

DRAFT MINUTES
Detroit Employment Solutions Corporation
(DESC) Board Meeting
Friday, September 27, 2013

Time: 8:30 a.m. – 10:00 a.m.
Location: Teleconference
Room Location: 707 West Milwaukee, 5th Floor Conference Room, Detroit, MI
Facilitating: Cal Sharp, Chairman

Directors Present: Cal Sharp, George Swan III, Art Dudley, Al Nelson, Kenyetta Bridges, David Carroll
Directors Absent: Saunteel Jenkins, John Harris, Larry Steward, Alice Thompson, Veronica Madrigal
[due to technical error]
Staff Present: Pamela Moore, Jose Reyes, Robert Shimkoski, Alessia Baker-Giles, Kristin Bailey,
L'Tanya Clegg, Stephanie Nixon, Lynne Scully, Joyce Barnes
Guest Present: Harry Kalogerakos, (Allen Brothers, PLLC)

PROCEEDINGS

A Special Meeting of the Detroit Employment Solutions Corporation Board (DESC) was called to order at 8:35 a.m. by Mr. Cal Sharp, Chair. Chair Sharp asked for introductions of all participants and advised that the DPS lease referenced on the agenda would be put on hold in order to allow additional time for legal feedback. A motion was made by Director George Swan to approve the Draft Agenda of September 27, 2013 with one modification, supported by Director Al Nelson. Motion Carried Unanimously.

REVIEW/APPROVAL OF:

LEASE: Northwest Activities Center

Ms. Pamela Moore, President/CEO at DESC, asked Mr. Jose Reyes, Chief Operating Officer at DESC, to provide a summary of the Northwest Activities Center lease. Mr. Reyes stated that DESC is currently in the negotiating process with the landlord, explaining that a summary of the lease is in the Board packet. Mr. Reyes provided details about the lease, sharing that there will be a build out with a cost of about \$185,000. The plan overall will allow the agency to move into the facility around November 1st.

Director Nelson shared that the Board would prefer to know what has already been completed as opposed to what still needs to be completed with the lease. In addition, the Board noted concern about the following items:

- Ongoing negotiations may affect the overall cost of the projects.
- Signing the lease before seeing the final buildout (being committed to move in whether the build out is satisfactory)
- The landlord's lease termination language
- The lease and all relevant lease-related information should be finalized before it comes before the Board for review/approval
- Would like certainty that DESC has the necessary amount of insurance coverage
- Lease build out costs were not included in executive summary

Equal Opportunity Employer/Program
Funded by The Michigan Department of Licensing & Regulatory Affairs
Workforce Development Agency
Auxiliary Aids and Services Available Upon Request to Individuals With Disabilities

Dave Bing, Mayor

Attorney Harry Kalogerakos from Allen Brothers, PLLC explained that at the moment, the lease has not been finalized. He understands that members want protection to make sure the work is done correctly on the build out before the Board is committed to move in. Now that he is aware of the Board's concerns, the attorneys can make the appropriate safeguards in the lease in order to ensure that DESC is sufficiently protected. Ms. Joyce Barnes, Facilities Manager at DESC, explained that typically during the construction process there will be periodic inspections as a task is completed. She noted that construction will not be completed without prior approval. The City of Detroit will have inspectors and Ms. Barnes will also be on the premises. Both will have to sign off on the work as it is completed. After extensive discussion, the Board decided to table the Northwest Activities Center lease until the October 15, 2013 meeting once all pending concerns have been addressed.

CONTRACTS:

Detroit Public Schools (ABE/GED)

Ms. Moore reviewed the ABE/GED contract (Adult Education and GED preparation) provided by Detroit Public Schools (DPS), explaining that this is a six-month contract (July – December 2013) for services that are already being performed. However, as of January 1, 2014, these services will be performed by the One Stop service provider, Grant Associates.

Director Kenyetta Bridges questioned whether the changes being made to the GED process have impacted Grant Associates and its tools to administer the test to those who have already initiated the process of getting their GED. Ms. Stephanie Nixon, Director of Contracts Administration responded that Grant Associates is prepared to complete the process. Ms. Moore explained that Grant Associates will provide all services previously offered by DPS. She stated that staff is asking for approval of the six-month contract through December 2013. A motion was made by Director Swan to approve the DPS ABE/GED Contract, supported by Director Art Dudley. Motion Carried Unanimously.

PATH Extensions

Ms. Moore shared that the PATH program is formerly the JET Program. She noted that she reported at the last Board meeting that staff requested an extension from the State of Michigan, which was approved for current contractors from an RFP that was released in June. Ms. Moore explained that this is the third year of a three-year contract for all nine of the PATH service providers. New providers have just been selected and will begin January 1, 2014. Staff has taken into consideration the new contractors as well as those contractors ending in December. Additional details were provided in the budget summary sheet provided in the Board packets. Ms. Moore stated that staff is asking for approval of the three-month extension. A motion was made by Director Swan to approve the PATH three-month extensions, supported by Director Dudley. Motion Carried Unanimously.

Professional Service Contracts:

The following contracts were discussed: (1) Abraham and Gaffney; (2) Corporation for a Skilled Workforce; (3) Allen Brothers, PLLC; and (4) Thomas J. Diehl, CPSA. Ms. Moore explained that staff is asking for approval for the continuation of these contracts, which were also approved last year. She shared that all contracts state that providers will be provided with a one-year contract with the option for two one-year renewals. This would be the second year for all of the existing professional service contractors. Each contractor spent less than what staff proposed they would spend, so the amounts have been adjusted to the amount that staff believed would be required for the next contract year. Ms. Moore explained that staff is asking approval for Tom J. Diehl for \$30,000; Corporation for a Skilled Workforce for \$50,000; Abraham and Gaffney for \$55,050 and Allen Brothers, PLLC for \$100,000 which would begin October 1, 2013 through September 30, 2014. Director Nelson inquired as to whether the amounts are based on an hourly amount. Ms.

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Moore answered in the affirmative, noting that the amounts are the maximum that would be paid for each contract based on their hourly rates. A motion was made by Director Nelson to approve the Professional Services contracts, supported by Director Swan. Motion Carried Unanimously.

Prior to adjourning the meeting, Chair Sharp shared that he is looking for more flexibility in scheduling the meetings. He stated that if all the information is not available, the meeting should be postponed until all relevant information is available. Director Swan assured Chair Sharp that meetings can always be postponed as long as the meeting is rescheduled within the quarterly timeframe.

Chair Sharp asked whether any members of the public in attendance wanted to address the Board. No questions were presented. Director Dudley noted that future agendas should allow time for the public to speak.

ADJOURNMENT

With no further business to come before the Board, a motion was made by Director Dudley to adjourn the meeting at 9:46 a.m., supported by Director Nelson. Motion Carried Unanimously.

Prepared by: L'Tanya Clegg