



# City of San Antonio

## Agenda Memorandum

**File Number:** 16-5842

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**Agenda Item Number:** 20.

**Agenda Date:** 12/8/2016

**In Control:** City Council A Session

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**DEPARTMENT:** Economic Development Department

**DEPARTMENT HEAD:** Rene Dominguez

**COUNCIL DISTRICTS IMPACTED:** City Wide

**SUBJECT**     Amendment of WSA Interlocal Agreement and Partnership Agreement

### SUMMARY

An Ordinance approving the Third Amendment to the WSA Interlocal Agreement as recommended by the Committee of Six on August 29 and approving the Fourth Amendment to the WSA Partnership Agreement and appointments to the WSA Board of Directors as recommended by the Committee of Six October 19, 2016. The revised Interlocal Agreement and Partnership Agreement simplify and provide clarity to the language and offer flexibility to be in continual alignment with Federal and State legislation. The agreements also simplify governance requirements.

### BACKGROUND INFORMATION

TWC is the state agency that oversees and provides workforce development funding for services to employers and job seekers in Texas. TWC provides funding and services through 28 regional workforce boards, including the locally-created Workforce Solutions Alamo ("WSA"). WSA serves Atascosa, Bandera, Bexar, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina and Wilson counties (the "WSA Service Area").

The WSA Board is a group of 25 individuals appointed by the City, Bexar County and judges from the 11 other counties (the "Area Judges") within the WSA Service Area (collectively, the "Principals"), who represent business, education, economic development, community organizations and government. Board members are appointed to three-year terms and may serve two consecutive terms. The primary role of the WSA Board is to align, focus and set direction for all workforce activities in the WSA Service Area and manage an annual workforce budget of approximately \$83 million in federal and state workforce funding.

The Principals are parties to an Interlocal Agreement through the Chief Elected Officials (the “CEOs”) of the WSA Service Area, whereby they oversee the planning, budgeting, administration and execution of WSA programs. The CEOs have established a “Committee of Six” to carry out their duties and responsibilities, which include recommending to the Principals the appointment of members to the WSA Board.

### **Approval of the Third Amendment to the Interlocal Agreement**

Federal and State law requires an Interlocal Agreement between the Chief Elected Officials (CEOs) of the WSA service area with the responsibility to appoint board members and approve the annual budget and Local Plan. The CEOs have established a “Committee of Six” with representation from the City of San Antonio, Bexar County, and the Area Judges which represents the 11 other counties in the WSA service area to fill the responsibilities of the CEOs.

The third amendment makes the following changes:

- Simplification and clarity of language,
- Provides the Committee of Six the authority to appoint board members directly without City Council confirmation (or confirmation by Bexar County Commissioner’s Court or by the Area Judges) as allowed by State law, and
- Removal of term limits of WSA board members.

The Committee of Six approved the third amendment to the Interlocal Agreement on August 29, 2016

### **Approval of the Fourth Amendment to the Partnership Agreement**

A Partnership Agreement is also required by Federal and State law between the CEOs and the Local Workforce Development Area which is WSA. This agreement defines the relationship and responsibilities between the CEOs and WSA and must receive approval from the CEOs as well as WSA.

The fourth amendment to the Partnership agreement makes changes the following changes:

- Brings the Partnership Agreement into alignment with the changes to the third amendment to the Interlocal Agreement,
- Simplification and clarity of language, and
- Flexibility to adapt to new State and Federal law without a subsequent amendment to the agreement

On October 17, 2016, the WSA Board approved the Fourth Amendment to the Partnership Agreement and recommended approval by the Committee of Six. The Committee of Six approved the fourth amendment to the Partnership Agreement on October 19, 2016.

### **Appointments to WSA Board of Directors**

On October 19, 2016, the Committee of Six interviewed the following individuals and recommended appointment to serve on the WSA Board of Directors:

#### **Reappointments:**

Mary Batch, Place 1, Business, for a new term beginning January 1, 2017 and ending December 31, 2019  
Assistant Manager of Human Resource Development, Toyota Motor Manufacturing, Texas

Porter Dillard, Place 11, Business, for a new term beginning January 1, 2017 and ending December 31, 2019  
Owner/Architect, Dillard Architect Group

Elizabeth Lutz, Place 15, CBO, for a new term beginning January 1, 2017 and ending December 31, 2019  
Executive Director, The Health Collaborative

Mark Luft, Place 20, Economic Development, for a new term beginning January 1, 2017 and ending December 31, 2019  
Economic Development Director, City of Cibolo

**New Appointments:**

Monty B. Small, Place 4, Business, for a term beginning January 1, 2017 and ending December 31, 2019  
CEO, Atascosa Health Center, Inc

Dr. Mark Niederauer, Place 12, Business, for a term beginning January 1, 2017 and ending December 31, 2019  
COO, EO2 Concepts

Dr. Cynthia Teniente-Matson, Place 18, Education, for a term beginning January 1, 2017 and ending December 31, 2019

**To Fill Unexpired Term:**

Baldemar R. Hernandez, Place 6, Business (pending resignation of current member) for a term expiring December 31, 2017  
Human Resources Manager, Takata (TK Holdings)

**New Appointments for future vacancies of those removed or resigned:**

Carolyn King, Business, Methodist Healthcare System of San Antonio

**ISSUE:**

The WSA Partnership Agreement and Interlocal Agreement require action by the CEOs to be by consensus, including those taken to amend the Agreement. The Committee of Six recommended approval of the Third Amendment to the Interlocal Agreement on August 29, 2016 and the Fourth Amendment to the Partnership Agreement and approved the recommended WSA Board appointment on October 19, 2016. These recommendations now require approval by City Council.

**ALTERNATIVES:**

If the amendments to the Interlocal Agreement and Partnership Agreement are not approved by City Council, the existing agreements would remain in place and the amendments would not take effect. Approval is expected from Bexar County Commissioner's Court and from the Area Judges.

City Council could reject one or more of the recommended appointments to the WSA Board. The Committee of Six would then need to seek and interview new board candidates for recommendation and consideration by all of the Principals. Failure to approve and recommend the appointment of WSA Board members to the Texas Workforce Commission within statutory time limits would cause WSA to enter a period of "noncompliance" and preclude the WSA Board from meeting to take action or expend allocated funds from the TWC until the

Board was back in compliance.

**FISCAL IMPACT:**

No direct fiscal impact to the City's Budget.

**RECOMMENDATION:**

Staff recommends approval of the Third Amendment to the Interlocal Agreement and the Fourth Amendment to the Partnership Agreement and approving the appointments to the WSA Board of Directors as recommended by the Committee of Six