

HUMAN RESOURCE DEVELOPMENT COUNCIL OF DISTRICT IX

HRDC Conference Room

Thursday, June 18, 2009

I. CALL TO ORDER

Joe Menicucci called the June 18, 2009, meeting of the Human Resource Development Council of District IX (HRDC) to order at 8:30 a.m. The following members were present: Chris Budeski, Cynthia Cheney, David Kack, Al Maurillo, Katie Moberg, Kris Moos, Ramona Stout, Kathy Tanner, Gene Townsend, and Donna West. Staff: Jeff Rupp, Mary Martin, Kristin Hamburg, Whitt Hampton, Ken Miller, Sara Fisher, Heather Grenier, Emily Davidson, Lee Hazelbaker, and Emily Davidson.

II. PUBLIC COMMENT

There was no public comment.

Kristen introduced new Board member, Katie Moberg. The HRDC Board members introduced themselves and welcomed Katie.

III. HOME TO STAY

Kristin explained the Home to Stay Program is part of the Strategic Plan Initiative and began in May. Home to Stay is intended to help with emergency housing. Kristin introduced Emily Davidson, who will work 20 hours a week with Home to Stay and another 20 hours a week in the Youth Program as part of the Work Force Investment Act. Additionally, Mindy Swiontek an intern from MSU, will also be assisting with Home to Stay. Emily greeted the HRDC Board. Heather added that Home to Stay received a grant from the Gilhousen Foundation, which allowed them to add staff and expand services.

Kathy wondered how many families had received assistance. Kristin reported 37 households had received assistance since May 1. Donna wondered if the Food Bank had ever referred someone who could not be helped. Kristin responded if Home to Stay could not provide assistance, alternative assistance would be secured from other resources.

Gene asked about sustainability since most of the Home to Stay funding came from donations and fundraisers. Heather responded the Gilhousen Foundation donation has been consistent.

IV. CONSENT AGENDA

David moved to approve the Consent Agenda. Kathy seconded the motion, and the motion carried unanimously.

V. TREASURER'S REPORT

Whitt stated his Treasurer's report would focus on energy, housing, and transportation programs and covered the period through May 31, 2009.

Energy

Whitt addressed the weatherization grants from the federal Department of Energy (DOE) and the federal Low-Income Energy Assistance Program (LIEAP). Both programs' grant cycles ended March 31, 2009. DOE's grant cycle ended with approximately \$155,814 being spent. The new DOE grant cycle began April 1 with a grant amount of approximately \$227,000, and two months through the new cycle is now 26 percent spent. The LIEAP weatherization grant was extended until August 15, and was for approximately \$326,000. To date, approximately \$311,000, or 95 percent, has been spent. The new LIEAP weatherization grant is for approximately \$235,000. Whitt explained there has been a substantial ramp up in the volume of weatherization assistance, which has resulted in one-time expenditures for staff and equipment.

The Northwestern Energy Assistance weatherization grant runs on a calendar year cycle and was for approximately \$136,000 and is approximately 64 percent spent through May.

The Exxon and the Stripper Well grants end June 30 and are 97 and 92 percent spent. The Executive Order Weatherization Program funding comes from the state general fund and is for approximately \$36,000 and is 90 percent spent. The Warm Homes Montana grant ends in June and is 71 percent spent.

Whitt reviewed heating assistance programs which run October through September. Approximately \$42,000 is a cost-reimbursement grant that will increase through the cycle. Client outreach grants are for approximately \$57,000 each; the first grant is 68 percent spent and the second grant is 32 percent spent.

The Energy Ombudsman contract is funded by the state of Montana and is for approximately \$30,000. The cycle ends in June and is spent out.

The Energy Share cycle ends June 30 and is 11 months through its cycle. Total revenue is approximately \$121,000, and approximately \$117,000 has been spent.

David asked about the home weatherization work and wondered if the work was seasonal. Whitt agreed there is some seasonality but, because of need, crews do work and evaluate homes year round.

Chris asked whether the programs that end on June 30 are being refunded. Whitt responded he has not heard about the Exxon and Stripper Well grants being renewed. Jeff explained the Stripper Well grant was for two years and was the result of a court settlement. Jeff had also been informed the Executive Order grant would not be refunded, and he did not believe the Warm Homes of Montana grant or the Energy Ombudsman Services would be refunded. Whitt noted the significant increase in the federal weatherization programs.

Housing

Whitt reviewed the housing programs and stated Section 8 Housing is on a grant cycle ending June 30 and had approximately \$140,000 in revenue and a carryover from previous years of \$53,000. To date, approximately \$151,000 has been spent.

The HUD Emergency Shelter grant is on a cycle that ends April 30. The previous year's grant was for approximately \$33,000 and was spent out. The new grant was also for \$33,000.

The Home-to-Stay program replaced what used to be referred to as Emergency Housing Services and operates on a combination of funding sources, including the Gilhousen Foundation grant for \$30,000, \$4,000 from Community Services Block Grant (CSBG) funds, and various other donations, for a total of approximately \$37,000. Approximately \$9,700 has been spent to date.

The FEMA Emergency Shelter grants run from November through September. Approximately \$16,630 was for Gallatin County, approximately \$3,500 was for Park County, and the grants are spent out.

Whitt next addressed Resource Property Management (RPM) which is on a cycle ending June 30. RPM had contract income from existing properties of \$85,000, additional contract income from the Sunset Apartments of \$40,000, and another \$40,000 from CSBG funds, for a total of \$165,000 in revenue. Whitt explained approximately the same amount has been spent in expenses. Whitt depicted the program as being on track and stated the program is much better than it was last year due to the income from the Sunset Apartments.

Donna asked whether HRDC had a piece of property for sale. Mary agreed and stated the Arrowwood tenants had recently vacated the premises. However, the building needs new carpet upstairs and will then be placed on the market. Jeff stated he would clarify whether the Board had previously approved the sale of the Arrowwood house and, if necessary, he would bring the issue of the sale of the Arrowwood Apartments before the Board.

HRDC rental homes consist of three properties: Arrowwood House, the Koch condominium, and the Lippencott house in Livingston. The three properties are occupied by low-income residents. The combined rental income is \$24,588, and expenses are approximately \$20,000.

The HRDC transitional duplex has two units and serves very low-income transitional clients. Revenue for 11 months was approximately \$4,800 from real income and approximately \$4,000 from the HUD Emergency Shelter grant of \$4,000. Expenses were approximately \$13,000, and Whitt anticipated assisting the program with CSBG funds.

Whitt next addressed community development programs. The 2009 contract with the City of Bozeman is approximately \$14,400, and has a previous year's carryover of approximately \$14,000. Approximately \$440 has been spent through May. The Home Rehabilitation grants have two funding sources: Rocky Mountain RC&D, and the Department of Agriculture Rural Development. The cycle ended May 31. The Rural Development contract is a fee-for-service contract and generated approximately \$95,000 in revenue, and had \$13,000 in surplus. The current contract ends

in June and had approximately \$30,000 in revenue and approximately \$26,000 in expenses. The Home Grant is through the Montana Department of Commerce. The cycle ending September 2008 had revenue of approximately \$261,000 and received reimbursement for \$68,903. Costs to date are approximately \$229,000.

The Road-to-Home program runs on a conception to date basis from January 2004 through May 2009. Total revenue sources were approximately \$2 million, expenditures were approximately \$2,026,000. To date, there is a surplus of approximately \$62,000. There have been 79 loans for homeowner down payment assistance.

David addressed the City of Bozeman contract and asked whether someone requests HRDC to perform certain tasks. Jeff provided a history of the City of Bozeman contract. Jeff commented that he anticipates the contract would surface in the City's budget discussions.

Donna asked for information on White Sulphur Springs. Jeff explained HRDC removed itself from the Senior Center project in White Sulphur Springs and provided a history of the project.

Land Trust

Whitt explained the West Babcock Land Trust has \$52,000 reserved for street improvements and that the West Babcock portion of the reserve for continued affordability is \$228,000. The Livingston Land Trust has \$75,000 on hand.

Jeff addressed staffing for the Land Trust and stated Tracy would be staffing the Land Trust programs in the future.

Transportation

Galavan and Streamline run on a fiscal cycle ending June 30. Galavan had \$258,000 in operating revenue and an additional \$89,000 was received from MDT which covered approximately 86 percent of the purchase of two new vehicles for Galavan. Additionally, \$77,000 is available in fund reserves. Approximately \$236,000 was spent on operations, and Whitt reported the program is on track. The D.A. Davidson account has a balance of approximately \$29,000.

Whitt addressed the bus barn and stated there is a grant of \$245,000 and \$41,000 from CSBG. Approximately \$99,000 has been spent to date.

Streamline is also 11 months through the cycle and revenue is approximately \$790,000. Operating expenses were approximately \$682,000, and Whitt depicted Streamline as being on track.

Lee explained he received a letter from a law firm informing him that Emily Smite, Bozeman, had recently passed away and had designated Galavan as a charitable beneficiary. In the future, Galavan will receive approximately \$800,000. Lee stated Mrs. Smite was a past Galavan rider. Mary added Ms. Smite was also a past recipient of Home Health Services.

CSBG

The 2008 grant for CSBG was for approximately \$256,000 and was extended through August. The 2009 grant is for approximately \$253,000. The Rural LISC Grant is for approximately \$20,000, and approximately \$4,800 has been spent. The Community First Fund has total assets of approximately \$288,000, which includes three loans with current balances of \$91,676. There is approximately \$200,000 in cash available.

Whitt directed the Board members to information he submitted for the American Recovery Reinvestment Act (ARRA) and the funding received to date for FEMA and the Summer Youth Programs.

Whitt addressed the Downtown Bozeman Partnership and explained there has been approximately \$189,000 in contributions and approximately \$156,000 has been disbursed. Whitt stated the primary recipients were employees or tenants of the affected downtown businesses, and there have been four rounds of payments.

Gene moved to accept the Treasurer's Report. David seconded the motion, and the motion carried unanimously.

VI. BOARD MEMBERSHIP

Kristin identified a need to reappoint the following board members: Chris Budeski, Cynthia Cheney, Kris Moos, David Kack, and Al Maurillo.

Gene moved to reappoint the aforementioned Board members. Kathy seconded the motion, and the motion carried unanimously.

Cynthia moved to elect Donna West as Chairperson of the HRDC Board. David seconded the motion, and the motion carried unanimously.

Gene moved to elect David Kack as Vice Chairperson of the HRDC Board. Chris seconded the motion, and the motion carried unanimously.

Jeff stated David resigned from the Streamline Advisory Board effective July 31. The HRDC needs two representatives on the Streamline Advisory Board, and Jeff asked anyone interested in serving in that capacity to let him know.

VII. HUMAN RESOURCE UPDATE

Health Insurance

Sara reported on HRDC's health plan for employees. HRDC's insurance is up for renewal July 1. Sara reviewed plan options provided by Western States, and stated she was not satisfied with the options. Sara explained her efforts to locate a plan comparable to the HRDC's current plan without dramatically increasing the cost to the agency. Sara explained difficulties in obtaining reasonable rates since HRDC does not have 75 percent employee participation. Sara requested Board approval for Option 2 and suggested changing the percentage allocation for HRDC's employee contribution. Sara cited the Insurance Committee's previous suggestion of changing the allocation rate. Option 2

would provide a nine percent increase to the employer contribution. Sara stated the plan could be terminated at anytime, and she intended to research other health insurance providers. Sara explained the survey results indicate HRDC participation rate is low because some employees have health insurance through their spouses, some cannot afford their share of the premium, and some do not believe the plan is adequate. Option 2 would change HRDC's contribution rate to 75 percent for employee and 60 percent for employee plus spouse/dependents. Sara clarified the current rates for dental and vision would not increase.

Chris moved to accept Sara's recommendation to pursue Option 2 with the \$75 individual/\$60 family split. The motion carried unanimously.

Sara will remain working 35 hours a week and Joan will be in the office 20-22 hours a week.

VIII. STIMULUS UPDATE

CSBG, Weatherization, Emergency Services, Youth, Housing, Transit, Head Start, FEMA

The Board reviewed the following allocations for the ARRA funds:

- CSBG - \$409,724
- Energy - \$1,576,414
- MDT - \$1,200,000
- DOL - \$180,534
- Head Start - \$21,193 (salary); \$63,492 (quality)
- Housing/Homeless \$289,116 (HPRP)
- \$12,841 (FEMA)
- \$132,148 - Representative Penny Morgan

Jeff explained the significant impact ARRA will have on the HRDC. The CSBG will receive the equivalent of an extra year's allocation of dollars, approximately \$400,000. Weatherization will receive an allocation of \$1,576,000, and transportation will receive \$1.2 million to build a bus storage facility. Conversations are ongoing with the City of Bozeman regarding forming a partnership to build the bus barn.

Jeff reported 50 youth are employed locally for the Summer Youth Program. Jeff cautioned the stimulus money is one-time only, so ongoing expenses cannot be included in expenditures.

The Emergency Shelter grant is a new initiative and is being worked into the Home to Stay program. Funds are also available for food purchases and meat processing. The total amount of the stimulus funds is approximately \$3.8 million, which represents approximately a 50 percent increase on a short-term basis.

Jeff was concerned about the Emergency Shelter grant and stated the program has been put on hold. Jeff was wondering whether the allocation would be outside the final legislation and provided an update on issues with the Rescue Mission in Billings. Jeff did not want to see an allocation based on the number of meals or rooms provided by Rescue Missions.

Jeff informed the Board that the Montana Department of Labor (DOL) will also have to approve the bus barn project, which will take another 90 days, and spoke to the cumbersome process ahead. Jeff was concerned that a longer period of time would result in higher bids because of the rising cost of materials.

It was suggested construction prices are stable and will more than likely remain stable through the summer. Chris believed contractors would hold their bids 60 days after the bidding, and noted HRDC could request the bid to be held for another 30 days. Chris depicted the current bidding market as very attractive. Joe commented on the differences in costs as time passes and the importance of locking in suppliers at a set price.

Jeff stated he was curious about the role of the DOL. Jeff emphasized his desire to hire local contractors and the need to include that provision in the Request for Proposal. Joe cautioned that the provision could not be included when federal money is being used, but suggested a local architectural firm could hire a local contractor. Gene also believed anyone with a Montana contractor's license would be considered a "local" contractor. The Board agreed it would be desirable to hire a local contractor.

IX. NEW BUSINESS

Heather provided a stimulus update for the CSBG and stated the summary of the Investment Act Workplan had been circulated to Park County, Meagher County, and Gallatin County Commissions. The County Commissions have approved the Work Plan. The CSBG Work Plan focused on transportation, and there is approximately \$143,000 which would cover some of the pre-development costs for the bus barn and setting up the partnership with the City of Bozeman. There are also funds to include a temporary expansion of staff. The Work Plan for CSBG is from February 17, 2009, through September 30, 2009. Funds are also included to help with housing in West Yellowstone.

Donna asked if there was a report off the Centralized Data System (CDS). Heather offered to obtain any report Donna requested.

Chris asked whether HRDC would be liable for unemployment benefits when temporary employees are laid off. Al clarified the temporary employees would be eligible for unemployment benefits when their contracts expire.

Chris offered to obtain information regarding a housing project for sale in West Yellowstone. Jeff relayed his past negative experiences with a housing project in West Yellowstone.

Funds are also included for expansion of bus routes. Jeff stated the advisory group had expressed concern about adding a fifth route with one-time funding. Jeff stated a considerable amount of time had been spent analyzing routes to reach agreement between the advisory group and the drivers. The two concerns now are access to the Food Bank and the unforeseen relocation of the Mental Health Center.

Joe wondered when Manhattan and Three Forks would begin to see transportation services and suggested those areas had been overlooked. David clarified discussions regarding Manhattan and Three Forks had occurred and are ongoing.

Heather wanted the Board to be aware the Work Plan also included HPRP stimulus funds, as well as the Penny Morgan fund.

David moved to approve the CSBG/ARRA Work Plan. Gene seconded the motion, and the motion carried unanimously.

Staff was directed to include the sale of the Arrowwood Apartments as a separate item on the next agenda.

Donna asked when the HRDC Board would address the Mission Statement. Heather explained the stimulus funding had pushed the Mission Statement back, but the Mission Statement would be addressed as soon as time is available.

X. HEAD START UPDATE

Program/Labor Update

Ken stated Union negotiations are getting closer to being resolved. Ken believed that Head Start employees would get a more structured grievance procedure. Ken explained the Union had requested that seniority be a consideration when employees transfer or get laid off. Ken believed the current layoff and transfer procedures should remain in place.

Whitt provided an update on Head Start's budget. The grant cycle ended March 31, and revenue from total grants and private sources was approximately \$1,189,000. Expenditures were approximately \$1,192,842. Whitt addressed Head Start reserves which now has approximately \$62,000. Ken stated the required in-kind contributions were met, and that he has already begun looking at in-kind contributions for the next cycle. Ken cautioned that some items will no longer be considered as in-kind contributions. Ken explained he had requested a waiver of the in-kind contribution requirement. Ken relayed he has been told he could expect the ARRA funding by July.

Ken emphasized the need for HRDC's Governing Board to be involved and informed. Ken stated that approximately \$20,000 of the ARRA funds have to go to the 1.8 percent increase in staff salaries for a one-year period. One half of the \$60,000 must go to compensation, and Ken has proposed that the money be used to compensation employees for training. Ken explained the ARRA funding will impact Head Start's normal budget and expected to know for certain in July. Ken stated he would also know July 1 what the food reimbursement would be and would also have an idea on the allocation share costs with HRDC. Ken stated his desire to have the budget be as exact as possible, but that it is difficult at this time, although he predicted there would not be a deficit.

Ken requested approval for program improvement for the following items:

- Purchase of a machine for lead blood screenings as required by the Environmental Protection Agency;
- A machine for eyesight screenings;
- Funds to reimburse teachers and assistant teachers for required certifications and education;
- Waiver of the in-kind contributions match; and
- Extension of training

Kathy moved to approve the program improvement funding request budget. Cynthia seconded the motion, and the motion carried unanimously.

Gene moved to approve the request for waiver of the in-kind contribution match. Al seconded the motion, and the motion carried unanimously.

Gene moved to approve the request to carryover unused funds of approximately \$12,000 to \$14,000 from a prior supplemental grant. Romona seconded the motion, and the motion carried unanimously.

Ken requested Board approval to sell or lease the Head Start buses. Kathy moved to allow the HRDC Head Start buses to be leased or sold. Chris seconded the motion, and the motion carried unanimously.

Gene asked whether a parent had to sign a release to have a child tested. Ken agreed that was the case. asked whether the lead test could be included in the well-child checklist requirements. Ken explained it was problematic for parents to have their children tested for lead. Ken commented he was proud to work with Head Start and HRDC and thanked Jeff for his assistance.

XI. CEO REPORT

Jeff stated Heather was certified as a Results Oriented Management Accountability (ROMA) trainer. The Board congratulated Heather on her accomplishment.

XII. ADJOURNMENT

There being no further business to come before the HRDC Board, the meeting was adjourned.

Donna West, Chairperson

Date