



YAVAPAI COUNTY

# Yavapai County Workforce Development Board Executive Committee March 10, 2022 Meeting Minutes

Attendees:	Present/Absent	Number of Absences in 2022
Anita Payne, Chairman	Present	0
Gary Hassen, Vice Chairman	Present	0
Phil Tovrea	Present	0
Mark Timm	Present	0
Kurt Greves	Absent	2
Tony Gauthier	Present	0

**Guests:** Gabe Loyola, Loyola Associates

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

### I. Call to Order/Welcome/Introductions

Chairman Anita Payne called the meeting to order at 9:04 AM and identified those present in person and via Zoom. A quorum was present. Chairman Payne noted a full agenda and the need to stay on task for those needing to return to work.

### II. Approval of the January 27, 2022 Executive Committee Executive Session Minutes

Chairman Payne called for review and a **motion to approve the January 27, 2022 meeting minutes; so moved by Gary Hassen, seconded by Mark Timm. The motion carried unanimously.**

### III. Chairman’s Report

Chairman Payne began by reporting that the Board’s attorney sent a follow-up letter to NACOG’s attorney requesting a response. The letter was copied to herself and Vice Chairman Hassen on March 3, 2022. No response has been received to date.

Chairman Payne turned the meeting over to WDB Executive Director Teri Drew to review the following:

#### ➤ Membership Considerations

- **Change of Status – Kurt Greves**

Ms. Drew noted the first item for consideration is a change of status letter from Executive Committee member Kurt Greves. Mr. Greves has left Sparklight and started his own business. Ms. Drew suggested holding on this item as Mr. Greves is contemplating resigning from the Board due to constraints on his schedule.

Ms. Drew noted that all members of the Executive Committee are appointed by the Board of Supervisors to specifically represent each of the five Supervisorial Districts. Mr. Greves was appointed to District 1, so it will be necessary to reach out to Supervisor Harry Oberg for a recommendation or to bring him a recommendation for appointment. She noted incumbents that would qualify to fill Mr. Greves' seat on the Executive Committee, which are Brenda Rhodes of APS and Garth Bascom of Fann Contracting. Both are within Supervisorial District 1. She noted that both are optimum policy makers. Ms. Drew also suggested that the Board could wait to fill Mr. Greves' Board seat, noting that she would like to reach out to Sparklight for an individual qualified to replace Mr. Greves as a Board member. She considered Sparklight as a valuable partner in marketing. This was an information only item.

- **Renewals:**

Ms. Drew reported several members that submitted applications for the renewal of membership. Annually the Board of Supervisors circulates a list of memberships that will term in June of each year and requests that the WDB process them by April for the Board of Supervisors preparation for reappointment in June. This year the following members have submitted their renewal paperwork:

- **Garth Bascom – private sector for 2 years, expiring in June 2024**
- **Alycia Botkin – One Stop Partner for 4 years, expiring in June 2026**
- **Mel Ingwaldson – Labor sector for 4 years, expiring in June 2026**
- **Ginger Johnson – private sector for 2 years, expiring in June 2024**
- **Brenda Rhodes – private sector for 2 years, expiring in June 2024**
- **Mark Timm – private sector for 2 years, expiring in June 2024**
- **Kurt Wilkinson – private sector for 2 years, expiring in June 2024.**

Chairman Payne called for a **motion to approve the membership renewals of these members; so moved by Gary Hassen, seconded by Phil Tovrea. The motion carried unanimously.** Ms. Drew mentioned the requirement to fill the labor representation vacancy of Rick Duff within 120 days of his resignation, noting the outreach that has been done for a suitable candidate. She noted that Mel Ingwaldson has a labor colleague who recently moved to Cherry who is considering submitting an application as a potential candidate. When the application is received it will be brought for review and recommendation.

#### **IV. Director's Report**

##### **➤ Updates**

Ms. Drew began her report by expressing appreciation to the Chamber of Commerce, the Daily Courier and Quad Cities Business News (QCBN) for running the news story about the WDB Local Impact Award presented by the Governor's Workforce Arizona Council. Ms. Drew noted that she has changed her focus in marketing from NACOG to the WDB, referencing recent QCBN articles and ads for the Return to Work campaign.

Ms. Drew reported discussions with Arizona Town Hall (ATH) to assist Yavapai County in creating some data regarding labor force shortages. ATH is more than willing to step up and convene Town Halls with Yavapai County employers to gain their perspective as well as convening Yavapai County job seekers as a means to gather data and write a report, to be completed by June 30, 2022. The meetings will be hybrid – both in-person and via Zoom, and the cost from ATH will be \$6,000, a reasonable price for the work they prepare and the report they deliver. The data will be a tool for preparing future marketing targets as well as a work plan for the Board.

Ms. Drew reported that the Workforce Board Strategic Plan looks nice, and printed copies are forthcoming. She thanked Executive Assistant Julia Sawyer for working with her on the finished project.

Ms. Drew reviewed the Balance Remaining report from December. She noted that funds that are not expended by June 30 go back to the State – this has never happened with Yavapai County before and it is not the goal for this year. Ms. Drew noted that it is a possibility that some of the 2020-2021 funds may have to be returned for a variety of reasons, including recently losing three Program Specialists at the One Stop offices to higher paying jobs. The Governor's shut-down order and a shift in job opportunities have also had impacts on spending. The employee competition factor makes retention difficult, and Ms. Drew noted discussions with NACOG management for retention and salary adjustment strategies. Ms. Drew also reported increases to employer and client services also to assist in spending down funds. Compared to the rest of the State, Yavapai County is faring well, representing an average of 50% spent as of December 2021.

National allocations for Workforce Innovation and Opportunity (WIOA) programs have been released by the U.S. Department of Labor (DOL). These estimates are provided to states for planning purposes and are based on statutory formulas that require DOL to adjust funding state-by-state. Ms. Drew noted that Arizona's allocations look different than most states because of Governor Ducey's strategies during COVID-19 – keeping the construction and hospitality industries open, and COVID restrictions were less stringent than many states, which boosted Arizona's economy. Ms. Drew noted that if unemployment in a state is lower, the allocations to the state will be lower – and this is represented by a \$10 million loss of Title I funds for Arizona. This will trickle down to local areas. Yavapai County is doing well with lower unemployment numbers than many areas in the State and this will likely mean some loss of funds for the next program year, although no local allocations have been released yet. Negotiations with the State are pending and will be reported when finalized.

➤ **NAWB Award Nomination Submission**

Ms. Drew reported on the National Association of Workforce Boards (NAWB) W.O. Lawton Award, noting that last year, following the annual NAWB Forum, Chairman

Payne challenged Ms. Drew to apply for one of the national awards on behalf of the WDB. Ms. Drew reported that we submitted a nomination on behalf of the Board for one of the two offered, highlighting Grant Quezada and John Hancock Barbershop/Founding Fathers Collective (FFC), an employer in the Title I program. FFC won this year's award. The announcement of the award recognizes the Yavapai County WDB and FFC and their service to the Veteran community, so Ms. Drew and Chairman Payne will be celebrating with FFC in Washington DC in April. Ms. Drew noted that out of 550 boards nationwide, our nomination was selected for the honor. Chairman Payne thanked Ms. Drew for taking this project on, noting all the work and coordination that had to go into it, and Ms. Drew acknowledged Ms. Sawyer's assistance as well. She suggested anyone who knows Mr. Quezada to offer a word of congratulations to him. She related the story of breaking the news to him and his expression of gratitude for the honor. Ms. Drew thanked the Executive Committee and the Board, noting that the Board's leadership really does matter. The story will be given to the media following the award. Positive discussion and congratulations followed.

➤ **1<sup>st</sup> Quarter WDB Monitoring Report – Bylaws Update**

Ms. Drew reported that the Department of Economic Security (DES) recently did a monitoring of the WDB to review all Board documents for alignment with policy. The State has been updating policies over time that must be implemented into our policies. One finding was identified in the Bylaws, which was missing some detailed description of the cited Conflict of Interest policy. Ms. Sawyer made the required additions that will be presented. Copies of the changes were provided for review today. Ms. Drew stated that the Board needs to vote to open the Bylaws for the corrections to be made, then on to the full Board for approval and to the Board of Supervisors in May.

Chairman Payne called for a **motion to open the Bylaws for the purpose of updating the Conflict of Interest section to more accurately align with State Policy; so moved by Mark Timm, seconded by Gary Hassen. The motion carried unanimously.** Ms. Drew noted that this will satisfy the finding.

➤ **One Stop Comprehensive Centers Discussion**

Ms. Drew opened a brief discussion regarding the One Stop Centers, noting her recent visit at the DES office in the Verde Valley that houses our Title I office in East County. She reported that the offices had largely been vacated and left the space in disarray, as nearly all DES staff works from home since the pandemic. Ms. Drew noted her concerns for Title I staff who have to work in such an environment and that clients have to navigate through it. She is investigating other space opportunities for Title I services. She will be working with DES on solutions to improve the current site and avoid future findings at the One Stops. Ms. Drew noted her appreciation for the new Title III representative for Yavapai County, John Soto, for taking action to resolve issues. She opened the floor for discussion. Following brief comments, Ms. Drew noted that DES is doing an assessment of the situation and clean up strategies. She will bring an update to the next meeting.

➤ **Policy Updates**

Ms. Drew introduced an update to the Yavapai County WDB Policy Manual to align with State Policy updates. She reviewed the addition of a statement that the Yavapai County WDB adapts and complies with DES Policies. Also added was the policy related to data validation and the use of NACOG data security training and Information Technology (IT) Acceptable Usage Policy (DES Section 1500), as well as DES Section 1600 policy related to prohibition of the use of WIOA funding related to recreational/medical marijuana stating no use of WIOA Title I-B funds are allowed for activities relating to marijuana containing Tetrahydrocannabinol (THC).

Chairman Payne called for a **motion to approve the updates to the Yavapai County WDB Policy Manual; so moved by Gary Hassen, seconded by Mark Timm. The motion carried unanimously.**

➤ **April WDB Meeting Location/Scheduling**

Ms. Drew reminded the Executive Committee that the April 14th full Board meeting is being moved to April 19<sup>th</sup>, and the location will be moved back to the Hilton Garden Inn at Prescott as opposed to Cottonwood. This will encourage full attendance for the meeting.

**V. Consideration to Move into Executive Session**

Chairman Payne acknowledged that Gabe Loyola of Loyola Associates was attending the meeting via Zoom to discuss One Stop Operator procurement with the Executive Committee. Chairman Payne noted that the procurement discussion will be held in executive session and is confidential pursuant to ARS 38-431.03(C). She called for a **motion and second to move into executive session; so moved by Gary Hassen, seconded by Mark Timm.** At this time the recording was stopped and Executive Director Teri Drew and Executive Assistant Julia Sawyer were excused from the meeting so as to avoid the appearance of a conflict of interest.

➤ **One Stop Operator Procurement**

***The WDB Executive Committee moved into Executive Session to hear from the Board's consultant, Gabe Loyola, who brought a presentation of Request for Proposals (RFP) materials for approval to be released. Upon completion, the public meeting resumed.***

Chairman Payne invited Ms. Drew and Ms. Sawyer back into the room, and reported that the RFP materials presented were approved by unanimous vote, with the motion being made by Mark Timm and seconded by Gary Hassen.

**VI. Member Comments**

Chairman Payne called for Member Comments. Gary Hassen commented on the current events and the impact expected to the labor market, affecting people that can least afford

it. He noted the need for the Board to switch gears to react to the economic conditions and shape services to assist. He commented that in his 40 years of being in business, the situation looks pretty dire, noting the need for a huge adjustment in the coming months. Chairman Payne agreed, commenting on the price of gasoline, and as a result is moving to working from home as opposed to driving to Phoenix to work. She agreed that the costs will impact those who can't afford it. Ms. Drew commented on emotional stress related to the news, seeing two years of pandemic reels and now seeing reels of war on the news. She commented on the impact it has on people that don't have good self-sufficiency skills, as well as their mental health.

Tony Gauthier mentioned the difficulty with spending the funding and possibly having to turn some funds back to the state, and he asked if that would affect future funding amounts – Ms. Drew said it would not affect future funding.

Mark Timm agreed that we are living in unprecedented times for workforce development. He commented on the struggle for affordable workforce housing, noting that people with six-figure salary leaders in his industry that can't find an affordable home to live in. He noted that rent prices are out of control and wages can't keep up. More discussion followed regarding workforce challenges and the need for innovation for solutions. Ms. Drew commented about the City of Phoenix opening up civilian opportunities to assist the police force as a means to allow redirection of funds and resources to emergency services. She noted 500 applications from civilians to participate.

#### **VII. Public Comments**

Chairman Payne called for public comments, there were none.

#### **VIII. Adjournment**

Chairman Payne called for a **motion to adjourn, so moved by Gary Hassen, seconded by Mark Timm. The meeting adjourned at 10:00 AM.**

*Minutes of the Workforce Development Board Executive Committee – March 10, 2022*

*Approved:*