**Fox Valley Workforce Development Board
March 8, 2012
Meeting Minutes – PUBLIC**

**Present:** Mr. Thiel, Mr. Martinez, Mr. Mauch, Mr. Geigle, Mr. Sloan, Mr. Wehner, Mr. Beregszazi, Ms. Mingus, Mr. Dissing, Ms. Behringer, Ms. Holmes, Ms. Roettger, Mr. Schultz, Mr. Kleman, Mr. Kelly (joined at 2:10),

**Absent**: Mr. Hernke Mr. Hipke, Mr. Grant, Mr. Kwakkel, Mr. Westphal, Mr. Matheny

**Others Present**: Mr. Hesse, Ms. Jusic, Mr. Turner, Mr. Friedl, Mr. Malinowski

**Mr. Thiel called the meeting to order at 2:06 p.m.**

**Approval of Minutes from February 20, 2012**

 *Mr. Sloan made a motion to approve the February 20, 2012 meeting minutes. Mr. Beregszazi second. There was no discussion and the minutes were approved unanimously.*

**Approval of Procurement Policy Revision *(Action Item)***

 Mr. Hesse explained that the FVWDB Procurement Policy was revised as a result of development of the local WIA plan. Ms. Jusic added that policy was clarified to state that FVWDB will procure services as required by the DOL and WIA regulations.

 *Mr. Martinez made a motion to approve the FVWDB Procurement Policy as revised. Mr. Geigle second. There was no discussion and the policy was approved unanimously, with Mr. Beregszazi abstaining.*

**WIA Youth Contract Renewal *(Action Item)***

 Mr. Hesse reported that Workforce Economics, Inc.’s Youth Contract is due for renewal and asked the Board for approval to renew the contract for a second year.

 *Mr. Martinez made a motion to renew the Workforce Economics, Inc. Youth contract for an additional year. Ms. Mingus second.* A question was raised asking the total amount of the contract and the subcontractor’s first year performance. Mr. Hesse replied that the contract is just over $380,000. Because some current performance results are based on the previous contractor, usual performance measures do not apply in this case. Instead, FVWDB ensures enrollment requirements stated in the contract are met. Workforce Economics, Inc. has satisfied enrollment requirements. *There was no further discussion and the Youth contract renewal was approved unanimously, with Mr. Beregszazi abstaining.*

**WIA Youth Contract Extension *(Action Item)***

 Mr. Hesse asked the Board for approval of an extension for an additional year of CESA #5 and Advocap, Inc. Youth Contracts in order to align all youth subcontractors on the same Program Year. FVWDB have verified that the RFP and contract allow an extension for up to three years total, and the extension would be for the third year. PY10 performance was not fully met due to data entry issues which have been addressed. Mr. Geigle commented that he’s received very positive feedback and that current subcontractor staff is doing a great job.

 *Mr. Geigle made a motion to approve the Youth contract extension for an additional year for CESA#5 and Advocap, Inc. Mr. Martinez second. There was no discussion and the Youth contract extensions were approved unanimously with Mr. Beregszazi abstaining.*

**WIA Resource Room Contract Renewal *(Action Item)***

 Mr. Hesse explained that Workforce Economics, Inc. is the sole provider for the resource room in our WDA. Mr. Turner added that FVWDB has six job centers, three of which are comprehensive centers. So far this year, there were 30,000 visits to resource rooms. FVWDB has worked with Workforce Economics, Inc. to implement the new Iowa Model of service delivery and use new assessment system to better identify customer needs and provide better service. Results of the Customer Satisfaction Surveys given in resource rooms show that 90% are satisfied on all questions asked, and we receive many positive comments on the resource room staff.

 *Mr. Beregszazi made a motion to renew the Workforce Economics, Inc. Resource Room contract for an additional year. Mr. Kelly second. There was no discussion and the Resource Room contract renewal was approved unanimously.*

**Outagamie County Communication**

 Recent letters to FVWDB from Outagamie County were distributed for discussion. Mr. Kelly updated that Mr. Nelson, Outagamie County Local Elected Official, is concerned about liability for Outagamie County, which seems to be in the process of being addressed by FVWDB. Mr. Kelly expressed concern about Outagamie County leaving the consortium and believes that the Board should do whatever is necessary to keep Outagamie County a part of the consortium. If Outagamie County were to leave, it would be a great disservice to customers in the area. Mr. Sloan added that he and Mr. Westphal have expressed the same concern to Mr. Nelson. Discussion ensued around reasons for Outagamie County’s consideration of leaving the consortium, and the mechanics of the process if they decided to do so. Mr. Hesse explained that Outagamie County leaving would likely significantly reduce our funding since they are a large part of the Workforce Development Area (WDA) population. The remaining counties together have a population of less than 500,000. Board members agree it is necessary to speak with Mr. Nelson and ensure he knows it is the position of FVWDB that it would be best that Outagamie remain in the consortium. Mr. Kleman asked if the Outagamie County residents would have to go to Bay Area job centers for services. Mr. Hesse replied that this is unclear at the moment, but this could potentially be the case and would cause hardship to customers. He also clarified that FVWDB has not provided a firm answer as to the liability of Outagamie County, and Mr. Nelson understands this still needs to be determined.

 *Mr. Kelly made a motion that Mr. Hesse contact Mr. Nelson for a potential meeting possibly including other FVWDB Board members, to discuss the position of the Board on the matter of Outagamie County consortium membership. Mr. Hesse will compile a document with information on FVWDB and its successes, performance, and current status of DOL Monitoring resolution.* Discussion ensued about details of the meeting, and the members agree that it would be very effective if the other Local Elected Officials also reach out to Mr. Nelson regarding the matter. Further discussion ensued about the DOL monitoring and the process resolution. *Mr. Schultz second. There was no further discussion and the motion passed unanimously.*

**Revised PY11 Budget *(Action Item)***

 A revised budget was distributed as well as a document briefly describing FVWDB funding sources. Mr. Hesse clarified that due to the most recent Continuing Resolution, the States are only to retain 5% of the WIA funding, not the usual 15%, so FVWDB has received the remainder of the funds. FVWDB has also been awarded two new grants, the H1B On the Job Training Healthcare grant, and the Disability Coordinator grant. FVWDB also received additional National Emergency Grant and Special Response funding due to modifications, and funding for work on the Fox Valley Healthcare Alliance website.

 Mr. Malinowski explained the layout of the budget and that some items were combined for ease of understanding and better presentation of the budget. At this time last year, we were much more limited in funding. Much of the remaining funding can only be used for training, or other very specific purposes.

 Mr. Hesse added that Workforce Economics, Inc.’s resource room contract was slightly increased to allow for an additional day of staff support in the rural areas.

 *Ms. Behringer made a motion to approve the revised budget as presented. Mr. Dissing second. There was no discussion and the revised budget was approved unanimously, with Mr. Beregszazi abstaining*.

**Administrative Office Update**

Mr. Lutz joined the meeting at 3:19 p.m.

 Mr. Thiel explained McMahon has provided a revised document explaining their offer for purchase of 1401 McMahon Drive, which was slightly revised after the Executive Committee meeting on March 7, 2012.

 Mr. Lutz explained that the price presented in the document includes (deducts) the broker fee that FVWDB would pay (if sold on the open market) at 6%. The purchaser would be Mr. Lutz with a few other partners, and not McMahon. They would try to complete the sale before the beginning of PY12. Closing costs would be absorbed by FVWDB. The lease of the building after sale would be on a five year contract. The tax on the property would be rolled into the lease rate, and the amount depends on the amount assessed by the Town of Menasha, so it would total more than the $11/sq. foot presented in the document. FVWDB also proposed payment in advance for each year, which would be acceptable to the purchaser. FVWDB would also be able to sublease the building, and would have language in the lease agreement that indicates the contract is contingent upon fund availability.

 Mr. Friedl discussed the document that was distributed which analyses whether or not the transaction of sale and lease is arms length, as well as if we would be complying with WIA regulations for the amount allowable to pay for lease. The tax would not be included in the lease amount according to the analysis. FVWDB will confirm with DWD that the analysis is correct. Mr. Lutz replied that these terms in the analysis would be acceptable. In the case that the purchase does not go through, he asked they be given the opportunity to match any offer if the building is on the market.

Mr. Lutz left the meeting at 3:35.

 Mr. Thiel added that Executive Committee asked Mr. Hesse to solicit an offer from Pfefferle for sale of the building. Mr. Kelly raised a concern about going into a contract on the lease of the building considering possible reduction in funding due to Outagamie County leaving, and ensuring full disclosure. Mr. Hesse will ensure McMahon is aware of this matter.

**Ad-hoc Hiring Committee**

 Mr. Thiel provided an update on the Ad-hoc Hiring Committee and that the LEOs have nominated Mr. Buechel as chair, and Mr. Barribeau and Mr. Harris to be on the committee. The FVWDB will be represented by Mr. Martinez, Ms. Behringer, and Ms. Holmes.

 *Mr. Dissing made a motion to approve the FVWDB appointments to the Ad-hoc Hiring Committee. Mr. Kelly second.* Mr. Wehner asked if Mr. Nelson was offered to be on the committee for the LEOs. Mr. Hesse replied that he is unsure how the LEOs selected their committee members. *There was no further discussion and the committee nominations were approved.*

**Announcements**

 Mr. Hesse updated that FVWDB has hired two new staff members. A former Title V participant was hired for office cleaning and other projects. Since Alex Annoye took the position as the new Disability Coordinator, his former position with the Department of Corrections grant was filled. He also added that the WIA local plan has been conditionally approved pending revisions currently in progress.

 Mr. Turner announced a job fair on March 22 at UW Fox Valley sponsored by FVWDB, Fox Cities Chamber and UW Fox Valley. Congressman Petri is arranging a job fair in April. FVWDB is also sponsoring the Global Trade Conference on April 3 at the Radisson Paper Valley in Appleton.

 Mr. Martinez asked that Mr. Friedl share with the Board a document presented to the Local Elected Officials and Executive Committee on March 7 that shows current status of DOL Monitoring findings. Mr. Friedl explained that this is the first document from DWD that shows a summary of questioned costs resulting from the DOL Monitoring. The initial questioned costs were over $4 million. Currently DWD questioned costs are just over $300,000 in total. The remaining is still being negotiated, most of it relating to the building and will also likely be lower. After DWD finishes their process, and DOL makes their final determination, any disallowed costs will first be addressed using stand in costs, and if there is any disallowed cost in excess of stand in costs, those would have to be paid with non federal dollars. Currently, stand in costs are more than double of questioned costs, so it is unlikely that FVWDB will have any cash liability. Mr. Friedl added that the fiscal PY10 audit was finalized and submitted to DWD. DWD is scheduled to monitor FVWDB on March 26, 2012.

**Adjournment**

 *Mr. Kleman made a motion to adjourn the meeting. Mr. Schultz second, and the meeting adjourned at 3:54 p.m.*

**Respectfully submitted,**

**Al Hesse**