

**CareerSource Pinellas
Board of Directors Minutes**

Date: Wednesday December 12, 2018 at 11:45 AM
Location: EpiCenter: 13805 58th Street N. Clearwater, FL 33760

Call to Order

Chair Jack Geller called the meeting to order at 11:45 a.m. There was a quorum present with the following board members participating.

Board Members in attendance

Vivian Amadeo, William Apple (phone), Jody Armstrong, Candida Duff (phone), James England, Celeste Fernandez, David Fetkenher, Jack Geller, Commissioner Patricia Gerard, Michael Gliner, Barclay Harless, Andrea Henning, John Howell, Mark Hunt, Michael Jalazo, Carolyn King (phone), Samuel Kolapo (phone), Dr. William Law, Karla Leavelle (phone), Russell Leggette, Michael Logal, Kay McKenzie, Michael Meidel, Debbie Passerini, Rebecca Sarlo, Chad Simpson (phone), Amy Van Ness, Scott Wagman, Zachary White, Kenneth Williams (phone), Glenn Willocks.

Board Members not in attendance

Justin Bean, Jack Jarrell, Kim Marston.

Staff in attendance

Jennifer Brackney, Donald Shepherd, Steven Meier, Kirby Palkoner, David Miller, April Torregiante, Luna Clarke, Linsey Stiglic, Steven Blakey. Various team leads & program coordinators.

Board Counsel

Charles Harris – Trenam Law

Guests

Whitney Creech – Pinellas County
Mark Puente – Tampa Bay Times

Chair's Report

The Chair's report was provided in the form of the December Newsletter handout. Chairman and Ms. Brackney have recently met with Sheriff Gualtieri to discuss renewing the business relationship between their two organizations.

Approval of Consent Agenda – December 5, 2018 Executive Committee

The consent agenda of the December 5, 2018 Executive Committee was presented for approval.

Action/Discussion items listed were:

- Approval of the 9/5/18 EC Minutes
- Approval of Training Vendor: American Red Cross- Nurse Assistant Program
- Program Year 18-19: Budget Modification 2
- Annual Performance Evaluation Stipend
- Employee Health Benefits and Stipend
- Recommendations from the Science Center (brought forth for a full board vote)

Motion to amend the consent agenda to reflect the following:

Employee Health Benefits and Stipend

Discussion: Clarification that as opposed to "cost effectiveness", members recommended that CSPIN better utilizes the resources currently being spent on health benefits, to provide more robust options for health insurance to employees.

Motion to amend the consent agenda as stated:

Motion: Karla Leavelle

Second: Scott Wagman

Motion to approve the consent agenda as amended:

Motion: Michael Glinter

Second: Comm. Gerard

The Board of Directors approved the consent agenda as amended. This motion carried.

Action Item 1 – Approval of Minutes

The minutes of the October 31, 2018 Board of Directors meeting were presented for approval.

Motion: Comm. Gerard

Second: David Fetkenher

The minutes were approved as presented. This motion carried.

Action Item 2 – Recommendations from the Science Center Committee

Background:

Loan: Effective December 12, 2014, a business loan was obtained for the principal amount of \$700,000 with an interest at a rate of 4.650% per annum based on a year of 360 days. The proceeds of the loan were used to pay-off the remaining principal and interest of the mortgage payable existing at June 30, 2014. The payment terms require 59 regular payments of \$4,511 each and one irregular payment of \$585,710. The final payment will be due on December 10, 2019, and will be for all principal and all accrued interest not yet paid. As of December 1, 2018, the current balance on the Science Center property is \$611,477. The current note-holding financial institution has offered the option to refinance for 15 years, at a 4% fixed rate. In addition, there is an equipment debt of \$44,926.

Update Information:

Programs: The Science Center location offers services to customers in various capacities, including a general resource room in which job-seekers have access to computers to conduct searches. The center also offers special services such as Veterans Services, Welfare Transition Program, SNAP assistance and much more. Additionally, the center hosts the various CareerREADY programs, such as soldering, construction, mechatronics and robotics, as well as hospitality certifications. The Science Center is also a credentialed post-secondary Technical Training Center that specializes in preparation for the CompTIA Cyber security. The center also offers several services to youth, including STEM camps, STEM extension trips to Pinellas County Schools, Tampa Bay YouthBuild and WIOA Youth.

Inspection: At the approval of the Board, the Science Center was inspected on August 29, 2018 by National Property Inspections and several points were identified as concerns including electrical, roofing and HVAC. Many of these issues are being addressed as a result. Pinellas County Electric has conducted the electrical repairs recommended by the inspectors. Staff has cleared the debris on the roof and roof repairs have been done to address the leaking areas. Johnson Controls has replaced the HVAC air filters and the expansion valves were quoted at \$10,000. Staff is currently completing the plumbing work necessary to repair any leaks. In addition, there are several outstanding fire inspection issues that need to be addressed. Pest Control is also being addressed at the Tyrone location. Orkin is the contracted provider and service was started on October 23, 2018.

Appraisal: At the approval of the Board, an appraisal of the Science Center of Pinellas property located in St. Petersburg, FL, was conducted in September 2018 by Tod Marr & Associates, LLC (Real Estate Appraisers & Consultants) with a final report submitted on October 5, 2018. The conclusion of the appraisal is as follows: *“Based on the available market data and following analysis, our opinion of the as is market value of the fee simple interest of the subject, as of the effective date of September 28, 2018, is estimated at \$3,150,000”.*

Covenant: The Science Center Asset Purchase Agreement restricts how proceeds from the sale of the property can be spent. The document stipulates the following:

4.3 Post Closing Covenants. *Buyer covenants and agrees that in the event Buyer determines to sell the Real Property post-closing due to continuing operating losses related to the Business, Buyer shall place excess funds remaining after the satisfaction of all obligations and liabilities related to the Business, including any reserve set aside to satisfy unknown liability as determined by Buyer, into a trust account to support STEM education.*

Discussion: Science Center Committee: On November 29, 2018, Science Center Committee members debated the future of the Science Center property, and whether CSPIN should continue to own the building. One suggestion was to convert the building into a community center, taking into account its attractions, such as the White Gardens, Planetarium, 600-gallon Touch Tank and Iguana Sanctuary. Were the location to be sold, there is also an opportunity for CareerSource Pinellas to serve the population in other areas of Pinellas County. The Committee further discussed the services provided to customers at the Science Center location, and how they fit into the mission of the organization. Members who have served on the committee over the years made the case that training programs were added at the location at the directive of state officials, because many disadvantaged job-seekers did not have access to formal educational institutions. At this time, Department of Economic Opportunity (DEO) would like to see a continued focus on sector strategy training programs. However, the preference seems to be for vendors to provide the training, rather than training being done in-house. It was noted that case management and wrap-around services would continue for students enrolled in training. As a result, Cybersecurity will transition to SPC in January 2019. Certain pre-vocational programs, such as soldering and mechatronics classes present an opportunity to partner with local training providers and colleges, to teach students accordingly. Other programs such as MOS certifications and other services offered in the resource room could re-locate to another center and continue to be provided to customers. It was also noted that several field trips have been reserved by Pinellas County Schools, to bring students on STEM field trips, and that those obligations should be met. However, the STEM camps would continue through the end of the calendar year (December 2018).

Motion: Scott Wagman

Second: Mark Hunt

The Board of Directors approved:

- 1. Continuing STEMe activities until the end of the program year (June 2019) or until the Science Center building is sold.**
- 2. CareerSource Pinellas to endeavor to sell the Science Center property. This motion carried.**

Discussion Item 3 – 2019 National Association of Workforce Boards Forum

NAWB represents approximately 550 Workforce Development Boards and their 12,000+ business members that coordinate and leverage workforce strategies with education and economic development stakeholders within their local communities, to ensure that state and local workforce development and job training programs meet the needs of employers. These investments in workforce development create a comprehensive system to provide America with a highly skilled workforce that competes in the global economy. NAWB is the only association that advocates for Workforce Development Boards. They work closely with policy makers in Washington, DC to inform national strategy as it relates to WDBs and their partners in education, economic development, labor and business. The Association hosts an annual forum in Washington D.C. that brings together leaders of business, labor, education, policymakers and other workforce stakeholders from across the country. The 2019 forum will be held in March, as follows:

2019 Forum

March 23 – 26, 2019

The Washington Hilton: 1919 Connecticut Avenue, Washington DC

Applicable costs:

Forum Registration: \$800 thru Nov 9th

\$925 after Nov 10th

Hotel: \$317/night (plus applicable fees & taxes)

Airline: \$300 - \$400 (estimate)

In anticipation of the high attendance, 8 registrations have been pre-filled for LWDB 14. In the past, board members have been invited to attend this conference as well as leadership staff. Registration, hotel and flight costs will be incurred by CSPIN.

Action Item 4 – Performance Evaluation for Jennifer Brackney: 01-2018 through 12-2018

Year in Review: During the calendar year of 2018, Ms. Brackney was thrust into the position of Interim Executive Director for CareerSource Pinellas, due to the termination of CEO Mr. Peachey. Prior to his termination, Mr. Peachey had not set 2018 goals for Ms. Brackney, which should have occurred in December of 2017. In the first five months of the year, Ms. Brackney was the de facto director with the board relying on her as the point of contact for the board, media, and outside agencies. In May, the board named her the Interim Director. Though no written goals were given to Ms. Brackney, it was communicated that she was to keep the organization righted. The board recognized this was no easy task given the:

- intense media coverage that involved coordinating the responses to numerous freedom of information requests,
- multiple investigations being conducted at the state and federal level into the activities of Tampa Bay and Pinellas CareerSource,
- shared services arrangement between Tampa Bay and Pinellas CareerSource, which meant taking direction from the Pinellas board and negotiating with a reluctant and at times uncooperative counterpart at Tampa Bay,
- substantial turnover in the Pinellas board membership, and
- Poor morale within the employee base of Tampa Bay and Pinellas CareerSource.

Over the course of 2018 the board recognizes the following attributes and achievements of Ms. Brackney.

- In the first five months of the year, Ms. Brackney demonstrated initiative and resourcefulness. She took up the mantle of leadership of CSPIN without being given the title or authority. She saw a void of leadership and filled it. During this time, she was responsible for coordinating 45 various board and committee meetings, all the while being accessible and forthcoming with needed information. It was those qualities that led the board to name her interim director.
- Navigating the separation of the two CareerSource organizations was fraught with challenges. Ms. Brackney moved the process forward deftly, ensuring that all legal aspects, (e.g. WARN), were adhered. Examples of the challenges she faced:

- ❖ Some management personnel resisted her directions; those situations were handled directly yet with grace.
- ❖ CSTB acting unilaterally setting a deadline to separate, effective July, only to recant and agree bilaterally on a September deadline.

- The first nine months of the year, Ms. Brackney demonstrated grace under fire while in the midst of crisis management, to include:

- ❖ 150 public records requests from the media and others,
- ❖ investigations with the DOL/DEO/OIG/FBI, which are on-going, and
- ❖ fallout from high profile employers discontinuing working with CSPIN, such as the Pinellas Sheriff's office.

- Ms. Brackney has shown organizational agility during this chaotic time. Though the organization has not been fully staffed, she and the CSPIN team have continued the mission of the organization, serving both employers and individuals. The work of the business services team has been without a director since the second quarter. Management of that team has been shouldered by Ms. Brackney and Mr. Shepherd. Additionally, with the separation of the two CareerSource organizations, there has been no finance or HR director. These positions were wisely filled with consultants until full-time employees could be recruited.

Restructuring and staffing the organization is a goal of 2019. Overall, the board has been pleased with Ms. Brackney's performance in 2018. It is that satisfaction that resulted in her being named CEO.

Ms. Brackney's Self Review

Though neither Mr. Peachey nor the Board gave Ms. Brackney written goals, she took it upon herself to complete a self-evaluation utilizing the standard CSPIN performance review. The standard review covers three areas:

- ❖ Soft skills
- ❖ Job related skills, and
- ❖ Goals

The evaluation allows for a total of 300 weighted points. She gave herself 275 total points. The self-evaluation is attached. The compensation committee reviewed the self-evaluation and agreed with the individual and total scores and had no additional comments to the ones written by Ms. Brackney.

Areas of Feedback

As mentioned earlier, the board recognizes this has been a tumultuous year, and the behavior outlined below may be a condition of the past year.

Composure – During the course of the year, a few board members encountered defensiveness on the part of Ms. Brackney when questioned or challenged. This was not demonstrated in meetings but in one-on-one encounters. The board members recognize there will be differences of opinions between a member and the CEO. What the board wants to see is the CEO cool under pressure and not to be irritated or frustrated when met with resistance or blocked.

Willing to State Position – As the CEO, board members want to know what the CEO thinks, and believes is the best direction and why. Over the course of the year, Ms. Brackney has been adept at managing and mediating the many personalities on the board. This has been particularly true in committee meetings. She has been less forthcoming of her opinion on what the organization should do. A recent example mentioned is with the Science Center committee. As we move into 2019, it will be important for Ms. Brackney to share her vision and thoughts on decisions that will impact the organization long term.

Motion: Karla Leavelle

Second: Mark Hunt

The Board of Directors approved that Ms. Brackney receive a five percent annual performance stipend. The amount is to be determined by utilizing her actual salary over the course of the year rather than her current salary. This motion carried.

Other Administrative Matters

None

Committee Reports

Ad Hoc Review Committee: The Ad Hoc Review Committee will host its first meeting, this afternoon at 1:00pm. This committee will review the recommended changes to the Interlocal Agreement with Pinellas County, as well as the CSPIN by-laws. The members are: Bill Apple, Jack Geller, Commissioner Gerard, Mark Hunt and Mike Meidel.

Compensation Committee: The Compensation Committee met on 11/28 to discuss the Employee Performance Stipend, as well as the Health Benefits Stipend. Those two items were included in the consent agenda. The Committee met again on 12/05, to discuss and evaluate Jennifer Brackney's performance for the year 2018. Ms. Brackney's CEO goals for the year 2019 have not yet been established.

Finance Committee: The Finance Committee met on 11/27 and approved the 2nd Budget Modification for the PY 2018-2019. This item, as well as the financial summary, was included in the consent agenda. The next Finance meeting is January 29, 2019.

Workforce Solutions Committee: The Workforce Solutions Committee met on 11/13 and approved the American Red Cross as its newest Training Provider. The Committee also discussed the Training Provider Policy and requested that staff gather accreditation information on all current training providers doing business with the organization. The next meeting is scheduled for February 12, 2019.

One-Stop Committee: The One Stop Committee met on 11/15. A representative from Kaiser Group, our new one-stop operator, participated in the meeting and discussed their role within the organization. Kaiser Group will provide 3rd party monitoring ahead of State monitoring to ensure that CSPIN is in compliance. As the operator, they will also maintain linkage between all one-stop partners and oversee our customer satisfaction initiatives. In October 2018, CSPIN ranked 6th in the Governor's Placement report, with 1,020 placements. The next meeting is February 21, 2019.

Science Center Committee: The Committee met on 11/29 and discussed the future of the Science Center property. As was discussed today, the Committee voted to endeavor to sell the center. However, STEM-E field trips will continue until the end of the program year, to satisfy our current obligations with Pinellas County Schools. The next meeting is scheduled for February 28, 2019.

Open Discussion

-Regarding the option to refinance the Science Center property, Board members commented that in the event that the building has not sold in a 6-month timeframe, or if there is no offer from interested parties at a price that the Board would consider acceptable, to re-consider the financing option presented by the bank.

-Chairman suggests that Ms. Brackney obtain a written statement from the bank, elaborating on possible closing costs, taxes and other fees associated with the refinancing option.

-Get clarification from the bank regarding origination, the assumable mortgage and what the time limit would be.

-A request for proposals (RFP) for real estate services has been drafted, to solicit responses from brokers to put the Science Center property on the market. An Executive Committee could be scheduled in January 2019 to address/approve the document. Board members are invited to attend and participate.

CEO's Report

-Ms. Brackney introduced the current CSPIN leadership staff.

-The Cyber Security program currently held at the Science Center will transition to SPC, in January 2019.

-Continued discussed with PTC and SPC to transition the Career READY programs, currently held at the Science Center, such as Soldering, Mechatronics and Construction.

-The Board is sponsoring a meet-and-greet luncheon after this meeting, and will have a chance to meet the program coordinators.

Staff Introductions

CSPIN program coordinators and team leaders introduced themselves to the board of directors.

Public Comments

None

Adjournment

The meeting was adjourned at approximately 12:20 p.m.