

## MINUTES

### SOUTHEAST TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD Annual Joint Meeting with the THE SOUTHEAST TENNESSEE DEVELOPMENT DISTRICT/ CHATTANOOGA AREA REGIONAL COUNCIL OF GOVERNMENTS EXECUTIVE COMMITTEE

TN Aquarium  
1 Broad Street, Chattanooga, TN 37403  
December 10<sup>th</sup>, 2019 | 10:00 AM EST

#### **Call to Order**

Chairman John Proffitt called the meeting to order and welcomed everyone. He asked any guests, local elected officials or representatives to introduce themselves.

***Southeast Tennessee Local Workforce Development Board members*** present were Interim Chairman John Proffitt, Harley Grant, Marshall Graves, Irene Hillman, David Hopkins, Virginia Housley, MaryStewart Lewis, Yvonne Peppers, Kathy Price, Ralph Romero, Manny Rico, Carri Smith, Nancy Sutherland, Rich Wade, Keith Thompson (proxy for Julie Hoover), Aaron Edwards (proxy for Larry Morrison), Karen Buff (for Tiffany Ramsey), Barbara Brakebill (proxy for Stewart Smith), Grant Roddy (proxy for Leslie Travis), and Andrew Lindberg (proxy for Patty Weaver). ***Local elected officials*** present included Bledsoe County Mayor Gregg Ridley, Bradley County Mayor D. Gary Davis, Grundy County Michael Brady, Dan Saieed (for CLEO and Hamilton County Mayor Jim Coppinger), Marion County Mayor David Jackson, McMinn County Mayor John Gentry, Meigs County Mayor Bill James, Jackey Reavley (for Rhea County Executive George Thacker), Sequatchie County Executive D. Keith Cartwright, Ducktown Mayor Doug Collins, Chattanooga City Council Member Erskine Oglesby, Jr., District 7, Charita Allen (for Chattanooga Mayor Andy Berke).

***Other stakeholders and interested parties*** in attendance included Ruble Conatser, Bo Drake, Tyra Copas, Kenneth Nealy, Jack Sample, Drew Lytle, Brian Stewart, Evan Williams, Joseph Johnson, Casey Eschette, Cydnie Tate, Taylor Belcher, Steve Reel, Ryan Goodman, Karmen Sutton, Jacob Ellis and Sam Wills. Staff attending were Beth Jones, Chuck Hammonds, Michele Holt, Don Kellerman, Autumn Derrick, Elliot Williams, Beth Keylon, and Stephen Dunn.

#### **Approval of Minutes**

John Proffitt stated that the minutes from the September 11, 2019 Workforce Development Board meeting were forwarded to the members earlier via email and are included in the members' packets. The minutes were approved after a motion by Manny Rico and a second by Rich Wade.

#### **Administrative Reports**

##### **Finance Report**

Included in the packets were the FY 2020 Budget Amendment II and the Financial Statements as of October 31, 2019. Elliot Williams noted that the budget was amended to include the Rural Initiative and RESEA funds of \$154,771 and \$96,122 respectively. As a result of the additional funds, the budget increased by a total of \$250,893. The grand total budget was calculated to be \$6,031,964. The amendment was approved after a motion from MaryStewart Lewis and a second from Yvonne Peppers.

Mr. Williams reviewed the Financial Statements which reflected expenditures through October 31, 2019. Total expenditures to date were at 30% which is only 3% below expectations. Total participant expenditures were at \$635,706 compared to the total cumulative expenditures of \$1,216,096, a 52% minimum participant cost rate (MPCR). The minimum MPCR must be 40% by the June 20, 2020. The budget must allow for a minimum of 20% carry-over dollars from July 1, 2020 to September 30, 2020. Carryover Dollars are allowed to bridge the

funding gap between the State's Fiscal Year and the Federal Program Year. A total 80% of the dedicated Formula funds must be expended by June 30, 2020 or dollars would be subject to recapture by the State. Youth work experience expenditures must be at 20% of the youth revenues; currently, PY 19 and PY 20 work experience expenditures are at 23% and 72%, respectively. With no discussion, the Financial Statements were unanimously approved on a motion by Manny Rico and a second by Kathy Price.

### **Director's Report**

Michele Holt announced two, new board members appointed by Mayor Coppinger: Logan Taylor and Friederike Ebner. Mr. Taylor is the Founder and CEO of Y.B. Normal?, an organization dedicated to youth development and support; and Mr. Ebner is the Human Resources Assistant Manager, Projects and Strategies with Volkswagen Group of North America.

The year-end summary for Incumbent Worker Training (IWT) noted that over \$975,000 was invested in the local area from October 2018 to September 2019 with \$565,856 in workforce funds and \$409,236 in employer match. The expended funds represent 33 employer contracts and 762 trained employees during the year that resulted in an industry-recognized credential, advancements, or an increase in wages. Employers participating in the IWT program shared positive feedback from the training: Increased safety awareness, employee promotions, and specialized skills attainment.

The Southeast local area has been awarded grant funds in the Governor's Investment in Vocational Education (GIVE) program. Three projects will receive over \$2.1M combined funds to implement or expand programs. Chattanooga State was awarded \$976,254 for development, implementation, and support (e.g. work-based learning) of Nursing, Medical Assisting, and Allied Health career pathways for Marion, Bledsoe, Grundy and Sequatchie Counties. The Tennessee College of Applied Technology Athens was awarded over \$111,000 to install the National Center for Construction Education and Research (NCCER) Core Curriculum course for dual enrollment at participating high schools in Bradley, McMinn, and Monroe counties. High School completers that pass the NCCER Core modules (72.5 hours) will receive a national, industry-recognized certification which will articulate to post-secondary or a registered apprenticeship with Massey Electric. Cleveland State Community College was awarded \$999,956 to scale its piloted Mechatronics Honors Institute and advance the development of the Advanced Technologies Apprenticeship Institute.

### **Talent Development Presentation—Valmont Industries**

#### **High School Apprenticeship**

Carri Smith discussed Valmont Industries' "Apprenticeship Signing Day" for the high school pre-apprenticeship program that was launched as a partnership between Valmont Industries, Marion County High School and Chattanooga State. Valmont Industries welcomed Governor Lee to announce this newly developed program during National Apprenticeship Week. Eight Marion County High School students have been hired part-time for on-the-job learning for a welding career pathway. When the pre-apprenticeship is completed, the students may become a welding apprentice at Chattanooga State Community College's Registered Apprenticeship program, or they may be hired full-time at Valmont Industries. Ms. Smith encouraged employers to consider work-based learning opportunities because the model is so successful in skills attainment and, could provide potential new-hire talent for the employer. Ms. Smith said she would be more than happy to provide guidance.

#### **Returning Talent Potential**

Carri Smith introduced Joe Jenkins as a Valmont employee. In his presentation, Mr. Jenkins shared his life story as a justice-involved individual having been incarcerated twice in his past. The first time he was released, he had no plan for reentry and was later re-incarcerated. The second time he developed business plans to prepare himself to enter the workforce upon release. He underscored in his presentation that reentry preparation is essential and necessary for the children and families that need to be empowered for today's society. He shared seven principles that serve as his foundation for success: Love, Learn, Loyalty, Live, Longevity, Leisure, and Legacy. His reentry preparation enabled him to "sit at any table." He identified his core supports as Valmont, church, family and community. He now enjoys a full-time, high wage job at Valmont of which he is particularly proud. He also encouraged local employers to take a chance on individuals returning to the community.

### **Work-based Learning Presentation—Labor Standard Unit**

Kenneth Nealy provided a brief presentation for employers who may be considering work-based learning for minors at the worksite. The Labor Standards Unit at the Tennessee Department of Labor and Workforce Development is available for trainings on the topic of employing minors and what paperwork employers would need to protect companies, schools and students that are participating. Mr. Nealy stated that the department is eager to work with employers and will visit worksites to assess jobs and determine if minors can perform the functions. Labor Standards' staff can provide presentations. They are adding positions to support these functions in the field. Mr. Nealy also introduced Paula Horne as the local contact for employers.

### **Committee Reports**

#### **Executive Committee**

As part of the process to ensure a robust comprehensive strategic plan, Chairman John Proffitt stated the Executive Committee reviewed and considered the recommendations from the Ernst & Young assessment and began the process to identify a third-party vendor to collect data and obtain stakeholder feedback. Over 10 years have passed since the board approved a comprehensive workforce analysis, and the Executive Committee strongly believed the process would be beneficial in developing the 4-Year Strategic Plan 2020 – 2024.

The Executive Committee convened and approved a Request for Proposal (RFP) for an entity to assist the local area in developing a Comprehensive Strategic Plan. The RFP was released on November 8, 2019, and two proposals were received on December 2, 2019. Horizon Point Consulting, Inc. submitted a proposal for \$21,250 with an additional \$150/hour for any additional technical assistance after the initial workforce analysis is submitted. Thomas P. Miller and Associates, LLC submitted a proposal for a fixed contract at \$55,400 which includes the final plan document and any technical assistance required.

The Executive Committee scored the proposals and Thomas P. Miller & Associates was identified as the successful bidder. On a recommendation from the Executive Committee, Mr. Proffitt made a motion to award the contract for the Comprehensive Strategic Planning to Thomas P. Miller & Associates in the amount of \$55,400. The motion was unanimously approved after a second from Manny Rico.

Mr. Proffitt added that the Board's Bylaws need some minor revisions. He appointed a committee to make the revisions on which he will serve along with Kathy Price and Manny Rico.

#### **Operations Committee**

Yvonne Peppers provided the board with the Operations Committee report. The committee convened in October and December 2019.

Ms. Peppers stated that revisions were made to the Incumbent Worker policy, Adult Priority of Service Policy and the Minimum Participant Cost Rate Policy and Youth Eligibility Policy. A new Follow-Up Policy was approved to provide guidance to staff on follow-up to customers after completion of the program. The committee also approved to set aside \$200,000 of Adult and Dislocated Worker formula funds for Incumbent Worker Training (IWT). Three 2018-2019 IWT contracts that were 2-year training programs were approved to continue into this program year without requiring a new application be submitted.

Autumn Derrick provided the committee a monitoring report on the One Stop Operator and Career Service Provider Contract. In October, Mid Cumberland was issued a technical assistance letter. They have responded with a 30-day Performance Improvement Plan. Board staff were encouraged with the progress and the monthly monitoring will continue. Ms. Peppers submitted the report from the Operations Committee in the form of a motion, Manny Rico seconded, and the motion carried.

For the last vote, Ms. Peppers asked the board members who are employees of training providers to abstain from the vote for all Eligible Training Provider businesses. The Operations Committee approved a Manufacturing Pre-Production Training called SkillUp at Chattanooga State and a cost increase for the

Emergency Medical Technician program at Cleveland State. Ms. Peppers submitted the report in the form of a motion, Manny Rico seconded, and the motion carried.

### **Youth Committee**

Mr. Rich Wade stated that the Youth Committee met on November 14, 2019. Based on guidance the state received from a Federal audit, the Youth Committee recommended to suspend the local Youth Eligibility policy and to utilize the state policy until the state releases further guidance for a local definition of “*requires additional assistance.*”

Perkins V information was provided to the committee. Perkins V is the funding source for CTE programs of study. As part of the Perkins V process, local CTE Directors are required to complete a Comprehensive Local Needs Assessment which utilizes feedback from various partners. The Board was tasked with providing labor market information that informs and validates the needs of the local area’s CTE programs. Without justification, the Perkins funding cannot be used for programs of study that do not align with local workforce needs, and if not justified by data, then local funds must be used to maintain the programs.

Four local school districts received Tennessee Pathways Certifications: Bradley County was certified in Nursing and Mechatronics, Cleveland City was certified in Mechatronics and Therapeutic and Diagnostic Services, Marion County was certified in Nursing Services, and McMinn County was certified in Advanced Manufacturing. Mr. Wade submitted the report in the form of a motion, Manny Rico seconded, and the motion carried.

### **Opportunities Committee**

Committee Chair, Shannon Russo, had an unexpected business meeting and could not attend the board meeting. Mr. Stephen Dunn provided the report on her behalf. The Opportunities Committee convened a meeting on November 15, 2019. The committee continues to identify funding sources and work on program design to address the needs of individuals with special barriers. In support of the Governor Lee’s initiatives, the State Apprenticeship Expansion Grant will provide \$31,667 to the local area and will require enrollment of 89 apprentices during the grant period. The start date was 9/15/2019.

Governor Lee’s Rural Initiative focuses on the local area’s distressed counties, Grundy and Bledsoe, as well as at-risk counties, Rhea and Meigs. The Southeast local area was allocated a total of \$343,487 to address the workforce development needs of these counties. Much of the need in the local area’s rural communities is simply due to the lack of access to workforce services. More outreach and engagement in the distressed and at-risk counties are needed in order to deliver quality workforce programs that have a lasting impact on the economy and ultimately result in attainment of workplace skills, credentials, and placement in employment.

### **One-Stop Operator Report**

Evan Williams, One-Stop Operator Manager, cited 10,287 visits to the American Job Centers from September 2019 to November 2019. The top three reasons customers visit the AJCs are 1) Job search and Computer Room; 2) Unemployment Insurance; and 3) Staff-assisted Job Search. The average (mean) unemployment rate in the 10-county local area is 3.85%. There were 169 Title I enrollments from September to November 2019. Title II, Adult Education (AE), has 25 locations for classes with a new site established at the Harbolt Center in Grundy County. AE has 777 students enrolled and 24 English as a second language (ESL). As of December 1, 2019, 139 students have earned diplomas since July 1, 2019. AE is now working on the Pathways to Postsecondary program to transition students into postsecondary education and will be hiring a full-time staff person as a Liaison between AE and postsecondary institutions. Title III, Wagner-Peyser, provided services to 49,577 customers and provided services to 5,045 employers.

### **Nominating Committee and Election of Officers**

The Nominating Committee met to set the slate of officers for 2019 – 2021 election cycle. Manny Rico reported that the Bylaws allow for officer succession of current board officers so that the Vice Chair moves to the Chair, the Secretary/Treasurer moves to the Vice Chair and a new board member is selected for the Secretary role.

John Proffitt was nominated for Chair, MaryStewart Lewis was nominated for Vice Chair, and Carri Smith was nominated for Secretary/Treasurer. Mr. Rico presented the nominations in the form of a motion, Kathy Price seconded, and the motion carried.

**Other**

The next meeting dates were located in the footer section of the agenda. Mr. Proffitt noted that locations have not yet been determined, but plans are to convene the meetings in other areas of the region to highlight the local area's progress. Mr. Proffitt concluded by inviting the board members to stay for the SETD Executive Committee meeting with lunch immediately following.

**Adjourn**

The meeting adjourned after a motion was presented by Manny Rico and a second by Kathy Price.

Respectfully submitted,

*Mary Stewart Lewis*