

AMENDED AND RESTATED

INTERLOCAL COOPERATION AGREEMENT

AMONG
LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
and
THE KENTUCKY COUNTIES OF
BULLITT, HENRY, OLDHAM, SHELBY,
SPENCER AND TRIMBLE
FOR A
GREATER LOUISVILLE
WORKFORCE DEVELOPMENT AREA AND BOARD

This Inter-local Cooperation Agreement ("Agreement") is made between Louisville/Jefferson County Metro Government and the Kentucky Counties of Bullitt, Henry, Oldham, Shelby, Spencer and Trimble, (hereinafter referred to as "Parties") all entities being bodies corporate and politic of the Commonwealth of Kentucky.

WITNESSETH:

WHEREAS, the Kentucky Inter-local Cooperation Act (hereinafter referred to as "State Act"), KRS 65.210 through 65.300, permits the Parties to make the most efficient use of their powers by enabling them to cooperate on a basis of mutual advantage and to thereby provide services and facilities in a manner and form that will best accord with geographic, economic, population and other factors which influence the needs and development of local communities; and

WHEREAS; the Workforce Innovation and Opportunity Act of 2014 (hereinafter referred to as "WIOA"), enacted by the Congress of the United States, provides for federal Department of Labor funds to be granted to the several states, and for each state to designate Local Workforce Development Areas within the state, for the delivery of services and programs under WIOA; and

WHEREAS, the Governor of the Commonwealth of Kentucky, pursuant to Section 106(b)(1) of WIOA, has the authority to designate the geographic area encompassing the above named governmental entities as a Local Workforce Development Area (hereinafter referred to as "LWDA"); and

WHEREAS, the Parties, pursuant to the provisions of WIOA, desire to enter into this Agreement in order to amend and update the Inter-local Cooperation Agreement between the Parties; this agreement supersedes all other Inter-local Agreements between the parties; and

WHEREAS, the purpose of this Agreement is to specify the respective roles of the individual chief elected officials pursuant to Section 107(c) of WIOA and to comply with the Kentucky Workforce Investment Board's Policy Number 15-002 on Inter-local Agreements; and

WHEREAS, the Counties of Jefferson, Bullitt, Henry, Trimble, Oldham, Spencer and Shelby shall collectively be referred to as the "Greater Louisville Area" for purposes of this Agreement; and

WHEREAS, it is the intent of the Mayor of Louisville/Jefferson County Metro Government (hereafter “Mayor”) and the County Judge/Executives for the Counties of Bullitt, Henry, Trimble, Oldham, Spencer and Shelby (hereafter “County Judge/Executives”) that this Agreement constitute the Agreement which specifies the respective roles of the individual chief elected officials pursuant to Section 107(c)(1)(B) of WIOA;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND THE MUTUAL COVENANTS AND UNDERSTANDINGS CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

- 1. EXECUTION OF AGREEMENT AND EFFECTIVE DATE.** This Agreement shall take effect on July 1, 2015 or as soon thereafter as it becomes valid upon its approval by the Metro Council of Louisville/Jefferson County Metro Government and by the Bullitt, Henry, Oldham, Shelby, Spencer, and Trimble County Fiscal Courts, and due execution pursuant thereto by the Mayor and by the County Judge/ Executives (hereinafter referred to collectively as "Chief Elected Officials"), and upon approval of the Kentucky Commissioner of the Department for Local Government under provisions of the State Act. A copy of this Agreement, after its full approval, shall be duly recorded in the Kentucky Secretary of State’s Office and with the Kentucky Education and Workforce Development Cabinet as well as the Office of the County Clerks in each county.
- 2. AGREEMENT DURATION.** This Agreement shall endure for a period of up to five years. The agreement shall continue in effect until terminated by a Party by giving written notice of such termination to the other Parties at least ninety days in advance of the expiration date of the agreement.
- 3. GOVERNING BOARD.**
 - (A) A Governing Board of the Local Elected Officials is established, consisting of the Mayor of Louisville Metro Government, and the Judge-Executives for each of the Counties of Bullitt, Henry, Oldham, Shelby, Spencer and Trimble.
 - (B) The Governing Board shall within thirty (30) days of the effective date of this Agreement establish bylaws and submit a copy to the Kentucky Education and Workforce Development Cabinet, Office of Employment and Training. Future changes to these bylaws will be submitted in a timely way to the Education and Workforce Development Cabinet or its successor(s).
 - (C) The Governing Board shall at a minimum exercise the following duties. A 65% supermajority vote of its members (or their duly authorized representatives) will be required to take each of the following actions:
 - i. Designation of the fiscal agent or grant sub-recipient;
 - ii. Approval of the annual budget as developed and approved by the local workforce development board. Once the annual budget has been developed and approved by the local workforce development board, it will be distributed to each member of the Governing Board in advance of the annual meeting. The Governing Board will then be asked to consider and approve the proposed budget at the annual meeting;

- iii. Approval of the one-stop operator as selected by the local workforce development board. WIOA Section 121(d)(2) states that to be eligible to receive funds under this subtitle to operate a one-stop center, an entity (which may be a consortium of entities) shall be designated or certified as a one-stop operator through a competitive procurement process. Arrangements under previous Inter-Local Agreements have complied with this requirement for a competitive procurement process, and the signatories to this agreement expect to continue this arrangement in the future; and
 - iv. Authorization for the Governing Board to request the Governor's consent for the local workforce development board to be the direct service provider, if such a service delivery strategy is ever chosen by a future decision of the local workforce development board.
- (D) The Governing Board shall conduct an annual meeting in May or June yearly to exercise the duties outlined in (C) above. The Governing Board shall conduct other meetings as needed or upon the request of a majority of the Chief Elected Officials. The meetings shall be conducted in accordance with the Kentucky Open Meetings Act.
- (E) The Governing Board will outline the additional communications and/or information requested of the local workforce development board and its staff.
- (F) When a new local elected official is elected within the local workforce development area, the newly elected official must submit to the local workforce development board a written statement acknowledging that he or she:
- i. Has read, understands and will comply with the current Inter-Local Agreement; and
 - ii. Reserves the option to request negotiations to amend the Inter-Local Agreements at any time during the official's tenure as a local elected official.

4. PARTICIPATING LOCAL ELECTED OFFICIALS. Attached hereto and incorporated herein are the names, representation, and contact information for each Chief Elected Official in the Greater Louisville workforce development area. The information shall be updated as necessary with a copy submitted to the local workforce development board and the Education and Workforce Development Cabinet, Office of Employment and Training (or its successors). All six of the County Judge-Executives and the Mayor of Louisville Metro Government will serve jointly as the Chief Local Elected Official.

5. AVOIDANCE OF CONFLICTS OF INTEREST OR THE APPEARANCE OF IMPROPRIETY

- (A) To ensure that there will be no conflict or perceived conflict between the Chief Elected Officials, the local workforce development board, the fiscal agent or grant sub-recipient, and the administrative entity providing staff support to the local workforce development board, the following guidelines shall be followed:
- i. None of the Chief Elected Officials shall serve as the highest ranking officer on any Board or other entity that governs any local grant sub-recipient, local fiscal agent, or service delivery provider.

- ii. The Chief Elected Officials shall not derive any personal benefit or gain, directly or indirectly, by reason of his or her participation as one of the Chief Elected Officials overseeing and governing the work of the local workforce development area.
- iii. The Chief Elected Officials shall disclose to the Governing Board any personal interest which he or she may have in any matter pending before the organization and shall refrain from participation in any decision on such matter.
- iv. The Chief Elected Officials and his or her immediate family members shall not be a participant, directly or indirectly, in any arrangement, agreement, investment, or other activity with any vendor, supplier, or other party doing business with the local workforce development board which results or may result in a personal benefit. This does not prohibit any eligible chief elected official or his or her eligible immediate family member from receiving workforce services.
- v. The Chief Elected Officials shall not be a recipient, directly or indirectly, of any salary payments, loans, gifts of any kind, any free service, discounts, or other fees from or on behalf of any person or organization having transactions with the local workforce development area. This provision shall not prohibit the Chief Elected Officials from partaking of food or non-alcoholic beverages offered in the normal course of meetings (e.g. coffee, sodas, modestly priced breakfast or lunch offerings), nor shall it prohibit them from receiving reimbursement or compensation for nominal expenses that are documented and associated with participation on this Governing Board (e.g. parking fees).

6. DISPUTE RESOLUTION. Whenever any dispute arises between the Parties under this Agreement, the Parties may invoke Dispute Resolution and agree to seek resolution of such dispute as follows:

- A. The Parties will seek in good faith to resolve any such dispute by arranging a meeting between the Parties or their authorized representatives with authority to resolve the matter within five business days after either Party receives notice of a dispute. If the Parties are unable to resolve the dispute informally within 10 working days, either Party may request the assistance of a mediator.
- B. If it proves impossible to arrive at a mutually satisfactory solution through mediation within 30 working days of the request for the mediator, the Parties may refer the dispute to an arbitrator, who will be authorized to make a decision regarding the dispute, and that decision will be final and binding on the Parties.

7. FISCAL AGENT OR GRANT SUB-RECIPIENT DESIGNATION. Any designation of an entity by the Governing Board to serve as the local grant sub-recipient or local fiscal agent shall be through a competitive procurement process conducted by the Department of Workforce Investment for fiscal agent services or grant sub-recipient services, including a Request for Proposals that has been reviewed and approved by the Department of Workforce Investment and which provides that proposals will be evaluated and ranked based upon criteria including but not limited to quality of services, demonstrated experience of quality service delivery, cost, conflict of interest policies, and a demonstrated history of fiscal integrity. This provision is drafted to comply with KWIB Policy Number 15-002, issued March 4, 2015. Should future policies change these requirements, the Chief Elected Officials are fully empowered to exercise their discretion in the

selection of the fiscal agent or grant sub-recipient to the maximum extent allowed under those future policies.

Such designation shall not relieve the Chief Elected Officials of the liability for any misuse of grant funds as apportioned in this Agreement.

The local fiscal agent or grant sub-recipient shall have the following powers and duties:

- A. Through a variety of grants and awards, the local fiscal agent or grant sub-recipient shall receive allotments of federal, state and other funding for various workforce related programs and services. The local fiscal agent or grant sub-recipient shall account for and report the use of those funds in the manner prescribed by the funding source, implementing regulations and grant agency policy where required; and
- B. Establish and maintain a system for regular monitoring and audits of its sub-recipients in order to satisfy the requirements that funds are being expended according to sub-recipient agreements and in compliance with applicable rules and regulations, and that activities being carried out are authorized by statute, grant agreement or policy; and
- C. To disburse the funds immediately on receiving such direction from the local workforce development board; and
- D. To use the services of the various agencies of the Parties, including but not limited to financial, legal, purchasing and personnel services, unless otherwise prohibited by WIOA.

8. LIABILITY. The local jurisdictions of each Chief Elected Official shall always remain liable for misuse of funds. In the event of a determination that a misuse of funds has occurred, the following priorities for recouping those funds shall apply:

- A. First Priority: fiscal agent or grant sub-recipient shall attempt to recover funds from the contractor, agent or third party causing the liability;
- B. Second Priority: fiscal agent or grant sub-recipient shall attempt to recover funds from an insurance carrier or bond issuer;
- C. Third Priority: fiscal agent or grant sub-recipient shall attempt to obtain a waiver of liability or offset liability against current or future grant revenues;
- D. Fourth Priority: fiscal agent or grant sub-recipient shall repay the liability from its funds to the extent permitted by law; and
- E. Fifth Priority: As a last resort and only to the extent required by federal law and permitted by Kentucky statues and local government charters, the Parties agree to cover unmet liabilities to the State and Federal governments. The Parties shall share liability to the State and Federal governments in proportion to their respective populations using the

most recent census data available on the date the negligent or wrongful acts occurred which gave rise to the unmet liability.

9. CREATION. Pursuant to Section 107 of WIOA and KRS 65.250(b) and (c), the Parties pursuant to this Agreement shall create a Workforce Development Board to be known as the Greater Louisville Workforce Development Board, Inc. (hereinafter referred to as "GLWDB"). GLWDB shall set policy and serve the LWDA of the Commonwealth of Kentucky encompassing the Counties of Jefferson, Bullitt, Henry, Oldham, Shelby, Spencer, and Trimble. The GLWDB shall be certified by the Governor as provided by Section 107(c)(2) of WIOA. The Parties agree to respectively accept responsibility for the operation of the program to the extent consistent with local law and the laws of the Commonwealth of Kentucky and Federal law.

10. REPRESENTATIVES.

- (A) The representatives comprising the GLWDB shall be selected by the Mayor and the County Judge/Executives in accord with the provisions of Section 107(b)(1) and (2) of WIOA and the provisions of this section below. All GLWDB members shall be appointed in accordance with the criteria established between the Governor and the Kentucky Workforce Investment Board in accordance with WIOA and outlined in Kentucky Workforce Investment Board Policy Number 15-001 or its successors. The Chairperson shall be selected by majority vote of the full Board from among members of the GLWDB who are representatives of the Private Sector as provided in Section (E) below. Vacancies shall be filled in the same manner as the original appointment, with board members replacing out-going board members mid-term serving the remainder of the out-going member's term.
- (B) Local workforce development board members must be removed by the Chief Elected Officials if any of the following occurs: documented violation of conflict of interest, failure to meet local workforce development board member representation requirements defined in WIOA and Kentucky Workforce Investment Board policies, or documented proof of fraud and/or abuse. Local workforce development board members will be removed for not meeting attendance guidelines as set forth in local workforce development board by-laws.
- (C) Local workforce development board members who no longer hold the position or status that made them eligible local board members must resign or be removed by the Chief Elected Officials immediately as a representative of that entity (i.e. no longer work in the private sector, or no longer with an educational institution). For example, an appointee serving because of his or her employment in the private sector must resign or be removed if he or she retires or moves to the public sector.
- (D) **Terms of Office.** The term of office for local workforce development board members shall be three year terms, with the original distribution of those three year terms determined by a blind draw.
- (E) **Private Sector Representation.** There shall be fourteen (14) private sector representatives on the Board, drawn from owners of businesses, chief executives or operating officers of businesses, and other business executives or employers with optimum policy making or hiring authority. These private sector representatives can also represent businesses, including small businesses, that provide employment opportunities that, at a minimum, include high-quality, work-relevant training and development in in-demand industry sectors or occupations in the local area. These representatives shall be appointed from nominations of local business organizations and business trade associations in the Greater

Louisville area. At a minimum, two members must represent small business as defined by the U.S. Small Business Administration. Ten (10) of these appointments will be made by the Mayor of Louisville Metro, two (2) by the Judge-Executive of Bullitt County, one (1) by the Judge-Executive of Oldham County, and one (1) by the Judge-Executive of Shelby County.

- (F) **Labor Organization Representation.** There shall be two (2) representatives of labor organizations, nominated by local labor federations in the Greater Louisville area. At least one (1) of these shall be a representative who shall be a member of a labor organization or a training director from a joint labor-management apprenticeship program, or if no such joint program exists in the area, such a representative of an apprenticeship program in the area, if such a program exists. Both of these appointments will be made by the Mayor of Louisville-Metro.
- (G) **Community-Based Organizations Representation.** There shall be three (3) representatives of community-based organizations in the Greater Louisville area that may include representatives of community-based organizations that have demonstrated experience and expertise in addressing the employment needs of individuals with barriers to employment, including organizations that serve veterans or that provide or support competitive integrated employment for individuals with disabilities. These may also include representatives of organizations that have demonstrated experience and expertise in addressing the employment, training, or education needs of eligible youth, including representatives of organizations that serve out-of-school youth. Two (2) of these appointments will be made by the Mayor of Louisville Metro; one (1) of these will be made by the Judge-Executive of Bullitt County.
- (H) **Economic Development Agency Representation.** There shall be one (1) representative of economic development agencies including private sector economic development entities in the Greater Louisville area. This appointment will be made on a rotating basis among the six regional counties, with the first appointment by the Judge-Executive of Oldham County.
- (I) **Wagner-Peyser Representation.** There shall be one (1) representative from the State employment service office under the Wagner-Peyser Act serving the local area. This appointment will be made by the Mayor of Louisville-Metro.
- (J) **Vocational Rehabilitation Representation.** There shall be one (1) representative of the programs carried out under Title I of the Rehabilitation Act of 1973 serving the local area. This appointment will be made by the Judge-Executive of Shelby County.
- (K) **Adult Education Representation.** There shall be one (1) representative of eligible providers administering adult education and literacy activities under WIOA Title II. This appointment will be made by the Mayor of Louisville-Metro.
- (L) **Chief Local Elected Official Representation.** There shall be one (1) representative of the Chief Local Elected Officials. The Mayor of Louisville Metro Government will serve as this representative.
- (M) Members of the board that represent organizations, agencies or other entities shall be individuals with optimum policymaking or hiring authority within the organizations, agencies and entities.

(N) **Proxies.** Duly certified Representatives may designate proxies to attend meetings of the GLWDB in their absence, but each representative attending or voting pursuant to a proxy must possess the same qualifications as the Representative for whom he acts.

(O) **Conflict of Interest.** A member of the GLWDB may not:

- i. vote on a matter under consideration by the GLWDB;
 - (a) regarding the provision of services by such member (or by an entity that such member represents); or
 - (b) that would provide direct financial benefit to such member or the immediate family of such member; or
- ii. engage in any other activity determined by the Governor to constitute a conflict of interest as specified in the State plan; or
- iii. engage in any other activity that would constitute a conflict of interest under the conflict of interest policy of Louisville Metro Government, which has been adopted by the GLWDB as its standard.

11. PRESIDENT/EXECUTIVE DIRECTOR. The Mayor and Chairperson of the GLWDB shall unanimously appoint a President/Executive Director of the GLWDB. The President/Executive Director of the GLWDB may be removed with or without cause by the Mayor and the Chairperson of the GLWDB, upon thirty days written notice to the President/Executive Director and to the GLWDB. This authority, to appoint and remove the President/Executive Director, may not be delegated to an authorized Director. In the case of the removal of the President/Executive Director, a new President/Executive Director shall be appointed as soon as possible in the manner described herein. The President/Executive Director shall have the power to make and enter into contracts on behalf of the GLWDB, hire staff, transact other business on behalf of the GLWDB in its daily activities and such other duties and powers that may be provided in the By-Laws of the GLWDB.

12. COMPLIANCE WITH LAW. In all respects, the GLWDB shall be established and organized according to the provisions of this Agreement and Section 107 of WIOA, and in the event of a conflict between this Agreement and WIOA relating to such establishment and organization, WIOA and the regulations promulgated pursuant thereto shall control.

13. FUNCTIONS OF THE GLWDB. The GLWDB shall, in accordance with Section 107 of WIOA and so long as such actions are required by it, take the following actions:

- (A) Act in concert with the Chief Elected Officials to develop and submit a local plan to the Governor and shall develop the plan as set forth in Section 108 of WIOA; and
- (B) Select one-stop operators, youth providers, and other providers needed to carry out the services required by WIOA; and
- (C) Subject to the approval of the Chief Elected Officials, develop a budget for the purpose of carrying out the duties of WIOA; and
- (D) Direct disbursement of funds for workforce development activities; and

- (E) Employ staff; and
- (F) Solicit and accept grants and donations from sources other than Federal funds made available under WIOA; and
- (G) In partnership with the Chief Elected Officials, conduct oversight with respect to local programs of youth activities, local employment and training activities, and the one-stop delivery system; and
- (H) Along with the Chief Elected Officials and the Governor, negotiate and reach agreement on local performance measures as provided in WIOA; and
- (I) Assist the Governor in developing the statewide employment statistics system described in Section 15(e) of the Wagner-Peyser Act; and
- (J) Coordinate workforce development activities in the LWDA with economic development strategies and develop other employer linkages with such activities; and
- (K) Promote the participation of private sector employers in the statewide workforce development system and ensure the effective provision of connecting, brokering, and coaching activities, through intermediaries such as one-stop operators or through other organizations, to assist such employers in meeting hiring needs.

14. PROGRAM PROPERTY. In the event of termination of this Agreement, and after paying or providing for all outstanding obligations and contingent liabilities, any surplus property or proceeds from the sale of surplus property, to the extent permitted by requirements of the State then in effect, the unused funds appropriated to the GLWDB by the Parties shall be returned to the Parties according to the percentage in which those sums had been appropriated by the Parties to the GLWDB and any assets acquired with the Parties' funds subsequent to the execution of this Agreement for the use of the GLWDB, shall be divided between the Parties, or the proceeds of any sales thereof, in the same proportion as the appropriations made by the Parties to the GLWDB for such expenses since the effective date of this Agreement. Federal grant funds or state grant funds acquired for the use of the GLWDB shall be disposed of as required by state and federal law in the event of termination of this Agreement.

15. PRIOR AGREEMENTS. This Inter-local Agreement supersedes, replaces and rescinds any and all prior Inter-local Cooperation Agreements created or entered into between the parties, with respect to the subject matter of this agreement.

16. AMENDMENT. This Agreement may be amended by written consent of all the parties subject to approval and recording in accordance with the State Act. A copy of any amendment approved in accordance with the State Act shall be submitted to the Education and Workforce Development Cabinet and/or its successors, as well as to the local workforce development board.

17. SIGNATURES. By signing this Agreement, each Chief Elected Official certifies that his or her signature has been duly authorized by official action of his/her governmental body. The agreement may be executed in one or more counterparts, each of which, when combined with all other counterparts, will constitute a completely executed agreement subject to approval by the Department for Local Government.

IN TESTIMONY WHEREOF, the Parties, after due adoption of resolutions and/or ordinances authorizing the same, acting by and through the Mayor and the County Judge/Executives, have executed and delivered this Agreement as of its effective date:

**LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT
METRO COUNCIL**

Ordinance No.: _____, **Series 2015**

Enacted _____

Approved as to form:

Greg Fischer, Mayor

Jefferson County Attorney

BULLITT COUNTY

HENRY COUNTY

COUNTY JUDGE/EXECUTIVE

COUNTY JUDGE/EXECUTIVE

OLDHAM COUNTY

SHELBY COUNTY

COUNTY JUDGE/EXECUTIVE

COUNTY JUDGE/EXECUTIVE

SPENCER COUNTY

TRIMBLE COUNTY

COUNTY JUDGE/EXECUTIVE

COUNTY JUDGE/EXECUTIVE

This Inter-local Cooperation Agreement is in proper form, and is compatible with the Laws of the Commonwealth of Kentucky; therefore, it is approved this _____ day of _____, 2015.

DEPARTMENT OF LOCAL GOVERNMENT