

Portland Metro Workforce Development Board Executive Committee

12-month Meeting Minutes Records

Worksystems Executive Committee

December 4, 2024

Worksystems Office

Board Member Attendees: James Paulson – Chair, Travis Stovall – Vice Chair, Roy Rogers, Caryn Lilley, Christina Ghan, Paul Brown, Josh Hall,

Staff: Andrew McGough, Tricia Ryan, Patrick Gihring, Leanne Murray

Quorum was announced and meeting was called to order at 11:34 am.

Consent Agenda

Motion: Commissioner Rogers made a motion to approve the consent agenda consisting of the September 2024 minutes. Travis Stovall seconded the motion. Motion was approved.

Resolution for Washington County CDBG application

WHEREAS, Worksystems, Inc. is committed to coordinating a regional workforce system that supports individual prosperity and business competitiveness; and WHEREAS, Washington County is currently accepting grant applications for a Community Development Block Grant (CDBG); NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of Worksystems, Inc. hereby approves the submission of a grant application to Washington County for the Economic Opportunity Program (EOP), requesting a grant amount of \$40,000, and authorizes Andrew McGough, Executive Director, to sign and submit all necessary documents on behalf of the organization to secure this funding.

Motion: Paul Brown made a motion to approve the resolution as proposed. Caryn Lilley seconded the motion. Motion was approved.

Legislative Update

Andrew McGough provided the following updates:

- **HECC hearing** – December 11 regarding Prosperity 10,000. The proposal is for \$50 million state-wide. Joe McFerrin II of POIC will be testifying.
- **National WIOA reauthorization** – they are trying to pass it in Congress before the new administration takes office. It is supported by Representative Virginia Fox and Senator Bernie Sanders. WIOA funds currently compose 35% of our budget. There are some good things in the

bill, but it needs modifications that will provide local level control. The draft allows the governor to hold back 25% for discretionary spending (vs. 10% currently) and is quite rigid in how funds can be spent. Heavy on training/tuition with no provisions for supportive services, business to business training, and other flexibility. The level of uncertainty for this bill is unprecedented. Local Lori Chavez-DeRemer has been appointed the Secretary of Labor and it is important that we build a relationship with her.

Tri-Met Grant Update

Patrick Gihring provided the following updates:

- The \$1.3 million grant that launches in February 2025 comes from the Federal Transportation Administration to promote lo/no-carbon emissions
- Existing fleet of battery-operated electric buses can travel up to 170 miles/day
- Want to move to hydrogen electric buses that have chargers onboard that would require technicians to be trained
- Worksystems is Tri-Met's workforce partner and will implement worker recruitment and Tri-Met branded training for direct hire to Tri-Met, 70 workers over three years. PCC will provide the instructor

Harrison Square Lease Update

Tricia Ryan provided the following updates:

- Significant technology upgrades to accommodate hybrid meetings and move phones to a cloud-based system that eliminates desk phones
- The furniture will be ordered next week
- The RPF for a general contractor closed yesterday and interviews will be conducted on Monday
- We have 12 weeks for demolition to move-in and we are currently in-budget and on-schedule
- The July WDB meeting will be held at the new location and will be followed by an open house
- Anticipated down-time for the actual move will be communicated in advance to this body
- Tricia publicly thanked Leanne Murray for her support on this huge project

Announcements

Outgoing board members were recognized and presented with appreciation awards: Commissioner Roy Rogers (ten years), Commissioner Carmen Rubio (one year), and Commissioner Lori Stegmann (one year).

Public Comment

There were no public comments.

Meeting adjourned at 12:42 pm.

Meeting minutes respectfully submitted by Leanne Murray.



Worksystems Executive Committee

September 4, 2024

Zoom Meeting

Board Member Attendees: James Paulson – Chair, Travis Stovall – Vice Chair, Lori Stegmann, Roy Rogers, Caryn Lilley, Christina Ghan, David Fortney, Paul Brown, Josh Hall,

Staff: Andrew McGough, Tricia Ryan, Patrick Gihring, Leanne Murray

Quorum was announced and meeting was called to order at 11:33 am.

Consent Agenda

Motion: Travis Stovall motioned to approve the consent agenda consisting of the August 2024 minutes. Caryn Lilley seconded the motion. Motion was approved.

Board Calendar

Andrew reviewed a 12-month calendar that shows what programmatic topics will be covered at each of the upcoming meetings. It was suggested that subcommittee meetings be added.

Government Relations Taskforce

Andrew shared that the taskforce kick-off meeting was well attended on August 14th. After hearing from Doug and Iris about state issues and Andrew about federal issues, the group made a list of the corresponding priorities for the upcoming legislative sessions. Andrew fleshed out those priorities in a document that was shared with taskforce members and is included in your packet. The taskforce will reconvene in September to further develop the legislative agenda. The proposed agenda will be presented at the full board meeting on October 11th.

October Board Meeting

Andrew announced that Patrick Gihring will have community partners join the October 11th board meeting to present the ARPA work taking place in Washington and Multnomah counties. Because many of the participants have limited availability to get to an onsite location during the day, Andrew proposed that the meeting be held virtually. After some discussion, Executive Committee members supported this proposal to encourage outside participation. The January and April meetings will be held in person onsite at community partner locations (TBD) to demonstrate the great work that is being done.

Harrison Square Lease Update

Tricia Ryan shared that she signed the lease agreement yesterday and that the process is moving forward. We have lost one month due to the occupancy code delays, but we think we can make up that time in order to make the move as planned in March. She reiterated that we do have some flexibility to stay in our current location in case we can't meet the deadline.

Announcements

Andrew announced that our new Communications Manager starts on Monday. Her first priority will be the website update.

Public Comment

There were no public comments.

Meeting adjourned at 12:18 pm.

Meeting minutes respectfully submitted by Leanne Murray.

A handwritten signature in blue ink that reads "Leanne Murray". The signature is written in a cursive style with a large initial "L" and a long, sweeping underline.

Worksystems Executive Committee

August 7, 2024

Zoom Meeting

Board Member Attendees: James Paulson – Chair, Travis Stovall – Vice Chair, Lori Stegmann, Paul Brown, Caryn Lilley, Josh Hall, Christina Ghan

Staff: Tricia Ryan, Patrick Gihring, Andy Fitch, Leanne Murray

Guests: Andrew Rosengarten (JLL), Cozette Tran-Caffee (Miller Nash), and Amalia Mohr (LRS Architects)

Quorum was announced and meeting was called to order at 11:35 a.m.

Consent Agenda

Motion: Caryn Lilley motioned to approve the consent agenda consisting of the June 2024 minutes. Paul Brown seconded the motion. Josh Hall abstained. Motion was approved.

Proposed Lease at Harrison Square

- Executive Committee members were provided with a copy of the draft lease agreement (redlined to show the couple of remaining outstanding issues) and a summary memo of the major elements
- Tricia Ryan introduced guests and presented the proposed office space floor plan.
- Tricia Ryan, Andrew Rosengarten, and Cozette Tran-Caffee reviewed the draft lease. Andrew presented the items still being negotiated.
- Tricia Ryan, Andrew Rosengarten, and Amalia Mohr shared an overview of the occupancy issue affecting the permitting of the training room, the proposed timeline with options to stay in the current location if the March deadline can't be met, and next steps.
- Tricia outlined the financial risk to us if our permits are not approved:
 - LRS' fees and other related expenses are fully reimbursable by the building Tenant Improvement Allotment that has been negotiated as part of our lease. In order to access those funds, we need to be in a lease. In the event that our permit is not approved and we exercise our termination option, those costs are no longer reimbursable – so we have some financial risk of having to pay some upfront costs associated with permitting out of pocket (upfront costs may include Low Voltage and A/V planning work as well). We will keep all work focused on the permitting pieces until we have approval to minimize our potential financial exposure and attempt to fast-track applying for the permit. Assurances we've received to date should lead to an approved permit but there is no guarantee.
- Amalia is to meet with the City of Portland later in the day to try to secure verbal confirmation that the permits would be approved based on the way the WSI team calculated occupancy numbers. That led to the following motion.

Motion: Paul Brown made the motion, "We give authorization to finalize the lease agreement document and to execute it once we have received verbal assurance from the City of Portland that our permits will be approved." Travis Stovall seconded the motion. Motion was unanimously approved.

Announcements

Leanne Murray reminded the group of the upcoming triple retirement party on Tuesday, August 20th.

Public Comment

There were no public comments.

Meeting adjourned at 12:46 p.m.

Meeting minutes submitted by Leanne Murray.

A handwritten signature in blue ink that reads "Leanne Murray". The signature is written in a cursive style with a large initial "L" and a long, sweeping tail on the "y".

Worksystems Executive Committee

June 5, 2024
Zoom Meeting

Board Member Attendees

James Paulson – Chair, Travis Stovall – Vice Chair, Roy Rogers, Paul Brown, Caryn Lilley, Josh Hall, David Fortney, Christina Ghan

Staff

Andrew McGough, Tricia Ryan, Patrick Gihring, LeeAnn Bronson, Andy Fitch, Jenny Weller

Quorum was announced and meeting was called to order at 11:36 a.m.

Welcome

Consent Agenda

Motion: Travis Stovall motioned to approve the consent agenda consisting of the May 2024 minutes. Caryn Lilley seconded the motion. Motion was unanimously approved.

Signatory Changes

Adding Compliance and Procurement Manager and IT Helpdesk Technician.

Motion: Travis Stovall motioned to approve the signatory changes. Caryn Lilley seconded the motion. Motion was unanimously approved.

Proposed PY24 Budget

LeeAnn Bronson presented the proposed PY24 budget.

Key changes include a 22% increase in WIOA revenue, a 15% increase in adult revenue, and a slight decrease in dislocated worker revenue. The overall funding is decreasing by 5% due to a decrease in carry forward from the previous year. Andrew clarified that the ARPA funds would expire in December 2026, and the State was developing policy options for the 2025 legislative session, one of which would likely be an extension of the Future Ready program.

LeeAnn discussed the decrease in funding for the State of Oregon, particularly for Oregon youth, and the impact of this decrease on various programs. She mentioned that the decrease was partially mitigated by a new maritime grant and an increase in funding for Multnomah County's preschool for all. LeeAnn also highlighted the decrease in non-federal funding due to the navigator program being done in-house by Prosper Portland. Additionally, she noted an increase in spending on the construction collaborative, and a decrease in funding for Washington County due to the end of ARPA funds. James asked if these cutbacks would affect summer works, and Andrew explained that the increasing costs of the program, including wages and staffing, were having a negative impact even with flat funding, resulting in a shortage of about 400 slots this year.

Andrew discussed the shift in focus towards summer learning programs and the establishment of a youth committee to explore new strategies for education and advocacy. He also mentioned the internal changes being considered, including modifications to contracting for business development and employer of record services. James questioned the impact of Prosper Portland's decision to take back the navigator program.

LeeAnn reported a 2% decrease in community investment but a 5% increase in salaries and benefits. This is due to 5% budgeted for salary increases and the addition of new positions, including an IT project manager and a preschool grant coordinator. Professional memberships and training and development also saw slight increases. It will be important to monitor training and development costs.

Motion: Travis Stovall motioned to accept the proposed PY24 budget. Paul Brown seconded the motion. Motion was unanimously approved.

Announcements

Jenny Weller announced that this was her last executive committee meeting. Tricia Ryan announced that it is also LeeAnn Bronson's last executive committee meeting. Both are retiring. Tricia highlighted and expressed appreciation for the excellent work they both have done. Several board members also expressed their gratitude.

Kelly Haines is leaving WSI to work at PGE. Barb Timper, Youth Director, is also retiring.

Public Comment

There were no public comments.

Meeting was adjourned 12:12 p.m. and then there was a closed Executive Session.

Worksystems Executive Committee

May 6, 2024

Zoom Meeting

Attendees: James Paulson – Chair, Travis Stovall – Vice Chair, Lori Stegmann, Roy Rogers, Paul Brown, Caryn Lilley, Josh Hall, David Fortney

Staff: Andrew McGough, Patrick Gihring, Tricia Ryan, Andy Fitch, Jenny Weller

Guests: Andrew Rosengarten - JLL

Quorum was announced and meeting was called to order at 11:32 a.m.

Consent Agenda

Motion: Roy Rogers motioned to approve the April minutes. Caryn Lilley seconded the motion. Motion was unanimously approved.

Update on New Office Space

Tricia Ryan explained that we are seeking committee input, approval, and authorization to move forward with the next steps for the new office space. Last month, Ryan and Andrew Rosengarten provided an overview of the office space search, options, and next steps. The Executive Committee approved vetting the 2 top sites and bring back our recommendation to you for approval.

Ryan explained that after completing a detailed financial analysis of both sites, we are recommending the Harrison Square Building as our preferred option. Ryan explained that the lease will be reviewed by our attorney's and will be brought back to the committee for final approval. Once the lease is signed, we'll have a design phase, a permitting process, a construction phase, and a moving phase. The goal is to be in our new office by April 2025.

Rosengarten provided a high-level overview of the search findings and a financial analysis. At the last meeting, Harrison Square and the Watermark were relatively equal in terms of cost. Since the last meeting, Harrison Square has come back with more cost savings including:

- A significant amount of free parking
- A lower cost to build-out and a significant amount of funds to cover the build-out and tenant improvements
- 14 months of free rent
- Dedicated outdoor space
- Dedicated project manager

The Board asked several follow-up questions and discussed the options.

Next steps:

- Rosengarten is going back to Harrison Square management to ask for additional months of free rent with a goal of covering the cost of the move.
- Architects have been hired and will help design the space.
- Attorneys will review the lease agreement.
- Acquire building permits.

Motion: A motion was made to authorize moving forward with negotiating a lease agreement for the Harrison Square space. Paul Brown moved to accept the motion. Travis Stovall seconded the motion. Motion was unanimously approved.

Announcements

The PY 2024 budget will be presented for approval at the June meeting.

Public Comment:

There was no public comment.

Executive Session:

The Board went into Executive Session to discuss Executive Director performance and contract.

The meeting was adjourned at 11:50 a.m.

Worksystems Executive Committee

April 3, 2024

Zoom Meeting

Attendees: Travis Stovall – Vice Chair, Lori Stegmann, Roy Rogers, Paul Brown, Caryn Lilley, Josh Hall

Staff: Andrew McGough, Patrick Gihring, Tricia Ryan, Andy Fitch, Liza Morehead, Kelly Haines, Jenny Weller

Guests: Andrew Rosengarten - JLL

Quorum was announced and meeting was called to order at 11:32 a.m.

Consent Agenda

Motion: Caryn Lilley motioned to approve the February minutes. Paul Brown seconded the motion. Motion was unanimously approved.

Sector Report

Andrew McGough explained that every 4 years we do an analysis of the regional economy and targeted sectors recommendations. McGough reviewed the targeted sector process, its purpose, and the factors considered in choosing the sectors.

Liza Morehead and Kelly Haines presented an overview of the process they went through to arrive at their targeted sector recommendations. Morehead discussed the Boards focus on identifying jobs that offer career progression opportunities and require minimal post-secondary education. She presented growth projections for various sectors, emphasizing the importance of regional industry practices and career pathways. Morehead also highlighted recent adjustments to their target occupations list, noting that the software and IT sector no longer appeared due to a lack of concentration of jobs in the region. She reviewed the overlap between the top 20 target occupations in clean energy and construction, indicating a plan to align these two industries around the 11 shared target occupations.

Morehead and Haines highlighted the adaptability of their software industry and the importance of investing in companies with a physical presence in their region. Concerns were raised about the State allocation of funds for early childhood, with a proposed expenditure of \$48 million. Haines announced the hiring of a full-time sector lead around early childhood education to build momentum in the region and retain workers.

The Board and staff discussed the potential of diversifying the economy by adopting new sectors, specifically mentioning the manufacturing and biochemistry sectors, and the importance of long-term planning.

Update on New Office Space

Tricia Ryan explained that our current lease expires in March 2025. Ryan and Andrew Rosengarten reviewed the process and efforts to secure a new office space with a focus on a hybrid work model. The new design aims to reduce square footage and incorporate modern technology space for collaboration. Ryan explained that a financial analysis of two potential locations, Harrison Square and Watermark Building, is currently being prepared by Rosengarten for review at the May meeting. Tricia confirmed a significant increase in rents at two locations. The expected increase will be offset by a reduction of approximately 1,500 square feet of office space.

Rosengarten discussed the trends in the Portland office rental market, highlighting a shift from local to institutional ownership, a decline in market health due to Covid-19, and increasing concessions. Ryan clarified the focus on "convening spaces" and the ability to manage increased staff numbers within their existing office space. Ryan and Rosengarten explained that they had considered various areas, including Lloyd and Central East Side, but found their top choices more compelling, despite the high rates. They also emphasized the importance of accessibility and considered reducing their large training room to save costs. The team planned to delve deeper into these numbers and plans in their next meeting.

Ryan and Rosengarten will spend time analyzing financials for two building options and present their recommendations to the Board in May, seeking approval to move forward with lease negotiations. Jenny will arrange a special meeting in May for this purpose.

Announcements

McGough announced the reactivation of the Government Relations Taskforce and the Youth Taskforce with the goal of convening initial meetings soon. McGough announced the appointment of Caryn Lilley as chair of the Finance Committee.

Paul shared his new position on the Board of Free Geek.

Public Comment:

There was no public comment.

The meeting was adjourned at 12:48 p.

Worksystems Executive Committee

February 7, 2024

Zoom Meeting

Attendees: James Paulson – Chair, Travis Stovall – Vice Chair, Lori Stegmann, Christina Ghan, Roy Rogers, Paul Brown, David Fortney, Caryn Lilley, Josh Hall

Staff: Andrew McGough, Patrick Gihring, Tricia Ryan, Andy Fitch, Kari Brenk, Jenny Weller

Guests: Kris Olivera and Katie Sheffield - Kern and Thomspen, LLC

Quorum was announced and meeting was called to order at 11:32 a.m.

Consent Agenda

Motion: Travis Stovall motioned to approve the January minutes. Josh Hall seconded the motion. Motion was unanimously approved.

Monitoring Report

Andrew McGough explained that we present a compliance monitoring report to the Committee each year. Compliance monitoring is part of technical assistance to our providers. We work with our service provider community partners to ensure that they are compliant with all of the rules and regulations and to position them to be successful for us and for the people that we serve.

Kari Brenk, our new Compliance Manager, explained that Worksystems manages program design, service delivery, and funding through subrecipient contracts with community providers to ensure contract requirements are met and performance goals are achieved. Worksystems staff provide a robust assortment of formal and informal program technical assistance throughout the year.

Brenk reviewed the Program Monitoring activities and process. Contractors who had significant findings were placed on a formal technical assistance plan or corrective action plan. Our staff worked with those contractors to resolve the issues.

Brenk announced that this year we established a minimum threshold of 80% for meeting any one single performance indicator in contract performance. Since this was new this year, we will evaluate the threshold and determine if any changes should be made next year. We continuously review the statement of work performance indicators every season to ensure that they accurately reflect the significant work that our contractors are doing and that they are providing a valuable evaluation tool to determine the impact of programs and service to participants.

Brenk reviewed program highlights for Youth Services, WorkSource Portland Metro Services, Economic Opportunity Program Services, and Business Services.

Andy Fitch provided an update on Fiscal Monitoring which includes performing a risk assessment, ensuring compliance with fiscal terms and conditions with as subrecipient contract, ensure accurate financial reporting. Fiscal staff also provide technical assistance, including but not limited to, ad-hoc training on budget narratives, billing workbooks and required supporting documentation. They also provide assistance with contracted interpretation, SNAP cost allocation, guidance on indirect cost methodologies and allocations and suggestions on best practices.

Fitch reviewed the monitoring highlights. This year's monitoring efforts included bringing on 2 new contractors, providing administrative capacity building to a small organization, and building rapport with new contractors.

Fitch reviewed the opportunities for improvement. Of the nine administrative findings, only 4 resulted in questionable costs totaling \$5,600. Only 4 process improvement observations were noted. The issues have all been resolved. Only 1 subrecipient has been placed on a formal Technical Assistance Plan and has responded positively. No subrecipients were placed on a Corrective Action Plan.

The Board discussed the reports.

Audit Report

Kris Olivera and Katie Sheffield walked the Board through the financial statements and the results of the audit. Olivera explained that this year they looked at the CDBG program and one of the COVID recovery funded programs. Neither program had any reportable findings. There were also no findings in our financial statement preparation process or the internal controls over them.

Katie Sheffield reviewed the financial statements. She stated that this is the independent auditor's report and they issued a clean opinion.

Sheffield reviewed the significant changes in the financial statements and the reasons behind the changes. Sheffield reviewed the impact of the new leasing standard. Worksystems has only one operating lease for our office building. This is now included on the balance sheet as a right of use asset.

The Board discussed the reports. The team was congratulated for another clean audit.

Announcements

McGough discussed the opportunity to change the date of the April Workforce Board (WDB) meeting so the Board could attend the graduation of the Quick Start Program students at the PCC Willowcreek campus. The Board liked the idea and the WDB will be notified of the change.

Tricia Ryan announced that we nominated McGough for the Portland Business Journal's CEO of the Year award in the social impact category. A panel of executives from around the region judged the nomination and Andrew was selected to receive the award for 2024. A luncheon will be held on 4/18/2024. Jenny Weller will send additional details in case members of the Board would like to attend the luncheon.

Public Comment:

There was no public comment.

Executive Session

The Board went into Executive Session to discuss an HR related topic.

The meeting was adjourned at 12:45 p.m.

Worksystems Executive Committee

January 3, 2024

Zoom Meeting

Attendees: James Paulson – Chair, Travis Stovall – Vice Chair, Lori Stegmann, Christina Ghan, Caryn Lilley, Paul Brown, Josh Hall; David Fortney

Staff: Andrew McGough, Patrick Gihring, Tricia Ryan, Andy Fitch, LeeAnn Bronson, Jenny Weller

Quorum was announced and meeting was called to order at 11:32 a.m.

Consent Agenda

Motion: Travis Stovall motioned to approve the December 2023 minutes. Caryn Lilley seconded the motion. Motion was unanimously approved.

Mid-Year Budget Update

LeeAnn Bronson reviewed the mid-year budget update. She announced that revenue is going up 10% due to some recent grants that we received after the original PY23 budget was approved in June 2023. Bronson reviewed the new grants. Most of the increased revenue will be going to the field since we did not increase staffing or other expenses.

Bronson reviewed the changes in expenses which also went up 10%. There was an increase in professional services.

The Board discussed the mid-year budget.

Motion: Travis Stovall motioned to approve the proposed mid-year PY23 budget. Josh Hall seconded the motion. Motion was approved. Roy Rogers abstained.

Workforce Development Board Meeting

Andrew McGough provided an overview of the January 12, 2024, Workforce Development Board (WDB) meeting. Synergy Resources will be providing an update on the Strategic Plan activities, a summary of partner focus group feedback and conducting a focus group with the Board.

McGough discussed the possibility of hosting some of the future WDB meetings in-person at different partner facilities. McGough and staff are working on the calendar of topics and location recommendations.

McGough discussed the possibility of an Executive Committee retreat this summer or in the fall and having in-person or hybrid meetings. The committee liked the idea of in-person but were concerned about attendance.

The Committee discussed the possibility of converting the Executive Committee meetings to a hybrid meeting. Some of the committee would prefer to have some of the meetings in-person with a virtual option. McGough will put together some recommendations on which meetings would be best to have in-person or hybrid.

Announcements:

Jenny Weller announced that registrations for the NAWB conference are still open. You need to let her know by mid-March if you want to attend. Currently, Caryn Lilley, James Paulson, Lori Stegmann and Travis Stovall are attending the conference.

Patrick announced that we have an RFP for Career Coaching coming out soon.

McGough announced the SummerWorks applications will open in March.

McGough announced that the Continuous Improvement Committee (CIC) will soon issue another RFP to look at how Oregon is organized at the State level and make recommendations for improvement.

The committee discussed re-engaging the Worksystems Legislative Taskforce.

Public Comment:

There was no public comment

The meeting was adjourned at 12:15 p.m.