

**Southeast Tennessee Local Workforce Development Board  
University of Tennessee Chattanooga James R. Mapp Building  
311 East MLK Boulevard, Chattanooga, TN 37403  
September 14, 2022 | 11:30 AM EST**

Board members present were Carri Smith, Marshall Graves, John Proffitt, Evann Freeman, Malcolm Harris, Ethan Lloyd, Chris Schnarr, Josh Ewing, Rachel Hackworth, Leslie Travis, John Freeze, Ty Stone, Stewart Smith, Rebecca Ashford, Jennifer Thacker, Karen Buff, and Steve Hiatt.

Other guests in attendance were Evan Williams, Dan Wolgast, Jerry Myers, Robert Gordon, Danielle Ellis, Laken Shattuck, Jennie Deas, Christina Henderson, Sam Wills, Hannah Young, Andrew Guffey, Bo Drake, and Pasty Hazelwood.

Staff present were Michele Holt, Autumn Derrick, Chuck Hammonds, Don Kellerman, Allison Schiavo, Brenna Ridley, Jim McClure, Reece Stevens, and Maty Patton.

### **Call to order**

Madam Chair Smith called the meeting to order at 11:37 AM EST. Ms. Smith then briefly welcomed all guests in attendance. She then called on Ms. Holt to introduce six new board members including John Freeze with The University of Tennessee at Chattanooga, Rachel Hackworth with Southeast Tennessee Human Resource Agency, Malcolm Harris with Steam Logistics, Christopher Schnarr with Wacker Polysilicon, Ray Smith with CHI Memorial, and Ty Stone with Cleveland State Community College.

### **Roll Call**

Ms. Smith then called on Maty Patton to give roll call. Michele Holt declared a quorum was present.

### **Approval of Minutes**

Ms. Smith called for a motion to approve the minutes of the June 8, 2022, meeting. The minutes were unanimously approved on a motion made by John Proffitt and seconded by Ethan Lloyd.

### **University of Tennessee Chattanooga Welcome**

Ms. Smith called on John Freeze to give a brief welcome to the Center for Professional Education. After a brief welcome, Mr. Freeze reported the center was created in 2016 for a strategic role in supporting our communities by providing professional development, workforce development, and corporate training programs to create pathways to employment for the unemployed or underemployed. Workforce Development program areas include medical career programs, paralegal, IT/entry level, and court reporting which served 425 individuals in fiscal year 2022. Professional Development program areas include human resources, project management, information technology, and advanced placement which served 937 individuals in fiscal year 2022. He then reported that 143 individuals were served in UTC's Corporate Training program areas including technical skills and soft skills during fiscal year 2022. An additional 461 individuals took part in miscellaneous training opportunities including Demystifying Death and Dying and Introduction to Geographic Information Systems during fiscal year 2022.

### **Administrative Reports**

#### **Personnel**

Ms. Smith then called on Don Kellerman to provide the personnel report. Mr. Kellerman introduced three (3) new board staff members including, WIOA Accountant Reece Stevens with several years of accounting

experience, Workforce Development Specialist Brenna Ridley with five (5) years of WIOA experience, and Workforce Development Specialist Allison Schiavo who has a total of eleven (11) years of experience in Workforce Development. Lastly, Mr. Kellerman noted that Chuck Hammonds has been named the Executive Director for the Development District. With no questions, Ms. Smith then ask Mr. Kellerman to present the June 30, 2022, financial report.

### Financial Reports

Ms. Smith stated Don Kellerman would be providing several financial reports and a budget amendment for approval. Beginning with the June 30, 2022, end of the year financial report, Mr. Kellerman referenced the Statement of Revenues and Expenses stating we should ideally be reporting at 100% of our budget, but we have trended slightly behind at 75%. The most significant reason for this was the delay in the TN Department of Labor and Workforce Development's ability to get a timely line-item modification from the USDOL for the National Dislocated Worker grant. This will continue to present as an issue until final approval is received. He noted line item 13 was the only line-item over expended which is due to purchase of the virtual reality licensures. He reported the MPCR rate to be at 53% and reminded everyone the minimum requirement is 40% for the local area and 50% for the East Region.

He continued to the Financial Report stating all FY2021 contracts are fully expended and added that lines 13-23 are the current year contracts. The PY2022 contracts have been fully expended; however, the larger FY2022 contracts that align with the federal fiscal year will have carry-over into our new fiscal year; however, there is no concern that we will not meet our 80% obligation rate. He noted lines 25-43 are the additional grants received for specific project funding, with only a few having contract end dates that allow funding to carry into the new fiscal year.

With no questions, the Financial Statements for June 30,2022 were unanimously approved on a motion made by Rebecca Ashford and seconded by Evann Freeman.

Mr. Kellerman continued to the July 31, 2022, Financial Statement. This statement is before Budget Amendment I which will be presented next, and if approved will be reflected on August 31, 2022, statements. He noted we should be at 8% for the year; however, revenues are running slightly behind at 5%. The only line items that exceed 8% are:

- Line item 8- Dues and Subscriptions: 16%- this is due to insurance being paid at the beginning of the quarter
- Line item 12- Occupancy Expenses: 14% due to annual fees and expenses being due at the beginning of the year

He then noted lines 21-24 are provider contracts which are under spent for the month. This is due to the transition of service providers. He added that the MPCR is calculated quarterly and would not be reported until the end of the first quarter.

With no questions, he continued to the Financial Report adding that lines 3-10 are the budgeted carry-over from the previous year contracts. Lines 13-23 are the projected funding for contracts for FY2023. You will note there are no expenses recorded. This is due to the contracts still not being received from the TDLWD. Lines 25-32 are additional grants awarded for special projects and initiatives. He added the only active grant is the RESEA grant on line 26 and this grant is carryover from last year. Lines 39-43 are the other state partner grants to support infrastructure funding for the American Job Centers.

With no questions, the Financial Statements for July 31, 2022 were unanimously approved on a motion made by Marshall Graves and seconded by Jennifer Thacker.

Mr. Kellerman continued to present Budget Amendment I. Mr. Kellerman noted the budget amendment is for an increase of \$1,899,030.32 due to adjusted carryover budgets after the program year end closeouts, a slight increase in estimated formula funding, new apprenticeship funding, and the largest adjustment due to the approved extension of the National Dislocated Worker Grant.

Marshall Graves asked Mr. Kellerman to expand on the purpose of the apprenticeship funding. Ms. Holt noted this funding will be used to help fund 1<sup>st</sup> and 2<sup>nd</sup> year apprentices.

With no further questions, Budget Amendment I was unanimously approved on a motion made by Rebecca Ashford and seconded by John Proffitt.

### Committee Reports

Ms. Smith asked for approval of the minutes and all business conducted during these meetings for the Operations Committee from September 8, 2022, the Youth Committee from August 24, 2022, and the Opportunities Committee from August 26, 2022. On a motion made by Evann Freeman and seconded by Marshall Graves, the minutes and business conducted in these committees was approved unanimously.

### Director's Report

Michele Holt noted that there was a change in the Local Elected Officials in the region which included the election of new county mayors: Eddie Jewel in Meigs County, Jim Vincent in Rhea County, and Weston Wamp in Hamilton County. She continued to state that with the retirement of Mayor Coppinger, all Local Elected Officials will be voting on appointment of the Chief Local Elected Official for the Local Workforce Development Area at their September 27, 2022 meeting.

Ms. Holt then announced the beginning of Komatsu's pre-apprenticeship in August. She stated that Komatsu has signed five students from Hamilton, Marion, and Sequatchie County schools. She also noted the announcement of Piedmont Lithium in McMinn County which will create over 100 jobs with a \$582M investment. This will be the largest lithium project ever built in North America and will double the current American production. She then noted the unemployment rates have trended down over the last year in each of the counties and the board staff continue to work with the distressed and at-risk counties to provide assistance as needed.

Lastly, she stated the bylaws expired in June 2022. Ms. Holt recommended that the extension through December 31, 2022, be passed to better align with the state policy. With no questions, the extension was unanimously approved on a motion made by Rebecca Ashford and seconded by Marshall Graves.

### Grants and Planning

Ms. Smith called on Autumn Derrick to give an update on grant awards. Ms. Derrick announced that we were awarded the ARC INSPIRE grant of \$500,000 which addresses the region's substance use disorder crisis with investments that will strengthen services in the recovery ecosystem, as well as help facilitate workforce entry and re-entry. She noted that we were 1 of 33 projects in ten (10) states as part of the \$12 million package and 1 of 2 projects in Tennessee.

Next, Ms. Smith called on Jerry Myers, Founder and President of In the Door to address the board. He opened his presentation with a brief history on the company. Mr. Myers stated that In the Door was founded in 2015 in Metro Atlanta and originated from a professional development book and training series and has now evolved into a world-class workforce and economic development firm that now serves nine LWDA's, covering sixty-eight (68) counties across Georgia and Tennessee. Robert Gordon, Director of Workforce Operations of In the Door, then reviewed their 30-60-90-day objectives, stating that within that ninety (90) day plan they have completed their first two objectives including becoming fully staffed, as well as connecting with one-stop partners to begin partner integration processes. They are currently in the process of working on their 90-day objective that consists of developing a detailed plan for cross training partner staff to enhance customer service and encourage referrals. Mr. Gordon then announced some upcoming initiatives involving a partnership with BlueCross BlueShield to launch a major hiring initiative to fill dozens of critical call center vacancies, along with partnering with USDOL veterans on the Employment Navigator Partnership Pilot.

One Stop Operator Manager, Dan Wolgast moved to the One Stop Operator report and mentioned their continuous commitment to serving individuals with justice involvement and several upcoming events surrounding those individuals who will receive assistance with removing barriers and finding self-sufficient employment opportunities. Mr. Wolgast also stated that, while the Business Services team continues to do great work with assisting local employers, they plan to heavily focus on improving those services by implementing Employer Orientation events that will consist of presentations from all American Job Center partners specifically highlighting how those programs can connect qualified job seekers to those employers in need.

Danielle Ellis, Regional Director with current CSP provider Educational Data Systems, Inc, began her presentation with an overview of their experience, stating that EDSI currently operates more than 115 WIOA, TANF, Business Services, and other government services with more than 850 professionals in nine (9) states, including the State of Tennessee. They have provided employment and training services to over 750,000 job seekers and collectively serve over 45,000 WIOA and 11,000 TANF job seekers annually. Ms. Ellis then moved into identifying some of the main challenges they have experienced during their start up and transition during the last three (3) months. She explained that 90-day temporary employment was offered to all incumbent staff; however, only 50% accepted the offer. In order to maintain service delivery to all WIOA participants, EDSI has placed team members from other areas to provide coverage in the American Job Centers until staffing goals are reached. All positions, apart from two (2) Lead Career Advisors, have been filled at this time, including a Program Manager who will begin work on October 3, 2022. EDSI is also currently focusing on building team morale and buy-in, staff training that will be provided over the course of six (6) months, understanding and addressing operational challenges, and working closely with employers and partners to establish trust and communication. Ms. Ellis also provided some objectives for the upcoming months to include development of a streamlined process to create efficiencies across all programs, case review and clean up, weekly one-on-one check-ins with each team member to discuss and provide solutions to boost morale, weekly Regional Team meetings to discuss goals, acknowledgment of efforts and to celebrate wins, and increased communication between Program Manager, One-Stop Operator, Department of Labor Site Leads, and on-site partner staff to work through operational challenges. In concluding her presentation, Ms. Ellis noted that there is a great demand for meeting people where they are in the public and EDSI plans to focus heavily on finding community hotspots to integrate services.

**Other Business**

With no other business, Ms. Smith noted the next meeting will be December 6, 2022, which will be the annual joint meeting with the Local Elected Officials. Staff will keep everyone updated and a notice will follow once a location is determined.

**Adjourn**

Ms. Smith called for a motion to adjourn. On a motion made by John Proffitt at 12:45 p.m. the meeting was adjourned.

Respectfully submitted,

Crystal Renner, Secretary/Treasurer

Southeast Tennessee Local Workforce Development Board Roster													
Attendance 09/13/23	Board Member Name	County of Residence	Date Certified by TDLWD	Organization Member Represents	Special Requirement	Term of Appointment	Conflict of Interest Begin Date	Conflict of Interest End Date	Nominator's Name	Organization Nominator Represents	Executive Committee Member (*)	Total Percentage of Board	Board Numbers
<b>Business Representation (Group A)</b>													
	Brian Cooksey	Marion/Meigs	1/28/2019	Shaw Industries Group, Inc.	Business	11/2022 - 11/2024	12/7/2022	12/7/2023	Kathy Tierney	Marion County Chamber of Commerce			1
Y	Kimberly Steele	Hamilton	3/6/2023	CHI Memorial	Business	02/2023 - 02/2025	2/23/2023	2/23/2025	Charles Wood	Chattanooga Chamber of Commerce			1
	Evann Freeman	Hamilton	12/3/2021	EPB	Business	11/2021 - 11/2023	12/7/2022	12/7/2023	Christy Gillenwater	Chattanooga Chamber of Commerce	✓		1
Y	Trey Shoemaker	Hamilton	3/6/2023	Komatsu	Business	02/2023 - 02/2025	2/23/2023	2/23/2025	Charles Wood	Chattanooga Chamber of Commerce			1
Y	Blake Markham	Rhea	3/6/2023	Nokian Tyres	Business	03/2023 - 03/2025	3/6/2023	3/6/2024	Mayor Jim Vincent	Chattanooga Chamber of Commerce			1
Y	Julie Hoover	Hamilton	1/28/2019	Miller Industries	Business	11/20202 - 11/2024	12/12/2022	12/12/2023	Christy Gillenwater	Chattanooga Chamber of Commerce			1
	Freiderike Ebner	Hamilton	12/12/2019	Volkswagon Group of America	Business	11/2021 - 11/2023	12/7/2022	12/7/2023	Christy Gillenwater	Chattanooga Chamber of Commerce			1
Y	Ethan Loyd	Bledsoe	8/1/2020	Bledsoe Telephone Cooperative	Business	08/2022 - 08/2024	12/9/2022	12/9/2023	Mayor Gregg Ridley	Bledsoe County Mayor			1
Y	Marshall Graves	Grundy	9/30/2019	Stone Door Group	Business	7/2022-7/2024	7/20/2022	7/20/2023	Mayor Michael Brady	Grundy County Mayor	✓		1
Y	John Proffit	McMinn	9/17/2018	Advanced Energy Solutions	Business	N/A	12/6/2022	12/6/2023	Rob Preston	Athens Area Chamber of Commerce	✓		1
Y	Chris Schnarr	Bradley		Wacker	Business	8/2022 - 8/2024	8/30/2022	8/30/2023	Michael Griffin	Cleveland Bradley Chamber			1
Y	Carrin Smith <b>Board Chair</b>	Marion	9/17/2018	Valmont Industries	Business	N/A	12/9/2022	12/9/2023	Beth Hipp	Valmont General Manager	✓		1
Y	Chase Brett	Polk	6/7/2022	Polymer Components	Business	5/2022 - 5/2024	6/14/2023	6/14/2024	Lynne McClary	Polk County Chamber of Commerce			1
												52%	13
<b>Labor Representation (Group B)</b>													
	Michael Varnell	Hamilton	3/6/2023	IBEW Local 175	Apprenticeship/Training	03/2023 - 03/2025	3/4/2023	3/4/2025	Toby Shelton	Business Mgr, IBEW Local 175			1
Y	Jim Stailey	Hamilton	7/1/2020	Chattanooga Goodwill Industries	Labor	07/2022 - 07/2024	7/25/2022	7/25/2024	Gena Weldon	Chattanooga Goodwill Industries			1
	Josh Ewing	Hamilton	9/17/2018	UA Local 43	Labor	3/2022 - 3/2024	12/6/2022	12/6/2023	Carl C. Evans	President UA Local 43			1
	Candy Johnson	Hamilton	2/22/2021	Urban League of Chattanooga	Labor	01/2023 - 01/2025	2/18/2022	2/18/2023	Albert Waterhouse	Urban League of Chattanooga			1
Y	Rachel Hackworth	Sequatchie		Southeast Tennessee Human Resource Agency	Labor	08/2022 - 08/2024	8/7/2022	8/7/2023	David Jackson	SETHRA			1
												20%	5
<b>Education Representation (Group C)</b>													
Y	Leslie Travis	Rhea	9/17/2018	Tennessee Department of Labor and Workforce Development	Adult Education	N/A	12/6/2022	12/6/2023	Ian White	TDLWD - Adult Education			1
	John Freeze	Hamilton		University of Tennessee Chattanooga	Higher Education	08/2022 - 08/2024	6/14/2023	6/14/2024	Chancellor Steven R. Angle	University of Tennessee Chattanooga			1
Y	Susan Hatto	McMinn	3/6/2023	Tennessee College of Applied Technology	Higher Education	02/2023 - 02/2025	2/17/2023	2/17/2024	Chancellor Flora Tydings	Tennessee Board of Regents			1
	Rebecca Ashford	Hamilton	1/28/2019	Chattanooga State Community College	Higher Education	11/2022-11/2024	12/7/2022	12/7/2023	Chancellor Flora Tydings	Tennessee Board of Regents			1
												16%	4
<b>Government and Community Development Representation (Group D)</b>													
Y	Jennifer Thacker	Hamilton	9/17/2018	Tennessee Department of Labor and Workforce Development	Wagner-Peyser	N/A	12/6/2022	12/6/2023	Deniece Thomas	TDLWD			1
Y	Corey B. Raburn	Hamilton	3/10/2020	Tennessee Department of Human Services	Vocational Rehabilitation	N/A	6/1/2023	6/1/2024	Karen Buff	TN Dept of Vocational Rehabilitation			1
Y	Tucker McClendon	Hamilton		Hamilton County Government	Community Development	09/2023-09/2025	8/3/2023	8/3/2024	Mayor Weston Wamp	Hamilton County Government			1
												12%	3
<b>Other Representation (Group E)</b>													
												0%	0