

Ramsey County Workforce Investment Board

Special General Membership Meeting

August 29, 2002

Call to Order

Mike Chanaka, Chair, called the meeting to order at 12:15 p.m.

Introductions

- Guests Craig Anderson of Saint Paul Technical College and Steve Mayeron, attorney with Leonard Street and Deinard, were introduced.
- New WIB members Howard Orenstein, Policy Analyst for Saint Paul Mayor Randy Kelly (Elected Official representative), and Mary McKee, Century College (Education representative), introduced themselves.

Approval of Minutes

Motion was made by Ellen Watters and seconded by Scott LeMire to approve the August 1, 2002 minutes as written.

Motion carried

Consultation Services Project Agreement

Mike Chanaka reported that the Communications and Marketing Committee (C&M) met with Amy Wagner of the Management Assistance Program for Nonprofits (MAP) to discuss plans for MAP to provide membership orientation in September or October. The cost for the orientation is \$500 per orientation session plus \$50 per hour for any customization work. Mike asked the Board for authorization for C&M to move ahead with the orientation plans. Discussion was held.

- John Giovannini expressed concern that the orientation is focused on nonprofit boards rather than a joint powers board. John noted that he is familiar with MAP but is concerned that the WIB may purchase a training program that focuses on information that is not pertinent to its Board. Mike Chanaka responded that Amy Wagner received copies of the Joint Powers Agreement, Partnership Agreement and WIB Bylaws for her review.
- It was noted that Steve Mayeron will be discussing the WIB's fiduciary responsibilities with Amy Wagner as part of the customization work that is needed. Suggestion was made that it be clarified who owns the customization piece.
- Marcia Fink questioned if the Board orientation would be part of the job description for the CEO in the future. Mike Chanaka responded that the CEO needs to be actively involved.
- Tom Macy suggested that a timeframe be added to the Consultation Services Agreement. Mike Chanaka responded that the Agreement would be evaluated; plans are to work with MAP until the WIB decides differently.
- Gail Stremel questioned the number of hours anticipated for completing the customization work. Shelley Rose responded that less than ten hours were estimated for this work.
- Marcia Fink questioned to what extent members serve on other boards. Response was made that whether customized or generalized, most Board members have a fair amount of experience.

- Kirk Hayes questioned the need for the “primer” piece pertaining to the goals and responsibilities of nonprofit board members. It was noted that many WIB members have prior experience with other Boards.
- Question was raised as to the type of training needed, who will deliver it, and what the outcomes will be. Mike Chanaka responded that the process would evolve as the WIB evolves.
- Question was raised as to how the training will be paid for. Mike Chanaka responded that if approved, the training would be contingent upon funding availability.
- Howard Orenstein indicated that he is very interested in Board duties as they relate to WIA but is not interested in the general information.
- John Giovannini commented that the “primer” piece is not a good investment and supported orientation pertaining to the Workforce Investment Act and the Joint Powers Agreement. Mary Brunkow responded that staff from the MN Department of Economic Security is available to provide the WIA orientation piece. Marcia Fink added that Steve Mayeron also volunteered to provide the WIA orientation piece.

Motion was made by Ellen Watters and seconded by John Mohr to refer the WIB membership orientation discussion back to C&M to develop an alternative proposal taking into consideration member feedback. Discussion was held.

- Tom Macy commented that there was an erroneous assumption about nonprofit experience. A show of hands of Board members indicated that almost all members have prior experience with nonprofit boards.
- Vern Vick suggested breakout sessions as an option.

Motion carried

- John Mohr expressed concern about time spent on housekeeping items that could be handled by the Executive Committee. John suggested that policies be developed outlining the types of decisions that can be delegated to the Executive Committee. Shar Knutson responded that she is concerned about decisions being made without the full Board knowing what is happening and having a chance to “weigh in” before decisions are implemented.

Partnership Agreement

Mike Chanaka reiterated the commitment he made at the August 1 Board meeting to have the Partnership Agreement approved by the end of August and to address these areas:

- More knowledge and control by the WIB of dollars authorized under WIA.
- Hiring of a WIB CEO to operationalize its strategic plan.
- Regular dialogue with key stakeholders, including County officials, City officials, Chambers and the Port Authority.
- More effective process for membership appointments.

Mike Chanaka commented that through the diligent efforts of County officials and the WIB Task Force the WIB “is there.” Mike recognized and thanked members of the Task Force and County staff for coming together in an open, honest and professional manner to develop a Partnership Agreement that is a true partnership. He clarified that the WIB was not in existence when the first Partnership Agreement was written. Mike added that the Task Force and County Commissioners reviewed the Agreement many times and that Ramsey County

Attorney Karen Kushner and Attorney Steve Mayeron were involved in drafting the Agreement. Discussion was held.

- Commissioner Jan Wiessner agreed that the Task Force and County Commissioners have been working on the Partnership Agreement for quite a while but expressed concern about the recent e-mail from Mike Chanaka regarding agreement between the Task Force and County Commissioners. Commissioner Wiessner commented that agreement pertaining to the section in the Partnership Agreement about the financial commitment proposed to the County by the WIB Task Force was not at all close in her opinion. She reported that she was surprised to see Article III, Section D in the draft. Commissioner Wiessner stressed the importance for the WIB to understand how the money is currently being used and the potential impact of the WIB's proposal. Commissioner Wiessner asked Patricia Brady to provide budget information on the \$185,000 in WIA Administrative dollars. Commissioner Wiessner added that the County wants this to work and is committed to a successful partnership with all of the one-stop partners.
- Mike Chanaka commented that the Task Force doesn't want lack of agreement on specific portions of the Partnership Agreement to hold up approval of the Agreement. Mike added that the spirit of the Agreement speaks to a partnership.
- It was clarified that the financial piece can't be done yet because the Ramsey County budget process is not completed. Ellen Watters questioned if the Task Force will be responsible for negotiating the budget section.
- Question was raised by Shar Knutson how Steve Mayeron's services are being paid for. Response was made that one of the stakeholders is funding Steve's position.
- It was clarified that the Task Force submitted a budget proposal to the County a few weeks ago; it was not accepted. The Task Force is waiting for the County to offer a counterproposal. The budget section in the Partnership Agreement will need to be revised.
- Kirk Hayes asked Commissioner Wiessner if it was her understanding that the rest of the Partnership Agreement is acceptable or if there are other issues. Commissioner Wiessner responded that she didn't think the County reached the final stage of agreement.
- Kirk Hayes commented that the WIB is not in a position to approve the document at this time and suggested that the Task Force be assigned the responsibility to continue negotiations with the County.

Motion was made by Shar Knutson to support Kirk Hayes' suggestion.

Motion tabled

- Vern Vick questioned whom the WIB administrative staff would report to.
- Mike Chanaka commented that all of the parties were present at the meeting and that he walked out of the meeting with an understanding that there was a fundamental agreement with the Partnership Agreement. Mike added that this is his first awareness of any concerns. Marcia Fink echoed Mike's comments. She reported that she also had a clear understanding that there was an agreement with the other commissioners. Ellen Watters added that it was her understanding that the County Board is putting the Partnership Agreement on their agenda fairly soon.
- Mike Chanaka commented that this draft Partnership Agreement is similar to the current Agreement.
- Patricia Brady questioned if WIB members would have an opportunity to ask questions on other sections of the document.

- Vern Vick commented that he did not think it was appropriate to include the dates and figures in Article III, Section D. Shelley Rose responded that the numbers could be deleted and that the Task Force could continue its work with County officials to determine the numbers.
- Clarification was made that there is a commitment from business to provide 10% of the total funds during the first year.
- Mike Chanaka reported that once the Partnership Agreement is “near final” that they would send it to the State to inform them, not to seek their approval.
- Tom Macy remarked on the State’s role pertaining to the one-stops and its veto power. Mike Chanaka responded that Paul Kirkwold brought this issue up and that Mike recommended the involvement of Luke Weisberg from the Governor’s Workforce Development Council. It was pointed out that the State contracting agreement is not part of the Partnership Agreement.
- Lorrie Louder commented that Commissioner Wiessner’s point is a procedural issue that can probably be worked out by deleting the dates and numbers and asked members to trust the Task Force and County Board.
- Shar Knutson commented that moving forward in a timely fashion is good—rushing forward is not.
- Patricia Brady commented that she wants to see the WIB succeed. She emphasized the importance for the WIB to understand WIA funding which is used to serve dislocated workers, older workers and youth. Patricia distributed and reviewed the handout *WIA Allocation and Potential Impact to WIA Program*.
 - Currently about \$185,000 in Administrative dollars are available.
 - The Planners’ salaries come out of Admin dollars.
 - The potential impact if the money is used for other purposes is that 20 clients won’t get served and .8 staff layoffs.
- John Giovannini expressed concern about liability issues for WIB members and questioned if Ramsey County indemnifies them. Mike Chanaka responded that the proposed budget includes a line item budget for indemnification of Board members.
- Patricia Brady asked for a copy of the proposed budget that was presented to the Ramsey County Board.
- Tom Macy questioned the dollar amount of the budget and where the dollars will come from.
- Ellen Watters commented that the actual dollars and detail are less important than the concept and questioned why the numbers are inconsistent with earlier versions.
- Comment was made that WIB members are struggling to try to understand WIA dollars that are available and how the money is spent. Mike Chanaka added that there is agreement with legal counsel that the WIB has joint responsibilities with the County pertaining to the disbursement of WIA funds. The draft Partnership Agreement addresses that need. It was pointed out that the draft Partnership Agreement also addresses the engagement of stakeholders, allows for the WIB to move forward and hire a CEO, and includes a solid process for appointments and reappointments.
- Comment was made that additional staff support is needed given the decision made to hire a CEO and that the WIB needs to continue its negotiations with the County on the budget. Mike Chanaka added that the budget process is laborious and would hold up approval of the Agreement.
- Frustration was expressed about the time it has taken for the WIB to reach this point.

- Jean Hammink questioned Commissioner Wiessner’s understanding of the intent of the County pertaining to the WIB’s funding. Commissioner Wiessner responded that the County Manager recognizes that the proposed funds cannot all come from WIA Admin dollars. The possibility of a tax levy increase was discussed but the reaction to it was not particularly favorable.
- It was clarified that WIA Admin dollars have parameters about what it can be used for.
- Steve Mayeron clarified that the existing Partnership Agreement was the basis for this document.
- Howard Orenstein commented that much of the discussion is looking backwards. Howard informed members that Mayor Kelly wants the City to be a full participant in all WIB activities. Howard added that Mayor Kelly supports the direction the Chair laid out as the way to move forward and the best way to operate the WIB; Mayor Kelly supports the hiring of a CEO. Howard emphasized that forward looking initiatives are what is necessary to secure the full participation of the City and that he would like to see the internal divisions on the Board set aside.
- Steve Mayeron noted that from a legal perspective, the Agreements need to be in place with the County before any changes can be made.
- Jean Hammink suggested that the WIB continue with County staff support until such time as the WIB is prepared to administer itself or contract out, whichever it chooses.

Motion was made by Jean Hammink and seconded by Ellen Watters to accept the Partnership Agreement with changes in Article III, Section D, pages 7-8 to simplify the language. Discussion was held.

- Steve Mayeron suggested two options: 1) approve the document and leave the details to be negotiated later; or 2) delegate the details to the Executive Committee.
- Jean Hammink suggested working out the details and added that there should be some commitment that the administration of the WIB will be funded in part by the County and matched by private dollars. Mike Chanaka added that there is an agreement with the County regarding that.
- Comment was made that to get talent for the CEO position, the WIB must be able to make a one-year commitment.
- Lorrie Louder questioned the work of the Task Force pertaining to the budget. It was pointed out that Paul Kirkwold committed to disburse WIA funds to the WIB but that there must be a 10% private sector match.
- Lorrie Louder commented that “none of us have proposed that the burden be on the taxpayers.” Tom Macy responded that all dollars come out of the taxpayers pocket in one way or another.
- John Giovannini questioned if the WIB adopts the motion suggested by Jean Hammink, the WIB is then obligated to everything in Article II, regardless of resources. Shelley Rose responded that the WIB is obligated by WIA and has been all along.
- Patricia Brady pointed out that Article II-B, #3 and #6 are out of the hands of the WIB; these responsibilities are now being carried out by the Governor but the WIB might want to advocate for this change. Tom added that the State is interested in partnering with the WIBs.
- Concern was expressed that if the Partnership Agreement isn’t passed today then the WIB is “missing the boat” and that by including the dollars in the Agreement, it gives the WIB a strong negotiating position.

Motion was made by Ellen Watters and seconded by Lorrie Louder to delete Section D with the exception of the dollars and then approve as written.

- Lorrie Louder remarked that the WIB needs to send a message to the County Commissioners that is a reflection of the Task Force's work over the past three months and suggested that the WIB trust the Task Force leadership.
- Vern Vick commented that he supports the Chair in trying to get the Partnership Agreement approved but that he cannot support the entire Agreement.
- Kirk Hayes commented that if the Partnership Agreement is not approved, then the WIB is back to negotiating and proposed that the document be approved in principle and presented to the County as the WIB's position. Kirk Hayes was asked if he was suggesting this as a friendly amendment. He responded, "no."
- Suggestion was made that the Task Force again be assigned responsibility to continue to work out the differences with the County and bring the Agreement back to the WIB for ratification.
- Ellen Watters suggested September 20 as a deadline for negotiation.
- John Giovannini noted that the WIB's role under WIA has changed from an advisory role to a formal set of responsibilities that the County is ill prepared to hand over or is reluctant to see happen. John added that the Partnership Agreement is attempting to cause a "sea" change to happen but that it can't happen without resources to implement the changes. John commented that as a former State employee, he understands the different roles of the public and private sectors. The public sector is about process; the private sector is about production. The politics are about process. Mike Chanaka responded that the WIB must continue to look forward.

Motion was amended by Ellen Watters to add language that if the Partnership Agreement is not accepted by the County, the WIB delegate responsibility for negotiating to the existing Task Force, ask them to complete negotiations by September 20 and the Partnership Agreement be ratified by the full WIB at a date after that.

Discussion was held.

- Shelley Rose commented that the WIB's goal is to put the WIB in a position to make a better workforce investment system in Ramsey County. She added that if members vote for this motion, it would give the Task Force strength to go back and vote in a position of authority. Shelley Rose emphasized that it is critical to move forward today.

Motion carried (12 in favor; 9 against)

Adjourn

The meeting was adjourned at 2:00 p.m.

Present

Patricia Brady
Mary Brunkow
Michael Chanaka
Marcia Fink
John Giovannini
Jean Hammink

Kirk Hayes
Shar Knutson
Scott LeMire
Kevin Locke
Lorrie Louder
Tom Macy
Mary McKee
Harry Melander
John Mohr
Howard Orenstein
Shelley Rose
James Smith
Gail Stremel
Vern Vick
Ellen Watters
Jan Wiessner

Members Absent

Douglas Cropper
Jan Curtis
Robert Davis
Eng Herr
Paul Huot
Sheldon Jensen
Lynn Moline
Melissa Osborne
Donovan Schwichtenberg
Charlotte Strong-Bovee
Ginny Sullivan
Jerry Uribe

Staff/Guests

Barb Hoffman, Workforce Solutions
Kathy Korf, Workforce Solutions
Nancy Minion, Workforce Solutions
Craig Anderson for Donovan Schwichtenberg
Steve Mayeron, Leonard Street & Deinard