



Los Angeles County Workforce Development Board (WDB)

SPECIAL MEETING

***Draft* MINUTES**

Wednesday, June 8, 2016

10:30 AM

3rd Floor Boardroom

L.A. Metro Headquarters

One Gateway Plaza

Los Angeles, CA 90012

A CALL TO ORDER

Erick Verduzco-Vega, Chair, L.A. County Workforce Development Board (WDB), called the June 8, 2016 Special Meeting of the L.A. County WDB to order at 10:40 am.

B ROLL CALL

A quorum was established with 18 of 19 Members of the L.A. County WDB in attendance.

Present (18): Carlos Adame, Russell Barnard, Aida Barragan (*arrived at 10:48 am*), Wan-Chun Chang, Lola Smallwood Cuevas, Shomari Davis, David Flaks, Thomas Fournoy, Cinde M. MacGugan-Cassidy, Kimberly Maevers (*arrived at 10:55 am*), Joanne Peterson, Dr. Patricia Ramos (*11:15 am departure*), Cynthia Parulan-Colfer, Corinne Sanchez, Holly Schroeder, Laurie Traktman, Jaime Valdivia, Erick Verduzco-Vega

Absent (1): Randy Bowers

Erick Verduzco-Vega, Chair, read the Conflict of Interest requirements for Commissioners of the WDB outlined in Section 107(h) of the Workforce Innovation and Opportunity Act (WIOA).

C OPENING REMARKS

Erick Verduzco-Vega,

- thanked Commissioner Joanne Peterson and Metro for hosting the WDB Meeting;
- thanked Otto Solorzano, Chief Deputy Director, CSS for taking an active role in supporting the work of the L.A. County WDB.

D EXECUTIVE DIRECTOR / STAFF REPORT

Richard Verches, Executive Director, L.A. County WDB,

- Reported on staff's continuing efforts to build partnership and engage in activities related to the

Memorandum of Understanding (MOU) between the L.A. County WDB and Mandated Partners of the AJCC System;

- Nominations have been received for two vacant business representative seats on the WDB. CSS will be working with the L.A. County Board of Supervisors to fill the two vacancies by the next WDB meeting.

Brian Schwartz, Deputy Director, L.A. County WDB, presented some updates to the quarterly labor market report given at the May 18, 2016 WDB meeting:

- There has been moderate, steady economic growth on the national, state, and County levels;
- Inflation is not expected to change;
- National, state, and County unemployment rates are steadily decreasing;
- Workers are reentering the labor force;
- Jobs are being added throughout the U.S., but at a slower rate than anticipated;
- Wages are rising throughout California;
- Recent legislation related to the labor market included the minimum wage increase and updated federal overtime regulations;
- There has been consistent job growth in L.A. County. The greatest job growth has been in the Hospitality and Tourism cluster. It was noted that Construction (primarily home construction) has also shown growth;
- Consumer spending is up, especially in restaurants;
- It is reported that companies are moving their headquarters out of California but the number of businesses opening in California is counteracting any negative effects.

E ACTION ITEMS

1. DRAFT MINUTES OF THE L.A. COUNTY WDB MEETING HELD ON MAY 18, 2016

It was moved by [Russell Barnard](#), and seconded by [Jaime Valdivia](#), to approve the Draft Minutes of the L.A. County WDB Meeting held on May 18, 2016.

The motion carried by majority vote of members present.

In Favor (16): Carlos Adame, Russell Barnard, Aida Barragan, Wan-Chun Chang, Lola Smallwood Cuevas, Shomari Davis, Thomas Flournoy, Cinde M. MacGugan-Cassidy, Joanne Peterson, Dr. Patricia Ramos, Cynthia Parulan-Colfer, Corinne Sanchez, Holly Schroeder, Laurie Traktman, Jaime Valdivia, Erick Verduzco-Vega

Opposed (0)

Abstain (1): David Flaks

Not Present During Vote (1): Kimberly Maevers

2. WDB MEMORANDUM OF UNDERSTANDING

Richard Verches introduced this item with a brief background, stating that the MOU was drafted with input from a significant number of partners including some represented by L.A. County WDB

Commissioners, as required by the Workforce Innovation and Opportunity Act (WIOA) and the California Workforce Development Board. The development of the MOU is undertaken in 2 phases. Phase 1 focuses on the joint operation of America's Job Centers of California (AJCCs) primarily related to shared customers and shared services. Given the enormous size of the L.A. County Workforce Development Area, there are hundreds of agencies within the 17 mandated partner categories under WIOA. 46 agencies were identified to take part in the MOU Phase 1. Mr. Verches introduced Manuel Ruiz, Deputy Director, L.A. County WDB, who assumed a lead role in the drafting of the MOU, to present highlights of the process.

Mr. Ruiz, first, thanked everyone that has facilitated the process and provided input to capture, in the MOU, the vision and goals to create a premier workforce development system for L.A. County.

- The final version of the MOU presented to the WDB was completed on May 24, 2016;
- It encompasses input and includes signature from 46 partners;
- The vision, mission and values of the MOU have incorporated elements from the California Unified Strategic Workforce Development Plan, California Community College Strong Workforce Task Force Report, and the LAEDC 2016-2020 Strategic Plan;
- On April 29, 2016, 23 Adult Education and Literacy partners, Carl Perkins Career Technical Education (CTE), Title V, Veterans, Trade Adjustment Assistance Act, Community Services Block Grant, Unemployment Compensation, and Temporary Assistance to Needy Families (TANF) partners were convened for a meeting on the MOU;
- Individual meetings were setup with other Adult Education and Literacy, Housing and Urban Development, Youth Build, Second Chance, and Native American Programs partners.

Mr. Ruiz shared feedback from partners gathered at meetings. They identified the following important priorities for the workforce development system in L.A. County:

- Sharing of Labor Market and Demographic Information to identify areas of need and opportunity;
- Working together on more effective Business engagement strategies to prepare the workforce to properly fulfill the hiring needs of businesses;
- Collaborative efforts to increase enrollment in Community College CTE programs, and accreditation and post-secondary education programs;
- Building better connection between AJCCs and Community Colleges and create a pipeline for apprenticeships and paid internships that can potentially leverage public funds;
- Strategies to better serve priority populations – persons with disabilities, English language proficiency, reentry youth, Foster youth, and disconnected youth;
- Co-location of AJCC and Community Colleges.

Discussion:

• Commissioner David Flaks asked about the development of strategies to operationalize the MOU. Is there a designated lead to direct, manage, coordinate and track the efforts of such a large partnership?

Staff has just completed engaging partners for Phase 1 of the MOU. How to operationalize the MOU

will be a part of the next steps to be planned in coordination with the WDB, and local and regional partners.

- Commissioner Flaks further emphasized the importance of having the requisite infrastructure with adequate resources and staff to lead efforts to accomplish goals of the MOU with so many partners.

- Commissioner Joanne Peterson reemphasized the importance of sharing Labor Market and Demographic information to support the L.A. County WDB in making decisions based on data.

- Dr. Patricia Ramos, Secretary-Treasurer, also spoke about the importance of having the proper infrastructure to carry out the vision of the MOU. Recent Federal, state, and local workforce development legislation calls for monumental collaboration to accomplish ambitious goals with Workforce Development Boards and Economic Development Corporations at the center. There will be access to multiple funding streams, such as the 200 Million Strong Initiative. Dr. Ramos is positive that the proper infrastructure will be formed supported by current legislation.

- Commissioner Russell Barnard wanted clarification on target dates or deadlines presented in the MOU. What are the consequences if the dates are not met?

The target dates are provided by the state and, therefore, any action concerning the deadlines would be taken at the state level.

- Commissioner Lola Smallwood Cuevas would like to know about the 46 agencies that were signatories of the MOU, specifically, what Labor institutions are represented, and what agencies serve in the 2nd District of L.A. County, particularly the Florence-Firestone and Compton areas.

Pages 4-5 of the MOU lists the 46 partners by the 17 mandated categories. Labor is not one of the 17 mandated categories listed for joint operation of the AJCCs. However, partnerships beyond what is mandated have been established and are equally important to the success of the workforce development system. Also, many of the 46 partners have a Countywide presence with locations in the Florence-Firestone and Compton Areas of the 2nd district including, EDD, California Department of Rehabilitation, L.A. Unified School District, Youth Policy Institute, Job Corps, and L.A. County Departments of Public and Social Services (DPSS), Probation, and CSS.

- Commissioner Barnard noted that there was an update in the MOU document since it was first sent out to the WDB for review prior to the meeting.

Public Comments:

Peter Bellas, College of the Canyons suggested employing a lean six sigma process to reduce waste, silos, duplicate information and processes to build a cooperative working relationship between the WDB and partners of the AJCC system, as outlined in the MOU.

Manuel Cons, ResCare: within the context of the MOU and RSA cost sharing for infrastructure costs, it is important to note that CSS and the WDB, made an important policy decision to directly pay for shared cost for the AJCC infrastructure, specifically to offset cost of rents and leases, with MOU partners, and to withhold those funds from its state allocations to cover those projected costs. At the time, the impact of this policy decision on the proposed RFP funding set aside to operate the comprehensive AJCCs starting January 2017 was unknown. Proposed allocation minus the proposed lease and rent costs is woefully insufficient to cover required operation costs. It is unknown the amount set aside by the County for leases and rent, or the methodology used to determine the set

aside costs. Mr. Cons strongly urged the WDB to postpone implementing its decision to assume and reallocate the funds held over, and transfer it back to the allocations to operate the AJCCs and to amend the MOU language relative to cost sharing to implement all cost sharing not on December 2017 but starting on July 2018 until the impact and consequences of such a major and dramatic policy change is fully determined.

Hector Huezo, JVS echoed the remarks of Manuel Cons. What is proposed for the RFP reduces resources and the ability for AJCCs to operate workforce programs.

Robert Gutierrez, AYE: with AJCCs now responsible for Youth Programs, and with the large number of youth required to be served, there will not be enough resources to continue the success of the program.

It was moved by Corinne Sanchez and seconded by Russell Barnard, to *approve* the Memorandum of Understanding (MOU) between the L.A. County WDB and 17 mandated Partners on joint operations of L.A. County AJCCs related to workforce development system mission, vision and goals; shared customers; and shared services, for the period of July 1, 2016 to December 31, 2017 as required by WIOA and pursuant to EDD Directive WSD 15-12 (January 20, 2016), to be forwarded to the Board of Supervisors for final approval and submission to EDD by June 30, 2016.

Commissioner Barnard made a request to amend the motion to approve with a correction to page 12, paragraph 4, to change the method of correspondence from mail to certified mail. *The amendment to the motion was accepted by Commissioner Corinne Sanchez.*

Amended Motion: It was moved by Corinne Sanchez and seconded by Russell Barnard, to *approve* the Memorandum of Understanding (MOU) between the L.A. County WDB and 17 mandated Partners on joint operations of L.A. County AJCCs related to workforce development system mission, vision and goals; shared customers; and shared services, for the period of July 1, 2016 to December 31, 2017 as required by WIOA and pursuant to EDD Directive WSD 15-12 (January 20, 2016) with the correction to page 12, paragraph 4, above, to be forwarded to the Board of Supervisors for final approval and submission to EDD by June 30, 2016.

The motion carried by unanimous vote of members present.

In Favor (17): Carlos Adame, Russell Barnard, Aida Barragan, Wan-Chun Chang, Lola Smallwood Cuevas, Shomari Davis, David Flaks, Thomas Flournoy, Cinde M. MacGugan-Cassidy, Kimberly Maevers, Joanne Peterson, Cynthia Parulan-Colfer, Corinne Sanchez, Holly Schroeder, Laurie Traktman, Jaime Valdivia, Erick Verduzco-Vega

Opposed (0)

Abstain (0)

Not Present During Vote (1): Dr. Patricia Ramos

3. 2016-17 PRIORITY HIGH GROWTH INDUSTRY SECTORS IN LOS ANGELES COUNTY

Dr. Christine Cooper, Senior Vice President, Economics, LAEDC, presented highlights of “Los Angeles: People, Industry and Jobs Report” for 2015-2020, produced by LAEDC. Dr. Cooper explained the purpose of the report was to provide information indicating the current and projected status of the economy in Los Angeles County. Dr. Cooper presented data for L.A. County on population growth; educational attainment correlated with unemployment and earnings; poverty; unemployment rate; projected overall job growth; current and projected employment by sector; projected job growth by sector; and sectors with highest projected growth.

Discussion:

- Commissioner Shomari Davis requested clarification on what industries made up Professional and Business Services. It is a combination of 2 sectors: Professional and Technical Services (including higher skill employment such as accountants, lawyers, executives) and Administrative Services (lower skill employment such as security guards, administrative assistants, and temporary employment).
- Commissioner Aida Barragan noted from page 6 of “Los Angeles: People, Industry and Jobs Report” that 26.7% of the population in L.A. County speaks English “less than well”. Commissioner Barragan also quoted from page 33 of the report, “Careful examination of the detailed occupations that will provide the most job openings in the next five years reveal that many of these occupations require lower levels of education and training.” She suggested prioritizing English language acquisition training as a bridge to access these jobs that require less education and training.
- Commissioner Barragan encouraged the WDB to consider strategies to prioritize Basic Skills training to improve employment and wages for priority populations.

It was moved by Shomari Davis and seconded by Jaime Valdivia, to approve the 2016-17 priority high growth industries in Los Angeles County based on the draft report - Los Angeles: People, Industry and Jobs 2015-2020 by LAEDC. The industries are Construction, selected Manufacturing (fashion, aerospace, analytical instruments, pharmaceuticals, medical devices), Trade and Logistics, Entertainment and Infotech, Health Services, and Leisure and Hospitality.

Commissioner Holly Schroeder, Vice Chair, made a request to amend the motion to include Bioscience as a sector priority for the WDB, consistent with the L.A. County Board of Supervisors’ commitment and investments in a Bioscience Initiative. Commissioner David Flaks stated that Bioscience was not found to be a high growth industry according to LAEDC’s report. He suggested to include Bioscience as a selected subgroup of the Manufacturing sector. Commissioner Schroeder agreed to this clarification and amendment to her request.

The amendment to the motion was accepted by Commissioners Davis and Valdivia.

Amended Motion: It was moved by Shomari Davis and seconded by Jaime Valdivia, to approve the 2016-17 priority high growth industries in Los Angeles County based on the draft report - Los Angeles: People, Industry and Jobs 2015-2020 by LAEDC *and* include Bioscience as a selected, target subgroup of Manufacturing. The industries are Construction, selected Manufacturing

(fashion, aerospace, analytical instruments, pharmaceuticals, medical devices, bioscience), Trade and Logistics, Entertainment and Infotech, Health Services, and Leisure and Hospitality.

The motion carried by unanimous vote of members present.

In Favor (17): Carlos Adame, Russell Barnard, Aida Barragan, Wan-Chun Chang, Lola Smallwood Cuevas, Shomari Davis, David Flaks, Thomas Flourney, Cinde M. MacGugan-Cassidy, Kimberly Maevers, Joanne Peterson, Cynthia Parulan-Colfer, Corinne Sanchez, Holly Schroeder, Laurie Traktman, Jaime Valdivia, Erick Verduzco-Vega

Opposed (0)

Abstain (0)

Not Present During Vote (1): Dr. Patricia Ramos

4. WORKFORCE DEVELOPMENT CONFERENCE ATTENDANCE

It was moved by Vice Chair, Holly Schroeder and seconded by Corinne Sanchez, to approve the Chair's recommendation for L.A. County WDB Member attendance at State and national Workforce Development Conferences, including travel and accommodations as appropriate and consistent with L.A. County policies.

The motion carried by unanimous vote of members present.

In Favor (16): Carlos Adame, Russell Barnard, Aida Barragan, Wan-Chun Chang, Lola Smallwood Cuevas, Shomari Davis, Thomas Flourney, Cinde M. MacGugan-Cassidy, Kimberly Maevers, Joanne Peterson, Cynthia Parulan-Colfer, Corinne Sanchez, Holly Schroeder, Laurie Traktman, Jaime Valdivia, Erick Verduzco-Vega

Opposed (0)

Abstain (0)

Not Present During Vote (2): David Flaks, Dr. Patricia Ramos

5. 2016-17 WDB CALENDAR OF MEETINGS

It was moved by Cinde MacGugan-Cassidy and seconded by Russell Barnard, to approve the proposed 2016-17 Calendar of L.A. County WDB Meetings.

The motion carried by majority vote of members present.

In Favor (15): Carlos Adame, Russell Barnard, Aida Barragan, Wan-Chun Chang, Lola Smallwood Cuevas, Shomari Davis, Thomas Flourney, Cinde M. MacGugan-Cassidy, Kimberly Maevers, Cynthia Parulan-Colfer, Corinne Sanchez, Holly Schroeder, Laurie Traktman, Jaime Valdivia, Erick Verduzco-Vega

Opposed (0):

Abstain (0)

Not Present During Vote (3): David Flaks, Joanne Peterson, Dr. Patricia Ramos

F INFORMATION ITEMS**1. UCLA LABOR CENTER'S REPORT ON YOUNG WORKERS IN LOS ANGELES**

Saba Waheed, Research Director, UCLA Labor Center, presented findings by the UCLA Labor Center in their report entitled "Young Workers in Los Angeles: A Snapshot". The study focused on young adult workers ages 18-29 in L.A. County using results from a survey of 550 young workers, information obtained from 30 interviews of young workers, and data from the Census Bureau's 2008-2013 5-year sample study.

Data obtained from the Census 2008-2013 5-year sample study:

- There are nearly 1 million young workers - one quarter of L.A. County's labor force;
- One-third of young workers are employed in retail and restaurants. Healthcare and Educational Services is the second largest sector employing young workers;
- The average wage for young workers is \$13 per hour;
- 1 out of 2 young workers are working in low wage jobs. Low wage is defined as \$13.38 per hour and below. Of those in low wage jobs, half are earning below \$9 per hour;
- 40% of L.A. County's low wage workers are young workers;
- 9 out of 10 young workers have a high school diploma, 25% have a Bachelor degree,
- Although educational attainment among young workers has increased, many are still in low wage jobs;
- The unemployment rate among young workers is double the County's rate.

Information obtained from Survey responses:

- Almost half of young workers are working to support their family or pay bills. Only 1% are working for leisure expenses;
- 9 out of 10 don't have a set work schedule;
- Many young workers work off the clock (wage theft) and do not have benefits (including paid time off);
- Young workers are staying on these jobs for 5 years on average;
- 10% of young workers are a part of union or worker center. 59% would like to join;
- Young workers expressed that they would like better wages, better treatment, a more predictable schedule, more hours and to be protected from labor violations.

In summary, the information collected shows there are many young workers in low wage jobs, without benefits, or a set schedule, working for necessities versus leisure expenses, and staying in these jobs for longer periods of time.

In conclusion, it should be a priority of the workforce development system in L.A. County to improve the quality of work experience, support high workplace standards, and increase career mobility for young workers.

Commissioner Comments:

- Lola Smallwood Cuevas requested Community and Senior Services (CSS) to look into how it could design, fund, and implement a pilot initiative that supports young workers who are currently in low wage jobs so that they are able to recognize and handle unfair workplace practices, as well as, create pathways for high wage, sustainable careers, and then report back to the WDB at the next meeting.
- Erick Verduzco-Vega asked if Summer Youth Program funds were available to use for implementation of special pilot projects, such as Commissioner Cuevas suggested. Otto Solorzano, Chief Deputy Director, CSS, explained that Summer Youth Jobs Program funds are primarily for wages. In the current program model, youth are required to go through 25 hours of personal development training. He offered to work with Commissioner Smallwood to support a pilot project to support this objective.
- Commissioner Corinne Sanchez reemphasized, as stated in public comments, it must be considered how the AJCCs are going to address these concerns financially.
- Commissioner Cinde MacGugan-Cassidy mentioned that in service jobs, young workers often encounter difficulty from customers. We should empower young workers to handle difficult situations without fear of negative feedback from customers that could jeopardize their jobs.
- Commissioner Cynthia Parulan-Colfer stated that resources are available among partners of the AJCC system to make a project to support young workers successful.

2. UPDATE ON BUSINESS SERVICES

This report was tabled until the next L.A. County WDB Meeting.

H PUBLIC COMMENTS

Robert Gutierrez, AYE, reiterated his concerns that the Youth program is underfunded.

Magdalena Duran, El Proyecto del Barrio/Southern California Workforce Partnership: WIOA Youth and Adult Programs will be inadequately funded which emphasizes the need for a collective effort of the partners of the AJCC system to provide quality workforce development and training in L.A. County.

I ADJOURNMENT

The June 8, 2016 Special Meeting of the L.A. County WDB was adjourned at 12:30 pm.