

EASTERN WASHINGTON PARTNERSHIP

WORKFORCE DEVELOPMENT COUNCIL

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WORKFORCE DEVELOPMENT COUNCIL AND REGIONAL BOARD MEETING

SPOKANE, WA

February 25, 2016

Attendance:

WDC: Bill Clemens, Scott Habenicht, Teresa Kutsch, Kathy Covey, Jerry Anhorn Jr., Jeff Koffel, Ken Maestas, Steve Smith, Steve Stahl, Kim Witt, Deana Zakar

Regional Board: Scott Hutsell, Nathan Davis, Justin Dixon, Jim Jeffords, Steve Kiss, Art Swannack, Mike Talbott

Contractors and Guests: Jane Roberts, Doug Tweedy, Darlene Snider, Nathan Strege, Rod Van Alyne, Don Dashiell

Staff: Tom O'Brien, Dayna Brown

Bill Clemens brought the meeting to order at 12:27 p.m. and introductions followed.

Bill Clemens called for a motion to approve the December 10, 2015 meeting minutes.

Ken Maestas made a motion to approve the agenda. Jim Jeffords seconded the motion. The motion passed

Scott Habenicht made a motion to approve the December 10, 2015 meeting minutes. Scott Hutsell seconded the motion. The motion passed.

Regional Board Chairman's Report

Scott Hutsell reported that at the last WDC meeting in December, we were in a state-wide discussion about the state Workforce Training Board's recommendation to create WIOA planning regions in the State. The initial plan was to require our WDC to plan with all of the counties in eastern Washington, except Spokane. After a prolonged pushback from local elected officials and WDC members around the State, the Workforce Board proposed that the twelve WDC's be designated as the WIOA planning regions. They added a proviso that each WDC would need to plan with at least one other WDC. Scott reminded the counties of the need to update the inter-local agreement and if they haven't adopted the resolutions, to please do so.

Chairman's Report

Bill Clemens informed the board that he was pleased that the original designation for the planning region didn't go through resulting in the WDC's each being separate regions. However, the Workforce Board included a requirement in the strategic planning instructions for each WDC to "cross-plan" with at least one other WDC. After including this requirement, the Workforce Board extended the due date for the WDC's strategic plans to May 2nd. Tom received feedback from the Regional Economists to see which WDC is the most sensible to plan

with. The Executive Committee met on January 14th to get a recommendation to proceed in approaching the other WDC with the prospect of a joint planning process. The Spokane County WDC was the fairly obvious choice after considering several factors. Pend Oreille and Stevens County are part of the Spokane Metropolitan Statistical Area. The number of workers commuting between the two WDC's is far higher than those that commute between the EWP WDC area and any other one. The Community Colleges of Spokane service district includes 5 of our WDA's counties and the two WDC's have similar business sectors showing strong employer demand in manufacturing, healthcare and transportation / warehousing.

The Executive Committee passed a motion that authorized Tom to seek agreement with the Spokane WDC to work together on the cross-regional section of the strategic plan.

Scott Hutsell made a motion to work together with Spokane WDC on the cross-regional section of the strategic plan. Kathy Covey seconded the motion. The motion passed.

Bill stated that with the turnover in the WDC in the past year, we have lost members on the Board committees. Bill asked Board members to any of the four WDC committees. The time commitment is approximately 30 minutes per quarter. The meetings occur by phone about two weeks prior to the WDC meeting. An ideal size of the committee would be five people as sometimes members have to abstain due to a conflict of interest or to be absent for other reasons. Bill then went through each of the four WDC committees, explaining the responsibilities of each one.

Quality Assurance Committee Report

Teresa Kutsch reported that the Quality Assurance Committee met on February 11th to review the service providers' performance for the period ending on December 31, 2015. Teresa went through the information on each of the graphs on the Monthly Contractor Report. Teresa stated that everything is on track for the service providers. Teresa explained that the funding for next year will be fairly flat so it is a good idea to have carry –in funds available for the July through September period because the first quarter's funding is always less than the other three quarters of the program year.

Teresa stated that in WIOA, the WDC's have a requirement to increase attention to the issues that affect people with disabilities. The Quality Assurance Committee will review the progress on WorkSource services to people with disabilities including accessibility to programs outside of the Division of Vocational Rehabilitation as well as the accessibility of the self-service options in the sites. Teresa mentioned that her area has the highest co-located staff in the state, stating that Walla Walla ESD now has DVR co-located bringing in knowledge and equipment to help serve customers.

Youth Committee Report

Scott Habenicht stated that Administrative Committee and the Youth Committee met jointly on February 8th to review WIOA youth services Request for Proposals. The RFPs were published in December and the WDC received two responses, one from Rural Resources to serve the northern four counties and a joint proposal from Rural Resources and Blue Mountain Action Council to serve the five southern counties with Blue Mountain Action Council planning to provide services in Walla Walla and Columbia Counties and Rural Resources planning to offer youth services in Garfield, Asotin, and Whitman counties.

Bill Clemens asked the youth service provider staff (Kathy Covey and Rod Van Alyne) to excuse themselves from the meeting during the youth contract award discussion. The meeting was conducted by Marty Wold whom was contracted to guide the committees through the process. Marty reviewed the proposals to assure that they were both fully responsive to the basic requirements for being qualified applicants prior to having the

committees review the responses. Rod Van Alyne was present at the meeting and gave an oral presentation and then excused himself during the final discussion prior to a recommendation due to his conflict of interest as a Rural Resources employee. Following discussion, a motion was made to recommend to the WDC that the two proposals be accepted and the WDC contract with Rural Resources to provide the WIOA youth services in the north counties beginning on or after April 1, 2016 depending on availability of funding. Likewise, that the WDC contract with Rural Resources and Blue Mountain Action Council to provide WIOA youth services for the southern five counties with Blue Mountain Action Council serving Walla Walla and Columbia counties and Rural Resources serving Garfield, Asotin, and Whitman counties.

Scott Habenicht made a motion to accept the recommendation of the Youth and Executive Committees to award the WIOA youth services funding to Rural Resources and Blue Mountain Action Council. Ken Maestas seconded the motion. Motion passed.

Mike Talbott made a motion to accept the recommendation of the Youth and Executive Committees to award the WIOA youth services funding to Rural Resources and Blue Mountain Action Council. Art Swannack seconded the motion. Motion passed.

Bill Clemens stated that Marty did an excellent job reviewing the proposals. Tom mentioned that since he is employed by Rural Resources, the council needs to go outside to contract the process so that it doesn't show an apparent conflict of interest.

Administrative Committee Report

Scott Habenicht reported that the Administrative Committee met on February 18th to review the Request for Proposals for the Adult and Dislocated Worker programs for the Program Year that begins on July 1, 2016. The formal competitive RFP is issued every four years. There is an initial two year contracting period with an option to renew the contracts for another two years based upon satisfactory performance by the contractors. The RFP will be published on March 13 and due by April 27th. The Administrative Committee will conduct the review and bring a recommendation to the WDC at the May 26 meeting.

The RFP has been updated to incorporate the changes in the Workforce Innovation and Opportunity Act that allow some additional flexibility in service delivery and has an increased expectation of working with partners included in WIOA; which are the Division of Vocational Rehabilitation, Adult Basic Education, Wagner-Peyser, and the WorkFirst programs. The RFP includes questions about how recruitment and outreach will occur throughout the workforce development area and how each of the WIOA services will be provided. Respondents will provide detailed budget information as well as identifying the number of participants to be enrolled and their projected outcomes.

One change in WIOA is a provision that allows for formula funds to be spent for incumbent worker training. This change allows the service providers to enroll people who are currently working for an employer to receive training that will upgrade the worker's skills and at times, allow the business to expand. The WDC has received Governor's discretionary funding for this activity in the past, but WIOA allows it to occur with regular formula funds. An employer must pay for part of the costs of the training depending upon the size of the employer. The WDC has previously adopted an Incumbent Worker Training policy that explains the requirements. The Administrative Committee recommends that the respondents to the RFP be allowed to budget up to 10% of the participant training funds for incumbent worker training and the result of any such training be reported to the Business Services Committee prior to each WDC meeting. Tom stated that in the past incumbent worker training was used to help train a trauma nurse in Dayton with Columbia Health Systems and a fracking specialist with Fogle Pump. Art Swannack asked if it has been identified what fund the money would come out of; Tom said it would come out of adult funding. Bill added that this has been a productive program in the past

and there is a requirement to receive certification or an increase in wages. Kathy Covey stated that Blue Mountain Action Council is at 92% of their adult funding at this time, so as a contractor she has a hard time supporting budgeting money for incumbent worker. Bill said that if the money is made available, service providers may not use any of it or they might use it all, it would just be a good option to have. Ken Maestas asked if there were more steps in the recruitment process; Tom said that the staff that does OJT now will be doing the recruitment for incumbent worker. Rod Van Alyne said that if service providers chose to offer it, they have the option of putting it in the budget, if they decide against it they don't put it in the budget. Mike Talbott asked if the funding would be effected if the service provider chose not to budget for incumbent workers; Tom answered that funding would not be effected.

Director's Report

Tom reported that the Workforce Development Councils were glad that the state made the decision to keep the regions the way they originally were. Tom said that he is on an allocation workgroup which was put together to provide input and help the state be more transparent with the allocations. Local staff will now have an opportunity to look at the numbers and catch mistakes before allocations go out. Tom is also on the performance workgroup, he reported that with WIOA they had come up with targets for the state and the local areas. Some of the targets are concerning, Tom gave the example that the dislocated worker target for one measure in our area is 87% and the area in the state with the next highest target for that measure has a target of 76%, we have smaller numbers in the pool, so one person will make a difference of a couple percentage points.

Art Swannack asked about the Senior Employment Plan. Tom explained it is for older, low-income workers, working up to 19 hours per week. Tom also stated that those workers wouldn't be included in the same targets, saying their job expectancy is different than someone coming out of the community college.

Tom reported that in regional planning we need to provide industry sectors for our region. The in-demand industry sectors that are important for our WDC to focus on are healthcare, manufacturing, and warehousing/transportation.

Tom said that an updated directory will be mailed out to the board members along with the instructions to access the password protected page on the Eastern Washington Partnership website.

Regional Economist Report:

Doug Tweedy, the Regional Economist with Employment Security, presented the labor market report. Doug reported that employment rates are continuing to go up. He informed the board that it is a diversified acceleration, with the "hot" industries being health services, transportation/warehousing, and manufacturing. Doug pointed out that the major industries by county will be changing in the coming year. Eastern Washington has the highest aging population in the state. There will be 20,000 jobs that will need replacement workers. Doug explained that the skills gap is harder to fill than the labor gap, and the skills gap is the one that is driving the wage in the smaller communities. With the labor shortage in healthcare, the region is about 40% below where Doug would expect to see it. Doug stated that when looking at Spokane and Eastern Washington industries, they are embedded in each other. Manufacturers are being supplied from separate industries in the regions.

Doug reported that the events of last year brought a large spike in temporary jobs and wages. Art mentioned that everything in agriculture was hit and he hasn't seen any growth. Doug replied that manufacturing and transportation has seen higher increases than agriculture. He went on to say that not everything is rosy, but the growth rate like this has never been experienced in the nine counties. Ken asked if there was a positive outlook?

Doug said that there may be a correction in the next few years, not recession, just a correction. Looking at employment as an indicator of the future, it doesn't look like a bad thing.

Doug's full PowerPoint presentation can be accessed at: <http://ewpartnership.org/reports>

Strategic Planning Update:

Tom thanked the board members for taking time to interview with Josie as part of the strategic planning process. Tom reported that there is still work to be done on the strategic plan and he will send out information in sections for the board to review and make comments on.

Walla Walla Community College: Adult Educational Plan

Darlene Snider reported that in 2014 Walla Walla Community College wrote a grant and submitted a new strategic plan that was to align with the community college and the larger state plan. Darlene said as the needs in the area change, adult education changes as well. The purpose is to reach out to underprivileged adults; they are working to increase employability skills and working with individuals with disabilities. Walla Walla Community College is looking to implement pathways to enter into the workplace environment and looking to see how the community college can help reach the goals in the employment sector and increase credentials and degrees. Darlene mentioned the importance of partnerships with WIOA, saying they are looking into navigation support and continued partnership with Broetje Orchards and Tyson foods.

WorkSource Report:

Rod Van Alyne reported that WorkSourceWA is replacing Go2WorkSource for job matching, the launch is set for spring. The job match is working well, but the customer management side needs additional time to ensure full implementation. Rod also pointed out that the system is part of the Monster.com system and that job seekers and employers will not only have access to listing from Washington, but the whole Monster.com site for no charge which is estimated to save some employers up to \$10,000.

Tri-County Economic Development District and Colville WorkSource are sending out a survey to local employers and businesses in the tri-county area to develop a customer service training program. It will target current employees and job seekers to help create a culture of excellent customer service.

Generational Poverty Intervention in Rural Washington:

Jane Roberts reported on the Generational Poverty Intervention Pilot in Walla Walla, Clarkston, and Colfax Community Services Offices that started in January of this year. DSHS is addressing the needs and challenges of families who are experiencing generational poverty. They are taking the whole family approach to address the needs of the primary caregiver and the children and break the cycle of poverty. Jane said case managers will work with moms' networks, truancy boards, and community colleges to help individuals gain access to services that can help address the needs of the family.

Old Business:

Bill reminded the board that Tom O'Brien will be retiring in April. An interview was held with Rod Van Alyne earlier this month and the interview committee was very impressed with him. Rod was offered the job of WDC Director with April 4 being his starting date.

Tom announced this would be his last meeting; he had started working for Rural Resources in 1981 and became the WDC Director in 1996. Tom said that this has been an enjoyable ride and liked that it is never static. Tom thanked all board members, including current and past leadership. Everyone who has supported the board is very impressive, there are not many other council's in the U.S. whose members have to travel two hours to go to meetings.

New Business:

Tom announced the next meeting will be held on May 26, 2016.

The meeting adjourned at 2:23 p.m.