MEMBERS PRESENT:
Kelley Charvet  Robert Duron  Dan Evans  Tina Morrison
Staci Taylor  Ron Valencia, designee for Commissioner Kerns  Christina Vigil-Gross  Diana Wilhite

MEMBERS ABSENT
Commissioner Josh Kerns  Mayor Nadine Woodward

OTHERS PRESENT
John Dickson – Spokane County

STAFF PRESENT:
Jessica Clayton – Program & Development Director  Jeanette Facer – Finance Director  Dawn Karber – Chief Operations Officer  Mark Mattke – Chief Executive Officer

Chair Kelley Charvet called the meeting to order at 1:00 PM with a quorum of members present.

ITEM #1 – REVIEW OF MEETING MINUTES
Review of July 22, 2021 meeting minutes.

Action: Motion and second to approve the July 22, 2021 minutes. Approved unanimously.

ITEM #2 – MONTHLY FISCAL REPORTS
Jeanette Facer, SWC Finance Director, provided a year-end fiscal report for PY20 that closed on June 30, 2021.

The SWC met its WIOA formula fund obligation goal of 80% by year-end for all three programs (Adult, Dislocated Worker, and Youth). We have a robust level of WIOA carry-in funds this year, approximately $2.1M, due to other grant funds being utilized over the course of the prior program year. Investment of
these funds in PY21 will help offset the ~19% cut in formula funds we experienced this year and allow us to maintain consistent staffing and service levels across our local workforce system.

At this time, the SWC has $15,279,891 in funds under management. This is a new high for the Council representing a 37% increase over last year and a more than 100% increase since 2016. Staff have worked very hard and been successful in diversifying our funding from a wide array of sources. The Board’s goal has been to reach parity in WIOA Formula vs. other funds and this year we are at 47% WIOA Formula, 27% other grants, and 26% WIOA competitive grants. Congratulations to the staff for this achievement, especially during the pandemic when the funds managed by the SWC have been in great need across our community.

**ITEM #3 – GRANTS AND CONTRACTS**

Three new grants were presented for approval by the Executive Committee.

**Innovia Foundation – Cultivating Potential Supported Scholarship Program**
Spokane Workforce Council has been awarded $83,600 from the Innovia Foundation to manage a supported scholarship program for eight (8) young adults on behalf of the Foundation for the 2021-2022 school year. The Cultivating Potential Sustaining Fund was established at Innovia to support disadvantaged youth in pursuing postsecondary educational success. The fund provides scholarships to be used for tuition, books, fees, and education related expenses. In addition, the fund supports other education related activities including mentoring, monthly cohort meetings, and access to additional support services and resources to reduce barriers to achieving success during the school year. It is the goal of his program to help students cultivate purpose and provide access to opportunities that will lead them to become active and positive participants in our community.

*Action: Motion and second to accept $83,600.00 from Innovia Foundation and subcontract up to $74,000.00 to Career Path Services. Approved unanimously.*

**WIOA PY21 Formula Funds**
When this committee voted to approve our Program Year 2021 operating budget in May, included were preliminary WIOA formula planning figures for this program year. We have now received our contracts from the state with finalized numbers and are now seeking formal approval to bring in the funds. WIOA formula funds are two-year funds, and these contracts will span two budget cycles. Contract dates are July 1, 2021 – June 30, 2023.

- **Youth:** $1,442,569 (prelim. $1,602,854)
- **Adult:** $1,370,255 (prelim. $1,522,505)
- **Dislocated Worker:** $1,367,211 (prelim. $1,138,756)
- **ACP (Administrative Cost Pool):** $464,447 (prelim. $426,411)

Grand total: **$4,644,482** (prelim. $4,690,526 – net reduction of $46,044)

Note: Extending our contracts to our consortium of service providers was previously approved.

*Action: Motion and second to accept $4,644,482 in WIOA Formula funds. Approved unanimously.*

**Increased NDWG Funds**
The U.S. Department of Labor released several National Dislocated Worker Grants (NDWGs) in response to COVID-19, and two of them – a Disaster Recovery and an Employment Recovery – are currently deployed across Washington State. Spokane has been successful with both grants so far, specifically with the Employment Recovery Grant, exceeding our enrollment and training targets. Some areas of the
state have been struggling to utilize the funds and serve customers, and we were recently able to take advantage of an opportunity to apply for additional funding that has been recaptured from underperforming areas. This funding will be used to serve additional customers with training, which has been our most popular service offering during COVID, as well as support our Talent Solutions Team, which is not fully funded by our WIOA formula funds. These resources provide us with an opportunity to help fill in some of the gaps left by the reduction in WIOA formula funds this year. Staff are requesting approval to bring in an additional $429,883 in Employment Recovery DWG funds and to subcontract up to $385,000 to our WorkSource campus consortium. These funds must be expended by March of 2022.

**Action:** Motion and second to accept $429,883 in Employment Recovery NDWG funds and subcontract up to $385,000.00 to WorkSource Consortium. Approved unanimously.

Net impact of these three grants is an addition of $467,439.00 to the operating budget.

**ITEM #4 – NEXT GENERATION ZONE LEASE**

The lease for the Next Generation Zone is set to expire on November 30, 2021. The Spokane Workforce Council has negotiated a three-year lease with Kiemle and Hagood that includes re-locating the GED Classroom to the first floor to enhance continuity of services for young adults in our community.

- The new lease is a 3-year term going through November 30, 2024.
- We will be vacating Suite 308 and moving the classroom to the vacant first floor suite. Our footprint in the building will now be the entire first floor.
- The building owner will pay the total cost of improvements and construction for the new classroom, which includes branded paint and carpet to match our current first floor space. The total cost of improvements is about $67,000.
- Building management will be making some improvements to the 1st floor bathrooms including all-gender inclusive signage.
- The new lease includes a 2% rent decrease in year 1, approximately 1.5% increases each in years 2 and 3.
- Total cost of $131,976 in Year 1, $134,508 in Year 2, and $137,196 in Year 3.

**Action:** Motion and second to approve executing the new lease for three-year term from 12/1/21-11/30/24. Approved unanimously.

**ITEM #4.5 – SPOKANE RESOURCE CENTER LEASE**

At our last Executive Committee meeting, the board acted to approve entering into a lease agreement with Spokane County and the City of Spokane for the Spokane Resource Center in order to meet the deadline of the end of this month when the current lease extension expires. Negotiations between Spokane County and the building owner have resulted in the attached lease, and we have been notified that Spokane County intends to sign it next week. Staff wanted to bring the new version before the board prior to the SWC signing as several of the terms have changed since last we met.

- The building owner is now requiring a subtenant rider to the lease that binds the SWC to the same lease obligations, terms, and conditions as the leaseholder.
- Leased premises are only to be open to the general public Monday-Friday from 7:00 a.m. – 5:00 p.m.
- Utilities costs will now be included in the lease costs, and this results in an increase of approximately $17,000 per year for each of the three parties to the lease (County, City, SWC).
- Increase in total cost of approximately $17,000.00 per year.

**Action:** Motion and second to approve executing the new lease with the new terms and conditions. Approved unanimously.
ITEM #5 – ACTIVITIES AND UPDATES

Staff updated the board on several items:

- The upcoming KHQ job fair will be conducted virtually rather than in-person.
- A reported COVID infection of a staff at the WorkSource has resulted in a temporary reduction in the number of staff providing in-person services. The SWC continues to work with the Employment Security Department to follow federal, state, and regional guidelines to ensure staff and customer safety while delivering consistent, quality services to our customers.
- The increase in COVID infections due to the delta variant and consequent mask mandate from the Governor has led the SWC to the decision that the Annual Board Retreat will be convened virtually to ensure the health and safety of all members and that all can participate in the meeting using technology.
- Dawn and Kevin have submitted three proposals for technical assistance with news of awards still pending.
- Staff have been working to procure both a Learning Management System (LMS) for use in our technical assistance efforts and a Customer Relationship Management (CRM) platform to better manage our business engagement work.

Meeting adjourned at 1:55 PM.