

**Phoenix Business and Workforce Development Board  
Full Board Meeting Minutes  
July 12, 2018**

The meeting of the Phoenix Business and Workforce Development Board was held on July 12, 2018, located at the Phoenix Business and Workforce Development Center, 302 N. 1<sup>st</sup> Ave., 6<sup>th</sup> Floor, Phoenix, AZ 85003.

**Board Members Present:**

Aubrey Bohanan (Vice-Chair)  
David Stakebake  
Jeff Kulaga  
Jan Davis  
Kelley Coats  
Michael Hale  
Nick Bielinski  
Beth Salazar

Travis Hardin  
Delbert Hawk  
Ali Gamero-Hernandez  
Michelle Jameson  
Lisa Elowson  
Bethany Woodard

**Board Members via Phone:**

Malcolm Green  
Andres Contreras  
Daniel Barajas

Nick DePorter (Chair)  
Jesus Love

**City of Phoenix Staff:**

Cynthia Spell Tweh  
Isis Sanchez  
LaSetta Hogans  
Christina Edwards  
Melissa Magallanez  
Kerri Barnes  
Kimberly Cruz  
Christine Mackay

Diane Nakagawa  
Sandra Enriquez  
Mark Carr  
Sarah Yuma  
Brenda Hartle  
Julia Quinones  
Michelle Pierson  
James Montoya  
Hank Marshall

**Board Members Absent:**

Rachel Galusha  
Jeff Holly

Derek Anderson  
Lorenzo Sierra

**Public Attendees:**

Karen Nelson Hunter  
Dominic Braham  
Moriah Blomfield

Thomas Stack  
Stacey VanEmst  
Emily Ellis

Karen Lynch  
Ashley Wilhelm  
Manuela Sheehan

Luis Enriquez  
Jason Stokes  
Shana Taylor

Action items taken are noted in **bold** print.

**1. Call to Order**

Vice-Chairman Audrey Bohanan called the July 12, 2018, Phoenix Business and Workforce Development (PBWD) Board Meeting to order at 9:03 a.m. Roll call was completed by the Board Liaison and a quorum of 18 was present.

**2. Approval of May 10, 2018 and June 14, 2018 Meeting Minutes:**

A motion to approve the May 10, 2018 and June 14, 2018 Meeting Minutes, was made by Delbert Hawk, seconded by Michael Hale.

**Motion passed unanimously**

**3. Consent:**

A. Attendance Hours / Volunteer Time

B. Eligible Training Provider List

C. PBWD Board Vacancies

D. WIOA Title II Quarterly Update

**4. City of Phoenix Reorganization Structure for WIOA ARIZONA@WORK  
City of Phoenix:**

Christine Mackay, Director of the Community and Economic Development Department (CEDD) delivered a presentation with additional information on Agenda Item #4 as a follow up from the June 14, 2018 PBWD Board meeting.

Ms. Mackay gave background on how city staff and the PBWD Board arrived at its first organizational transition in Program Year 2017-18. This first transition occurred after discussions with the Workforce Arizona Council (WAC) identified a transparent institutional separation was required between Career Services and the Board Governance functions of the Local Workforce Development Area. Career Services would report directly to the City of Phoenix City Manager's Office and Community and Economic Development Department would staff the Board temporarily as of July 1, 2017 until a final structure could be implemented.

In accordance with Career Services and PBWD Board Governance separation, Ms. Mackay presented to the PBWD Board the decision by the City Manager to finalize the separation of Career Services from the City Manager's Office and transition Career Services to the Human Services Department (HSD) as of July 1, 2018.

Ms. Mackay reviewed the PBWD Board approved bylaws from May 10, 2018, describing the duties delegated to the City of Phoenix CEDD regarding staff for the PBWD Board.

The timeline associated with the transition of Career Services to HSD from CEDD, transition team, their duties, and the structure of the transition was outlined for the PBWD Board. The process of updating various individuals that would be effected or needed to be made aware of the transition included City of Phoenix City Council, the Fiscal team, all ARIZONA@WORK City of Phoenix Job Center staff, Youth Program Administration, Strengthening Working Families Initiative (SWFI) program staff and CEDD staff. HSD staff were also made aware during this timeframe.

Ms. Mackay addressed the breakdown in communication between CEDD Leadership and the PBWD Board regarding the transition. After the June 14, 2018 PBWD Board meeting, Ms. Mackay, with city staff, began conducting several meetings to ensure that clear communication regarding the transition was communicated to the PBWD Board and staff.

An organizational chart of the HSD and CED departments identifying functions to be transitioned was presented. Ms. Mackay outlined the continued transition meetings/updates occurring on a regular basis between HSD and CEDD.

Ms. Mackay described in detail the benefits to the realignment of Career Services with HSD describing that Youth Programs and SWFI will also transition, making sure to connect the mission of Career Services, the PBWD Board and the core mission of HSD. HSD has connections to many City programs that the Director of HSD and Ms. Mackay believe will be a great benefit to the clients/job seekers that are core to the Career Services mission.

In transitioning all programs under HSD, Ms. Mackay described that the fiscal agent will need to be shifted to HSD due to the fiscal program responsibilities no longer residing under CEDD.

The outcomes of the transition, as it relates to current Board support staff, was discussed. Ms. Mackay described how essential the duties of the Deputy Director of the Business and Workforce Development Division were to the success of the Career Services mission. Ms. Mackay further detailed the duties of the PBWD Board Executive Director as it relates to the PBWD Board's

bylaws to ensure the Board that Ms. Hogans, the proposed PBWD Board Executive Director, was qualified to provide support to the Board.

By unanimous vote, the PBWD Board permitted a call to the public on this agenda item.

Jason Stokes, ASPTEA President, during the call to the public, described that initial communication regarding this transition occurred in May, and Mr. Stokes hoped that the PBWD Board would have had more communication regarding the transition.

Several members of the PBWD Board and Ms. Mackay had a discussion regarding the staffing transition and qualifications of the incoming Board staff was discussed.

A. A motion to approve LaSetta Hogans as Executive Director of the PBWD Board was made by Michael Hale, seconded by Jeff Kulaga.

**Motion passed with three Board members, Bethany Woodard, Delbert Hawk, and Michelle Jameson dissenting.**

B. A motion to approve the City of Phoenix Human Services Department as the Fiscal Agent delegated by the Chief Elected Official for all Workforce Innovation and Opportunity Act (WIOA) program funds operated within the designated Local Workforce Development Area was made by Beth Salazar, seconded by Jeff Kulaga.

**Motion passed unanimously.**

## **5. WIOA Procurement Update:**

Ms. Gretchen Wolfe, Procurement Manager for the City of Phoenix Community and Economic Development Department provided an update to the procurement process as it relates to WIOA. The update included details on the previous Fiscal Year 2017-18 procurement items as well as the upcoming Fiscal Year 2018-19 procurement items.

## **6. One-Stop Operator Progress Update:**

Ms. Emily Ellis and Stacey Van Emst, One-Stop Operator Project Leaders from Goodwill presented a recap of the first year of service by Goodwill as the One Stop Operator for the City of Phoenix. The update included a high-level description of the most often used services by ARIZONA@WORK City of Phoenix Job Center customers.

An overview was provided describing the functions of the VOS Greeter system located in the ARIZONA@WORK Job Centers and how it manages the services provided to customers. The presenters also provided an overview of the monthly trainings provided to employees at the Job Centers and additional value-added services that exist.

A question by the board regarding the goals of the Goodwill services was asked. Goodwill staff discussed how while many of the trends in the services provided at the ARIZONA@WORK City of Phoenix Job Centers is positive, there is more work to be done to improve on those current services.

**7. ARIZONA@WORK City of Phoenix Comprehensive and Affiliate Sites Discussion PY 18/19:**

**A. Comprehensive Site: Job Center Certification for South Office**

LaSetta Hogans provided an overview of progress on the transition of the ARIZONA@WORK South Job Center to its new location and the potential for a location grand opening event.

**B. Affiliate Site: Choice Neighborhoods Grant - Aeroterra**

Ms. Hogans provided an overview of the progress in the development of the affiliate site at Aeroterra.

Vice-Chair Bohanan asked Board members to consider participating in the championing of the Job Center Certification process of both the comprehensive site, South Job Center and the affiliate site, Aeroterra. Vice-Chair Bohanan asked for the item to be placed on the August 9, 2018 Executive Leadership Committee's agenda for further discussion.

**8. Sector Partnerships Update:**

Mr. Robert Stenson provided an overview of the progress being made with sector partnerships.

The Advanced Business Services (ABS) sector partnership currently has 38 companies participating with the partnership divided into three committees: Branding, Career Pathway and Talent Network. Members of these committees can provide real time updates and course corrections for advancing the mission of the ABS sector partnership.

Mr. Stenson reviewed a new report being developed for the ABS sector that provides an overview of the sector including: average salary, demand in the sector, number of employed individuals, and number of total companies.

Board Members Hale and Salazar praised Mr. Stenson and his team for their work creating the various reports that empower companies and those looking to enter or upskill in the industry.

#### **9. Local Workforce Development Area In-Demand Industry Sectors:**

Mr. Robert Stenson provided an overview of the Local Market Information (LMI) process. This current update includes details of the construction industry, an area not currently part of the City of Phoenix targeted industry sectors.

Mr. Stenson recommended that the construction industry be added to the PBWD Board's areas of focus as an in-demand industry sector.

The Board discussed how financial support via grants and workforce programs would best be leveraged for the construction industry. Mr. Stenson discussed how the manufacturing industry was best positioned for, and has taken the most advantage of, the On-the-Job Training (OJT) program.

A motion to approve adding construction to the Local Workforce Development Area In-Demand Industry Sectors was made by Michael Hale, seconded by Jan Davis.

**Motion passed unanimously**

#### **10. Training Caps for Adult and Dislocated Worker Programs:**

Mr. Stan Flowers provided background and overview of the current WIOA training fund allocations and caps on those funds for targeted and non-targeted sectors. Currently WIOA training funds are allocated: 70 percent of occupational skills training funds in targeted sectors and 30 percent of occupational skills training funds in non-targeted sectors. Occupational skills training funds in targeted sector industries are capped at \$4,000 and non-targeted industry sectors are capped at \$3,000.

City staff provided a list of the current targeted industry sectors: Advanced Business Services, Manufacturing, Healthcare, Information Technology, and Construction. During fiscal year 2017-2018, a little over 60 percent of the WIOA training funds were used for targeted industry sector occupational skills training. The 60 percent was due, in part, to a significant draw for transportation related occupational skills training, which is in a non-targeted industry sector.

Mr. Flowers recommends that the current limits on WIOA occupational skills training funds in targeted sectors remain capped at \$4,000 and non-targeted sectors remain capped at \$3,000 for fiscal year 2018-2019.

A motion to approve the new targeted sector and non-targeted caps was made by Travis Hardin, seconded by Dave Stakebake.

**Motion passed unanimously**

### **11. Occupational Projections and Percentage Growth:**

Mr. Flowers provided an overview of the occupations In-Demand as it relates to targeted industry sectors by the PBWD Board. Mr. Flowers discussed that while the previous threshold for In-Demand occupations was any industry that was seeing an increase in jobs, moving forward, there should be a higher threshold for elevating an industry to an In-demand occupation status.

The PBWD Board discussed how recent occupational data provided by the Office of Economic Opportunity (OEO) considers the automation of certain industries. Discussion about whether industries and jobs connected to industries utilizing automation, that do not meet the In-Demand threshold, could still be considered eligible for WIOA training funds.

Mr. Flowers recommended the PBWD Board set a minimum threshold of three percent for industries experiencing job growth to be considered an In-Demand occupation and to use the OEO Occupational Projections data as the data source to establish the industries meeting this threshold.

A motion to except the minimum threshold for considering an industry as an Occupation In-demand and to use the OEO data source was made by Travis Hardin, seconded by Jan Davis.

**Motion passed unanimously**

### **12. PBWD Board Strategic Plan Discussion:**

Ms. Kerri Barnes provided an overview of the Continuous Improvement Committee as it relates to the communication plan between career advisors and City of Phoenix Staff.

Ms. Barnes detailed several types of surveys including: ARIZONA@WORK City of Phoenix Staff Survey, Business Team Survey, Career Advisor Survey, ARIZONA@WORK City of Phoenix Business Member Survey, ARIZONA@WORK City of Phoenix Customer Survey, and the ARIZONA@WORK City of Phoenix PBWD Board Survey. The surveys were developed to increase the feedback loop and communication between the various teams. Information about the survey plan process was provided.

The PBWD Board asked if the information collected by the surveys would be shared externally or internally (City of Phoenix staff). Survey information

dispersion will be an agenda item for discussion at the next Continuous Improvement Committee meeting.

A motion to approve the survey plan was made by Michelle Jameson, seconded by Kelly Coats.

**Motion passed unanimously**

**13. Matters for Future Discussion:**

Survey data being shared publicly.

**14. Call to the Public and Open Discussion:**

Vice-Chair Bohanan presented Cynthia Spell Tweh and Isis Sanchez with recognition awards for their time serving as Executive Director and Board Liaison to the PWBD Board.

**15. Adjournment:**

A motion to adjourn the meeting was made at 11:07 a.m. by Bethany Woodard, seconded by Jan Davis.

**All were in favor and the meeting adjourned.**