



LANE WORKFORCE EXECUTIVE BOARD MEETING

Thursday, April 21, 2016
11:30am – 1:00pm

MINUTES

In Attendance: Angela Peacor, George Poling, Jennifer Adams, Sheri Moore, Stan Pickett, Todd Edman

Absent: Mike Fleck, Joe Henry, Pete Sorenson, Paul Wynkoop

Staff: Kristina Payne, Tiffany Cink, Anne Nestell

<u>Action Summary:</u>	<u>Motion</u>	<u>Seconded</u>	<u>Status</u>
Executive Board Meeting Minutes 2/18/16	George Poling	Sheri Moore	Unanimous Approval
LWP Salary Compensation	Sheri Moore	Stan Pickett	Unanimous Approval

I. CALL TO ORDER

Todd Edman called the meeting to order at 11:35am

- II. PUBLIC COMMENT – *In accordance with Lane Workforce Partnership’s Public Comment Policy: Speakers will be taken in the order in which they sign up and will be limited to three minutes per public comment.*

There was no public comment.

III. CONSENT CALENDAR

George Poling made a motion to approve the February 18, 2016 Executive Board meeting minutes. Sheri Moore seconded and the motion was unanimously approved.

IV. LWP SALARY COMPENSATION

Kristina Payne reviewed the compensation policy that was approved by the board back in March 2015: “On an annual basis, the Executive Committee will review and approve, as appropriate, recommended changes to position range movement as recommended by management and as determined through a market analysis process.” This structure gives Ms. Payne parameters to work within for setting compensation for LWP staff. We use a salary and compensation study completed by MBL. MBL is based out of Portland and they have been conducting the survey since 1999. They are a large association and collect data from over 160 Oregon employers. The survey includes 18 categories of positions and then drills down to organization focus, location, headcount, and operating budget. We were introduced to them through the Workforce Board in Clackamas. Last year we were in the middle of the two year survey and the data has just now been

updated. There are a couple of proposed changes that came from the recent update – namely a grade change for the Director of Finance and Executive Director positions. This survey provides a structure to work within for organizations of various sizes – it is not recommending salary increases.

Angela Peacor mentioned that the only thought she has about this (and it is not because she has a concern about the outcome but more concerned with the process) is with the Executive Director position. Since the board more closely oversees the Executive Director position, Ms. Peacor would like to see additional data around it to make sure the parameters are in the correct spot. What has been recommended might be 100% accurate but without having the data, Ms. Peacor feels a little uncomfortable making that decision. Tiffany Cink will provide everyone on the committee a full copy of the salary compensation report from MBL. Sheri Moore mentioned wanting to see comparables with specific LWP positions relative to other workforce boards in Oregon. Todd Edman stated that we have a budget for our region that is not necessarily comparable with other regions. Mr. Edman feels the MBL survey which takes into account nonprofit and governmental agencies with similar budgets and management duties provides a better salary comparison for our Executive Director position versus other workforce boards. Ms. Moore agreed however she would still like to know where LWP stands in the state compared to the other workforce boards. In the event that the current Executive Director decides to move on, said person would probably be looking at positions within the state of Oregon. Ms. Peacor mentioned that in terms of the compensation for the Executive Director position, she is not only interested in what the non-profit sector pays but also what smaller businesses in other sectors pay. Realistically, if said Executive Director were to leave, that person might be looking at positions outside of the workforce sector. Having that information doesn't specifically direct Ms. Peacor on pay but may let her know if there is a huge gap between what the position at LWP is paying versus outside of here. Ms. Cink will work on trying to get salary ranges for the other workforce board Executive Director positions and Mr. Edman will gather information from private organizations.

A question was raised as to whether we can accept the recommendation sans the Executive Director grade. Mr. Edman responded that it would be better to include the Executive Director grade within the recommendation. The board sets the compensation of the Executive Director and it should probably fall within these guidelines although it doesn't have to. Mr. Edman feels the Executive Board can approve the recommendation as long as we remain flexible.

Sheri Moore made a motion to approve the updated compensation structure for Lane Workforce Partnership as presented effective July 1, 2016. Stan Pickett seconded and the motion was unanimously approved.

V. LWP TREASURER'S REPORT

Stan Pickett reviewed the two Treasurer's Reports provided in the packet (7/1/15 – 12/31/15 and 7/1/15 – 3/31/16) but focused primarily on the 7/1/2015 – 3/31/2016 as it is more relevant due to timing. Mr. Pickett looked at the expenses first and in all of the expense categories, we are under budget as far as spending. We have a quarter left in our fiscal year with 25% of those expenses to spend and all the categories are above that 25% level. In terms of the Community Investment line item, we have only spent about half the money budgeted. Some of that is due to billings not coming in yet and also the plans for our fiscal 4th quarter. Taking these into account, the Community Investment expenses will come back into line. Ms. Moore asked about the 20% shown for salary expense and if that percentage is a reasonable/average amount for nonprofits. Mr. Edman responded that 20% is reasonable - can vary some based on the types of services provided by the nonprofit. Usually nonprofits differentiate between service providers and staff members. There are also the additional overhead and financial duties that this organization has over and above most nonprofit organizations. Mr. Pickett pointed out that on the revenue side, it gets a little more complicated. We're dealing with two year programs and revenue flowing into the next fiscal year. As far as

the year-to-date modified budget of \$1.4 million, that will be there to move forward for next year. We are right on budget with where we think we will land once all the expenses have been recorded.

Ms. Moore asked if the state has come through with our funds. Ms. Cink reported that they have and we are in contract with all of our programs. We have also completed the application process for three grants so hopefully we will be looking at new money coming to us as well.

Mr. Edman expressed his gratitude for having Mr. Pickett on the board and also for providing the financial analysis and feedback – makes it very easy and comfortable for everyone involved.

VI. PROGRAM YEAR 2016 – 2017 BOARD OFFICERS

Ms. Payne wanted to have the conversation with the Executive Board on the selection process for the election of board officers. The positions are: Chair, Chair Elect, Secretary, and Treasurer. The established timeline has been:

- April: an email is sent out to the full board seeking nominations
- May: Nomination Committee makes recommendation to the Executive Committee and then the Board approves the nominations
- July: New board officers begin their term of office

We have a couple of changes coming up in terms of board membership. Ms. Payne has met with Justin Freeman (Hummingbird Wholesale) as well as Celeste Marshall (IDX) about possible board membership. All mandated partner positions are automatically plugged in because they are required appointments by law. Potential new board members for the workforce board will be brought to the Council next month for a vote.

Ms. Payne would like to see all the current officers continue serving in their respective positions. Ms. Pecor suggested that the Chair, Chair Elect, Secretary, and Treasurer positions be changed to two year positions to allow for continuity. She thinks of this board as a really involved working board and if someone approaches these roles as easy one year appointments, they are probably not the right people to have on our board. The board is really looking for the level of a two year commitment. All noted that it is hard to create meaningful changes when only serving for one year. A question was asked if we need to change our by-laws to indicate a two year appointment. Ms. Payne reviewed the by-laws. According to the By-Laws, the term is stated as: “Unless specified otherwise by written employment contract or at the time of his or her election as an officer of the Corporation, all officers of the Corporation shall serve a term of office that is the longer of one year, July 1, through June 30, or until their successors are elected.” After reviewing the By-Laws, it was determined that the By-Laws do not need to be changed. The process just needs to be changed to read: “Board officers shall serve a term of two years beginning July 1 through June 30. The Board Chair shall be a private business representative. The Chair Elect shall automatically become Chair when the term of office of the Chair ends.” As Ms. Moore pointed out, this means that the person serving in the Chair position will be committing to a six year process (2 years as Chair Elect, 2 years as Chair, and 2 years as Past Chair). The process will be updated and brought to the Executive Board as an action item next month.

VII. SECTOR STRATEGY UPDATE

General update

- Jake Weatherly (CEO, SheerID) is the new 2016 Board Chair of TAO SWV. SheerID is opening a Portland office but their main office will remain in Eugene.

- Newspaper coverage has been great for the tech sector – up to several articles a week in print.
- Events are still good and well attended.
- The youth and university involvement has been amazing. Mr. Edman, speaking on behalf of Lunar Logic and IDX reported that the quality of candidates coming out of the U of O and their interest in staying in this community has never been higher. Lunar Logic has hired 2 individuals straight out of the Master's program and IDX has hired 2 as well. With 15 – 20 graduating from the Master's program this year at the U of O, knowing 4 of them are staying in Eugene is phenomenal.
- Jon Ruiz, Eugene City Manager, sent out an email thanking the technology industry for participating in supporting the 15th Night. As part of the Hack-For-A-Cause weekend, an app was created support the work. The 15th Night is a community movement around understanding the need to make sure that youth do not stay unhoused for more than 14 nights.

Ms. Payne said it's great to see an industry that's really woven itself into the community in such a positive way. We really do have a community wide movement going on. Some of the pushback Ms. Payne receives is what about the jobs for people living in poverty. We are working to make sure that there are opportunities for everyone and if someone wants this opportunity but they do not have the skills right now, investments are being made to help people get those skills. Our work as a workforce board is making sure that we're investing in people's future so that there are opportunities.

Fiber update

Seems like it is continuing to move forward. Eugene City Council is struggling with how to fund it. Eugene has the fiber interconnects – what is needed is to get enough buy-in from the private sector to get it into the buildings so that we can buy the middle mile and bring the costs down for everyone. There are some different funding sources – just waiting to see where the funding lands. The easiest way would be to use the Urban Renewal Funds but because this is so politically charged right now, there is some pushback. The Eugene City Council went from looking at funding three projects to four but they are all good, worthwhile projects (currently earmarked for park blocks, old LCC building and Farmer's Market). One Councilor is proposing a way to fund the fiber project without using the Urban Renewal Funds and ending the Urban Renewal. Problem is that there would only be \$1,000,000 coming back into the general fund if the Urban Renewal is not extended. There are already people lining up wanting extra money and the Council hasn't even come out with the budget yet. Mr. Poling doesn't believe we'll see the \$1,000,000 coming back and being able to use it for the fiber project. The other funding mechanisms the Council is proposing would have to be paid back because they are loans. The biggest concern Mr. Poling has in not renewing the Urban Renewal Funds is that the Eugene 4J School District will lose out on \$340,000 in funding next year and moving forward. Mr. Poling is afraid we'll miss the boat on being able to get a jump on the high speed fiber project. Mr. Edman responded that if we can get just get to a no or get to here's how much we can do and here's how much the gap is, he firmly believes that there are some building owners who would be willing to commit to a substantial amount of money in order to make this happen. Once we know the way forward, then we can try and work out a solution.

Middle Mile update

Sounds like there are some good possibilities. The Middle Mile would take the cost of internet and cut it by eight. The vendor Matt Sayre had been talking with was recently acquired and talks broke down. Mr. Sayre is looking for a new partner and sounds like conversations are going well. Amazon direct connect and other direct connects are still in play. There is formal letter writing that we are asking everyone to do to help support us through grants, etc. Representative DeFazio's office has expressed a high level of interest in assisting us with those grants.

University of Oregon CIS update

Three offers have been extended for new tenure-track assistant professor faculty positions. 230+ applications have been received. U of O is seeing the growth and also seeing the potential with the connections the CIS department is making with the business community. The U of O is also in the process of building a super computer. A “super computer” is a cluster of lots of different computers that run on special software that synchronize them. The super computer is going to be used for big data analysis which is great because big data is still a leading thing in education and to have a computer that can do the analysis at the U of O is a big asset. The super computer will not be available until August. Ms. Moore asked if we could arrange a tour to the U of O to see what’s there and what’s going on. Ms. Payne will connect with Joe Sventek and Stephen Fickas to see if an August timeframe (when the super computer lab is up and running) is a possibility.

Tech Workforce/Talent Update

There are two grants that specifically relate to tech – the Tech Hire Grant and the Strengthening Working Families Initiative. Both grants are for four years, serving over 400 participants each with almost \$4 million dollars in funding for each grant. The Tech Hire Grant is in partnership with Incite Workforce Board (covers Linn, Marion, Polk, and Yamhill Counties), Oregon Northwest Workforce Investment Board (covers Benton, Lincoln, Tillamook, Clatsop, and Columbia Counties), LWP (covering Lane County), Lane Community College, Chemeketa Community College, TAO, and Pacific Northwest Manufacturing Partnership. LWP led the efforts and will be the recipient of the grant should we receive the grant. Estimate receiving decision in June with funds coming in October (Federal fiscal year) but we would have to start the work July 1. We are competing nationally for these two grants.

Hot Seat Program update

Jake Weatherly has suggested that a Hot Seat Program be established for CEO’s in the tech industry as a mentorship program. The program would focus on founders and companies experiencing exponential revenue growth. This initiative will bring together founders in our region, build relationships, build community, and help group think/solve problems they are experiencing right now. People seem interested and open to the program.

Tech Sector Promotional Video update

Lunar Logic shot approximately 16 hours of video – was supposed to be a small project but ended up a lot bigger. Also got drone footage of the Willamette River as well as downtown showing where the two are in relation to each other. Twelve interviews were conducted with a variety of tech CEO’s talking about the opportunities and quality of life here in our area. The idea is to produce this into a promotional video airing on YouTube and Facebook that gets pushed to the Seattle and San Francisco markets. There still needs to be some additional editing of the video.

Ms. Payne met with Skip Newberry and Matt Sayre about ways to promote tech sector job opportunities through WorkSource. It makes sense to use the system that’s already in place across the state of Oregon. They are going to be talking with the directors and leadership around the state about how WorkSource right now presents job opportunities to individuals and if there’s an opportunity to create a dashboard (within our sectors) that really gives people information. Having Mr. Newberry and Mr. Sayre involved will hopefully help to push this forward and get us something sooner rather than later.

Food and Beverage Sector update

The Eugene Chamber is leading the Food and Beverage Sector. They have identified the top issues and have created working groups and now those groups are meeting (basically the same structure as what we did with the tech industry). The groups are in the process of identifying what they can move on quickly. We will have another big convening of the industry to let everyone know what is happening – create that community movement so we're not doing this off on our own and everyone can work together to help solve the problems. Ms. Payne believes the Springfield Chamber of Commerce will be heading up the next sector – wood product industry.

VIII. NAWB CONFERENCE

National Association of Workforce Board Annual Conference went well. Ms. Payne, Mr., Edman, and Mr. Sayre presented on our sector work. They had the most well attended presentation for their time slot. The audience was engaged and really interested in what we are doing with our sector strategy work. We did a group event at the Jack Rose – really affordable and it got all the sector people together. Also gave us the opportunity to invite the senators and congressmen to receive an award. Only one was able to send a representative - we did learn that the location and traffic played a large part as to why more couldn't attend. We have already started looking at places near the Capital for next year where it would make it easier for them to attend. A member of Representative DeFazio's staff has offered to help us plan for next year. We were able to have meetings on the hill with the Oregon senators and congressmen and it was good to meet with their staff as well.

IX. OTHER BUSINESS

No other business was noted.

X. ADJOURNMENT

The meeting was adjourned at 1:02 p.m.

**Next Executive Board Meeting, May 19, 2016, 11:30 a.m. – 1:00 p.m.
WorkSource Lane (2510 Oakmont Way, Eugene) – Siuslaw Room**

Lane Workforce Partnership is an equal opportunity employer. With 48 hours of notice, auxiliary aids and services, and alternate formats are available to individuals with limited English proficiency free of cost. Requests can be made directly to LWP or with the assistance of TTY: Oregon Relay Services at 1-800-735-2900.