

FOOTHILL WORKFORCE DEVELOPMENT BOARD (FWDB) MEETING

Virtual Zoom Meeting

DRAFT MINUTES OF JANUARY 10, 2023 FWDB MEETING

INTRODUCTION AND ROLL CALL

Dianne Russell-Carter congratulated Denise McKnight regarding her promotion to regional chief at California Department of Rehabilitation. The FWDB Chair, Dan Lien, welcomed the board members, staff members and guests and called the meeting to order. Chair Dan Lien then called for the roll call of members and introduction of guests. FWDB staff member, David Eder, took roll call and stated a quorum of the Foothill Workforce Development Board was established at 9:07 a.m.

Present - FWDB

Dan J. Lien, Chair, DJL Professional Services
Tom Selinske, Vice Chair, FocusOut, LLC
Hector Delgado, Teamsters Local Union No. 396
Flint Fertig, Monrovia Unified School District
Gene Hurd, UAW Local 509
Denise McKnight, Department of Rehabilitation
Laurie Wheeler, South Pasadena Chamber of Commerce

Absent - FWDB

Keshia Bowen, Simply Divine
Salvatrice Cummo, Pasadena City College (*notified would be unable to attend*)
Shomari Davis, IBEW Local 11
Tony de Trinidad, Painters & Allied Trades DC 36
Elia Evans, UEI College
John Frala, Rio Hondo College
Victor LaGroon, City of Hope
Helen Romero-Shaw, Southern California Gas Company
Tashera Taylor, Foothill Unity Center, Inc.

Staff Present

Dianne Russell-Carter, FWDB Executive Director, David Eder, Paul Enge

Guests Present

Diana Ling, California Dept. of Rehabilitation
Renata Dukes, Office of Finance, City of Pasadena
David Baquerizo, ProPath Inc., One-Stop operator

PUBLIC COMMENTS

There were no public comments.

APPROVAL OF MINUTES

Tom Selinske made a motion to accept the minutes with a clarification. He stated the FWDB put in place a three-month staffing review, to look at the positions of the FWDB operations. He stated that this action has not been taken and that it was part of the conditions of the FWDB approving the annual budget. He asked how this could be corrected within the next thirty days. Dianne Russell-Carter asked if a motion could be made to extend the approval of the budget pending a staffing review. David Eder offered to set up an offline in-person or Zoom meeting between Dianne Russell-Carter and Tom Selinske to directly discuss and review the staffing matter. Tom Selinske agreed with this approach. Tom Selinske also noted a typo in the minutes regarding his name. David Eder stated he will correct the typo in the minutes. Discussion regarding whether Tom Selinske's condition was a separate action or not. Flint Fertig noted, and it was agreed, that the motion to approve minutes was separate and that a later motion could be made regarding Tom Selinske's condition.

The minutes of the May 11, 2022, FWDB meeting were approved.

Motion: Tom Selinske Seconded: Flint Fertig
Roll call vote: Ayes- 7 (Lien, Delgado, Fertig, Hurd, McKnight, Selinske, Wheeler);
Nays – 0; Abstentions- 0

CHAIR'S REPORT

Chair Dan Lien stated that employers are still experiencing an ongoing struggle to retain employees and the problem of employees moving in and out of employment. He stated that there could be many reasons for this, including COVID, weather, holidays, etc. He stated that Tom Selinske's condition to approve the budget was to come together on staffing shortfalls of the FWDB. He stated this problem has been building for at least two years, because of the leadership of the fiscal agent and a misunderstanding of the powers of the FWDB fiscal agent. There was the entertaining of a position that the FWDB would have a new administrative arm, with a presentation made by Pasadena City College and there were a lot of conversations and examples made what the new administrator would do in its new role. This matter was discussed by our Policy Board, which is the FWDB's higher authority. At the last meeting of the Policy Board, there were conditions of the new position offered to us by PCC. The Policy Board elected unanimously not to proceed with a change in the administration of the WDB. He stated that he recalled that one of the conditions of PCC coming on board as administrator is that that they wanted a position on the Policy Board. This would be possibly too conflicting and not in the best interests of our constituents: persons seeking work, youth, and companies looking for employees. So, in the last meeting, the Policy Board voted unanimously not to proceed. We are now back in line and we can now proceed with the fiscal agent and the position in which they should perform our policy board intact. There was also the discussion of the departure of Monrovia and that has been a bit longer of a transition period than we had expected. He stated that number one concern is staffing. Because our fiscal agent was taking

on a role of not approving requisitions, it was not in the role of approving, and we missed deadlines on funding in different programs. This is behind us now. It took quite a bit of time and a lot of energy from all parties involved and we really do appreciate PCC for coming forward and showing a greater interest. We look forward to continuing partnership with PCC.

Chair Dan Lien noted that he wanted to note regarding the struggle of many workplaces in deciding the position of remote work versus on site work. This still seems to be up in the air and we don't know how it will shake out or where it will go. We are seeing a lot of companies doing both or they are doing it sporadically; they call the workers in, then they go back to remote.

FWDB EXECUTIVE DIRECTOR'S REPORT

Dianne Russell-Carter noted that Renita Dukes, City of Pasadena Office of Finance, had joined the meeting.

Dianne Russell-Carter thanked Chair Dan Lien for explaining the past situation. She stated that in the past two months, FWDB has gone through two audits. One audit was designed to review the COVID-19 funding. We received these funds, through discretion of the Governor, and these funds are allocated to the WDBs with a caveat that these supersede any other in-house support services. This was a process that FWDB already had in place, so we served approximately 900. The funds were done remotely, utilizing DocuSign and other various virtual tools, which was new for FWDB. We are finishing that audit now.

She stated the other audit was supposed to be completed by now, but that the report will not be ready until March and is being completed by a city vendor, an organization that does audits for nonprofits and government entities. This audit was to look at the City of Pasadena as the fiscal agent. Some of the audit questions overlap, such as policies and procedures, everything from eligibility to programs, as well as monitoring partners. She stated she thought we would be fine. But this is part of the activities that we are presently dealing with. She stated that there could be (recommendations) to replace and not replace or maybe to reorganize positions somewhat. Currently, we are down eight positions, we are half staffed. At the beginning of COVID, we had retirement and staff departures, including the deputy director, Ricardo Quezada. This left a big hole in the operation and they have been trying to fill in for the deputy director responsibilities.

Dianne Russell-Carter showed a PowerPoint and stated the FWDB is required to do a four-year plan and in between, the two-year plan. She quoted from an economic report from the State which stated that while the economic landscape changed after two years of COVID, California's economy was rebounding and shifting back to pre-pandemic conditions. However, for communities that have historically experienced barriers to employment, the pandemic induced recession exacerbated and compounded long standing disparities in economic inequities, although some workers have benefited from higher wages due to a tightening of the labor market. The ensuing burden of pandemic related inflation has placed more pressure on

already stretched thin, low income families. Therefore, the California Workforce Development Board also understands that the goals, strategies and objectives develop now may require change because we are going into two years of the first year. First, the 2021 through 2024 local plan may require changes or adjustment in the future to reflect changing economy and labor market.

Dianne Russell-Carter noted the establishment of the workforce regions and that the FWDB was part of the Los Angeles Basin Regional Planning Unit, comprised of the seven Workforce Development Boards in Los Angeles County. The regions were established to align workforce development activities and resources with regional economic development areas and available resources. The vision and the policy objectives in the State Plan were used to guide the development of the criteria of the plans. The regional planning units have discretion to determine how the approaches will be best actualized within their regions.

Dianne Russell-Carter noted COVID significantly changed the economy and the labor market. Consequently, she stated, this biannual plan is particularly important. She stated that FWDB staff will conduct a stakeholder forum and many board members have participated in these forums in the past. Our local plans have been written by David Shinder who has done a tremendous job and we are one of the few boards who have our plan approved the first time around by the state. She invited the board members to attend the stakeholders' forum, which will be held on Friday, January 20th, from 9 a.m. to 11 a.m. in a virtual meeting format.

Tom Selinske noted this planning process was consistent with looking at the staffing, considering the challenges and changing labor markets. He asked Dianne Russell-Carter what the time line was to complete the process. Dianne Russell-Carter noted the timeline was March 30, 2023. He asked if the Board would consider an action based on what was discussed regarding the staffing, having it in alignment with the planning process. Chair Dan Lien stated that (the stakeholders' forum) would be the best brainstorming time, from what he has read and what is going at the state level is that we have become a total business services oriented organization, not just for employers but jobseekers, our audience. It's our time to springboard and really make an even bigger difference than we have in the past.

Dianne Russell-Carter agreed with the chair and stated that it aligned with her desire to help Board to have an organized development plan to have individuals come in and work with us during our time with Pasadena City College and trying to work through that. The California Workforce Association was very helpful in providing technical support and it conducts a series called the Real Work of Workforce Development Boards. There is also another resource called TAG grants and several of the workforce development boards have worked with them. After what we have gone through in past six months, this time would be a good time to concentrate on the Board. She also stated that business services is a topic she presented on in past meeting, illustrating a diagram called the inverted triangle, which had job seekers on the top and the services feeding it. Going through COVID period, there is so much that needs to be changed and that we put those businesses and business services to the top of that inverted pyramid. We've secured David Baquerizo as our consultant for business services.

David Baquerizo stated that he works with many boards throughout California and there is a pattern throughout in terms of services that we all offer. We are really focusing on our local employers which in turn help us with participants. Research on why businesses are having a difficult time filling open positions shows that over half of the individuals who have not returned to work fit into two categories: one is the need to be home and care for children or other family members – the pandemic forced many childcare providers into closing or to scale down their business and they have not fully recovered; and two, many unemployed individuals have an illness and have come to realization that their health takes priority over looking for work. Regarding the other half of individuals, other reasons: a continued concern that COVID-19 still exists in the workplace; the belief that pay is too low and that jobs are too low-skilled; an increased focus on acquiring new skills and education before reentering the job market (going back to college, school, etc.); an increase in early retirements; and, a transition to part-time work. In addition, job seekers becoming new entrepreneurs and starting businesses. Some employees either left work or stayed unemployed to open their own business over the last two years. Over four million new businesses were started in the U.S. Something we probably haven't thought about is America's inadequate immigration system is directly contributing to the worker shortage crisis and hindering business operations. And the last reason, there are individuals not willing to take jobs that do not offer the opportunity to work remotely. He stated that these are taken into consideration as we talked to businesses in our area and that is still a problem for so many businesses and finding additional individuals for employment.

David Baquerizo stated that employee retention is really a problem. Employers may find one person for the new employee, but they have four people leave, so it's a big shift on retention. In our business services, we have a tool called Incumbent Worker Training. In one case, a hospital has 400 openings. The company is taking many of their current workers, those at lower levels, and providing training to them or certification training to fill higher level positions within their organization. This is something we really can focus on here at the FWDB. We have about \$400,000 to provide incumbent worker training to employers in the area. Very quickly, the employer selects a vendor for training and we pay the vendor for the training cost, so it's not like On the Job Training where we are reimbursing the employer 50% of the wages paid during training. We are actually looking at employers who fall into this category. We provide layoff aversion and we also provide upskilling, which is where current employee is promoted into a higher level, gains new skills and acquires a higher pay rate. Our focus will be on the employer and employee retention and still the employer recruitment.

Chair Dan Lien asked if the pressures to small businesses of exploding inflation and the minimum of wage of up to \$15.50. Inflation is chewing away the margin. There is only so much availability to price increase for delivery of services and goods that the mom and pop businesses can face, so revenues are down and profits are extremely down. When it comes to employment issues, FTE (full time employment) is one of the rapid ways to cure the balance sheet or profit and loss and move forward – it's prohibiting a lot of companies from hiring. David Baquerizo agreed and stated that when the minimum wage increases, there is always a pass over to customers in terms of price increases and a lowering of fringe benefits. A lot of employers went from full-time employees to part-time employees to get around having to

provide some of the benefits. We are likely to see more of this. He stated the need to get the Board's Business Services committee restarted and calendared, with a focus on employers.

Dianne Russell-Carter stated there is a plan for technical training, team building and coaching for the staff. An agreement has been entered with the City of Pasadena HR to provide training through one of their consultants. A DEI class has already been conducted for the staff and there will be additional classes.

Paul Enge provided a report on the FWDB budget. He stated that this week, the EDD was conducting a fiscal review for Program Years 21 and 22. Documents have been requested and staff is responding. There were no findings in the fiscal review EDD performed for Program Year 20.

Paule Enge showed a PowerPoint regarding the FWDB budget, titled, Foothill 1st Half of Fiscal Year 23 Personnel Expenses vs. Budget. He stated the FWDB expenditure of personnel was currently \$661,000 versus the budget of \$1.14 million. As mentioned, the headcount is down eight positions, out of a FTE count of 18. We currently have a shortfall or savings of \$482,000. We will be monitoring this as we have two years to spend our formula dollars and we still plan to spend this money in other areas as we continue to look at staffing. Dianne Russell-Carter stated the positions vacant include: deputy executive director, a senior administrative person, one management analyst and three cases managers. Twelve years ago, we were at 23 staff members. Some of the roles that staff managed have been taken over by the partners. Looking forward at future formula funding and ancillary grants, we expect the upcoming budget to be similar.

Tom Selinske asked if this time to offer a motion regarding staffing, as was stated before the approval of the minutes. Chair Dan Lien agreed this was the time.

ACTION ITEM

Motion: That the FWDB meet with FWDB Executive Director to review the FWDB staffing positions.

Motion: Tom Selinske Seconded: Flint Fertig

David Eder conducted a roll call vote of the Board. The motion was approved.

Roll call vote:

Aye – 7 (Lien, Delgado, Fertig, Hurd, McKnight, Selinske, Wheeler)

Nays – 0; Abstentions – 0

ACTION ITEMS

- A. Consideration of a recommended action to end board memberships of business representatives operating primarily outside the revised local area of the five cities of the Foothill Employment Training Consortium (FETC)***

Chair Dan Lien stated this action item was directly related with the departure of Monrovia as part of the FWDB. David Eder stated that in good faith, the staff, under the direction of the FWDB Chair and the Chair of the FETC Policy Board, Rachele Arizmendi, sent departure/thank you letters to the three Board members that were specifically from Monrovia. Upon Monrovia's departure (July 2022), it was deemed those members ceased to represent the category of membership to which they were appointed. The Workforce Innovation and Opportunity Act requires local business representatives. As they were no longer in the area, they were deemed to be no longer part of the Board. He stated that staff completed Form 700 departures for them, which is required by the State and the County, and the thank you letters were sent to these members.

Tom Selinske stated this motion was appropriate and moved the motion for approval. Flint Fertig stated that he would make a second but first wanted to know who the departing members were. He stated some of the members work in Monrovia, like his organization and serve other communities within FETC's footprint. Foothill Unity Center also serves an extended area, serving Pasadena, Duarte and Arcadia, whereas some of the small businesses might not.

David Eder stated that four departure/thank you letters were sent: one to Larry Spicer, City Councilmember of Monrovia who served on the FETC Policy Board; and three business members of the FWDB that were from Monrovia – Stephen Gutierrez, Robert Helbing and Brenda Trainor. These businesses are specifically located within and serve Monrovia, unlike the other members on the Board. Flint Fertig stated this made sense and seconded the motion.

Action: Terminate the board memberships of business representatives operating primarily outside the revised local area of the five cities of the Foothill Employment Training Consortium (FETC).

Motion: Tom Selinske Seconded: Flint Fertig

David Eder conducted a roll call vote of the Board. He noted that as this was membership action, the FWDB bylaws requires 2/3 of those members present. This vote met that requirement and the motion was approved.

Roll call vote:

Aye – 7 (Lien, Delgado, Fertig, Hurd, McKnight, Selinske, Wheeler)

Nays – 0; Abstentions – 0

B. Nominations of, and election of, FWDB Chair and FWDB Vice Chair

David Eder stated that the terms of Chair and the Vice Chair match the federal WIOA program year and are July 1 through June 30. The last time this board took an action to vote on the Chair, Dan Lien, and Vice Chair, Tom Selinske, was in autumn, 2021, so technically their terms have expired. We need to codify this. The reason there has been no action is because the Board has not met this program year. This is the first meeting of the Board in this program year. It would be staff recommendation that someone on the Board, on a very practical level as there is only five months remaining in this program year, entertain the motion of re-

nominating the existing Chair and Vice Chair, for remainder of this term, through June 30. The Board can consider punting the recommendations for the future Chair and Vice Chair for the next program year to the Ad Hoc Nominations Committee, which is actually another proposal and future action item (on today's meeting agenda).

Flint Fertig moved the motion to elect/maintain Dan Lien as Chair and Tom Selinske as Vice Chair, to serve for the remainder of the program year. Gene Hurd seconded the motion. Flint Fertig stated both the Chair and Vice Chair have served valiantly during a very awkward time in the Board's history and he was grateful for them. Chair Dan Lien stated he was honored.

Motion: *Elect Dan Lien as Chair and Tom Selinske as Vice Chair, to serve for the remainder of the program year.*

Motion: Flint Fertig Seconded: Gene Hurd

David Eder conducted a roll call vote of the Board. The motion was approved.

Roll call vote:

Aye – 7 (Lien, Delgado, Fertig, Hurd, McKnight, Selinske, Wheeler)

Nays – 0; Abstentions – 0

C. Review of FWDB membership, term and vacancies, and consideration of a recommended action to develop an FWDB Ad Hoc Nominations Committee for new and expiring board members

Chair Dan Lien stated how important this matter was as the Board must stay within the representation percentage requirement. Dianne Russell-Carter noted how the Board members' presence, diligence, understanding and compassion for the people we serve important. Not everyone fits that bill. She stated that an Ad Hoc Nominations Committee structure has been utilized in the past, too, to fill vacancies.

Tom Selinske moved that the Board form an Ad Hoc Nominations Committee and he volunteered to serve on it. Laurie Wheeler seconded the motion. Chair Dan Lien asked if there were volunteers. Dianne Russell-Carter recognized Laurie Wheeler for her enthusiastic leadership on the Youth Committee and in connecting the FWDB to opportunities for youth. Some time ago, FWDB made the recommendation to work with out-of-school, ages 18-24, and it has been outstanding. She provided an example of an older youth from the program that became very successful. Chair Dan Lien stated testimonials such as this are key.

Tom Selinske stated he hoped that three or four Board members can serve on the Ad Hoc and that it would be staff supported. He stated that perhaps David Baquerizo could be tapped to provide names of potential employers and business leaders.

Motion: *Form an FWDB Ad Hoc Nominations Committee to review and recommend board members.*

Motion: Tom Selinske

Seconded: Laurie Wheeler

David Eder conducted a roll call vote of the Board. The motion was approved.

Roll call vote:

Aye – 7 (Lien, Delgado, Fertig, Hurd, McKnight, Selinske, Wheeler)

Nays – 0; Abstentions – 0

D. That the consideration of a recommended action to standardize all board membership terms to a period of four years be referred to the Ad Hoc Nominations Committee

Chair Dan Lien stated that Board members

David Eder stated that an administrative review showed that there was a record keeping error regarding the terms and that perhaps this potential action could be pushed to the newly formed Ad Hoc Nominations Committee. He noted that the existing four-year term may be too long of a period for a business person to commit and as example, the City of Los Angeles WDB has two year terms.

Flint Fertig stated that a two-year term would help in securing interest for new board members. They can always be renewed but he is in favor of a two-year term for all board members. He stated that term limits could create a limitation. Chair Dan Lien stated this would be more marketable.

Tom Selinske moved a motion to refer this action item to the new Ad Hoc Nominations Committee for it to recommend an action. Gene Hurd seconded the motion.

David Baquerizo stated that the board members and officers' length of time could be made the same. Flint Fertig stated this matter could be considered by the new Ad Hoc Nominations Committee.

Motion: The FWDB Ad Hoc Nominations Committee review and recommend board membership terms.

Motion: Flint Fertig Seconded: Gene Hurd

David Eder conducted a roll call vote of the Board. The motion was approved.

Roll call vote:

Aye – 6 (Lien, Fertig, Hurd, McKnight, Selinske, Wheeler)

Nays – 0; Abstentions – 0

WDB ROUNDTABLE – OPEN DISCUSSION

Dianne Russell-Carter shared a photo of a former youth program participant who has become a EMT for Huntington Hospital.

Tom Selinske he would be happy to assist in the podcast creation. He stated he has a podcast series called the Selinske Strategy.

Chair Dan Lien congratulated the staff and Board and stated we should be proud of what we are doing.

David Eder stated he would email future WDB meeting dates to the members.

Chair Dan Lien stated that he congratulates Rachelle Arizmendi for serving as she is departing the Policy Board. We have three Policy Board members are leaving from Sierra Madre, Arcadia and Duarte. There is nothing wrong with Board members recommending any preferred elected officials to serve on the Policy Board. Dianne Russell-Carter stated that Pasadena City Member, Tyrone Hampton, wants to serve as Policy Board Chair. Chair Dan Lien stated it would be of great value to have him, a locally grown business leader, as the Policy Board chair.

Chair Dan Lien asked for a motion to adjourn the meeting. Gene Hurd made the motion. Vice Chair seconded the motion. The motion was unanimously approved. The meeting ended at 10:32 a.m.