

EASTERN WASHINGTON PARTNERSHIP

WORKFORCE DEVELOPMENT COUNCIL

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WORKFORCE DEVELOPMENT COUNCIL AND REGIONAL BOARD MEETING SPOKANE, WA September 26, 2019

The meeting of the WorkForce Development Council and Regional Board meeting was called to order at 12:32 PM by Chairperson Bill Clemens.

1. Attendance / Introductions:

WDC: Jerry Anhorn, Jr., Bill Clemens, Gabe Coates, Jim Drake, Scott Habenicht Angela Merritt and Jennie Weber. Barry Lamont and Tony Maiorana participated via phone.
Regional Board: Scott Hutsell, Steve Kiss, and Arthur Swannack. Todd Kimball participated via phone.

Contractors and Guests: John Little, Bryan Raines, Jaclyn Jacot, Julia Havens and Doug Tweedy. Also, in attendance was Suzi Levine, guest speaker.

Staff: Rod Van Alyne and Tracy Ferrell

2. Approval of Agenda

Bill Clemens called for a motion to approve the agenda. *Art Swannack made a motion to approve the agenda as presented. Scott Habenicht seconded the motion. The motion passed unanimously.*

3. Approval of Previous Meeting Minutes

Bill Clemens calls for a motion to approve the meeting minutes of the previous meeting. *Scott Hutsell made a motion to approve the May 23, 2019 meeting minutes as presented. Art Swannack seconded the motion. The motion passed unanimously.*

4. Presentation by Suzi LeVine

The commissioner of the Employment Security Department (ESD), Suzi Levine provided a presentation on updates within the department. She began with providing her extensive work history that has led her to her new position, which she has held for 14 months. She was asked by Governor Jay Inslee to fill the position. She accepted and loves her new position. Ms. LeVine gave an overview of the Vision and Mission statements that her and her staff had prepared. She shared that the Vision Statement was created using information gathered from partners, such as those in the WorkForce Development Councils. She then presented the values utilized at ESD and gave real-life examples of how they are being implemented.

She presented the Strategic Goals that have been set for ESD as follows:

- Increase Employee engagement
- Reduce the transition time for people to find the right job
- Meet the needs of our customers
- Improve organizational effectiveness
- Prepare for economic shifts
- Implement the Paid Family Medical Leave program

There was brief discussion on each goal. Next, the specific areas of focus were discussed. The areas included the Paid Family Medical Leave program. There was a discussion on the initial implementation of the program (the contribution portion) which started January 2019. It was explained that the benefits portion of the program will become available in 2020. When asked about the amount of contributions, she stated that she was confident that there would be ample funding for the benefits portion of the program, and if not, adjustments would be made. The Washington state program will be copied by both California and Oregon.

Ms. Levine shared that the department is now also involved with the Long-Term Care Legislature that recently passed. Both the Long-Term Care and the Paid Family Medical Leave programs are works in progress, and her department will continue to make improvements (Hot Fixes) on issues including software improvements, an issue that was shared by Art Swannack. Her team is currently working on putting together training materials including videos that will better explain to employees what to expect when applying for benefits in the Paid Family Medical leave program.

Art Swannack expressed concern regarding payment into the program when it would be unlikely that he would be unable to utilize the program because of his positions as a farmer and a government official. After discussion, Ms. Levine assured the attendees that everyone in Washington state may need to utilize the program at some point – and it would be available to all that do need it.

Ms. Levine's presentation continued with information on an Economic Cycle Plan that she is creating. She stressed the need to be prepared for the effects of recessions and other upturns and downturns in the economy. The preparations could include cross training teams in order to assure available work and retention of knowledge. She also discussed the sharing of space as needed. This plan is still in the working phase. The next steps include the creation of an ESD-WWA economic cycle planning project implementation team. The team will help to expand the Economic Cycle Plan via the Workforce Board.

Scott Hutsell inquired about the prediction process. Ms. Levine explained that caution will be utilized along with internal information, in order to not be the false "bearers of bad news". Indicators will be watched closely, although this could be challenging since the economy is very different right now. Rod Van Alyne added that it would be important to monitor the changes in trends in order to prepare the work force. It was determined that prediction will be difficult.

The next portion of Ms. Levine's presentation was on Transitions, starting with different scenarios including soldiers, farmworkers, students, inmates and mature workers and what they have in common. She added that there are three different scenarios for those facing transitions in the workplace:

1. Denial – those that do not want or cannot change.
2. Fear of Robotics – those that believe that robots are going to take over.
3. Rationality – those that take the changes in a rational manner.

Ms. Levine shared that David Autor of MIT has provided several good articles on robots and their effect on the job market (<https://economics.mit.edu/files/17106>). Major items needed in preparing the workforce for automation would include education and funding. An example of an in-house approach to helping employees move forward is a program offered by Amazon regarding their employees that they acknowledge will be short-term workers. These employees are offered in-house training in a variety of other careers, while they work at Amazon. The program is extended to other workplaces, as well. Bill Clemens asked, “How do we get the new job information out to our young people?” This led Ms. Levine into her next topic which was each type of CCL Continuum that is essential to launching students into their careers and on-going education. Necessary for life-long learning and work are:

- ✓ Career Launch
- ✓ Career Preparation
- ✓ Career Awareness and exploration

The continuum starts with the career awareness and exploration and this should begin in the 7th grade of school (not at the Junior/Senior grades). Job fairs should be offered at the younger age and should include 100% participation at the school level. Career preparedness follows with students visits to workplaces, rather than having different workers simply come into classes and explain their jobs. Finally, the career launch, at the Junior and Senior class level should be apprenticeships, with a goal of 60% participation. This final level would require that businesses looking to participate, would work together with their competitors. Ms. Levine has experienced this process while in Switzerland and it has worked in that location.

Ms. Levine ended her presentation with a discussion on Big Cultural Shifts that will be occurring:

- Consumers will be replaced with Creators
- Stigma will be replaced with Status
- Degrees will be replaced with Skills
- Dead-End will become Permeability
- Programs will be replaced with Systems
- One and Done will be replaced with Lifelong learning.

And, average will no longer be the acceptable.

5. Regional Board Report

Scott Hutsell shared that Kathy Covey, Larry Frick, Scott Habenicht, James Kowalkowski and Tessa Wicks have terms that are expiring. These board members have all agreed to renew their term. In addition, John Little was introduced. John represents the Northeast Washington/North Idaho Building Construction Trades and would like to join the Board. *Art Swannack made a motion to approve the renewal of the 5 members terms and to add John Little to the membership. Steve Kiss seconded the motion. The motion passed unanimously.*

6. Chairman’s Report

Bill Clemens referred to a management letter that was received from the Employment Security Department regarding the onsite compliance review of the Eastern Washington Partnership Workforce Development Council (EWP WDC) and the oversight and administration of the WIOA for PY18. The letter explained that their review resulted in No Findings or causes questioned. The final report will be coming out soon and will be send to Scott Hutsell. Rod commended former employee Dayna Brown for her work with staff in assuring that all requirements were met.

Bill Clemens reported that he and several other board members had participated in a Listening Session with by Ron Painter, CEO of the National Association of Workforce Boards on August 14, 2019. There was a great deal of good information shared including collecting information for better performance, the new trends (40-hour week changes), and where we are with WorkForce (the needs and wants). Jenni Weber shared that our area was one out of only ten listening sites in the country. Scott Habenicht added that he had had concerns about the location (Spokane), but small towns were included in the conversations and represented well. There was a question regarding the 40-hour week trend. Jenni and Bill explained that it was stated that workers today have a desire for more flexibility and access to remote work. There is a larger emphasis on where they live as opposed to how much they make. Workers are willing to take less pay for a better quality of life. Finally, all agreed that there was good conversation held during the session.

Bill reported that the WorkForce Training and Education Coordinating Board held their regular Board Meeting in Colville at the Tri-County Economic Development District (TEDD) office on September 11, 2019. He added that Rod Van Alyne had the opportunity to meet with the Board regarding local challenges. Rod shared that a Board member had left early, and when an attempt was made to contact the Board member shortly after he left, the Board got a first-hand experience of the difficulties facing our area regarding broadband. The TEDD office was an excellent location for the meeting, as it demonstrated the partnership(s) that occur in our area.

7. Quality Assurance Report

Jerry Anhorn, Jr. reported that the Quality Assurance Committee had not met because there were no reports to review. There was a lapse between the time that Dayna Brown left, and Tracy Ferrell came on board. Tracy will be trained in both ETO and reporting in the next week, and QA Committee meetings will resume.

Jerry referred to a letter that was provided to attendees giving an update on ETO. The letter explained that after attempts to resolve issues with ETO, it was made clear that there was going to be no resolution. This has caused the integrity of data to be called into question. Work on replacing ETO is going well with projected completion of clean-up of data and improvements to data tracking by the end of 2019. In addition, the new system should be in place by the summer of 2020. The U.S. Department of labor will begin binding negotiations and performance assessments with the PY2020 – 2021 negotiations in the spring of 2020. The first year of the USDOL sanctions will be in 2023, allowing for two full years of ACCURATE data. Because of this situation, the local WorkForce Training and Development Boards will not be sanctioned if they are not able to meet their performance targets. However, they must continue to properly determine eligibility and assure that funds are spend according to the federal and state regulations. They must also continue to assure that contractors and staff are correctly entering information into the ETO system. Art Swannack asked if the Federal Government would be

following suit? The response was yes, and it was noted that there is great progress and things are on track for the replacement of ETO.

8. Director's Report

Rod Van Alyne thanked Suzie Levine for attending the meeting and providing the presentation.

The performance of all those involved with the Eastern Washington Partnership was discussed. Rod was very pleased with the outcome and the letter that was received. He will assure that any findings are answered. He added that the positive letter regarding the review was the direct result of the excellent monitoring, thanks to Dayna Brown. She worked well with the staff in assuring that inputs were correct and that they were well trained in ETO.

Rod welcomed Tracy Ferrell, stating that he was glad to have the much-needed help in the office.

Rod added to the earlier conversation regarding the Listening Session with Ron Painter. There had been specific conversation regarding the in-school and out-of-school status of students and the challenges faced because of a lack of options in our rural area. He was told that the conversation would continue at the next stop, which was Omaha, Nebraska. Rod expressed concern about the rural-ness of Omaha. Rod also stated that he had addressed concerns regarding the Infrastructure Funding Agreement (IFA) and the One-Stop Facilities and the challenges with focusing on just one facility.

Rod shared his pleasure with having the WorkForce Training and Education Coordinating Board in Colville. It was nice to meet all the Board and join them at an informal dinner at Fireside Pizza. During the dinner, a Bingo game was held. Rod found that the Board members were very, very competitive.

Rod announced that he had been appointed to the Employment Security Advisory Committee (ESAC) and will be seeking input from the council to present to the ESAC. He is very excited about this opportunity. Rod also shared that the Career Connect Regional Networks have been named and five counties out of seven were included in the Greater Spokane Incorporated network.

Rod reported that applications are being reviewed in our areas to determine Demand Occupations. There will be a meeting held next week to discuss the results.

Rod pointed out that the Integrated Service Delivery Goals for WDC from the 2016-2020 Strategic Plan had been included in the board packets. These goals will likely need to be updated / modified to align with the statewide Talent and Prosperity for All (TAP) plan. He asked that the goals be reviewed to determine what still makes sense and what changes will be needed. He is looking for guidance in order to be in alliance with TAP and is hoping for a good process. Art Swannack asked if there is a state plan to compare to. Rod replied that there is, however, the challenge is not knowing the exact direction, as the TAP process is still be updated. In addition, the federal government will require that TAP be in alignment with regulations in the Perkins loan program. It is hopeful that there will be decisions made on the TAP in November. As soon as any information is received, it will be distributed. Rod may be seeking additional assistance with this project. Suzie LaVine advised that Mark Manke be advised if there are any themes that may need to be added as well as those needs that should be held or expanded.

10. WorkSource Report (out of sync due to travel arrangements)

Jennie Weber presented the report on information gathered from July 1, 2018 – June 30, 2019. Of special interest was the increase in services utilized electronically. The increase will allow staff to better deliver more specific needs to others that need it in person. Under Employer Services, the issue of needing more applicants and the RIGHT applicants remains a challenge. It was noted that there are different methods be used to bring employees into the workplaces, including using soft skills to train. Jennie also discussed the Job Seeker demographics, noting that the trends remain unchanged (Male seekers exceed female seekers, and those with high school or equivalent education are the most common).

(Jennie Weber and Suzie LeVine left the meeting)

Bryan Raines presented an update on the Teck Mine with Gabe Coates. Bryan stated that Gabe had been integral in the layoff process. Bryan also commended the WorkSource staff. They made themselves available at the end of each shift to discuss options with employees. In addition, those that were in the office stepped up to assure that information was mailed out in a timely manner regarding the Trade Act approval that was granted on September 9, 2019. This was Bryan's first time dealing with the Trade Act and it was a learning experience. However, with the open communication provided to, and with Teck, everything went well and there was good turnouts at all the trainings/meetings. Gabe added that he has been through several closures and the communication between Teck management and the WorkSource staff resulted in the best support structure so far in his experience. It was noted that the Trade Act approval process was very long and made things even more difficult for the workers. It was asked why the approval process took so long. There was no definite answer. However, it was believed that a change in the acting investigator may have slowed things down. Rod noted that there was an abnormally large number of employees that opted to seek a job change (approximately 20%). There is cooperation with the Spokane Community Colleges on education opportunities for those that have chosen this option. Those involved with the mining industry typically move on to the next mine when one closes. However, more were looking to remain in the area. There was a brief conversation regarding the homes that went on the market and how fast they were sold or rented. This was likely the result of a housing shortage in that area.

Improved Customer Access was discussed. Rod noted that there is work available at this time, but not so much training. He also added that in Lincoln County, WorkSource Staff will be visiting the area on a weekly basis beginning October 1, 2019. During the winter months, visits will be cut to twice per month. Rod stated that Kelly Charlton's goal is to have staff available in the Lincoln County area that does not have to travel.

Rod completed the update with kudos for the staff during the state monitoring visit. He is very excited about the report and will be sure to distribute it as soon as it is received.

9. Labor market Economist Report

Doug Tweedy noted that there are three industries that need to be looked at and should be included in the goals:

1. Agriculture
2. Manufacturing
3. Transportation/Warehousing

There are big changes happening in these three areas, and information regarding those changes needs to get out into the school systems.

There was discussion on the commuting patterns in Stevens and Pend Oreille Counties. Doug stated that the trend is rising. Representatives from other areas, especially Lincoln County, added that they are seeing more commuting to outside of their area, as well. A new trends were also shared - residents from the Hermiston, Oregon area are commuting into the tri-cities area for work. In addition, those that have jobs on the west side of the state of Washington are relocating to the East side of Washington and retaining their west side job when their employer allows. This is a direct effect of good broadband service.

There was a brief discussion on the effect of technology on farming. There does not appear to be as much of a shift to the use of technology in farming in our area. This could be a result of the cost of technology. It was noted that farming in the Palouse area of the state does not compare to farming in other parts, such as Wenatchee and Yakima (different types of crops and harvesting). Columbia Pulp in Starbuck is doing a wonderful job at using technology in their business. It is hoped that a representative will provide a presentation at the December meeting of the Board.

11. There was no Old Business

12. There was no New Business.

Brief round-table updates were provided:

- Julia Havens- Department of Commerce, Eastern Washington stated that she was available to participate in the Board meetings whenever needed and would appreciate updates.
- Jocelyn Jacot, Spokane Community Colleges that they have started a project to explore the patterns of rural students. They are monitoring what and why they are attending classes and what resources they need. This is a difficult task, as it is sometimes a challenge to determine which students are actually “rural”, once they are on campus.

The first Cohort session was held recently. Because of the abundance of jobs available, the turnout was small. However, the welding class being held in Colville has 19 students. There are plans to start a similar welding class in Newport.

- Jerry Anhorn, Jr. shared that Walla Walla Community College has started a training program in conjunction with Tyson and FirstFruits Farms. These programs focus on industrial maintenance and manufacturing. He also noted that there is an upswing in commuting from Burbank to the Tri-Cities area. An FYI was shared: Tyson has expanded and now provides all the burger patties for the United States West Coast facilities.

The 2020 Meeting Calendar was pointed out. However, it was determined that there was a mistake in one of the dates. The correction will be made, and the calendar will be redistributed.