

STATE OF NEVADA
GOVERNOR'S WORKFORCE DEVELOPMENT BOARD

Thursday, May 16, 2019 – 2:00 p.m.

**Department of Employment, Training and Rehabilitation
Conference Room A-C
2800 E. St. Louis Avenue
Las Vegas, NV 89104**

Alternate Location: Some members of the board may be attending the meeting and other persons may observe the meeting and provide testimony through a simultaneous videoconference conducted at the following location:

SAO Auditorium (DETR)
500 E. Third Street, Carson City, NV 89713

Teleconference (For Public Only):
1-888-363-4735 Access Code 9319340

MINUTES OF MEETING

- Present:** Larry Fagerhaug (Chair), Aaron West, Ann Silver, Anthony Buettner, Craig von Collenberg, Dave Ellis, David Dreibelbis, Dr. Tiffany Tyler Garner, Hannah Pence, Jim New, Joseph Riney, Kenneth Evans, Kristine Nelson, Madison Burnett, Robert Cunningham, Ryan Cordia, Shelley Hendren, Steve Fisher, Stewart “Mac” Bybee, William “Bill” Stanley,
- Absent:** Commissioner Marilyn Kirkpatrick, Cristi Cristich-Milazzo, Douglas Owen, Huge Anderson, Larry Harvey, Lawrence Montrose, Melissa MaGuire, Nancy Olsen, Senator Pat Spearman, Victor Wowo
- Also present:** Andres J. Feijoo (OWINN), Joan Finlay (OWINN), Deputy Attorney General David Gardner (on behalf of Robert Whitney), Jaime Cruz, Executive Director, Workforce Connections, John Thurman, Executive Director, Nevadaworks, David Schmitd, Chief Economist, DETR, Karlene Johnson, DETR WISS, Rob Benner, Building and Construction Trades Council of Northern Nevada (BCTNN)

1. OPENING REMARKS

Larry Fagerhaug, Chair, called the meeting to order, and welcomed participants.

2. ROLL CALL - CONFIRMATION OF A QUORUM

Per direction from **Chair Fagerhaug, Andres Feijoo** took roll call and confirmed the presence of a quorum.

3. VERIFICATION OF PUBLIC NOTICE POSTING

Andres Feijoo affirmed that the agenda and notice of the Governor’s Workforce Development Board meeting on May 16, 2019 was posted pursuant to Nevada’s Open Meeting Law, NRS 241.020.

4. FIRST PUBLIC COMMENT(S) NOTICE

Chair Fagerhaug read the notice into the record as follows: “Members of the public are invited to comment at this time; however, no action may be taken on any matters during public comment until the matter itself has been included on an agenda as an item for possible action. At my discretion, in the interest of time, public comments will be limited to three minutes per person.”

There were no comments.

5. ***APPROVAL OF MINUTES**

Chair Fagerhaug called for a motion to approve the February 6, 2019 draft minutes of the Board. **Bill Stanley**, **“Mac” Bybee**, and **David Ellis** stated they were not present at the last meeting and would abstain from voting. **Shelley Hendren** made corrections to page 6.

It was moved by Jim New and seconded by Kenneth Evans to approve the February 6, 2019 draft minutes as amended. Motion carried.

(HONORING ASSEMBLYMAN TYRONE THOMPSON)

Chair Fagerhaug called for a moment of silence to honor the late Assemblyman Tyrone Thompson, who passed away in May. **Ken Evans**, President for the Urban Chamber of Commerce, stated his pleasure to work with Mr. Thompson in providing opportunities for individuals. **Dr. Tyler** echoed **Mr. Evans’s** sentiments, and commended the late Assemblyman Thompson for his example of leadership.

6. **NEW GOVERNOR’S OFFICE OF WORKFORCE INNOVATION (OWINN) EXECUTIVE DIRECTOR/UPDATE**

Chair Fagerhaug introduced the new OWINN Executive Director, **Craig Von Collenberg**, who thanked all for the warm welcome, and for being open to new ideas and thoughts. He provided professional background information, noting that he worked with a lot of folks present and the community in building apprenticeship programs. He added that his priority as the new Director is building relationships and honoring what has worked well in the past, and being open to new innovations.

7. ***FOR POSSIBLE ACTION OF THE FEBRUARY GWDB RETREAT VISION AND PRIORITIES**

Chair Fagerhaug referred to the Vision Statement and Actionable Workforce priorities for 2019 and 2020 that were captured in February, and summarized the vision statement (although he said it seemed a bit long) as: “The Workforce Board is committed to a vision within the workforce development ecosystem that prepares a diverse workforce to compete in existing, new, and emerging economies in the State of Nevada; in order for this vision to become a reality, leaders must be intentional about workforce resource guidance, explore innovative ideas and practices, commit to creating knowledge systems with partners and economic development and develop more intentional coordinated collaboration between the public and private sector.”

Chair Fagerhaug summarized the five actionable Workforce priorities (each contained dialogue and measurable standards) as:

1. Develop a one-stop system to benefit clients and employers, and increase awareness and communication
2. Support young adults in Nevada to define career pathways and access work based environments and the training to succeed
3. Measure training programs aligned to the outcomes and develop a marketable workforce
4. Achieve buy-in from all chambers in Nevada to support Workforce efforts
5. To develop Workforce asset mapping and conduct gap analysis to inform partners and ensure sustainable strategies for workforce development

Mr. Evans suggested that the Board review the plan and revisit in order to ensure this is the correct path, and **Ms. Hendren** agreed, noting a need for a committee in order to focus more finely. **Mr. Buettner** stated that at the workshop, the group broke into smaller groups, and he asked if the five-part list was a summation of that discussion, as three discussion items appeared to be missing (there were originally seven recommendations). He referred to page 9 of the minutes, and stated number 1 and 3 on the seven-part list that was on today’s five-part list, but others were not.

Chair Fagerhaug agreed that further studying the retreat notes and the five points was a good suggestion, and **Mr. Stanley** echoed the Chair’s suggestion, noting that with a new administration in place, it was important to provide an opportunity for OWINN’s new Director to be involved as policies were approved moving forward. **Dr. Tyler** recommended that change in workforce due to automation and artificial intelligence, as well how they will affect the workforce should be considered, and the Board should continue to assist in integration and expectation. She stated it was important to ensure past feedback and the current legislation are considered.

It was moved by Bill Stanley, and seconded by Robert Cunningham, to table Agenda Item #7 and form a committee to be headed by Mr. Von Collenberg to further consider vision and priorities

Chair Fagerhaug called for discussion on the motion, and **Mr. Cunningham** suggested that it be left to the new Director of OWINN and staff how to form the committee (possibly with use of volunteers). **Mr. Craig Von Collenberg** stated he would be willing to lead a committee to review the information, and would also review the original conversation. He noted the importance of having a plan, vision and priority with a solidified message of moving in the same direction.

Mr. Evans mentioned the importance of focusing on automation issues, and groups that data suggests are not being reached or are left behind (African American and Latino males ages 16 to 26 with a high rate of unemployment). **Dr. Tyler** also noted that other populations such as those who are impoverished, and persons of color, or others who are under-employed need to be addressed in strategies to directly focus on those areas.

Mr. Von Collenberg said that would be a large part of the committee's discussion, and **Ms. Hendren** added that the work of the subcommittee would assist in the work of the unified state plan committee, so those two groups should be aligned.

Dr. Tyler suggested that key stakeholders also be at the table with the subcommittees.

Motion carried.

Ms. Hendren stated it was important to form the committee to get the progress moving along, and **Chair Fagerhaug** said that he would ask for volunteers first and work closely with **Mr. Von Collenberg** in order to move this quickly. **Mr. Buettner** stated that Board Members with experience in the three key areas of training systems, information systems, and evaluation of the systems should consider their possible assistance, based on the seven bullet points from the last meeting.

8. DISCUSSION/INFORMATIONAL TOPIC REGARDING SCP 1.0

John Thurman, Executive Director, Nevadaworks referred to SCP 1.0, page 4.e., Conflict of Interest and Transparency Section, noting that when the matter was brought forward in 2018, the language starting with *"...and have no familial relationship to the third degree," and ending with, "the local workforce development areas"* had been lined out as not recommended for inclusion in the policy but was later added back in. He stated that the language would cause mandated members of the local workforce development boards to instantly be in conflict on any and all items of discussion if they simply had an interaction with the one-stop centers in northern and southern Nevada. **Mr. Stanley** stated that during the Governor's Executive Board for Workforce Development, several times conversation around this had the language being re-introduced.

Mr. Aaron West explained some of the reasoning for re-including the wording as pertaining to the Title I, II, III, and IV service providers. He added the completely excluding those representatives was overreaching. **Ms. Hendren** recalled the original conversations a couple years ago and its intent was not to have those relationships between Board Members and the one-stop operator, and was not intended to extend to other operators. **Mr. Thurman** said he was unsure why it was in the original draft, and at first he felt it was relatively benign, but after further review, it was clear that the mandated members of the local boards would be in conflict, due to the specific wording. He said that if it were changed to just the one-stop operator this would not be an issue.

Mr. Evans said that being able to manage activities through abstention, and he asked what the legal review suggested on this issue. **Mr. Thurman** stated that the Law Offices of Vickie Olmanberg (represents the Nevada Association of Employers in Northern Nevada) reviewed the wording, and as written it was agreed that it would preclude Board Members from taking part in discussion as well as voting. **Dr. Tyler** asked if the Attorney General had reviewed the wording, and **Deputy Attorney General, David Gardner (DAG for OWINN)** stated that he had not reviewed the language, and he was filling in for **Robert Whitney** (he did not know if **Mr. Whitney** had reviewed it).

Mr. Dave Dreibelbis said he was aware that this topic was not on the agenda for action, but wondered if it could be referred to the Deputy Attorney's Office for legal review with the concerns communicated. He suggested that the core information could be upheld, but concerns mentioned today should also be considered. **Chair Fagerhaug** said the matter would go before the executive committee for further review and then to the next Board meeting for possible action.

9. INFORMATIONAL REPORTS

A. Workforce Connections: Southern LWDB's Quarterly Report and Updates

Chair Fagerhaug stated that the Financial Analyst from DETR would not be able to testify. **Mr. Cruz** provided the report. He referred to pages 3 and 4 graphics, noting that Workforce was very excited about the one-stop system. Focus will be systemic, and DETR has 6 of the 17, with DHHS having 3. He stated that if there was no DHHS member on the Board, perhaps there should be. **Mr. Cruz** was excited about **Dr. Tyler** and **Mr. Von Collenberg's** roles, and offered any assistance to strengthen the relationship between the boards.

Dr. Tyler asked if there were any specific requests to support the one-stop centers, and **Mr. Cruz** stated that the work was well on the way, with good progress, and the next steps would now be accelerated with **Dr. Tyler** and **Mr. Von Collenberg** in place. Upon **Mr. Stanley's** request, Mr. Cruz provided an RFP update (contained in the report) as follows: pending investigation of one of the providers so some information must remain confidential, but it was public information that the Board has made a decision on funding, with partners. Direction was approved and RFPs were written in November of 2018, and the evaluation process culminated in May (right now staff was experiencing the effects of a 30-day delay), the law requires that a procurement process happens every four years so no matter what, everybody's contract needs to be closed and a new one started.

Mr. Evans asked if clients would still be serviced without interruption, and **Mr. Cruz** said that was the core of everything in the works. He added that the RFPs were designed to serve populations with the highest needs, and geography was separated in clusters (fund awards were made by clusters). The design of the system allowed for services to remain in those geographic areas.

B. Nevadaworks: Northern GWDB's Quarterly Report and Updates

John Thurman, Nevadaworks, stated that a couple of things surfaced recently that are not in the report. One was more connections in northern Nevada to the libraries, as they are part of the system as an access point; staff are being trained to assist individuals to register in the Title I system. A recent event was Latinos to Work held at the Reno one-stop center with over 200 people in attendance (hoping to make it an annual event at that center) and a Youth Expo that would occur in August right before school starts to educate youth about programs available to them. They have achieved 100% or above the negotiated performance levels for all of the Nevadaworks delivery areas and just turned on the product referred to as Futureworks, so that deeper information can be gained for applicants when enrolling them. Have access to statewide data and working Mr. Cruz's staff to gain more information and provide consistent reports.

Mr. Evans asked how and whether the credential rate equates to placement for full- or part-time employment. **Mr. Thurman** stated that the percentage of people entering full-time employment as a result of receiving an occupational skills training (credential) compared to those who seek services below that level.

Ann Silver sought clarification between a seeded partner and a non-seeded partner, and **Mr. Thurman** responded that in the one-stop delivery system, there are 19 mandated partners but in the one-stop center, there are five mandated partners, specifically Title I, II, III, and IV and DHHS. **Mr. Evans** stated that education and training should be mentioned, so that it could be kept in mind going forward, and moving forward, metrics for both the north and the south could assist in showing if metrics were met.

C. DETR's Research and Analysis Bureau: Economic Updates

David Schmidt, Chief Economist, DETR highlighted recent statistics. Review of current employment situation in Nevada: April's state of economy in Nevada good overall, rose by 49,600 jobs over the year, growth rate of 3.6%, and over the month the number was up 2,800 jobs, fairly average, but last month's jobs were revised up an additional 2,300 jobs. Some of the industries that were in decline from March to April were in government, particularly in education. While the survey week did not overlap with spring break, one survey was immediately before, and one was immediately after. Even so, 3.6% was still good, with Nevada leading the nation, and experiencing 100 consecutive months of job growth across almost every industry in the state, with the jobs adding the most jobs being professional and business services, construction and manufacturing, followed by education and health services, trades, transportation and

utilities. It is interesting to note that leisure and hospitality, the area with the most jobs in the state, is growing fairly slowly compared to some other industries, while professional and business construction are currently growing at 13%. Further, construction this month passed over the 100,000 job mark, with about 150,000 heading into the recession, with about 50,000 at the lowest point of the recession. Mining and logging was the only industry that was down over the last year with a decline of about 100 jobs. Nevada has been the fastest growing state in the nation for employment. The average growth over the last year is at 3.5%, with Utah at 3.3%, Arizona at 3%, and South Carolina at 2.5%. Nevada is well ahead of some of the surrounding states. Nevada is well positioned, surrounded by states that are also growing.

Mr. Schmidt addressed gender balance. Healthcare and social assistance, educational services, and finance and insurance all have a disproportionate share of women while mining, coring, oil and gas extraction, construction, manufacturing, wholesale trade and utilities have a large disproportionate share of men in the workforce. Other industries are in the 45-55% range. Healthcare is the industry most dominated by women, and when it comes support occupations, as well as healthcare as well as healthcare practitioner and technical occupations. Similar to what was seen in industries of natural resources: construction, extraction, insulation, maintenance and repair, and transportation are all areas with fairly small numbers of women in the workforce. Review of the Unemployment Rate Demographics Report: in April, the unemployment rate fell from 4.2% to 4%, 4/10ths of a percentage point higher than the US as a whole, but in context, this is only the 23rd month in Nevada's history that the state has been at or below 4%, and at or below 3.9% for 13 months and 3.8% for 4 months, so total unemployment is very low at 61,393 jobs, of those, in the last six months or so, there has been a shift where number of people unemployed for reasons other than having lost the last job, such as new entry or re-entry to the force, outnumbers those who lost their job, so the mix of people unemployed has been shifting.

Changes in labor force composition over the last year: unemployment has declined somewhat although the labor force has grown, and more people are entering the work force through migration or new entries into the work force. For underemployment, the Bureau of Labor Statistics report six different ways, including people who have been jobless 15 weeks or longer, people who have lost their job, and broader definitions, such as those who have not looked for work in 12 months, those who are marginally attached to the workforce but are not currently looking, for reasons such as going to school or caring for a family member. Then there are people who are working part-time but want to be working full-time, involuntary part-time workers. Over the last year, Nevada has improved over every measure, and a year ago, was fairly high in every measure except for those people unemployed 15 months or longer, but this year has seen some significant improvement. Unemployment rates for men and women are essentially nearly the same and improving, and looking close to the numbers in 2006 and 2007. Unemployment insurance activity: shows the number of weeks people are continuing on unemployment continues to slide, with the exhaustion rate are increasingly lower (at a rate of 30 to 32%, which is typical), so a little less than 1/3 of people on unemployment exhaust their benefits before exiting the program. Initial claims for unemployment benefits have been fairly flat over the lasts three years with stability being predicted, and at lowest levels seen for Nevada, although not as low as the nation as a whole. Total job gains from businesses opening and total job losses from businesses that are closing: with total churn four times higher than the net number reported each month, with lots of businesses opening and closing and lots of people changing jobs each month, because it's a dynamic economy. Unemployment rate demographics report looks at statutory requirements from the 2017 Legislative session. NRS 232-920 requires DETR to compile information by various demographics over each county, and NRS 232-935 requires all applicable agencies who provide workforce services to coordinate efforts and resources to reduce the rate of unemployment for certain demographic groups when certain thresholds are met.

Reviewing the data: three thresholds are the unemployment rate for a group is double the rate for a county as a whole, or the rate is 4% higher for a group than the county as a whole, or the rate has been higher than the county as a whole for three consecutive years. Five-year average number reported from the US Census, with the total number of people unemployed triggering one of the thresholds in each county, and how those numbers are calculated, and percent of areas as a whole, difference as a whole, and number of years it's been higher. Mapping groups that are triggered by one of the three criteria, and with people between the age group of 16 to 19, and one of the larger groups are persons with any disability, are all reported.

Groups by education level, those with less than a high school diploma, generally have higher unemployment rates, as do Hispanic or Latino (showing more in north area), with unemployment rate across Clark and Washoe Counties being close at 8% and 7.6% respectively; overall rate for Washoe County was 8.3%. Two groups disproportionately affected were people who were below the poverty line in the last 12 months, as well as the Native American population, with a higher unemployment rate of any area as a whole.

The African American populations of Clark and Washoe Counties show the highest totals in the northern and southern areas. Because the data is automated, more data is available, and women with children of particular ages, especially those with children under 6, and those with children ages 6 to 16 tend to have slightly higher unemployment rates. By incorporating maps into future reports on a county and US Census tracked level, and layering it with job service offices it can be determined if certain groups might be far from opportunities for service.

Mr. Evans asked about the state unemployment total, just over 61,000 and asked if there are that many unfilled jobs. **Mr. Schmidt** stated that for the last year to two years, there actually seemed to be more job openings than workers. **Mr. Evans** stated that in the past, OWINN conducted a survey that gave some insight on the demographics of those unemployed and with solutions for a systemic approach. He asked what happens once individuals have exhausted unemployment benefits. **Mr. Schmidt** stated that gathering data on that group as they are no longer reporting weekly is difficult.

Mr. Stanley stated that it would be helpful to look at the construction industry, especially the residential construction area, where an erosion of the employee/employer relationship was occurring. He added that getting statistics on the three main construction categories would be helpful in planning. **Mr. Schmidt** stated that residential contractors were about 9% of the share of employers, and 9% for non-residential contractors, and businesses of foundation and exterior about 20%, building and equipment at approximately 26%, with building with building finishing at about 19%, and other specialty trade contractors at 8.3% and all other construction at about 8.8%. He added that more information on the unemployment aspect is needed.

Dr. Tyler asked to what extent the data would be leveraged in setting policy as a board, which she encouraged as it could identify target areas and be invaluable. Some questions were how to target high school or less educated individuals who are under-employed, and female head of households with children who are disproportionately hired to ascertain whether childcare is the issue and how to leverage that, and leveraging skills and stakeholders for that population. She added it is important to identify if municipalities, or other actors are involved. **Dr. Tyler** stated that if these factors are not considered now, it is important to begin doing so.

10. INFORMATIONAL ONLY – FUTURE MEETING TOPICS

Chair Fagerhaug asked for feedback on future meeting topics, and the following items were arrived at: **Chair Fagerhaug** stated that further discussion and deeper dive in the vision and priorities was already on the list of topics

Mr. Evans stated that studying topics that could be policy or guidance topics (after further review of those topics, such as the ones **Dr. Tyler** mentioned)

Mr. Buettner said that timelines might be important for implementing strategies or systems and/or sequence of events, in order to form and gel goals

Mr. Cunningham said he would be interested in knowing, once priorities are established, and hearing back from the new subcommittee, a good idea of how the programs in place are addressing those priorities

Dr. Tyler suggested a deep dive focus on under-employment and what is or needs to be done to address it, and what is the ability to ensure employer responsive credentialing (is there a system in place in order to assist with identifying the training up needs and reduce number of job openings), and what is the array of tools the state is using to employ individuals or support economic development and what is the return on those (are we leveraging incoming worker training), and are there areas in which to double down, and what is the use of data like this as far as understanding it and changes in practice

Mr. Dreibelbis recommended addressing outreach for developed programs utilizing the demographic data

Mr. Von Collenberg suggested that item SCP 1.0 be revisited (for legal opinion also on conflict of interest wording, per **Mr. Evans**'s suggestion)

Mr. Stanley recommended that the Industry Sector Council's recent focus on required skills sets and how they could help drive the discussion with folks closer to the industries, without some of the limitations in the past (not driving workforce development but allowing for broader areas of employment); He said he would like to have DAGA develop a brief on exactly how competing local boards could be established, and gain some understanding of how that would look, as far as competing boards in certain geographical areas

Dr. Tyler stated that focus on automation and artificial intelligence and its impact on workforce development is important to develop strategies for retooling and skill enhancement so workers are not left out of the economy

Mr. Ryan Cordia said that he was unsure of the roles of the board and other agencies in setting policies, and requested a specific task list for the entities

Ms. Kristine Nelson stated that she had previously mentioned this, but in the October meeting, the Perkins V State Plan will hopefully be brought before this Board for possible action and endorsement, either to the full Board or to the Executive Committee

Ms. Hendren also stated there was a need for an agenda item to discuss process when the Unified State Plan came before this Board, as it seemed that next steps would be to present a draft at the October meeting and a final at the January meeting (due in March 2020)

Chair Fagerhaug requested that Board Members be sure to update contact information when calendars go out.

11. SECOND PUBLIC COMMENT (S)

Chair Fagerhaug read the statement into the record: “Members of the public are invited to comment at this time; however no action may be taken on any matters during public comment until the matter itself has been included on an agenda as an item for possible action. In my discretion, in the interest of time, public comment will be limited to three minutes per person.” He invited comments from Carson City, Las Vegas or on the telephone.

Chair Fagerhaug thanked all the participants for their flexibility in scheduling the meeting, their attentiveness, and their readiness, with a significant amount of pre-work going on. He said discussion had been good and he applauded the Board Members for their substantive contributions. **Chair Fagerhaug** is looking forward to the data and developing from it, and noted that Nevada has an opportunity to lead in creating workforce.

12. ADJOURNMENT – The May 16, 2019 meeting was adjourned.

Notice of this meeting was posted on or before 9 a.m. on the third day prior to the meeting on the Internet at:

<http://OWINN.NV.GOV/> and
[Nevada’s Public Notice website at https://notice.nv.gov/](https://notice.nv.gov/), as required by NRS 232.2175.

Supporting public material provided to Committee members for this meeting is posted on OWINN’s Web site at http://owinn.nv.gov/GWDB/GWDB_Workforce_Meetings/, and may be requested from the Executive Director’s Office at 555 E. Washington Ave, Las Vegas, Nevada or call (702) 486-8080