

Yavapai County Workforce Development Board Executive Committee July 12, 2018 Meeting Minutes

Attendees:	Present/Absent	Number of Absences in 2018
Anita Payne, Chairman	Absent*	2
Philip Tovrea, Vice-Chairman	Present	1
Steve Silvernale	Present	1
Mark Timm	Present	1
Gary Hassen	Present	1
Tim Tucker	Absent	1

*Excused

Guests: **Gabe Loyola, Loyola Associates**
Marlyn Van Keuren, assistant to District 2 Yavapai County Supervisor Thurman

Staff: **Teri Drew, NACOG EWD Regional Director**
Julia Sawyer, Executive Assistant

I. Call to Order/Welcome/Introductions

Vice Chairman Philip Tovrea called the meeting to order at 9:01 AM. A quorum was present. He noted that public comment cards are available for public use. He also noted the heavy agenda and that there would be two Executive Sessions in this meeting. Vice-Chairman Tovrea called for introductions around the table.

II. Approval of the May 10, 2018 Minutes

Executive Director Teri Drew reported some issues with the draft minutes as a result from comments that caused unintended offense regarding the denial of Robyn Prud'homme-Bauer's membership renewal application in the draft minutes that were published for public view. Ms. Drew noted as a caution that within 48 hours of a public meeting the draft minutes of that meeting must be available for public review, and that from the call to order the minutes are being recorded. Ms. Drew had sent Ms. Bauer a letter regarding the decision of the Executive Committee as it pertained to her membership, and Ms. Bauer responded following her review of the draft minutes, clearly offended by the recorded minutes. Ms. Drew then recommended correcting the phrase referring to Robyn Prud'homme Bauer's "ability" to support the mission of the WDB to her "support of the mission" and later the "support of the vision of the Board". She also recommends striking the reference from Supervisor Garrison's conversation regarding Ms. Bauer's "adversarial posture". For the minutes today, Ms. Drew asked if a motion would reflect that she approached Supervisor Garrison for a conversation regarding the possibility of Ms. Bauer's membership not being renewed, and that Supervisor Garrison supported Ms. Bauer's effort to work on behalf of the Verde Valley, but that he also acknowledged that he could see how the Executive Committee would believe Ms. Bauer did not support the WDB. Ms. Drew asked that these two recommendations be considered by the Executive Committee in making a motion to approve the minutes of May 10, 2018. Vice Chairman Tovrea asked for questions or comments. Discussion followed regarding the changing of the verbiage of the minutes. It was noted that the minutes were well stated, but there is no issue with changing the verbiage in order to correct any misunderstandings between the Executive Committee and Ms. Bauer, and there was no intention to make their decision a

personal affront toward Ms. Bauer. **Steve Silvernale made the motion to make the changes as recommended and approve the minutes, Mark Timm seconded the motion. The motion carried unanimously.**

III. **Chair's Report**

Vice Chairman Tovrea passed reporting on behalf of the Chairman, who was absent. He turned the meeting over to Ms. Drew for the Director's Report.

IV. **Director's Report**

- **Program Update**

Ms. Drew reported that the membership reappointments of Mark Timm, Steve Silvernale, Pam Blackburn and Mel Ingwaldson have been approved by the Board of Supervisors. The Board also appointed a new secondary education representative, Nancy Jensen, the Associate Director at the Prescott Valley campus of Northern Arizona University. Ms. Drew reported that letters have gone out to unsuccessful candidates.

Ms. Drew updated the Committee on the Infrastructure Funding Agreement, where all partners have agreed to a fair share of the expenses of the One Stop Operator, the Board Budget and One Stop operations during a phone meeting last week with all partners, with the exception of Department of Economic Security (DES). Ms. Drew reported that Title II Adult Education identified a \$15,000 option for Yavapai County with conditions; an addendum to Memorandum of Understanding shall be prepared demonstrating a methodology for how funds would be distributed, particularly how Title II will benefit from their One Stop Operator/Board contribution. The addendum will be discussed at the next One Stop Committee meeting for a recommendation to the Executive Committee.

Ms. Drew noted that the Department of Economic Security (DES) fiscal officer was also on the call, who brought up the issue of "fair share" and that all partners are required to contribute a fair share toward the operations; however, while DES administrators were present during the conversation referred to above, Titles III and IV were not prepared to negotiate a dollar amount for their fair share contribution to the One Stop. Ms. Drew reported that Tim Tucker was assigned to assist in the negotiations to determine what that contribution may be from Titles III and IV. She noted the DES Fiscal Officer made a statement that Title I pays all expenses for procurement as the beneficiary of Title I funding, yet also that the One Stop operations costs would be a fair share cost to all partners. Ms. Drew stated to those on the phone conversation that if Titles III and IV do not contribute their fair share of \$5,000, the budget for One Stop operations would be amended/reduced to \$10,000, with \$5,000 from Title I and \$5,000 from Title II. Ms. Drew paused for discussion. Some discussion followed regarding if the contributed funding is in addition to the negotiated allocations, it was confirmed that they come from existing funds. Ms. Drew commented that Yavapai County/NACOG was written up for not having a fair share distribution. Also, regarding the One Stops, DES hosts the One Stop in the Verde and NACOG hosts the One Stop in West County, which is considered equal and fair and no money is collected from each other for operations. The DES fiscal manager suggested that market price and methodology must be provided for the State to determine if such a consideration is indeed equal. Ms. Drew remarked on the varied market values and the spaces available at each office, and noted that an equitable agreement will be made. Positive discussion followed regarding the IFA and Title II's willingness to identify their contributions.

Ms. Drew continued that the selection of a One Stop Operator must be concluded by December 2018, noting to the Executive Committee that part of their discussion in developing a Request for Proposals must include a budget.

Ms. Drew then reported that the Arizona Career Readiness Credential (ACRC), our partnership with the Office of Economic Opportunity (OEO) is going great, and she expressed gratitude to the Prescott Chamber of Commerce, the Prescott Valley Economic Development Foundation (PVEDF), the Town of Chino Valley and the Verde Valley Regional Economic Organization for hosting training opportunities for the County. Ms. Drew briefly described ACRC as a training program stemming from the Governor's 5 Goal Councils, one of which is the ACRC training tool. Ms. Drew complemented Trevor Stokes of OEO who leads the program. She noted that the utilization of this program in other areas has resulted in job retention rates improving across the state, production improvement and a reduction in workman's compensation rates. Ms. Drew reported that NACOG has been identified as the designated trainer and proctor for Yavapai County, and reported that a new computer lab has been set up in the Business Assistance Center to accommodate ACRC in West County. Operations for the Verde Valley are being planned as well.

Ms. Drew then reported on a local company she had mentioned at the last meeting who will be leaving Yavapai County, noting that she cannot disclose the name of the company, but will refer to them as "Company A". Ms. Drew acknowledged Mike Parades of PVEDF who was instrumental in making connections for her, and reported that she was able to speak with Company A, noting it was a very positive meeting with positive results. Ms. Drew was told that the Company is not ready for their employees to leave yet, as their lease is not up until July 2019, and closure will follow at that time. Ms. Drew noted that she will begin meetings with the employees in October. The CEO has stated that a compensation package will be given to the employees, and Title I will work with employees to transition to new jobs. Ms. Drew remarked on a discussion with Embry-Riddle Aeronautic University, who welcomed a discussion regarding possible transition opportunities. Ms. Drew also noted a Skills Cross-walk tool recently developed by OEO designed to assist individuals with certain skill sets to find current openings for their skills across the state. Ms. Drew noted that this tool was developed as a result of NACOG's work with the coal communities in the region that are facing layoffs due to pending closure of coal-related industries in Northern Arizona. Ms. Drew also noted that some individuals are talking about starting their own businesses, which NACOG can also assist with. She noted that the employees are unionized, and the company will keep individuals based on seniority, amounting to about 30-40 individuals that will lose their jobs. Lengthy discussion followed regarding the economic impact of the loss of this company on the County. It was noted that there is a lot of work to do and a lot of opportunity. Ms. Drew noted that the existing building is a 50,000 square foot facility that may be attractive for business attraction for manufacturing and otherwise. Further discussion followed regarding airport capabilities in the Verde Valley, Flagstaff and Prescott.

Ms. Drew shared some Yavapai County statistics that have been published by the Arizona Commerce Authority and Emsi regarding growth of population and jobs, income and demographics. She passed around copies of the report. The statistics reflect a population growth of 15,887 over the last 5 years with a projection to grow another 12,354 the next 5 years; 74,000 jobs for 2017, growing over 9,500 over the last 5 years with expectations to grow another 7,800 in the next 5 years; median household income was \$46,600 and the average national is \$55,000. She continued sharing other statistics. Discussion followed regarding data resources, including comments regarding Yavapai County compared to Arizona as a whole. It was requested to get clarification on some of the terminology regarding employee profiles.

Ms. Drew noted that NACOG has had 3 audits this year. The DES audit will be considered closed with a signature on the cost allocation plan to be finalized today. Title I was also monitored by Yavapai County, the fiscal agent for the Workforce Innovation and Opportunities Act (WIOA), which concluded on June 15 with no findings, observations or errors and is closed. NACOG also had a single

audit which revealed no findings as well. She passed around a report on the NACOG audit for the Committee's review. Ms. Drew complimented the NACOG staff Scott Wolford, NACOG Finance Director and Sara Gonzalez, NACOG – EWD Fiscal Manager, as well as all of the NACOG staff for ensuring transparency, accuracy and good documentation.

Ms. Drew passed around a copy of the Cool Air Career Fair report, noting the highlights of the event that was held in Phoenix at the North Valley Campus of NAU on May 23, 2018. The employer participation was good, and Ms. Drew noted some of the employers present, but the attendance was less than desirable. Ms. Drew noted that there will be better advertising the next time. Ms. Drew described the social media efforts of NAU, DES, Arizona State University, University of Arizona and more to their student bodies and alumni, as well as efforts on our own Facebook page. Ms. Drew remarked on the positive attitudes of the employers that were represented, as good contacts were made for some. As a concession for the poor turnout, NACOG published the employer's websites in the Arizona Republic, and noted that several of the employers have received contact from the ads. Ms. Drew's final remarks were that for the next effort there will be paid advertising in addition to social media pushes. Also to be considered will be the timing of the event to be better in sync with the needs of the locality. Some discussion followed. Mark Timm applauded the leadership efforts for the Job Fair, with positive comments regarding the discussion for the next time. More discussion followed regarding future considerations.

Ms. Drew then noted that she has just been appointed the Chairman for the Arizona Workforce Association, formerly known as the Arizona Association of Workforce Developers – an association that she has been co-chairman of for 15 years. She noted that since she assumed the Chair, a Vice-Chairman has been appointed and their Charter, Mission and Vision have been updated all within a day's meeting. She reported that they are going to move the Association forward in terms of expanding membership, hiring a Director to work for the Association as well as implement a dues structure and fee. Congratulations were offered. Gabe Loyola noted that he was in the meeting and complimented Ms. Drew for her ability to steer the committee and complete the agenda.

Ms. Drew then shared a letter from a client who noted his pleasure with NACOG and the Workforce team in helping him to a new career, noting specifically Sheryl Gillum of DES and Art Askew of NACOG. Positive comments followed regarding this good letter. Ms. Drew noted that she will be sending a thank you letter to this client as well as to Ms. Gillum and her administration, and has acknowledged Mr. Askew. She remarked that this is representative of how the system works. Ms. Drew concluded her updates.

- **Appointment of Public Voice Executive Committee Member**

Vice-Chairman Tovrea moved to the next agenda point under the Director's Report. Mark Timm noted that he and Chairman Payne had a phone discussion this morning and that she was planning to be here to appoint Mel Ingwaldson as her recommendation for executive Committee Public Voice, and asked Mr. Timm to bring this up to the Executive Committee on her behalf. A brief discussion followed in support of Mr. Ingwaldson's appointment to the Executive Committee. Ms. Drew reported that he has agreed to the position, and she shared a copy of Mr. Ingwaldson's biography with the Executive Committee. She noted that in the spirit the Bylaws which states the public voice is appointed by rotation of public sector members, she recommends following through with rotation from the existing Public Voice representative, Tim Tucker of DES Title III, to Mr. Ingwaldson. She also noted that Mr. Ingwaldson is technically an officer of the Board as Chairman of the Youth Council. She also remarked that any of the Board members that are not private sector would be eligible to serve as Public Voice, including the labor sector representatives, Titles II, III and IV. Vice Chairman Tovrea called for a motion. **Mark Timm moved to approve Mel Ingwaldson as**

Public Voice representative for the Executive Committee, seconded by Steve Silvernale. The motion carried unanimously.

- **WIOA Cost Allocation Plan Review/Approval**

Ms. Drew moved to the required WIOA Cost Allocation Plan Policy, and highlighted briefly the methodology for cost allocation for Title I; while the County is the fiscal agent, NACOG is responsible for all fiscal operations, and Title I is currently under all NACOG Policies and Procedures. A copy of the policy was shared with the Committee to review as she described the policy, noting that with their approval today Vice-Chairman Tovrea can sign it on behalf of Chairman Payne, and the signed document will close out the State Audit Report as well. It was noted that the signature page reflects a date of July 1, 2017, and should be changed to the current year. Vice Chairman Tovrea called for a motion to approve the 2018 WIOA Cost Allocation Plan, **so moved by Steve Silvernale with the change of the date to July 1, 2018, seconded by Mark Timm. The motion carried unanimously.**

- **2018-19 Title I Budget Review/Approval**

Ms. Drew shared the Title I budget for 2018-19 with the Committee for review, noting decreases across Adult and Youth categories and increases to Dislocated Workers and Rapid Response, with an overall increase in funding of \$92,061. It was noted that transfers may be made between these categories based on demand. Ms. Drew noted that there are 2 years to expend the funds, from July 1, 2018 to June 30, 2020. She gave details regarding each of the categories, noting a total allotment of \$1,532,110. Comments followed regarding the actual focus and function of Title I to equip people with jobs over and above recruiting, noting that DES Employment Services focus more on job referrals. Ms. Drew asked the Executive Committee to accept her recommendations for Title I budgets. Vice Chairman Tovrea called for discussion, some discussion followed regarding youth efforts and business attraction in developing a younger workforce. Vice Chairman called for a motion to approve the Title I budget, **so moved by Mark Timm, seconded by Steve Silvernale. The motion carried unanimously.**

- **WDB Award Nominees Selection/Approval**

Ms. Drew moved to the list of award nominees for the 2018 Annual Meeting, scheduled for August 8, 2018 at the Highlands Center for Natural History. The awards will focus on the Title I program, Ms. Drew noting that the partners in Titles II, III and IV declined to participate in the nominations and selections, although Title II reported that they do their own awards program. She shared her recommendations for the awards from the staff nominations, from businesses, adult participants, youth, dislocated workers, veterans and trainees. Ms. Drew remarked that there was good participation from veterans this year.

Ms. Drew reported that, because of the difficulty in choosing businesses of the year, she added a category for New Employer of the Year, recommending John Hancock Barbershop; a veteran owned and operated business with a 100% retention rate with NACOG clients. The business model is to hire veterans with a sustaining wage and advancing individuals that he employs.

Ms. Drew continued to recommend for Large Employer, European Techniques – a counter /cabinet manufacturer with 140 employees. NACOG has worked with European Techniques for a long time and have had success with placements. European Techniques has hired 32 Title I clients from Project Administrators to Installers, and several other positions. European Techniques has grown and expanded to 6 locations with a lot of future potential for clients.

Ms. Drew's recommendation for Small Employer of the Year was RESA Wearables – a company that has grown from 5 employees, 4 of which were NACOG clients, to 50, utilizing NACOG for trainees

through Yavapai County. Ms. Drew commented that RESA was referred to NACOG by Wendy Bridges of the City of Prescott, and we are partnering with Yavapai College for the training program. So far NACOG has provided 39 On the Job Trainings (OJT) for \$76,000, 37 individuals received certification in 3-D technical skills; NACOG's total investment to date has been \$181,000 and total economic impact of \$1.3 million into the community with wages of \$25 per hour.

For the Adult of the Year Ms. Drew recommended Lisa Forsher of RESA, one of the first 4 clients through a NACOG OJT and now a hiring manager, Quality Control and Assurance and Corporate Accountant. Ms. Forsher started with RESA Wearables 6 months ago and has achieved a great deal in that short time.

Ms. Drew's Youth of the Year recommendation was Pei-Wen Yang born in Taiwan as the younger daughter in the family, who became a United States citizen shortly after her 5th birthday. Ms. Yang was encouraged by her parents to work hard and be successful, and came to NACOG to participate in the Summer Youth Employment Program (SYEP). She completed 2 sessions of the SYEP since 2015, and graduated this spring from Mingus Union High School ranking 3rd in her class. Ms. Yang has been accepted and will be attending University of California San Diego this fall. She has improved her self-esteem and has been very successful both in education and in work.

For Dislocated Worker of the Year, Ms. Drew recommended Dylan Jacobs, a recently discharged 7-year Navy Veteran who served as a Hull Maintenance Technician. After separating from the military he decided to go back to school, working odd jobs. Following the birth of his daughter Mr. Jacobs became more serious about finding stable work. He was referred to NACOG by Mr. Rooter in East County where he is serving as Assistant Manager and expects to move into his own home soon.

Veteran of the Year recommendation is Jon Ricketts, a decorated United States Army Veteran from 2013 to 2017, where he served as a Watercraft Engineer. Mr. Ricketts interviewed with John Hancock Barbershop as a front desk representative, but because of his managerial skills, determination and experience has been hired as Assistant Manager.

Ms. Drew's Trainee of the Year recommendation was Mary Williams, a NACOG client who was formerly homeless with no job. Ms. Williams applied for the RESA Wearables training opportunity. Because of attendance challenges as a homeless person, Mary was targeted for elimination from the program. With assistance from NACOG, she was able to complete the 14-week program and is now a full-time employee with RESA and has become self-sufficient.

Ms. Drew concluded her recommendations. In the discussion that followed, it was recommended to not introduce a new employer as it may not happen each year, but perhaps an employer spirit award. Ms. Drew noted that last year we had 2 employers of the year, and felt the need to distinguish each in some way, so the idea was to create a new category in order to allow some flexibility in decisions, or to just stay with one employer award. More discussion followed, and it was decided to make the category change to Chairman's Award.

Ms. Drew announced the Director's Award and asked all to keep it confidential. The award will be awarded at a public meeting of the Board of Supervisors following her presentation at the Annual Awards meeting. She encouraged the Executive Committee to attend the Supervisor's meeting as a show of support, and asked Ms. Sawyer to send the date of August 15, 2018 out to the Committee so they can plan ahead. Vice Chairman Tovrea called for a motion and a second. **Steve Silvernale moved to create a category for Chairman's Award and to accept the recommendations of the**

Executive Director for the awardees. Gary Hassen seconded the motion. The motion carried unanimously.

- **Logo Policy Revisited for Approval**

Ms. Drew introduced the Logo Policy revisions from the last meeting, noting the changes that were made per the recommendations of the Executive Committee, and asked for discussion and consideration. There were no comments, and **Steve Silvernale moved to accept the revised YAVAPAI@WORK and ARIZONA@WORK YAVAPAI COUNTY Logo Policy, seconded by Gary Hassen.** Vice Chairman Tovrea called for a vote, **the motion carried unanimously.**

Vice Chairman Tovrea **called for Executive Session** in order to proceed with the One Stop Operator Request for Proposals discussion. Executive Director Drew excused herself as NACOG may apply for this RFP, and noted that Ms. Sawyer may remain to continue with minutes and is bound to confidentiality. Marlyn Van Keuren also excused herself as a member of the public for the agenda item. Ms. Sawyer took hand notes of the Executive Session.

A.R.S. §38-431.03 (B) Minutes of and discussions made at executive sessions shall be kept confidential.

V. Public Comments

Ms. Drew, Mr. Loyola and Ms. Sawyer rejoined the meeting; Ms. Sawyer resumed the recording. Vice Chairman Tovrea concluded the Executive Session and called for Public Comments. Mr. Loyola thanked the Executive Committee for their time and excused himself from the meeting.

VI. Member Comments

Vice Chairman Tovrea called for Member Comments – there were none.

VII. Adjournment

Vice Chairman Tovrea called for a motion to adjourn the regular meeting of the WDB Executive Committee, **so moved by Steve Silvernale and seconded by Gary Hassen. The meeting adjourned at 12:32 PM.**