

**NCCC  
GOVERNING BOARD**

**APPROVED  
MINUTES**

Willows Memorial Hall  
525 W. Sycamore Street, Willows, CA  
Thursday, July 29, 2010  
1:00 p.m.

**ROLL CALL**

**Governing Board Members Present**

Roger Abe

Larry Munger

Tracey Quarne

**Governing Board Members Absent**

Tom Indrieri

**PUBLIC COMMENT**

Richard Birk, President of Lake One Stop Inc, and Denise Rushing of the Lake County Board of Supervisors introduced themselves.

There were no further comments from the public.

**APPROVAL OF MINUTES**

*April 29, 2010 Meeting:* On a motion by Tracey Quarne and seconded by Roger Abe, the Governing Board approved the minutes of the April 29, 2010 meeting as submitted.

*Motion Carried.*

**WIB APPLICATIONS AND APPOINTMENTS**

***Board Action:*** On a motion by Tracey Quarne and seconded by Roger Abe, the Governing Board appointed Troy Ohlhausen as a Labor representative to the WIB. *Motion Carried.*

**ANNUAL ELECTION OF OFFICERS – CHAIR AND VICE CHAIR**

***Board Action:*** On a motion by Roger Abe and seconded by Tracey Quarne, the Governing Board elected Larry Munger as Chair and Tom Indrieri as Vice Chair for a term through June 30, 2011. *Motion Carried.*

## LAKE COUNTY UPDATE

Francene Kennedy stated the Dispute Resolution Panel took place on June 2<sup>nd</sup> and the minutes reflecting the outcome of that meeting were sent out to board members and interested parties and are publicly available on NCCC's website. If the Board desires, however, NCCC's legal counsel could report on the outcome of the meeting. Ms. Kennedy emphasized that although the process was a dispute resolution, it does not necessarily mean that some kind of dispute had occurred between the two boards. The panel was convened per NCCC's policy to resolve two differing board motions – one motion carried by the WIB and a different motion carried by the Governing Board – and move forward with a single motion on the issue. The resolution from the panel was to extend the current Lake County service provider's contract through December 31, 2010, and move forward with a new RFP for Lake County as of January 1, 2011. The Chair asked the audience if anyone wished to comment on this issue. There were no comments.

Francene Kennedy stated a letter of support has been requested of NCCC's Executive Director to support Lake County WIA services being a part of an application with Napa for modification for a redesignation. Ms. Kennedy said this action is not on the agenda at this time but this could be an opportunity for the Governing Board to discuss what direction of support NCCC would consider taking, or a special meeting of the Board could be called to discuss and consider this matter.

Francene Kennedy commented that Tom Indrieri had been contacted by the Lake County Board of Supervisors asking what his position might be on supporting the application. Larry Munger mentioned he was also contacted by Denise Rushing regarding support of Napa's application. He noted that NCCC currently has a One Stop in place through December 31<sup>st</sup> and is of the understanding that the redesignation process may take a year or two. Ms. Kennedy said there is no definite timeline set but if an application is submitted by a certain date it may go through the process quickly. Napa might be looking for the redesignation to occur July 1, 2011; there is no guarantee that a redesignation would occur by that date. Ms. Kennedy explained the process involves dialogue between two workforce area boards and their CEOs. Regardless of whether or not NCCC supports the application, some type of public meeting must be held where Lake County residents can offer their opinion and where NCCC can discuss if this shift of WIA services to Napa is for the better for Lake County. Also, some agreement must occur amongst executives to set aside some of the issues that are hindering workforce services to Lake County. At this point, Ms. Kennedy didn't think that signing a letter is necessarily going to be the most advantageous until this matter is discussed further. She said the Board could discuss this issue now or schedule a separate session to address this topic. Tracey Quarne suggested this matter be agendaized for a subsequent meeting, however at this time it is posted for discussion. Mr. Quarne commented this is somewhat analogous to an employer who has an employee who wishes to move on, and the best thing to do is pat him on the back, wish him good luck and not fight it. If that means a letter written that speaks to supporting their future success, it would be more than fair. Francene Kennedy agreed and added that this discussion needs to be beyond the governing of the program but also the services to the community which includes the One Stop and the current service provider's opinion to what best serves this community. Ms. Kennedy said an open discussion does not necessarily mean we do not support this action rather that we're trying to understand why this is moving in the direction that it is, and say yes this is the best decision or

no we believe we can provide good services. Ms. Kennedy mentioned there is video, which Larry Munger has viewed, of the June 15<sup>th</sup> Lake County Board of Supervisors meeting where some very direct statements are made about NCCC's administrative and RFP processes that are not accurate. As they say, this may be a good thing to allow Lake to go to a new place with fresh direction and relationships. However, she stated, it's also fair to clarify some of the misrepresentations of how NCCC does business and she asked the Board to consider this in their discussion. Ms. Kennedy noted Napa's application process can go forward with or without a support letter from NCCC.

Denise Rushing, District 3 Supervisor for Lake County, addressed the Board. Ms. Rushing stated Napa will be submitting an application for redesignation and the Lake County Board of Supervisors is asking for a letter from NCCC in support or not of this action. Ms. Rushing said they've had plenty of public discussion and public hearing and plenty of opportunity for the public to make corrections and speak at the Board of Supervisors meetings in Lake County. The Lake County Board of Supervisors represents the public in Lake County and they are asking that NCCC let them move on and complete this exercise we are all engaged in, which she thinks would be best for everybody at this point in time. Ms. Rushing would not comment to the statements made at the June 15<sup>th</sup> Board of Supervisors meeting; you can't always predict what a Board of Supervisors member will say. On behalf of the Lake County Board she said Lake County would like to join with Napa workforce area at this point in time. She believes that Lake's interests are well aligned with theirs in that Lake County is an up and coming wine region and they are seeing a need for programs in hospitality, culinary and food service that can be offered. They would like to expedite this process as quickly as possible and a letter of support from NCCC would help; however, the application will go forward with or without a letter from NCCC.

Larry Munger pointed out that the differences that currently exist between Lake County and NCCC might have been avoided if a member of the Lake County Board of Supervisors had been serving on the Governing Board rather than an assigned representative. Mr. Munger noted there was an appearance of a conflict with Carol Huchingson being Lake County's representative on the Governing Board and her agency, Lake County Department of Social Services, bidding in NCCC's RFP for Lake County's WIA program. Ms. Rushing understood and said she was here today representing the Board of Supervisors. Mr. Munger commented the statements Supervisor Rob Brown made on the video about NCCC's RFP procedure were very wrong. Ms. Rushing said she does not always agree with Mr. Brown but his point of view is based on whatever circumstances have led to that point. Mr. Munger said the accusations he made are completely untrue and the other Governing Board members will see that when they view the video. Ms. Rushing said she contacted Larry Munger to get a date for the Board to agendaize Lake County's request for a letter of support. This item was not on today's agenda but they were hoping that it could be on the agenda so a decision could be made one way or another, but if the Governing Board is not in favor then Lake County will go forward with or without a letter of support from NCCC. Larry Munger said the Board could discuss the issue but in accordance with The Brown Act would not make a decision until the Governing Board's next meeting. As the next scheduled Governing Board meeting is November 18<sup>th</sup>, it would probably be best for the Board to meet prior to that date to further discuss and decide on this issue.

Francene Kennedy indicated that in signing a letter of support it changes some dynamics in what the Board wants to do with the Lake RFP. Why release another RFP if at a later time the program may go to another operator? What kind of competition would there be for the January award? Ms. Kennedy said NCCC staff has been directed to begin the RFP process for Lake County in October to award in November and have a contract start January 1, 2011. The current operator has a contract through the end of December; on January 1 that operator either has to know if they won the bid, there is no competition, or the contract has to be extended until it is determined where Lake County services will reside. Ms. Kennedy recommended discussions should happen sooner than November 18<sup>th</sup> for benefit of the Lake County Board of Supervisors knowing what NCCC's support level is, for Lake One Stop to know what their contract may look like, and for the Board to consider all options for delivering services in Lake County as we watch this application move forward to the State. Larry Munger agreed and added the Lake One Stop is doing a good job serving the people and should be kept informed about what is happening. Roger Abe asked if the RFP is awarded would the change of operator occur July 1st. Francene Kennedy explained that if we were truly looking at a target date for the modification to happen NCCC would be contracting with the winning bidder of the RFP for six months – January 1-June 30. There is no certainty if this modification takes place that it would absolutely happen July 1, 2011. NCCC would then have the opportunity to continually extend the winning bidders' contract period until the modification process is completed. There is also the option of looking at the current contractor and extend their contract now until we understand where the Lake program will continue to reside. Ms. Kennedy said the State may not be in favor of Lake County going to Napa. There is a process to moving and redesignating areas and there are no guarantees that this redesignation will happen with or without our support. It is the State's decision and it could be a long process. The progression involves conversations, NCCC's direction, readjusting funding coming into NCCC, establishing a new funding source at Napa, changes to both LWIA's governing documents plus other matters the State is currently dealing with. In the meantime NCCC is still accountable and responsible for WIA services in Lake County. Ms. Kennedy asked the Board to have a very thorough and sound discussion as this modification will have financial and service oriented effects and will require some time to be successful.

Richard Birk, President of Lake One Stop Inc. addressed the Board. Mr. Birk agreed with Mr. Munger's comments that Lake County should have had a Board of Supervisors elected official on the Governing Board and regarding the June 15<sup>th</sup> meeting video Mr. Birk was probably the person Supervisor Brown was addressing and the statements Mr. Brown made were uncalled for. Mr. Birk commented that Lake One Stop Inc. has worked very hard to effectively operate the Lake One Stop and make it relevant, and he understands the importance of collaborative business working relationships. Mr. Birk said the Lake One Stop and NCCC have established a good working relationship and they would not like Lake County to move out of the NCC Consortium. He believes the citizens of Lake County are better served by staying in the consortium instead of moving to another area. It is very difficult for the Lake One Stop to make some serious long term planning in this uncertain environment. It is unfortunate that Lake One Stop has not had solid support from the Lake County Board of Supervisors. But the Lake One Stop board is made up of citizens of Lake County who strongly desire to work towards restoring cooperative relationships with the local elected officials. Mr. Birk said the Lake One Stop board wants to continue to help people and provide services; they believe they can make a difference and would appreciate the Governing Board's support in what they're trying to do.

Tracey Quarne made an observation that in the 3½ years he has served on the Governing Board 60 of his time invested on this board has been directly concerning Lake County. Mr. Quarne asked Mr. Birk the question why he thinks the Lake Board of Supervisors wishes to leave the Consortium. Mr. Birk replied he believes the Lake County Department of Social Services wants to capture the funding, and the board may have the feeling that the Lake One Stop has not been successful in the past. He also thinks there is a misunderstanding of how the One Stop operates and the services it provides. He has tried to speak about the One Stop's mission and purpose in a public forum but it has been difficult. The supervisors also seem to have a strong emotional feeling about this issue that was evident in the June 15<sup>th</sup> meeting video. Tracey Quarne noted he hasn't had the opportunity to view the recording but in view of Larry Munger's interpretation that the statements were out of line, it would be hard for the Governing Board to dispute it.

Nick Summerfield, Vice Chair of Lake One Stop Inc., introduced himself and addressed the Board. Mr. Summerfield commented there are two issues here. First, Lake County needs to find an attachment to a local workforce investment area, whether it's NCCC or Napa. Second, once the local area has been decided, it becomes a procurement issue. Will the program be sole sourced, will it go to RFP, and will fire walls be established within the system to separate the service deliverer from the administrative component? Mr. Summerfield was of the opinion that Lake County Supervisors might not seem to be correctly advised of that process. Mr. Summerfield felt that to endorse Lake County's request now would be inappropriate because it would be an endorsement for services that are not even being procured yet. That would put Lake One Stop at a disadvantage if they wanted to compete to provide those services through the next local workforce investment area that has the Lake County funds. Right now those funds come to NCCC and they will continue to until someone else is designated. Napa must initiate the process and submit the application. Mr. Summerfield said Napa should be left to handle the process and continue to move forward. Mr. Summerfield advised that the Governing Board should let the process happen, not endorse one way or another, and wait to see what Lake County's chief elected officials want to initiate.

Francene Kennedy commented that NCCC also has a process parallel to that which is the RFP. So a discussion needs to take place soon, whether to support or not, but also about how NCCC proceeds with its RFP; separate from Napa's application for redesignation.

Denise Rushing addressed the question on the table on why the Lake County Board of Supervisors is taking the action they're taking. Ms. Rushing said regardless of what Mr. Birk is interested in the Board of Supervisors is going to be pursuing this avenue. So given that as a reality, it's a 5-0 vote, everyone is moving in that direction. We all have constituents and are aware of how important these kinds of services are in Lake County. The question to the Governing Board now is can it support that or not. Either way, a letter of support would be helpful in moving the process forward and getting it done as quickly as possible. Ms. Rushing said Lake County is not going back to NCCC and doesn't think it's an option; too much has happened. The reason Lake County is interested in moving on at this point in time is they have 17%+ unemployment in Lake County; they have many opportunities facing them that require political as well as real on the ground solutions. A board of supervisors and an organization that is humming and working well together is essential and this isn't happening right now. It isn't

happening for many reasons but there was a glimmer of hope when Lake One Stop hired a new director that might have worked well but it didn't. So Lake County is going to have to pursue something new and they will keep pursuing it. They think there is plenty of opportunity for public input in Lake County. A special meeting can also be held. Ms. Rushing said the jobs and industries that Lake County has, primarily tourism and agriculture, are jobs that will require that the power structure in Lake County to really work together on it in order to make it happen. The Lake County Board of Supervisors cares a great deal about jobs in the county and is interested in getting jobs for its citizens. The Board of Supervisors needs to be able to work with the organization that's currently in place but too much has happened in this situation and they would like the Governing Board's support to move on. Tracey Quarne summarized the bottom line is, a better address of the 17% rate of unemployment. Denise Rushing concurred.

Francene Kennedy understood and said employers/industry creates jobs, WIA does not create jobs nor single handedly change unemployment. For anyone to put pressure on WIA and this system along to change the unemployment rate or create jobs is a misnomer. WIA works in partnership with economic development and other agencies and business and industry for job creation. Ms. Kennedy asked for those who understand WIA system to explain to the Board of Supervisors what WIA is intended to do. We are all facing extremely high unemployment numbers, jobs do not exist. Often the best we can do is to work with our funding source and create training opportunities to better someone for the next step when a job does become available. In the last year, Lake One Stop has tried to do that by being active in on-the-job training, work experience, and adding skills sets to the Lake County population. Ms. Kennedy invited the Board of Supervisors to speak with the Lake One Stop about their activities. On another point, Ms. Kennedy mentioned that Teddie Pierce, who Denise Rushing referred to, was not an NCCC employee. Therefore, Ms. Kennedy would not do an exit interview nor be involved with her hiring or firing. She was an employee of Lake One Stop and whatever direction happened with Ms. Pierce's employment was between her and Lake One Stop not with NCCC. Ms. Kennedy noted that she understands Teddie Pierce is now on contract to write bids for Carol Huchingson and works with the Lake Board of Supervisors. Lake One Stop's new director, Seth DeSimone, is also equally capable.

Tracey Quarne added that WIA is not employment development, but employee development. Mr. Quarne asked Denise Rushing in what way is employee development not occurring as she wished it were. Ms. Rushing replied employee development is absolutely vital to changing the unemployment rate. Lake County has a tourism industry that can't find people that have the skills that are needed. It's critical for everybody to work together in a working and trust relationship that is honing on all cylinders is critical in order to get past a 17% unemployment rate. At some point along the way, there was break in the system of trust that allowed things to work together and now we need to get beyond this. Ms. Rushing said she had met the staff at the One Stop before the current management and thought they were great employees and everyone wants to do a good job, but what is necessary is for all the leaders to be working together and that is not happening well right now. She believes there's a path to do that and Lake County will be moving forward on this and hopes for NCCC's blessing. Ms. Rushing added that Lake County needs a better policy making relationship with the leadership of the One Stop and NCCC and somewhere along the way confidence was lost. They haven't had the kind of relationship and dialogue with NCCC that would give them confidence. If it's not working then they need to

do something different. Ms. Rushing said from the Board of Supervisors perspective, they have confidence in the representative they appointed to the Governing Board; even though it wasn't a member of the Board of Supervisors, she is one of the best staffers who the board trusts because the programs they give her she runs well and she has community support. Possibly things may have gotten lost in the translation but at this moment in time the relationship is not working, the communication isn't flowing as well as they would like and they need to move on. Ms. Rushing said she understood if NCCC could not support them but they would appreciate if we would because they will be moving forward.

Tracey Quarne commented that this issue has been a significant stress on staff and the Governing Board. Mr. Quarne cautioned, as he did Carol Huchingson when she requested to be removed from the Board, that there is a window where Lake County would still be a member of the Consortium but would not have representation on the Board. He felt that was unfair to NCCC and unfair to the Lake One Stop operator because they're lacking that local voice to this Board. Mr. Quarne requested from staff a copy of the DVD of the June 15<sup>th</sup> Lake Board of Supervisors meeting to review. Mr. Quarne reminded Ms. Rushing that about a year ago Larry Munger and NCCC's Executive Director paid a visit to Lake County Supervisor Brown, Lake County Administrator and Carol Huchingson to discuss the issues, which resulted in a number of meetings closed session and otherwise. Larry Munger said Mr. Brown "came loose"; it was not a meeting to talk things over but an attack meeting. They could not work anything out; Mr. Brown had his mind made up. Ms. Rushing said she was familiar with Mr. Brown's personality. Mr. Quarne said as a member of the employing board of this staff, it's not just "that's the way somebody is". If it's more serious than a colorful personality that as well has to be addressed. Ms. Rushing said what Mr. Quarne will see in the recording, whether it's Mr. Brown's personality or not, he is saying things that he feels very strongly about and he says them with passion. For most of what Mr. Brown is saying, he is speaking for the board. When he drifts into attacking people personally he's not speaking for the board but if he's speaking about how much he cares about this issue then he does. Mr. Quarne expressed his appreciation to Ms. Rushing and the One Stop operator for speaking at today's meeting.

Lake One Stop Executive Director Seth DeSimone introduced himself and addressed the Board. Mr. DeSimone said the Lake One Stop has been in place since July 1, 2009 and regardless of any past issues, they would be more than willing to talk to the Board of Supervisors about the One Stop's successes. They would like to work with whoever they can and are there for the residents of the community and for training individuals for those jobs that will become available. Mr. Quarne asked Mr. DeSimone and Lake One Stop's President and Vice President if they have ever heard the need for more training in hospitality. Mr. DeSimone replied that they have been working with local businesses with their hospitality needs and he noted a resort closed down about a year ago and the One Stop assisted in placing some of the laid off employees into other places that were hiring. However, he has not had a request for hospitality training specifically. Richard Birk mentioned Lake One Stop Inc. recently added the Executive Director of the Lake County Wine Association to their board and have spoken to her about issues of hospitality within the wineries. The Lake One Stop also held a job fair yesterday where an employer was looking for 60 hospitality workers. Nick Summerfield also noted that last year the One Stop had hospitality training set up from a firm that provides hospitality training for a large employer that was coming into Ms. Rushing's district. A casino came in and the One Stop established an

agreement with them to provide all the specialized hospitality training and employee training specifically for them. Therefore, the Lake One Stop has been very active in hospitality training.

### **JPA LANGUAGE REVISION**

The Governing Board reviewed proposed revisions to the JPA. Roger Abe inquired about item 3.c) a quorum majority. Mr. Abe said he understood with a four member Governing Board any majority vote would require three members; however, he asked when three members are present would a majority vote still require all three or could motions be carried with a 2-1 vote. It was noted that the language in the JPA should provide for if another county were to join the consortium. NCCC's legal counsel said this may be a provisional revision to the JPA as it may need to be revised again in a year or so. The language can be worked with to make it a little clearer. Tracey Quarne felt that whatever business is in front of the Board at least three yes votes should be required whether there are three or four members present. Mr. Quarne was of the opinion that two members of the consortium whether it has four or five members should not be able to carry a motion. The Governing Board decided to re-agendize this item for a subsequent meeting when all members of the Board are present to discuss and vote on this issue. Denise Rushing commented when a joint powers authority is formed the Boards of Supervisors usually vote to join the JPA. When the bylaws and joint powers agreement needs to change is ratification by each of the Board of Supervisors required in order for that JPA to exist? NCCC's legal counsel mentioned that the ratification process was discussed and addressed at a prior Governing Board meeting. He stated that pending Lake County's withdrawal there are now four members in NCCC's JPA and ratification is required by only those members who are actually party to this agreement.

***Board Action:*** On a motion by Tracey Quarne and seconded by Roger Abe, the Governing Board continued this item to a subsequent meeting when the Board further discusses the Lake County issue. *Motion Carried.*

### **FISCAL UPDATE**

Nancy Crooks reviewed the 2010/2011 Administrative Office budget that would be presented for consideration by both boards at their joint meeting following this one. The proposed budget was based on 2009/2010 expenditures. Staff salaries remained unchanged and employee health care premiums increased. The proposed budget reflected a 47% decrease from last year because of ARRA funding. Budget reductions were reflected in supplies; conferences, meetings and training costs; telephone; membership dues; and a staff fiscal position would not be refilled. The WIB/Governing Board budget showed increases in legal and insurance costs. Nancy Crooks reviewed NCCC's formula funding pattern for fiscal years 07/08 through 10/11. Ms. Crooks commented that funding was accelerated in fiscal year 08/09 and 09/10, but this year it appears to be back to the 07/08 level. Ms. Crooks noted that NCCC is requesting service providers to direct more formula funding into training as that is the spirit of WIA funding. Rapid Response funding increased by 24% over the same period due to unemployment rate and plant closures. Francene Kennedy mentioned she would be declining the annual 5% salary adjustment this year that is specified in her employment contract with the Governing Board.

**CLOSED SESSION REGARDING PENDING LITIGATION PURSUANT TO GOV.  
CODE §54956.9 – CASE NAME: ANTHOINE, NELSON VS. NCCC**

The Governing Board recessed into closed session relating to a conference regarding pending litigation pursuant to Government Code §54956.9.

**REPORT OUT IN OPEN SESSION**

Back in open session, Larry Munger announced that the Governing Board took no action regarding pending litigation.

**OTHER BUSINESS**

There were no other matters brought before the Governing Board.

**ADJOURNMENT**

There being no further business, the meeting was adjourned at 2:45 p.m.

**ATTEST:**

**APPROVED ON:**

\_\_\_\_\_  
Larry Munger, Chairperson  
Governing Board

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