION and POSSIBLE ACTION: Interim Executive Director Employment and Compensation

Sandra Douglas Morgan, Legal Counsel, reported the findings received from the various jurisdictions regarding salary increases for staff assigned to interim positions:

- City of North Las Vegas: department directors receive a 5% increase above base salary beginning on the 31st day after assuming new duties
- City of Las Vegas: No written policies with respect to department directors, but union employees receive a 5% increase above their current pay.
- Clark County: No written policy
- City of Henderson: temporary/interim classifications receive 10% above current pay

Commissioner Kirby stated that Mr. Galbreth is doing an excellent job as the interim director and would like to see him as the executive director. Kirby agreed that the interim director should receive at least a 5% pay increase.

Councilwoman Leavitt agreed that 5% is typical and that it should be retroactive to the date Mr. Galbreth assumed the interim director position.

Councilwoman Wood agreed on a 5% increase retroactive to the date Mr. Galbreth assumed the interim position.

Councilwoman Schroder stated that she was unaware of Henderson's 10% policy and that she will be taking it up with her City Manager. Schroder agrees with the 5% retroactive to the position start date.

Commissioner Borasky stated that due to the uncertainty of the agency's future, he is recommending no increase in salary until the agency has some kind of guarantee, at which time an increase can be considered.

Councilwoman Wood stated that Mr. Galbreth's salary is the same as some of his staff and his salary needs to be adjusted accordingly to make it right.

Commissioner Kirby agreed that the increase should be retroactive to the date of the appointment as interim director.

A motion was made to increase the Interim Executive Director's current salary by 5% retroactive to the date appointed as interim director by Commissioner Bill Kirby and seconded by Councilwoman Peggy Leavitt, with one opposition by Commissioner Butch Borasky. Motion carried.

14. DISCUSSION and POSSIBLE ACTION: LEO Consortium Closed Session

The LEO Consortium meeting went into a closed session at 2:39 p.m. The meeting reconvened at 3:17 p.m. Staff confirmed a quorum was present.

15. SECOND PUBLIC COMMENT SESSION

None

16. LEO Consortium Member Comments

None

17. Adjournment

The meeting adjourned at 3:19 p.m.