

Yavapai County Workforce Development Board Executive Committee May 13, 2021 Meeting Minutes

Attendees:	Present/Absent	Number of Absences in 2021
Anita Payne, Chairman	Absent	1
Philip Tovrea, Vice-Chairman	Absent	1
Kurt Greves	Absent	1
Mark Timm	Present	0
Gary Hassen	Present	0
Rick Duff	Present	0

Staff: Teri Drew, Executive Director
Julia Sawyer, Executive Assistant

I. Call to Order/Welcome/Introductions

At 9:05 AM, Executive Committee member Gary Hassen called the meeting to order in the absence of Chairman Anita Payne and Vice Chairman Phil Tovrea. Executive Assistant Julia Sawyer called the roll – a quorum was present.

II. Approval of the March 4, 2021 Minutes

Mr. Hassen called for a motion and second to approve the minutes of the March 4, 2021 meeting; **so moved by Mark Timm, seconded by Gary Hassen. The motion carried unanimously.**

III. Chairman’s Report

There was no Chairman’s report.

IV. Director’s Report

WDB Executive Director Teri Drew opened her report with news that Governor Ducey signed an executive order reverting Unemployment Insurance (UI) participant requirements to pre-COVID-19 pandemic status. As of May 23, 2021, recipients of UI must look for work weekly in order to stay on UI, and must take a minimum wage or better job within four weeks or be removed from eligibility. Ms. Drew noted that this measure is critical to economic recovery in Arizona, as business and industry cannot rebound if they do not have the workers to produce products and services. She commented that the very next day after Governor Ducey’s order the phones at the One Stop started ringing with job seekers. Ms. Drew reported that there are over 200,000 on UI in Arizona – this executive order stops the bleeding for all employers by UI claimants reentering the workforce.

Ms. Drew encourages employers to send a thank you note to the Governor, noting that she sent a letter on behalf of NACOG thanking him for taking this critical UI step. Ms. Drew clarified that individuals with COVID-related circumstances can still receive UI if they are ill or high-risk.

Mark Timm commented that the Prescott Valley Chamber used to do an annual labor market/wage and benefit survey, and asked if there might be an opportunity for the Workforce Board to do something like that as a benefit to employers in the area. Ms. Drew suggested that the Workforce Board could

champion this effort, noting that she can check with Yavapai College and the Office of Economic Opportunity for data. She noted that she is willing to hire an organization, led by the Workforce Board, to achieve it if she can't get it done free of charge. She noted that she is cautioning employers to begin to take a little more selective approach in recruitment now that the return to work order is in effect, rather than just taking anyone.

Ms. Drew reported that the Department of Labor held four good training sessions over the last month geared toward board members. She noted that invitations went out to all members and a few members attended. She noted that she will have the power points and video links available on the website for those who didn't get to attend to review at their leisure.

Ms. Drew shared a power point of photos from the April 8, 2021 visit from Senator Kelly and some of his staff at the West County One Stop. She noted that she had a two-day turn-around time to prepare for the opportunity for discussions on federal investments directed toward workforce development, economic development and broadband investments. Ms. Drew expressed appreciation for the participation of WDB member Joan Gustafson who gave a great testimony of our programs and services. Ms. Drew commented that Senator Kelly was very kind, considerate and interested in Northern Arizona and has already documented advancements toward supporting workforce recovery per their conversations. She noted that she was pleased for the opportunity.

Ms. Drew reported that the Summer Youth Program is nearly ready to get underway. The program runs for eight weeks in the summer, offering the opportunity for young people to earn nearly \$4,000 at the new minimum wage of \$12.15 per hour. This year there are 22 jobs available across public, private and non-profit sectors, and so far 14 youth have completed their eligibility requirements with more expected, as there is a big marketing push for the program on the radio. The program begins in mid-June and through July for ages 16 through 21 years.

Ms. Drew noted that she was invited to partner with the Prescott Chamber to co-host an HR Roundtable, noting that it was a good meeting. Mark Timm also participated in the roundtable. The common issues for most involved accessing employees. There are plans for follow-up meetings, and the Chamber is taking the lead on arranging these meetings.

Ms. Drew noted that NACOG is not exempt from accessing quality staffing for the Senior Administrative Assistant position in the EWD office. Dakota King has resigned from NACOG to attend to some family medical issues. Ms. Drew commented regarding the difficulty in hiring, noting that she has hired six individuals over the last 10 months, with the average stay ranging from two weeks to two months. She noted that a review of the NACOG process for recruitment, hiring, on-boarding, benefits and culture is underway.

➔ **WDB Budget Update**

Ms. Drew shared for information purposes that the federal budget numbers have been released to the states for review, and noted that Arizona overall did see a loss of federal funds this year, impacting Yavapai County with a total loss of \$107,077. Formula funds are distributed to the local areas based on excessive and long-term unemployment and poverty rates. The pandemic caused historic UI numbers, but compared to other states Arizona has fared well.

Ms. Drew noted that the Workforce Arizona Council will meet in May to determine the final allocations, but Yavapai County's budget planning is already underway, with a draft to be ready before our August Annual Meeting. She commented that Congress is considering the Biden administration

recommendations to increase workforce investments by 6%, which should have a benefit to the overall annual funding and services.

Ms. Drew noted that the state reserved the 15% set aside as well as the full 25% of Dislocated Worker funds known as Rapid Response last year in the amount of \$25,790,196, and they have done so again this year in the amount of \$49,162,653. Rapid Response funds used to be included in the local area allocations, allocated for layoff events, and Arizona has never experienced such a layoff event as was caused by the pandemic, yet the State is holding the Rapid Response funds and has yet to provide a plan for the use of the funds as required by the Department of Labor. Last year, the State committed to produce a plan for spending Rapid Response by July 2020, but has not done so. Ms. Drew noted that these fund allocations only have a 2-year life, and one year has already gone by for PY2019-2020. She noted several attempts at getting answers from the State on how the funds are going to be spent, but she has not received answers to date.

Ms. Drew noted that Program Budgets and the WDB Budget for FY2021-22 will be presented to the Executive Committee at the July meeting and the full Board for approval at the August meeting.

➤ **Board Recertification Update**

Ms. Drew reported that Board Recertification is required every two years. She reported that the Executive Committee of the Workforce Arizona Council granted conditional approval of the Yavapai County WDB last week, dependent on the successful negotiation of our Memorandum of Understanding/Infrastructure Funding Agreement (MOU/IFA), along with satisfactory answers to questions regarding our membership and some required Bylaws revisions.

➤ **One Stop Operator Agreement Addendum Review/Approval**

Another item requiring an update for recertification is the One Stop Operator Agreement. Ms. Drew noted that everyone received a copy of the Addendum describing the One Stop Operator Performance Measures. Language identifying how the County would monitor performance was added to the agreement to satisfy the requirement. This is an action item for approval. Mr. Hassen called for a **motion to approve the One Stop Operator Agreement Addendum; so moved by Mark Timm, seconded by Gary Hassen. The motion carried unanimously.**

➤ **MOU/IFA Update**

Ms. Drew reported that negotiations to complete the required Partner MOU/IFA since November 2019 are ongoing, having been first started by the One Stop Committee. Ms. Drew identified several areas of disagreement with Titles III and IV, including the Board's methodology in calculating the fair share cost agreement, and identification of One Stop Centers for the IFA. Comprehensive One Stop Centers are identified in the Yavapai County Workforce Development Plan to include on-site and itinerant services, and the WDB identifies the Comprehensive Centers as the Marina Street location in Prescott and the Cottonwood DES office. DES insists that the Prescott Valley affiliate site be added, which would require budget adjustment and a plan revision. Ms. Drew is not recommending adding the Prescott Valley site as there is no plan in place to co-locate with them. She has received correspondence from DES stating that the Board Certification will be held up if the WDB does not come to agreement with MOU demands. No certification means that eventually there will be no funding.

Ms. Drew noted that the Board has recourse with the Governor's office to mediate and rule on this issue via a new policy related to substantial violation obstructing the authority of the WDB, as has been discussed with the Committee before. She reported that she has drafted a letter to the Deputy Director of DES to assist in a resolution to these matters prior to engaging the Governor. She recommends the Chair sign the letter asking for a higher level mediation to resolve issues or take recommendations for

other solutions. Mr. Hassen called for a **motion to send a letter from the Board Chairman to the Deputy Director at DES to try to resolve the issues with the MOU/IFA; so moved by Mark Timm, seconded by Gary Hassen. The motion carried unanimously.**

➤ **Bylaws – Open for Amendment**

Ms. Drew reported that the State has made recommendations to update the WDB Bylaws as a part of the recertification requirements. She went through the updates, which required clarification to how stakeholders are convened to include virtual meeting platforms; how board member terms are staggered; resignations and removal from the Board processes; updates to standing committees and regular committees. Mr. Drew noted that the Executive Committee has always been considered a Standing Committee but had to be singled out. Also, Ad Hoc Committee references had to be added.

Ms. Drew noted that these changes do not change how the WDB does business but provides the clarification for the state. She asked for a **motion to open the Bylaws for the updates and for approval at the August WDB meeting; so moved by Mark Timm, seconded by Gary Hassen.** The motion carried.

➤ **Membership Update – Labor Sector**

Ms. Drew continued to report that another point of clarification needed for recertification involves the membership representation of long-time labor representative Rick Duff, currently a member of the Executive Committee. The state is challenging G.D. Barri's classification as a union organization, as they are a private-sector company. Mr. Duff presented a letter breaking down the advocacy and work that he does with union organizations on behalf of G.D. Barri. Ms. Drew noted that she is debating this issue with DES, as Mr. Duff's membership has been approved for the last five years. She stated that Rick's membership could be converted to private sector if necessary, but if it came down to removing him from the roster, the Board would have 120 days to fill the vacant labor seat.

Ms. Drew also reported that a membership application has been received to fill the vacancy left by Ralph Harris in the labor sector, and is expected to be appointed by the Board of Supervisors in June. With that, Ms. Drew concluded her report.

V. Strategic Planning Discussion

Ms. Drew reported that Trevor Stokes, CEO of Partnership for Workforce Innovation was scheduled to bring an update on the development of a strategic plan for building the capacity of the WDB, however, Mr. Stokes was called to Jury Duty and could not attend today. Ms. Drew noted that she received an outline and plans for the Strategic Planning Committee to meet and work with Mr. Stokes to draft the plan. The final plan will be presented to the Board at the Annual Meeting in August.

VI. Member Comments

Mr. Hassen called for Member comments, there were none.

VII. Public Comments

Mr. Hassen called for public comments, there were none.

VIII. Adjournment

Mr. Hassen called for a motion to adjourn; so moved by Mark Timm, seconded by Gary Hassen. The meeting adjourned at 9:51 AM.