

SOUTHEAST TENNESSEE LOCAL WORKFORCE DEVELOPMENT BOARD

Minutes of the Workforce Development Board

Virtual Zoom Meeting, COVID-19 Executive Order 65

December 8, 2020 | 10:00 a.m. EST

Workforce Development Board members present were John Proffitt, Board Chair, Brian Cooksey, Friedriek Ebner, Anne Ervin, Marshall Graves, Julie Hoover, Virginia Housley, Ethan Lloyd, Kathy Price, Shannon Russo, Carri Smith, Jim Stailey, Logan Taylor, Leslie Travis, and Dr. Patty Weaver. Staff attending were Beth Jones, Chuck Hammonds, Don Kellerman, Michele Holt, Autumn Derrick, Beth Keylon, Elliot Williams, and Lisa Buchanan. Many other guests and partners were in attendance virtually, but attendance was not recorded for other attendees.

Call to Order

John Proffitt, Board Chair, called the meeting to order at 10:05 AM. Michele Holt provided the virtual meeting instructions in alignment with the Governor Lee's Executive Order.

Roll Call

Ms. Holt called the roll and confirmed a quorum.

Approval of the Minutes

Mr. Proffitt called for a motion to approve the minutes of the September 9, 2020 meeting. On the motion from Kathy Price and a second from Carri Smith, the minutes were unanimously approved.

Administrative Reports

Financial Reports

Elliot Williams presented the FY21 Budget Amendment #2. The budget amendment was presented to increase revenues in the amount of \$618,800, for the Cares Act Re-employment Grant of \$248,800 and a CARES Act Consolidated Business Grant of \$370,000.00. These grants will further provide reemployment services and training to participants and local businesses impacted by Covid-19. Chairman Proffitt called for a motion to approve the budget amendment. On a motion by Carri Smith and a second from Marshall Graves, the motion was unanimously approved.

Mr. Williams presented the Financial Statements as of October 31, 2020. The budgeted revenues, in the amount of \$7,189,732 were adjusted to reflect Budget Amendment #2. Actual expenses for the year are \$1,480,986, or 21% of the annual budget which is below the expected expense rate of 33%. Participant service expenses will increase with Fall tuition payments and Covid-19 Relief Aid in future provider invoices. Total personnel expenses are under budget at 24%, due to two vacant Board Staff positions; however, one position has been filled. Operating expenses are at 26% of the budget with no line items above budget. Special Service expenses, which includes the provider and participant services, are at 19% of the annual budget. The MPCR metric is 47% for the year which makes up the ratio of participant expenses to total program expenditures.

The Financial Status Report provides a detailed financial overview of current active contracts. The first section includes FY 20 contracts that have been carried over to the FY21 fiscal year. These contracts have an end date of June 30, 2021 and will be fully expended prior to using the FY21 contracts. The work experience rate for the PY20 Youth contract is currently at 35% with a 20% minimum requirement. The FY21 contracts have a term limit of two years and have been budgeted at 80% of total program cost. The remaining 20% is budgeted and set aside as carry-over for the FY22 fiscal year. There is typically an 80% expenditure requirement at the end of year one for new contracts, but a waiver has been issued due to the ongoing pandemic. Chairman Proffitt called for a motion to approve the October 31, 2020 Financial Report. The October 31, 2020 Financial Report was approved on a motion from Jim Stailey and a second from Kathy Price.

Personnel Report

Mr. Kellerman informed the board that, Lisa Buchanan has been hired for the vacant Performance and Compliance Specialist on September 28, 2020.

Committee Reports

Chairman Proffitt reminded board members that all committee meeting minutes and materials for committees were provided for review prior to the meeting.

Chairman Proffitt called for a motion to approve the Operations Committee Minutes. The Operation Committee minutes were approved on a motion from Carri Smith and a second from Marshall Graves.

Chairman Proffitt called for a motion to approve the Youth Committee Minutes. The Youth Committee minutes were approved on a motion from Logan Taylor and a second from Dr. Patty Weaver.

Chairman Proffitt called for a motion to approve the Opportunities Committee Minutes. The Opportunities Committee Minutes were approved on a motion from Kathy Price and a second from Virginia Housley.

Chairman Proffitt informed the board that the Executive Committee met on Thursday, December 3, 2020 to approve the final re-certification application for the American Job Centers in Southeast. On October 21, 2020, the Certification Review Team consisting of all core partner staff met to perform the final review after several American's with Disability Act recommendations were made on the initial review. All deficiencies were corrected, and the Executive Committee moved to approve the re-certification of all our AJCs and the Mobile AJC in Southeast. This certification will be in effect until 2023. On a recommendation from the Executive Committee, Chairman Proffitt called for a motion to approve the Re-Certification of the 5 American Job Centers facilities and one Mobile American Job Center in Southeast. On a second from Leslie Travis, the motion carried.

The Executive Committee discussed the future procurement process for the One Stop Operator, Career Services Provider, and Youth Provider. A new procurement policy now requires each element to be procured separately. The board may retain the existing structure until June 30, 2022 if this is in the best interest of the local area. Ms. Holt updated the committee on several policy changes and directives that could impact the procurement structure and additional duties that may be required by the One Stop Operator function. After analysis and discussion, the Executive Committee has recommended that the board staff request technical assistance from the State on several concerns prior to proceeding with a decision on any procurement. This will ensure full and complete understanding of roles and responsibilities prior to releasing a Request for Proposals. The Executive Committee will convene again early next year to determine the best approach concerning the timing of the next procurement cycle and make recommendations to the Board.

Chairman Proffitt gave a special recognition to two Board members, Manny Rico, Owner of Rico Monuments and Kathy Price, the Executive Director of McMinn Economic Development Authority who will be retiring from the Board at the end of December. Chairman Proffitt thanked them for their service to the Southeast Local Workforce Development Area and presented a recognition plaque.

Directors Report

Ms. Holt reported that the Board, Chattanooga State Community College and the Southeast Tennessee Development District has supported Marion County in pursuit of an ARC grant to build out the final 12,488 square feet of the Advanced Manufacturing and Information Technology building on the campus of the Marion County Institute of High Education. If awarded this grant will help finalize the space for a state-of-the-art healthcare facility to implement a Nursing program in Kimball. We hope to hear good news in early Spring.

Beth Jones also mentioned the Southeast Tennessee Development District is also providing support for numerous other grants throughout the region, but this particular grant has a direct Workforce Board connection.

Ms. Holt continued to provide an update on planning initiatives set forth in the Local and Regional plans for 2020-2022. The East Regional Planning Council (RPC) is comprised of Executive and Regional Directors and Partners that consist of the three local areas of Northeast, East and Southeast. As a initial step in helping organize and drive the work, the RPC decided to develop three sub-committees to meet regularly and carry out and measure plan strategies. The committees include an Economic and Workforce Analysis group lead by Southeast, a Strategies for Service Integration group led by East, and a Vision, Goals and Implementation Group led by Northeast. Meetings will be held quarterly with each group responsible for a compilation report that will drive the progress reports to our local boards and the State Workforce Board. Additional detail related to the specific work of each committee was presented.

Ms. Holt continued with the Local Plan updates and included a brief report on progress of some of the nearer-term priorities. One of the priorities was assisting employers based on existing and post-COVID-19 needs. The needs ranged from assistance with furloughs and closures to the need for expanding or hiring new workers. The board received reemployment pass-through funding from CARES Act and issued 10 contracts for short-term training that lead to reemployment. Additionally, the board has awarded nine On-the-Job Training contracts for approximately 75 participants and two Incumbent Worker Training Contracts for 41 employees with the CARES Act funding for Consolidated Business Grants.

Another nearer term priority was the expansion of American Job Center (AJC) Access Points for job seekers. Southeast has identified three partners who are currently serving target populations as AJC Access Points. City Fields (formerly The Refuge) in Cleveland, TN which is in a high-poverty area and provides access to training for low-income, recovering, and justice involved individuals. The Grundy Recovery Alliance Community Endeavor (GRACE) Access Point was established to provide much needed resources in distressed Grundy County where basic services are limited. GRACE renovated a building in Coalmont, TN to provide services for those in recovery. Lastly, Chattanooga Endeavors operates in the East Lake community of Chattanooga, TN and has an MOU with Tennessee Department of Corrections to serve individuals released back to the community post-incarceration, with employment being a primary objective.

Expansion of work-based learning programs to provide opportunity for target populations, such as Youth, Dislocated Workers, returning talent, and long-term unemployed, opportunities to earn while they learn was also a priority. Valmont Industries established a Welding Pre-Apprenticeship program in August 2019 with eight students from three high schools in Marion County. This year, the program was expanded to 22 students, eleven each semester and included carpentry and engineering programs of study. Business Services Teams will be emphasizing these initiatives during business engagement. Several partnerships to expand work-based learning are underway and awaiting next steps. Formal announcements will be made when available.

Ms. Holt shared the PY 20-PY 21 Negotiations Measurements that were adopted using the State Negotiated Performance Goals. Ms. Holt added the American Job Centers (AJC's) are currently holding in Phase 3 and following guidance from the CDC and local governments on any actions that need to be taken concerning closures.

One Stop Operator Report

Jennifer Eppley, One-Stop Administrator, provided an overview of the One Stop Operator Report. The average unemployment rate for Southeast LWDA in June 2020 was 9.87%. In September 2020, that average rate of unemployment dropped to 5.7%. The three main reasons people visited the AJC's in Q1 PY20 is Job Search/Computer Room at 40.35%, Unemployment Insurance at 31.83%, and Career Coach/Title 1 at 18.38%.

During PY20 Quarter 1, due to COVID-19, job fairs have been limited. Southeast began having onsite job fairs again at the AJCs during this quarter, but social distancing needed to be maintained, thus attendance has been less than typical. A total of 152 individuals to attend job fairs onsite at American Job Centers. The Business Service Team (BST) members

have been on demonstration webinars with Tyra Copas as the State Apprenticeship Director, who is working with the State to secure Premier Virtual as tool which will allow BST members to host virtual job fairs. In PY20, staff assisted 14 employers with OJT enrollments and Southeast AJC staff served 79 OJT participants providing grant funds of \$165,856.00 for training to employers. From July 1, 2020, the Business Services Team has assisted seven employers with Rapid Response which affected 368 employees. Between July 1, 2020 and September 30, 2020, 6,424 UI claims have been filed in our Southeast 10 - county area.

Other Business

Chairman Proffitt called for any other business. Hearing none, he indicated that the next board meeting will be on March 10, 2021. Details of the meeting will be forthcoming.

Adjourn

The board meeting was adjourned by unanimous consent after a motion by Carri Smith and a second by Kathy Price.

Respectfully submitted,

Carri Smith

Secretary/Treasurer

Southeast Tennessee Local Workforce Development Board Roster

Attendance 12/8/2020	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
Business Representation (Group A)													
✓	Brian Cooksey	Marion	1/28/2019	Shaw Industries Group, Inc.	Business	11/2018 to 11/2020	10/5/2020	10/4/2021	Kathy Tierney	Marion County Chamber of Commerce			1
✓	Anne Ervin	Hamilton	1/28/2019	Healthcare Corporation of America	Business	11/2018 to 11/2020	10/5/2020	10/4/2021	Christy Gillenwater	Chattanooga Chamber of Commerce			1
	Harley Grant	Hamilton	9/17/2018	Applied Thermal Coatings	Business	N/A	10/22/2020	10/21/2021	Bill Kilbride	Chattanooga Chamber of Commerce			1
	Crystal Renner	Bradley	9/30/2019	Mueller	Business	9/2019 to 9/2021	10/20/2020	10/19/2021	Mayor Gary Davis	Bradley County Mayor			1
✓	Julie Hoover	Hamilton	1/28/2019	Miller Industries	Business	11/2018 to 11/2020	10/13/2020	10/12/2021	Christy Gillenwater	Chattanooga Chamber of Commerce			1
	David Hopkins	Polk	9/17/2018	AngioSystems, Inc.	Business	N/A	10/12/2020	10/11/2021	Adrian Lambert	Polk County Chamber of Commerce			1
✓	Freiderike Ebner	Hamilton	12/12/2019	Volkswagen Group of America	Business	12/2019 to 11/2021	10/1/2020	9/30/2021	Christy Gillenwater	Chattanooga Chamber of Commerce			1
	MaryStewart Lewis	Hamilton	9/17/2018	McGriff Insurance Services	Business	N/A	10/16/2020	10/15/2021	Bill Kilbride	Chattanooga Chamber of Commerce	✓		1
✓	Ethan Loyd	Bledsoe		Bledsoe Telephone Cooperative	Business	08/2020 to 08/2022	8/19/2020	8/19/2021	Mayor Gregg Ridley	Bledsoe County Mayor			1
	Phil McGrath	Hamilton	1/28/2019	McKee Foods Corporation	Business	11/2018 to 11/2020	11/19/2020	11/18/2021	Christy Gillenwater	Chattanooga Chamber of Commerce			1
✓	Marshall Graves	Grundey	9/30/2019	Stone Door Group	Business	7/2020 to 7/2022	8/1/2020	7/31/2021	Mayor Michael Brady	Grundey County Mayor			1
✓	John Proffit --Board Chair--	McMinn	9/17/2018	Advanced Energy Solutions	Business	N/A	12/8/2020	12/7/2021	Rob Preston	Athens Area Chamber of Commerce	✓		1
	Manuel Rico	Hamilton	9/17/2018	Rico Monuments	Business	N/A	10/5/2020	10/4/2021	Bill Kilbride	Chattanooga Chamber of Commerce	✓		1
	Ralph Romero	Hamilton	1/28/2019	U.S. Express, Inc.	Business	11/2018 to 11/2020	10/21/2020	10/20/2021	Christy Gillenwater	Chattanooga Chamber of Commerce			1
✓	Shannon Russo	Bradley	1/28/2019	Whirlpool	Business	11/2018 to 11/2020	10/12/2020	10/11/2021	Gary Farlow	Cleveland Bradley Chamber			1
✓	Carrin Smith	Marion	9/17/2018	Valmont Industries	Business	N/A	11/13/2020	11/12/2021	Beth Hipp	Valmont General Manager	✓		1
	Richard Wade	Meigs	9/17/2018	Simply Bank	Business	N/A	11/19/2020	11/18/2021	Tiffany J. Wade-Pilkey	Meigs County Chamber			1
	Drew Lytle	Rhea	3/10/2020	Airxcel, Inc.	Business	3/2020 to 3/2022	10/19/2020	10/18/2021	Missy Wood	Dayton Chamber of Commerce	✓		1
												55%	18
Labor Representation (Group B)													
✓	Logan Taylor	Hamilton	12/12/2019	Y.B. Normal?	Labor	11/2019 to 11/2021	10/22/2020	10/21/2021	Diane Parks	Chattanooga Chamber of Commerce			1
	Melvin Holmes	Meigs	9/17/2018	Volunteer Electric Cooperative	Apprenticeship/Training	N/A	10/14/2020	10/13/2021	Rody Blevins, President & CEO	Volunteer Electric			1
	Tim Fowler	Hamilton	1/28/2018	IBEW Local 175	Apprenticeship/Training	11/2018 to 11/2020	10/14/2020	10/13/2021	Gary Watkins	Business Mgr, IBEW Local 175			1
	Warren Logan	Hamilton	9/17/2018	Urban League of Chattanooga	Labor	N/A	11/9/2019	11/8/2020	Dana B. Perry	Board of Urban League of Greater Chatt			1
✓	Jim Stailey	Hamilton		Chattanooga Goodwill Industries	Labor	7/2020 to 7/2022	6/10/2020	6/9/2021	Gena Weldon	Chattanooga Goodwill Industries			1
	Nancy Sutherland	Sequatchie	11/26/2018	Southeast TN Human Resource Agency	Labor	11/2018 to 11/2020	10/14/2019	10/13/2020	Mayor John Gentry	SETHRA Board Chairman			1
	Larry Morrison	Hamilton	9/17/2018	UA Local 43	Labor	N/A	6/13/2020	6/12/2021	Carl C. Evans	President UA Local 43			1
												21%	7
Education Representation (Group C)													
✓	Leslie Travis	Rhea	9/17/2018	Tennessee Department of Labor and Workforce Development	Adult Education	N/A	10/2/2020	10/1/2021	Ian White	TDLWD - Adult Education			1
	Irene Hillman	Hamilton	9/17/2018	University of Tennessee Chattanooga	Higher Education	N/A	10/5/2020	10/4/2021	Chancellor Steven R. Angle	University of Tennessee Chattanooga			1
✓	Patricia Weaver	Bradely	6/19/2019	Cleveland State Community College	Higher Education	6/2019 to 11/2020	10/12/2020	10/11/2021	Dr. William Seymour	Cleveland State Community College			1
	P. Stewart Smith	McMinn	1/28/2019	Tennessee College of Applied Technology	Higher Education	11/2018 to 11/2020	11/3/2020	11/2/2021	Chancellor Flora Tydings	Tennessee Board of Regents			1
	Rebecca Ashford	Hamilton	1/28/2019	Chattanooga State Community College	Higher Education	11/2018 to 11/2020	10/5/2020	10/4/2021	Chancellor Flora Tydings	Tennessee Board of Regents			1
												15%	5
Government and Community Development Representation (Group D)													
✓	Kathy Price	McMinn	6/19/2019	McMinn County Economic Development Authority	Economic/Community Development	5/2019 to 5/2021	7/15/2020	7/14/2021	Farah Reynolds	McMinn County Economic Authority			1
✓	Virginia Housley	Rhea	9/17/2018	Tennessee Department of Labor and Workforce Development	Wagner-Peyser	N/A	10/15/2020	10/14/2021	Deniece Thomas	TDLWD			1
	Karen Buff	Hamilton	3/10/2020	Tennessee Department of Human Services	Vocational Rehabilitation	N/A	3/10/2020	3/9/2021	Paula Kinsley	TN Dept of Vocational Rehabilitation			1
												9%	3
Other Representation (Group E)													
												0%	0
15													