

# EASTERN WASHINGTON PARTNERSHIP

## WORKFORCE DEVELOPMENT COUNCIL

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Asotin • Columbia • Ferry • Garfield • Lincoln • Pend Oreille • Stevens • Walla Walla • Whitman

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A virtual joint meeting of the Eastern Washington Partnership Workforce Development Council and Regional Board was called to order by Chairperson, Bill Clemens at 12:33 PM on February 25<sup>th</sup>, 2021.

### **Introductions**

Introductions were done in the form of a roll call. Those in attendance were as follows:

Board of Directors: Jerry Anhorn, Jr., Bill Clemens, Gabe Coates, Jim Drake, Leslie Druffel, Larry Frick, Scott Habenicht, Jeff Koffel, John Little, Angela Merritt, Brian St. Clair, Jennie Weber, Tessa Wicks

Regional Board of Directors: Brian Shinn, Larry Ledgerwood, Scott Hutsell, Todd Kimball, Art Swannack

Guests / Partners: Kelly Charlton, Doug Tweedy, Anne Buchan, Jaclyn Jacot, Liz Guerra, Susie Pearson, Morgan Smith, Chad Miltenberger, Ajsa Suljic, and Andrew Engel

EWP Staff: Rod Van Alyne and Tracy Ferrell

### **Approval of Agenda**

The Agenda for the February 25, 2021 meeting was reviewed. *Jeff Koffel made a motion to approve the minutes with the amendment that item 6, the Quality Assurance Committee Report would not be presented. Leslie Druffel seconded that motion. The motion with amendment was approved unanimously.*

### **Meeting Minutes**

The minutes from the December 10, 2020 meeting were reviewed. *Scott Hutsell made a motion to approve the minutes as presented. Jeff Koffel seconded the motion. The motion passed unanimously.*

### **Regional Board Report**

Scott Hutsell provided the Regional Board Report. The first matter of business was to extend a warm welcome to the new Regional Board members: Charles Amerein from Columbia County, Mike Heath from Ferry County, Larry Ledgerwood from Garfield County and Brian Smiley from Pend Oreille County. Scott informed the new board members that Rod Van Alyne would be reaching out to them in the very new future to schedule a Zoom meeting for the orientation on the board responsibilities. Scott ended his report by sharing that he had recently participated in a statewide Workforce Development Council (WDC) meeting with Rod. In attendance were representatives from all twelve of the state's WDCs. Scott shared that it was an eye-opening experience to see and hear what other WDCs are experiencing and how they are handling issues throughout the state.

### **Chairperson's Report**

Bill began by also extending a welcome to the new Regional Board members. He continued with notification that it is the time of year to request planning responses from partners. Bill provided a brief explanation of the policy related to the request. He asked for motions to proceed. The motions were presented as follows:

ADMINISTRATIVE COMMITTEE: *Scott Habenicht made motion to proceed with the request for a report on activities and the plan for PY 21 from Adult and Dislocated Worker Program Contractors with recommendations to be presented at the May 27, 2021 meeting. Brian Shinn seconded the motion. The motion passed unanimously.*

YOUTH COMMITTEE: *Leslie Druffel made a motion to proceed with the request for a report on activities and the plan for PY 21 from the Youth Program Contractors with recommendations to be presented at the May 27, 2021 meeting. Todd Kimball seconded the motion. The motion passed unanimously.*

Bill asked for a motion to allow the Administrative Committee to pursue the engagement of a One-Stop Operator with a full Request for Proposals (RFP). *Jeff Koffel made the motion as presented by Bill Clemens. Art Swannack seconded the motion. The motion passed unanimously.*

Bill ended the report with the announcement that he would be retiring from Pacific Power after 39 years of employment. The retirement means that he will no longer be able to serve on the WDC Board. He has agreed to stay on as the chairperson through the month of May to allow for the completion of securing the One-Stop Operator and to give the board time to secure his replacement.

### **Director's Report**

Rod gave a heart-felt thank you to Bill for the many years of service to the WDC. He also thanked him for agreeing to stay on through May.

Rod further reported on the statewide WDC meeting that Scott had referenced in the chairperson report. The meeting had been held on February 17, virtually. Representatives from all 12 WDC areas were in attendance. The discussions were based around the economic recovery after recuperating from the shock of the pandemic. Rod expressed that on a local basis, the LWDC's are positioned to better understand what has occurred in their areas. However, it is important for all WDCs to be aware of what is happening at the state level. This will allow them to continue to look at and promote the best ways to progress locally (and statewide) using all partners. Every WDC has the same good intentions for their area and they all want to assure that their individual local impacts are represented. Several mutual challenges were identified such as the challenge with daycare, being able to best provide service to the underserved and obtaining RELIABLE data. Rod noted that it is always entertaining to hear reports from the bigger areas and all in all it was a good meeting.

Rod reported that the Department of Labor performed a recent monitoring on the local Employment Security Departments. There were a couple of issues that will roll down to the local WDC area. One issue is concerning the EWP webpage. Websites are required to comply with the "Sunshine Provision". Most of the requirements have been met on our website. However, we will need additional information on how we identify what the Adult and Youth programs are and how we provide service to the participants. Rod is currently working on gathering more information on this requirement. Another requirement observed by DOL pertains to assuring that the functions of the local elected officials do not supersede those of the local WDC Board. This does not occur in our area, but we need to provide delineation of what the LWDC is and does versus what the elected officials do and what their responsibilities are on the website. Because of this, Rod is highly recommending that all members of the Regional Board of Directors attend the upcoming orientation (date TBD). The information would be important to every member no matter how long they have served.

Rod noted that the May WDC meeting will be very busy. There will be the review of the service provider responses for the Adult and Youth programs, and the recommendation to approve them for PY 21. The time frame includes receipt of the reports by March, review by the committees in April with recommendations presented at the May meeting. In addition, the procurement of the One-Stop Operator will run concurrently with the approval of the reports and will be included in the May meeting.

Rod thanked Larry Ledgerwood for his attendance at today's meeting. He noted that he would be reaching out to Larry to discuss acquiring business representation from Garfield County. Ideas for

representation included representatives from agriculture, transportation, retail, or any other business that might be interested in serving on the WDC Board.

### **Labor Market Report**

Doug Tweedy provided statistics in the Labor Market Report. He noted there are several trends to be recognized in this report. Unemployment rates are high due to COVID19. However, the urban areas with different types of industry, appear to have been hit harder than the smaller, more rural areas that have been able to migrate faster through the pandemic issues. The good news is that the unemployment rates are beginning to trend downwards and it is hopeful that our areas are heading towards pre-pandemic numbers. The EWP counties are still negative 3000 jobs from the time before COVID19. Doug also noted that payroll numbers are showing signs of increasing, although there will be a great deal of reconstruction required in the leisure and hospitality industries.

There is promising news for the future in the EWP region. There is evidence of more hiring in the following fields:

- Utilities
- Information (due to installation of 5G service in certain areas)
- Professional and Technical
- Finance and Insurance
- Transportation and Warehousing (especially in Spokane County with 2 Amazon Distribution centers)

In addition, there is evidence of extensive migration of workers from the west side of the state to the east side of the state. Most of the workers are in the fields of telework including a heavy dose of telehealth workers.

The negative side in Doug's report is that there is a new group that has been identified as long-term unemployed. Information on this group was derived from unemployment claims. The demographics for the long-term unemployed person include male, age 25 – 44, and high school graduate with some college. The work fields that the group is coming from are food preparation and servicing, management, office administration support, and sales and retail. Other fields being hit hard are the leisure and hospitality field and the retail trade.

It was explained that the net in-migration has been observed across all of eastern Washington state. This information needs to be calculated in future projections as we move forward out of the pandemic phase. Bill asked about the age of those that were migrating to our area. The age tends to be younger (30-40 years of age). Their skills lean towards telework and new business entrepreneurs. They are leaving because they simply want out of the I-5 Corridor.

Art questioned the changes (downtrend) in leisure and hospitality and the projection that many of the businesses would not make a come-back. Doug explained that leisure and hospitality fields have experienced a change in how they are viewed and how they continue to operate. Restaurants are looking at a different form of business model. However, because of the length of the pandemic shutdown, many of the firms will not be able to survive, especially if the shutdown continues through spring. Art expressed his concerns about Washingtonians traveling to other states for restaurant and other services due to different regulations. Doug concurred and noted that he hopes to see the return of collegiate sports soon. This is especially important for Whitman County. Art agreed. Not only is there a loss seen in revenue for hotels and restaurant in Whitman County, but tax revenues have also dropped substantially. This will result in cutbacks occurring in local governments. Rod added that there has been a shift in restaurants to the expansion of TO GO service, resulting in a change from wait staff to

more food prep staff and delivery persons. This can result in more money being made by the restaurant owner as they create new and different business models and staffing patterns.

Jerry shared that he had recently met with representatives from the wine industry, many that had stated they were experiencing the best year they had ever had. These winemakers are upping their game and aiming for the high-end markets. The plans include leapfrogging by using the pandemic to launch their wine businesses in the high-end hospitality market and hoping to compete with Napa Valley wines.

Ajsa submitted that one thing she has noticed in southeastern Washington is that the home-grown companies are struggling more than those that are owned by nationally recognized companies. In Walla Walla they are striving to come up with new ways to market their products, looking for new niche's and better ways to promote all products. All border communities are struggling with their residents traveling across state lines for entertainment. Some leisure and hospitality businesses have been able to sustain by using grant and loan programs. However, it is unknown how much longer those businesses will be able to sustain on those funds alone. Bill shared that he recently visited the NW Wine Service, which houses bottled wines in a 750,000 square foot building in the Burbank area. Pre-pandemic this company was experiencing an 80% growth. However, with the pandemic they have been forced to dump gallons of wine due to a drop in sales. It appears that in this case, the impact was felt more negatively by the bigger company. It was agreed that the pandemic has provided a learning opportunity for businesses. Some of the business have had flexibility to change their staffing patterns (transportation / warehouses).

Doug reported that they are currently working on a hybrid list of "occupations in demand" based on numbers that are a result of the pandemic. This could serve as a Desk Guide for help with transitioning as we move forward. There are large numbers of positions that may be permanently displaced. Doug also noted that they have seen a trend in fast-tracking retirement in certain fields – Information (IT), education service, and health care. It is important to start considering how to replace the retirees or create new positions.

Doug advised that for additional or more specific county information, check their website: <https://esd.wa.gov/labormarketinfor/county-profiles>. Art asked if Doug thought that when the restrictions are lifted there will be such a large rebound in activity that businesses may not be able to handle the extra activity. Doug replied that it would depend greatly on the business. Already the boat and RV businesses have seen such a push in activity that they are sold out. The biggest problem with a large rebound in activity may be that many of the previous employees would have moved on to other jobs. Doug concluded with the statement that the future is optimistic for Eastern Washington. The area is well positioned for whatever the future brings.

### **WorkSource Report**

Jennie presented data from November 1, 2020 to January 31, 2021. She noted that ESD offices are still offering service in a virtual environment, which continues to be a challenge. Staff continues to assist those that reach out for help with service via phone and computer. It was noted that customers miss the personal touch. Jennie added that the WorkSource Employer data supports the data that Doug had presented in the Labor Market Report. She pointed out that there was an increase in job seekers with degrees. This is new.

Anne provided a report on the ESD offices in SE Washington. They have had to dispatch two employees to assist with unemployment claims. However, all other staff is working diligently to reach out to participants using a variety of different (virtual) methods. The methods include new ways of marketing. They are actively outreaching to unemployment claimants, starting with those that have been filing for

unemployment the longest. The RESEA program has been relaunched in the WW office effective mid-January. The targets that were provided to them are lower than the office is normally used to. Staff has been very aggressive with this program and are at 75% of the target amount already! In addition, they have served 444 job seekers, providing 908 services – virtually. They have begun to offer local VIRTUAL workshops that include an interview lab, a resume lab and COVID Job Club. They have also contacted 91 employers and been able to provide 28 services to them. The WW ESD office recently re-partnered with Providence Health to provide the CNA Scholarship program. Participants in the program can work at Providence during training and could continue with the company when they have successfully completed the course.

Anne continued by reporting that her office has begun preparations for reopening. They are installing the appropriate PPE and purchasing equipment to keep staff and visitors safe. Art inquired about the rules that are used for providing services in-office. Anne stated that they have been in Phase I but are now moving forward with Phase II. Jennie added that ESD staff work under the Governor's Directives and the Healthy Washington rules that provide information on reopening. The State Service Director is still recommending that service remain virtual. Jennie does not anticipate that the offices will be opened until late spring or early summer. The ESD agency has created a plan for reopening and that plan will be forwarded to the WA State Office of Financial Management for approval. There was an additional question on how well the largest group of unemployed claimants (as mentioned in Doug's report) does with virtual service. The response was that they have adapted easily to the new type of service. Jennie also added that they are working with Rod on re-opening and will be addressing all challenges as presented.

Kelly presented a joint report on services provided by RRCA and Colville ESD. Both agencies are still providing virtual services. ESD is gathering data to be used to refine their current local model with the intent to implement what is working as a permanent process. Rural Resources will be opening their front doors beginning on March 1. The Employment and Training staff will be available to provide service to those that visit RRCA via phone and by appointment.

Colville ESD has begun distribution of newsletters through email that provide information and links to job opportunities and information from community partners. The Business Service Team continues to do outreach in conjunction with the local economic development district. Team members in all nine counties of the EWP are working on the Business University accredited training program. A virtual Job Fair (in conjunction with Worksource Spokane) was scheduled to occur today. Kelly had checked with staff prior to the meeting and 95 job seekers had registered! Over 40 employers had signed up to host booths, and it was reported that the employers had received interest early in the session. The recently closed Ponderay Newsprint has received Trade Act approval. Outreach has been provided to the employees and ESD staff is further preparing to provide services.

Kelly ended her report with the story of "Hunter", who came to RRCA Employment and Training after recently graduating from high school. He was considered low income and had no work experience. RRCA staff was able to secure a coaching position for him at the local Boys and Girls club. While coaching, he continued with his education at the community college. He did so well at his coaching job that he was elected Employee of the Year. Now he has graduated with a degree and is employed as a supervisor for manufacturing company. What a great story!

There being no other business, the meeting was adjourned at 1:48 PM. The next meeting will be held on May 27, 2021.