
**JOINT MEETING of the
NORTHWEST MICHIGAN WORKFORCE DEVELOPMENT BOARD
&
NORTHWEST MICHIGAN COUNCIL OF GOVERNMENTS BOARD**

Monday, June 9, 2014

MEETING MINUTES

Roll Call

NWMCOG Board Present: Mike Crawford; Donald Tanner; Chris Christensen; Les Atchison (alternate); Larry Inman; Stuart McKinnon; Melinda Lautner; Richard Schmidt; Susan Rogers

NWMCOG Board Absent: Les Housler

WDB Present: Dave Adams; Diane Allington; Eric Bachmann; Jim Barnard; Ken Bollman; Charles Dillon; Judy Ezop; Gary Fedus; Art Jeannot; Jane Korthase; Doug Parkes; Tracy Peal; Steve Perdue; Sue Peters; David Pratt; Pat Simmons; John Toth; Betty Workman.

WDB Absent: Tino Breithaupt; Amanda Hawthorn; Nathan Kalchik; Gene Kaminski; Leslie Nowlin; Ken Osborne; Jerald Rives; Jim Smith; John Stephenson; Clint Steele

Staff present: Elaine Wood; Matt McCauley; Darla Rowland; Janie McNabb; Denise Culman; Becky Maddox; Steve Shugart; Dan Boss

Guest present: Bob Scheele; Chet Janik; Senator Darwin Booher; Bill Tucker; Chuck Judson; Scott Harvey

Call to Order and introductions

David Adams, WDB Chair, called the meeting to order at 5:30 pm and welcomed everyone. Dave asked for introductions around the room and welcomed new board member Patricia Simmons, representing DHS.

Approval of the Agenda

D. Adams asked for any additions or changes to the agenda. Hearing none, he asked for WDB approval of the agenda.

Motion by D. Pratt, supported by C. Dillon to approve the agenda as presented. Motion passed unanimously.

L. Inman, NWMCOG Board Chair, asked for any addition or changes to the agenda. Hearing none, he asked for NWMCOG Board approval of the agenda.

Motion by M. Crawford, supported by R. Schmidt to approve the agenda as presented. Motion passed unanimously.

Minutes from April 2014

L. Inman asked if there were any additions or corrections to the NWMCOG minutes of April 18, 2014. Hearing none, he asked for approval.

Motion by S. McKinnon, supported by S. Rogers, to approve the minutes of April 18, 2014 as presented. Motion passed unanimously.

D. Adams asked if there were any additions or corrections to the WDB minutes of April 14, 2014. Hearing none, he asked for approval.

Motion by D. Parkes, supported by K. Bollman, to approve the minutes of April 14, 2014 as presented. Motion passed unanimously.

D. Adams indicated that the minutes for both WDB Finance Committee 4/14/14 and Liaison Committee 5/19/14 were included in the packet for information.

Public Comment

None.

NWMCOG Financial Report

Darla Rowland, Director of Finance & Quality Assurance, presented the monthly overall agency financial report and answered questions.

Motion by D. Pratt, supported by K. Bollman, for the WDB to accept the financial report as presented. Motion passed unanimously

Motion by S. Rogers, supported by M. Crawford, for the NWMCOG Board to accept the financial report as presented. Motion passed unanimously

Michigan Works Financial Report

S. Perdue, Chair, WDB Finance Committee, presented the Northwest Michigan Works!, Inc. monthly financial report and answered questions.

Motion by S. Perdue, supported by D. Parkes, to accept the financial report as recommended by the Finance Committee. Motion passed unanimously.

Change of Michigan Works Fiscal Year

S. Perdue presented the Finance Committee's recommendation that the fiscal year for Northwest Michigan Works!, Inc. be changed from July 1 to October 1 in order to be consistent with NWMCOG. This will make accounting and auditing procedures easier and more streamlined. He explained that a three-month period will be used for July-September 2014, the books will be closed, and then a new 12-month period will begin on October 1, 2014.

Motion by S. Perdue, supported by D. Pratt, for the WDB to adopt the change to an Oct. 1 fiscal year as recommended by the Finance Committee. Motion passed unanimously.

Michigan Works PY'14 Budget

S. Perdue presented the proposed annual budget for the Program Year (PY) July 1, 2014 through June 30, 2015 and answered questions. Based on the change of fiscal year, staff will bring an updated annual budget for the new FY at a later date; however, this budget accurately represents a 12-month operating budget.

Motion by S. Perdue, supported by K. Bollman, to accept the PY14 operating budget as recommended by the Finance Committee. Motion passed unanimously.

NWMCOG Audit for year ending 9/30/13

Darla introduced Bill Tucker, CPA, the auditor from Abraham & Gaffney. Bill presented the NWMCOG Audit and reported that the NWMCOG received the highest rating possible for an audit. He reviewed key points from the audit and answered questions.

Motion by C. Christensen, supported by R. Schmidt, to accept the NWMCOG Audit for year ending 9/30/13. Motion passed unanimously.

Northwest Michigan Works Audit for year ending 6/30/13

Bill Tucker then presented the Northwest Michigan Works!, Inc. Audit and reported that the non-profit received the highest rating possible for an audit. He reviewed key points from the audit and answered questions. He also explained that with the change from the July to the October FY, the non-profit entity's audit will be completed on a timelier basis since it will coincide with the NWMCOG year.

Motion by C. Dillon, supported by D. Parkes, to accept the Northwest Michigan Works Audit for year ending 6/30/13. Motion passed unanimously.

CEO's report

Elaine Wood, CEO, provided her staff report on various activities and issues related to the agency which are not on the board's agenda.

Northwest Michigan Works performance reports

Elaine presented the Northwest Michigan Works dashboard and the PATH Program performance report, and answered questions. She noted that this month the Northwest region was the only Michigan Works Agency to have all green indicators on its dashboard, and that the region's PATH performance is above the state average.

Comprehensive Economic Development Strategy (CEDS)

Matt McCauley, Director of Regional Planning & Community Development, made a presentation of the Comprehensive Economic Development Strategy (CEDS). He reviewed the key components of the document and explained that it is very similar to last year's CEDS, and is designed to incorporate elements consistent with the Business Leaders for Michigan, Michigan Turn-Around Plan. He also explained that by next year we are hoping and expecting that the federally-required CEDS will become the same document as the state-required Regional Prosperity Plan. The state-required economic development plan will be much more extensive and comprehensive than the federal-required plan, so the state will be seeking permission from the federal government for the CEDS requirement to be met through the Regional Prosperity Plan.

Motion by S. McKinnon, supported by R. Schmidt, for the NWMCOG Board to approve the Comprehensive Economic Development Strategy (CEDS) as presented. Motion passed unanimously.

Motion by D. Pratt, supported by J. Barnard, for the WDB to approve the Comprehensive Economic Development Strategy (CEDS) as presented. Motion passed unanimously.

Liaison Committee Report & Recommendations

a. Review of state direction and purposes

Elaine Wood gave a presentation summarizing the reasons, history, status and process of Michigan's Regional Prosperity Initiative and our boards' pursuit of transition from a Regional Prosperity Council to

a Regional Prosperity Board. She also stated that throughout the process, modifications have been made to incorporate board members' suggestions and in response to the staff's due diligence process. Among other changes that have already been incorporated, staff is now recommending that the administrative entity function remain in the NWMCOG public entity (as the grant recipient) and that program operations be moved gradually to the non-profit to whatever degree can be accomplished based on funding source requirements or restrictions. One goal that remains is to have both entities do business under one name, and that can still be accomplished.

b. Draft 3, revised agreement between the two boards

Members of the Liaison Committee and attorney Chuck Judson reviewed the third draft of the proposed revised agreement between the two boards. The primary elements both remain, those being a shared CEO & Administration, and a public-private partnership. The significant change is that the two boards would agree to do business together as a Regional Prosperity Board, adding some at-large members to meet state participation requirements. The language of the document was discussed at length. One correction was noted in order to correct a typographical error. On page 3 of 5, Section 3B, it should read as follows: "The WDB also agrees to retain a joint Chief Executive Officer with the NWMCOG Board..."

M. Lautner expressed concern about the word "adequately" in Section 2B on page 2 of 5, believing that it should be changed to "appropriately." Discussion took place interactively among both boards at length.

Motion on behalf of the WDB by A. Jeannot, supported by K. Bollman to close discussion and keep the wording with only the correction on page 3. Motion passed unanimously.

Motion by D. Pratt, supported by C. Dillon, for the WDB to approve and adopt the revised agreement between the two boards as presented in Draft 3 with the correction on page 3 as noted. Motion passed unanimously.

Motion by S. Rogers, supported by C. Christensen, for the NWMCOG Board to approve and adopt the revised agreement between the two boards as presented in Draft 3 with the correction on page 3 as noted.

Motion was then modified by S. Rogers, supported by C. Christensen, to amend the motion to change the word "adequately" to "appropriately" on page 2.

The NWMCOG Board then discussed its amended motion, with respect to possibly deferring its vote until the August 11, 2014 meeting so that the board members who had not yet discussed this with their fellow county commissioners could have more time to do so. E. Wood expressed her comfort with that suggestion.

Motion by R. Schmidt, supported by S. McKinnon, to defer the vote on the preceding motion to the August 11, 2014 meeting. ROLL CALL VOTE – Yes: Rogers, Schmidt, Atchison, McKinnon, Christensen, Lautner, Tanner, Crawford, Inman (9); NO: none; Housler – absent. Motion passed unanimously.

c. Draft 3, Regional Prosperity Board By-laws

Members of the Liaison Committee and attorneys Chuck Judson and Scott Harvey presented Draft 3 of the proposed by-laws for the Regional Prosperity Board. Discussion took place, focusing primarily on the following:

- Three typographical errors were corrected by E. Wood, as follows: p. 5 of 8, section 6.2, the word "approval" should be "acceptance"; p. 5 of 8, section 6.4, the word "change" should be "put out for bid"; p. 8 of 8, signature section, the word "Northwestern" should be changed to "Northwest" in both organizational names.

- With respect to Article 3.1, it was questioned whether it was intended for the village representatives to be elected officials or the primary staff person. E. Wood clarified that by using the term “supervisor” it was intended that it be the key staff person, whose title can vary from one village to another. It was agreed that this should be clarified by changing the word to highest staff position, such as supervisor, manager or president.
- With respect to Article 3.3, a suggestion was made that perhaps the at-large board seats should have staggered terms. There was general consensus that it would be a good idea for a variety of reasons, so it was agreed that appropriate language would be added to that effect.
- With respect to Article 3.5, a suggestion was made that removal of an at-large director should be upon a vote of the majority of the NWMCOG Board and a majority of the WDB, as opposed to a majority of the full Regional Prosperity Board. Upon discussion, there was a general consensus that this wording should be changed as suggested.

Motion on behalf of the WDB by S. Perdue, supported by K. Bollman, to approve the Regional Prosperity Board By-laws as presented in Draft 3 with corrections and modifications as noted above. Motion passed unanimously.

Further discussion took place with respect to whether a vote by the NWMCOG Board on the by-laws should take place prior to a vote on the agreement between the two boards. M. Lautner expressed that it should not. Others expressed that it did not make any difference, since the by-laws would be a moot point if the boards’ agreement were not passed, and that it should therefore not be deferred any longer.

Motion by M. Lautner, supported by S. McKinnon to defer the vote on the Regional Prosperity Board By-laws to the August 11, 2014 meeting. ROLL CALL VOTE – YES: Lautner, Tanner, Schmidt, McKinnon (4); NO: Atchison, Christensen, Rogers, Crawford, Inman (5). Housler – absent. Motion failed.

Motion by D. Tanner, support by L. Atchison to approve the Regional Prosperity Board By-laws as presented in Draft 3 with corrections and modifications as noted above. ROLL CALL VOTE - YES: Atchison, Rogers, Tanner, Schmidt, Crawford, Christensen, Inman (7); NO: McKinnon, Lautner (2). Housler – absent. Motion carried.

d. Draft of revised 501c3 purpose statement

E. Wood and attorney Scott Harvey reviewed the proposed change in wording for the private-non-profit entity’s Purpose Statement, as presented in the board packet. The proposed language has not changed since originally presented at the February 2014 meeting. It was noted by the attorneys that only the WDB needed to vote on this item (contrary to the notation on the Agenda).

Motion on behalf of the WDB by D. Parkes, supported by K. Bollman, to approve the revised 501c3 purpose statement. Motion passed unanimously.

e. Addition of transportation representative to WDB.

E. Wood explained that in order to fully comply with our current designation as a Regional Prosperity Council, we should have a transportation representative on the WDB. Questions were answered.

Motion by D. Parkes, supported by D. Pratt, to approve the addition of transportation representative seat on the WDB. Motion passed unanimously.

f. Appointment of transportation representative to WDB

In keeping with the NWMCOG Board’s role of appointing the regional seats on the WDB, staff presented a recommendation to the NWMCOG Board that Lee Bowen, Leelanau County Road Commission Manager and current Chair of TC-TALUS, be appointed to the WDB.

Motion by D. Tanner, supported by S. Rogers, to approve the appointment of Lee Bowen as the transportation representative to WDB for a partial two-year term ending 12/31/15. Motion passed unanimously.

g. NWMCOG ad hoc members to WDB Finance Committee

E. Wood and various Liaison Committee members explained that the FY15 agency budget must be approved during the August meeting prior to the start of the new fiscal year. It was recommended that, in the spirit of a joint Regional Prosperity Board, three NWMCOG Board members should be appointed by the Chair to sit as ad-hoc members to the WDB's Finance Committee for the purpose of jointly reviewing the agency budget prior to both boards needing to take action in August. These three would then transition onto the new Finance & Audit Committee of the Regional Prosperity Board. Chair L. Inman then appointed NWMCOG Board members Rogers, Crawford and Tanner accordingly.

h. Changes to meeting schedule

The Liaison Committee pointed out some changes that are needed on the NWMCOG Board meeting schedule for the remainder of 2014, in order to be consistent with plans for the two boards to meet jointly for the rest of the year. The August meeting should be changed to Monday, August 11 from 5-7:30 p.m. in conjunction with the WDB, with the NWMCOG Board first meeting separately from 4-5 p.m. to finish its action that was deferred from this June 9 meeting. The December meeting should be changed to Monday, December 8 from 5-7:30 p.m. in conjunction with the WDB. The October meeting was already scheduled to be a joint meeting. D. Tanner said he has a standing conflict for some Monday evenings but might be able to make it work depending upon timing.

Motion by R. Schmidt, supported by M. Crawford to approve the changes to the NWMCOG meeting schedule as presented. Yes: McKinnon, Schmidt, Rogers, Crawford, Atchison, Inman, Christensen. No: Tanner, Lautner. Motion passed.

Correspondence

Correspondence was included with the packet.

Adjourn

D. Adams said the next joint meeting will be on August 11, 2014. The meeting was adjourned by consensus at 7:52 p.m.

Respectfully submitted,

Denise Culman

Denise Culman
Recording Secretary

Please check off your name, Sign In Sheet

Workforce Development Board

Roll Call Vote	Please Check	Name	Outside Affiliation	WDB Representation
	<input checked="" type="checkbox"/>	1. Adams, David	Owner/Operator, Bear Lake Hardware	Business/Manistee
	<input checked="" type="checkbox"/>	2. Allington, Diane	Owner/Master Craft Extrusion Tools, Inc	Business/Leelanau
	<input checked="" type="checkbox"/>	3. Bachmann, Eric	District Manager, MI Rehab. Services	Rehabilitation
	<input checked="" type="checkbox"/>	4. Barnard, Jim	Owner, Barnard Engineering	Business/Antrim
	<input checked="" type="checkbox"/>	5. Bollman, Ken	President, Saber Tool Company	Business/Wexford
	<input type="checkbox"/>	6. Breithaupt, Tino	Regional Director, MI Regional Retention & Growth, MEDC	Economic Development
	<input checked="" type="checkbox"/>	7. Dillon, Charles	President, West Shore Community College	Higher Education
	<input checked="" type="checkbox"/>	8. Ezop, Judy	Workforce Development Agency, State of MI	Workforce Development Agency
	<input checked="" type="checkbox"/>	9. Fedus, Gary	President, Mitchell Graphics	Business/Emmet
	<input type="checkbox"/>	10. Haworth, Amanda	HR Director, Boyne Resorts	Business/Charlevoix
	<input checked="" type="checkbox"/>	11. Jeannot, Art	Owner, jdc Jeannot Development Company	Business/Benzie
	<input type="checkbox"/>	12. Kalchik, Nathan	Project Manager, Kal Excavating Co	Business/Leelanau
	<input type="checkbox"/>	13. Kaminski, Gene	H.R. & V. P., Northern Michigan Hospital	Business/Emmet
	<input checked="" type="checkbox"/>	14. Korthase, Jane	Human Resource Dir. Grandvue Medical Care Facility	Business/Charlevoix
	<input type="checkbox"/>	15. Nowlin, Leslie	HR Coordinator, Piranha Hose Productions	Business/Cadillac
	<input type="checkbox"/>	16. Osborne, Ken	VP Manufacturing, Boride Engineered Abrasives	Business/Grand Traverse
	<input checked="" type="checkbox"/>	17. Parkes, Doug	Manistee County School Board Member	K12 Education
	<input checked="" type="checkbox"/>	18. Peal, Tracy	Owner, President-Hague Equipment Company of MI Inc	Business/ Kalkaska
	<input checked="" type="checkbox"/>	19. Perdue, Steve	Exec. Director GTP Industries Inc.	Community Based Org.
	<input checked="" type="checkbox"/>	20. Peters, Sue	VP/Human Resources, Munson Medical Center	Business/Grand Traverse
	<input checked="" type="checkbox"/>	21. Pratt, David	Deputy Warden, Pugsley Correctional Facility	Corrections
	<input type="checkbox"/>	22. Rives, Jerald	President, Elk Lake Tool Co.	Business/Antrim
	<input checked="" type="checkbox"/>	23. Simmons, Pat	Director, Antrim, Charlevoix, Emmet	Human Services
	<input type="checkbox"/>	24. Smith, Jim	Tool North, Inc.	Student
	<input type="checkbox"/>	25. Steele, Clint	Pipe Fitter, Local 85	Labor
	<input type="checkbox"/>	26. Stephenson, John	Executive Director, NW MI Community Action Agency	Community Based Org.
	<input checked="" type="checkbox"/>	27. Toth, John	President, Central Labor Council	Labor
	<input checked="" type="checkbox"/>	28. Workman, Betty	Owner, Vacation Trailer Park & Vacation Trailer Sales	Business/Benzie
	<input type="checkbox"/>			

Others

Please Print Legibly

	Name	Organization
1.	<u>Bob Scheele</u>	<u>TBA Central Labor Council</u>
2.	<u>Chet Janik</u>	<u>Leelanau County Administrator</u>
3.	<u>Darwin L. Booher</u>	<u>Senator 35th</u>
4.	<u>Bill Tucker</u>	<u>Abraham & Gaffney</u>
5.	<u>Chuck Judson</u>	<u>Smith Haughey Rice & Roegge P.C.</u>
6.	<u>Scott Harvey</u>	<u>Smith Haughey Rice & Roegge P.C.</u>
7.	<u>Elaine Wood</u>	<u>Staff</u>
8.	<u>Matt McCauley</u>	<u>Staff</u>
9.	<u>Janie McNabb</u>	<u>Staff</u>
10.	<u>Darla Rowland</u>	<u>Staff</u>
11.	<u>Steve Shugart</u>	<u>Staff</u>
12.	<u>Dan Boss</u>	<u>Staff</u>
13.	<u>Becky Maddox</u>	<u>Staff</u>
14.	<u>Denise Culman</u>	<u>Staff</u>
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*Please
check off your name*

Sign In Sheet

Council of Governments Board

- 1. Crawford, Mike..... Antrim County
- 2. Tanner, Donald..... Benzie County
- 3. Christensen, Chris Charlevoix County
- 4. Atchison, Les (alternate).... Emmet County
- 5. Inman, Larry..... Gr. Traverse County
- 6. McKinnon, Stuart Kalkaska County
- 7. Lautner, Melinda Leelanau County
- 8. Schmidt, Richard Manistee County
- 9. Rogers, Susan..... Missaukee County
- 10. Housler, Les..... Wexford County

Others - Sign In Here

#	Name	Organization
1	Same as WDB list	
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