

**Yavapai County
Workforce Development Board Minutes
January 10, 2017 10:00 AM
Springhill Suites, Prescott, Arizona**

<u>Members:</u>	[Absences YTD]:		[Absences YTD]:	
Pam Blackburn	Present	0	Elaine Bremner	Present 0
Leah Cickavage	Present	0	Teri Drew	Present 0
Rick Duff	Present	0	Scott Farnsworth	Present 0
Tony Gauthier	Present	0	Ralph Harris	Present 0
Gary Hassen	Absent	1	Mel Ingwaldson	Present 0
Ginger Johnson	Absent	1	Mark Kendall	Present 0
Ken Lain	Absent	1	Craig LeFever	Present 0
Christian Oliva del Rio	Present	0	Anita Payne	Present 0
Robyn Prud'homme Bauer	Present	0	Steve Silvernale	Present 0
Linda Thein	Present	0	Mark Timm	Present 0
Tim Tucker	Present	0	Phil Tovrea	Present 0

* = excused absence

Guests: Randy Garrison, Yavapai County District 3 Supervisor

Kelly Crawford, Arizona Department of Education /Adult Education Services, Workforce Liason

Maria Ethier, Arizona Department of Education /Adult Education Services, Director of Academic Support and Compliance

Staff: Julia Sawyer, Executive Assistant

MaryAnn Deminsky, Administrative Specialist

A quorum was present.

1. Call to Order

Chairman Anita Payne called the meeting to order at 10:02 AM. She wished everyone a Happy New Year, and noted a busy agenda for today's meeting. She then introduced Yavapai County District 3 Supervisor, Randy Garrison. Supervisor Garrison is the newly elected Supervisor, replacing former Supervisor Chip Davis in the Verde Valley. Chairman Payne then asked the Board members to introduce themselves. She also introduced MaryAnn Deminsky, a new administrative specialist at NACOG. Chairman Payne then asked the other guests present to introduce themselves. Kelly Crawford and Maria Ethier introduced themselves, both of the Arizona Department of Education/Adult Education Services.

Chairman Payne read the Yavapai County Workforce Development Board Mission Statement: *"The mission of the Yavapai Workforce Development Board is to build economic success through workforce development partnerships."*

2. Approval of the November 10, 2016 minutes

Chairman Payne called for questions or comments regarding the November 10, 2016 minutes of the WDB. There were none, so she called for a motion. **Mel Ingwaldson moved to approve the November 10, 2016 minutes, seconded by Elaine Bremner. The motion carried unanimously.**

3. Chair's Report

Executive Committee Report

Chairman Payne noted that Public Comment cards are available for members of the comments.

Membership Considerations

Chairman Payne announced that Ken Lain has asked to resign from the WDB because of increased business and family commitments, and the Executive Committee has voted to approve WDB member Gary Hassen to be seated on the Executive Committee to complete Mr. Lain's appointment. Chairman Payne noted Mr. Hassen's knowledge on WDB and background as the owner of the Hair, Nail and Skin Institute, as well as his wife, Jill's past relationship with this Board.

4. Director's Report

Chairman Payne turned the meeting over to Teri Drew, who announced kudos to the Cottonwood Title I Program Specialist Debbie Estivariz who was published in the state DES report for her assistance and help to an individual enrolled in the Workforce Innovation and Opportunities Act (WIOA).

Ms. Drew reported that the WDB Recertification has received provisional approval from the Workforce Arizona Council (WAC). She noted that there was 1 issue needing addressed for the Yavapai County Board, which involved the optimum policy making authority on 1 member being considered, although all local areas had issues, hence the provisional approval of all Boards. Ms. Drew commented that during the transition to WIOA, Boards were allowed more freedom to transition as it fit the local area. Yavapai County chose to keep everyone from the local Workforce Investment Board to the Workforce Development Board. The state now wants all boards to look the same, and is requiring percentages of membership representation. She noted that labor representation may need to be increased by 1. Ms. Drew expects the WAC to give their provisional approval at the February 17, 2017 meeting.

Ms. Drew also reported that the Yavapai County Workforce Development Plan has been approved by the Board of Supervisors and submitted to the state in December. She expects to receive comments and recommendations, but also noted that provisional approval is expected as review begins on all local Plans. Full implementation of WIOA begins July 1, 2017.

Ms. Drew then reported that the Yavapai County Board of Supervisors acknowledged the WDB at the December 7 meeting, with a presentation to the Executive Committee members, each of which were appointed by each of the 5 supervisorial districts. She said it was very much appreciated.

Ms. Drew noted the state has begun to develop policies the implementation of WIOA for local areas. The state originally hired a consulting firm to assist in development and implementation of the policies. She spoke about the final regulations for WIOA finally being published, a very large document, although WIOA is in the 2nd year of implementation already. Our plan was based on the interpretation of WIOA policies already in place. Now the policies are being changed. Ms. Drew acknowledged that WAC and Office of Economic Opportunity (OEO) is stepping back from making the policies due to protests from local areas regarding the burden placed on boards to have optimum policy making authority, yet the new policies appear to be taking that authority away. Discussions are underway, and the local directors have expressed the sentiment that the state should not dictate local policies. Ms. Drew shared her opinion that state policies should run state agencies, and local policies should run local agencies. She concluded that she will keep the Board informed and up to date as the policies are completed.

Chairman Payne paused the meeting for a moment to acknowledge a milestone recently accomplished by Teri Drew, who celebrated 40 years with the Northern Arizona Council of Governments. She noted that, while the Board of Supervisors honored the WDB at the December 7, 2016 meeting, they also honored Ms. Drew for her 40 years of service. Chairman Payne led the room in applause for Ms. Drew. Ms. Drew thanked everyone.

Ms. Drew reported that Supervisor Chip Davis, who served 20 years with Yavapai County as a Supervisor, and 10 years prior to that involved in workforce development for the County, is now working for U.S. Congressman Tom O'Halleran's office as Deputy Director of the Northern Arizona Office in Flagstaff. She noted that it is good to have the representation of Mr. Davis supporting our goals and efforts.

Ms. Drew asked Mel Ingwaldson to offer a report on Youth Council. He began by reporting that the first meeting of 2017 is tomorrow, January 11, 2017, and are scheduled to meet every other month. He reported that they had a great past year, and thanked everyone who worked on the Committee. Mr. Ingwaldson stated that the Committee focus is recruitment, citing a youth member of the Committee from the Ash Fork area who is social media savvy. He reported that at the close of last year there were 259 new social media likes, and reaching out to 500 new people who have posted. He noted that there was great outreach last year – 36 youth that we are tracking. He noted that Crown King Fire District has been good to work with, and that the health care is also a good sector for youth. He said that the Youth Council will be reaching out to business partners, and he expressed appreciation to the Board for their support.

Ms. Drew reported that Title I Budget amendments have been approved by Executive Committee and are being recommended to the full board for approval. She noted that annually the State of Arizona receives U.S. Department of Labor 3-year funding allocations, meaning the State has 3 years to use the money. The State of Arizona then gives the local area 2 years to spend the funds allocated to them by the state. In the 3rd year, the State reallocates unspent funds. Those funds are dollars from other areas that did not get spent within the 2 years, and are redistributed to the areas that spent their funding. Yavapai County spent 100% of their allocated funding, making them eligible to receive a share of the unspent funds. With that background, Ms. Drew passed around the Yavapai County Title I budget amendment, demonstrating our share of reallocated funds, and reviewed the figures for Title I Adult and Youth, the 2 categories being amended. She highlighted the areas of On-the-Job Training (OJT) and the Work Experience (WEX) program. Ms. Drew reported that a special project being considered with the County is expected to be rolled out soon, and \$50,000 of the reallocated funds will be earmarked for that project, adding 19 WEX positions, each averaging \$4,680 each for up to 6 months at the new prevailing minimum wage of \$10 per hour. Chairman Payne asked for questions, then a motion to approve. **Robyn Prud'homme Bauer moved to approve the Yavapai County Title I Adult and Youth Budget Amendments as recommended by the Executive Committee. Christian Oliva del Rio seconded the motion. Leah Cickavage and Teri Drew abstained from voting.** Chairman Payne called for a vote, **the motion carried unanimously.**

Title I Performance Standards have been updated for 2016-2017, based on past performance. Ms. Drew passed out a handout showing the new standards, noting that the new Workforce Development Plan outlines the WIOA regulations that state that local Boards must approve local standards. In the State of Arizona, performance standards are negotiated with the Department of Labor (DOL) first, and Ms. Drew noted that she is a part of the negotiation team. These negotiations determine the state's performance measures. Then, the local areas negotiate their performance standards with the state. Ms. Drew pointed out that Yavapai County performance measure is higher than the state's standards, due to having met or exceeded last year's standards. DOL says if you are exceeding standards, then they are not hard enough. Local area accumulates data for last 2 years, then the state looks at data and sets or negotiates new standards. Ms. Drew noted that the Executive Committee has reviewed and approved the new 2016-17 standards. Chairman Payne asked Ms. Drew to highlight median wage. Ms. Drew explained median wage is what a client should be able to maintain in wages after exit by the 2nd quarter. She also noted that baseline measurements are measured but not counted against performance. Chairman Payne asked for questions or comments, and hearing none called for a motion to approve. **Scott Farnsworth moved to approve the 2016-17 Performance Standards, seconded by Robyn Prud'homme Bauer. The motion carried unanimously.** Ms. Drew noted that some new performance standards are coming soon, and

noted that Kelly Crawford of the Arizona Department of Education had shared future reporting plans, and after July 1 all partners will be on the same page for reporting performance. Chairman Payne also expressed appreciation for the open communication with partners. Ms. Drew concluded her report.

5. One Stop Report

Chairman Payne turned the meeting over to Leah Cickavage to present the One Stop Report. Ms. Cickavage noted this is the report for the 2nd quarter of PY 2016-17. The One Stop Report was distributed electronically prior to the meeting, but copies were available for viewing. Ms. Cickavage read the report, including the customer satisfaction survey showing 99% of clients extremely satisfied with services, and 1% very satisfied. The report also included highlights of the Business Assistance Center (BAC) from 2010 – 2016. Vocational Rehabilitation also provided 2nd quarter reporting numbers. Title II Adult Education also provided some enrollment figures, compiled by Kelly Crawford and reported by Craig Lefever, who handed out a quarterly update. The report included the number of participants, total number of instructional hours and the percentage of progress tested participants with measureable skill gain. Mr. Lefever noted that the numbers reported are not official, but a snapshot of what is happening right now. The Office of Career and Technical Education (OCTAE) will approve the final numbers at the end of the year. Mr. Lefever asked Ms. Crawford if she wished to add to the report, to which Ms. Crawford stated that Arizona Department of Education wishes to increase partnerships with the core partners to better serve the community.

Ms. Cickavage asked for questions. Comment was made by Ms. Bauer requesting a better picture of what types of jobs are being created, more of a synopsis of facts. It was noted that more detail in previous years had become too much and it had been requested to decrease detail, however the report can contain more if the Board wants it. Another comment followed regarding what the one particular skill is being sought after the most. Ms. Cickavage noted that healthcare is #1, and manufacturing, production, etc. are the main industries being assisted. Other comments followed regarding the value of seeing growth areas as well as declining areas, and that a difference between the 2 sides of the mountain would be helpful as well. Ms. Cickavage offered a Wanted Analytics report, and collaboration was agreed upon between the One Stop partners. More discussion followed about enhancing the reporting process. Ms. Drew suggested that Ms. Cickavage send out a survey of the membership to see what they want to see on the reports. Ms. Cickavage concluded her report.

6. ETPL Update

Chairman Payne asked Ms. Cickavage to share the Eligible Training Providers List (ETPL), and Ms. Cickavage reported that Arizona Technical College (ATC) has closed their doors for good, so the classes that were to be voted on today are no longer available and the College will be removed from the ETPL website. Ms. Drew noted that the WDB has not made any investments with ATC, as there were some warning signs early on, so there were no referrals made.

7. Member Comments

Chairman Payne asked for Member comments. Ms. Drew commented about a \$30,000 USDA Rural Development Grant NACOG received for a “Welfare to Work” program, however the individual who started the original project, Arizona Sewing Works, has not moved forward to complete necessary items such as location, so NACOG is working for retention with another business in Prescott who was planning to move out of the area, so some of the grant will be utilized for this project as well as another company in the Verde Valley. Ms. Drew noted that if the original sewing company can secure a location, some of the grant money may still be able to assist with the machinery needed.

Ms. Drew also commented about the Contractor’s Association. Thanks to Chairman Payne and her involvement, discussion is happening to introduce what the Workforce Development Board can offer to contractors through the One Stop. There is a breakfast meeting being planned with the Contractors

Association with presentations by Chairman Payne, Teri Drew and John Little, regarding what we can do to bring more businesses in to the county, including assisting with moving costs to bring contracting staff into the area. Discussion followed regarding differences in the 2 sides of the mountain, noting that the Verde Valley is having training issues, due in part to most Yavapai County contractors being in the Prescott area, and the lack of apprenticeships, and lower wages than in the Phoenix area. Chairman Payne noted that Sandy Griffis has been proactive in the contractor's representation, and recognizes the need for training partnerships. Ms. Bauer remarked that there is a Contractor's Association in the Verde Valley working with Yavapai College on construction training programs which need to be included in planning in order to keep from duplicating efforts. Other discussion followed regarding union training programs that pay during training, which are being undercut by local contractors that will pay less.

Elaine Bremner led a discussion regarding how the \$10 minimum wage has affected businesses represented on the board. Some businesses were planning for the increase, others are discussing lay-offs and raising rates for services. Mark Kendall noted the effect on developmentally disabled folks, citing that it is harder for them to get jobs at the higher wage, affecting mental health as well as physical health. Ms. Drew noted that there are thresholds to the minimum wage. Businesses which have under \$500,000 total revenue don't have to comply with the new minimum wage. Also discussed was the effect of exempt and non-exempt, finding that salary thresholds of formerly exempt employees have now placed them into a different classification. Ms. Drew noted that the City of Flagstaff voted for a \$12 per hour minimum wage, which caused a lively discussion at the last Economic Development Council meeting. She reminded the Board that Rapid Response funding through WIOA allows assistance to those businesses struggling with the higher wage with additional funding to comply with the law and to avert lay-offs. She also suggested that towns and cities can use the higher wage as incentive to draw a labor pool into the area by offering higher wages.

Scott Farnsworth made a comment of appreciation to NACOG staff in the Verde Valley for their assistance with the Verde Valley Forum on Higher Education with Yavapai College, explaining the employment services offered. He also remarked about the American Association of Community Colleges (AACC), which represents all community colleges across the country, around 1,400. Their latest publication had an article about building America's workforce, which reported how community colleges are working with their local workforce boards. Mr. Farnsworth will be attending a conference hosted by AACC to talk about these things.

Steve Silvernale reported that he was awarded inner city grant funding to provide bus transportation from Prescott to Greyhound bus line in Phoenix, which started up on December 19, 2016. With this service people can travel anywhere in Yavapai County for \$5, and to Phoenix for \$10. However Arizona Shuttle has sued him for non-compete, but he anticipates keeping the service going. A question was asked about connection with the Verde Valley, to which Mr. Silvernale replied the service runs the corridor of Highway 69 to I-17. Mr. Silvernale hopes to expand service throughout the county. Ms. Drew remarked about the importance of this aligning with the discussion earlier regarding transporting labor to market. Verde Links was mentioned as a possible partner. Mr. Silvernale mentioned a Mobility Management Committee that is a part of Central Yavapai Metropolitan Organization that has discussions for whole county services on a recurring basis.

Chairman Payne thanked everyone for the discussion.

8. Public Comments

Chairman Payne called for public comment, there was none.

9. Adjournment

Chairman Payne thanked everyone for coming to the meeting, then called for a motion to adjourn. **Elaine Bremner moved to adjourn, seconded by Scott Farnsworth. The meeting was adjourned at 12:19 PM.**

Workforce Development Board General Meeting Minutes January 10, 2017
Approved:

DRAFT