

COUNTY OF HUMBOLDT

AGENDA ITEM NO.

C-ID

For the meeting of: April 28, 2015

Date:

April 14, 2015

To:

Board of Supervisors

From:

Phillip Smith-Hanes, County Administrative Officer

Subject:

Initial local workforce investment area designation

RECOMMENDATION(S):

That the Board of Supervisors:

- 1) Receives a staff report and recommendations from the Humboldt County Workforce Investment Board (HC-WIB) on initial designation of Humboldt County as the local workforce investment area under the Workforce Innovation & Opportunity Act of 2014 (WIOA);
- 2) Authorizes and directs the Chair of the Board of Supervisors to sign the application for initial local area designation and local board certification under WIOA (Attachment A); and
- 3) Directs the Clerk of the Board to return two signed copies of the application to the Economic Development team office.

SOURCE OF FUNDING:

Workforce Investment Act of 1999 (WIA) and Workforce Innovation and Opportunity Act (WIOA)

DISCUSSION:

In July 2014 the US Congress passed and the President signed the WIOA, also known as the "Opportunity

Prepared by Jacqu	eline Debets, HC-WIB Executiv	ve Director CAO Approval	Arry NOSET
REVIEW: Auditor	County Counsel	Human Resources	Other
	ent tmental c Hearing		BOARD OF SUPERVISORS, COUNTY OF HUMBOLDT Upon motion of Supervisor Lovelace Ayes Sundberg, Lovelace, Fennell, Bohn, Banays Abstain
PREVIOUS ACT	ION/REFERRAL:		Absent
Board Order No.			and carried by those members present, the Board hereby approves the recommended action contained in this Board report.
Meeting of:			Dated: 4-28-2015 By: Kathy Hayes, Clerk of the Board

Act". WIOA authorizes key employment, education and training programs, including one-stop centers (locally known as "The Job Market"). The goal of WIOA is a service delivery system that helps workers acquire the tools and skills they need to be successful, and to connect growing businesses to the skilled workers they need. WIOA requires that the service delivery system be built to serve and respond to the needs of an economic region as well as a designated local area.

Local Area Designation

WIOA calls for business to be the customer and for Workforce Investment Boards (WIBs) to take a leading role in understanding business needs and industries in the region, so that job seekers can be trained for high demand and higher paying careers in the regional marketplace. WIOA directs the Governor "after consultation with the local boards and chief elected officials in the local areas" to (1) designate local areas for operations of the workforce system with policy direction from a locally-appointed WIB; and (2) designate planning regions.

In anticipation of WIOA implementation, designation of local areas and of planning regions, the HC-WIB considered the labor market data for Humboldt County at their December 12, 2014 and February 13, 2015 meetings. The HC-WIB also considered how it could effectively support collaboration across multiple counties, given distances and resources, and how regional collaboration could support greater engagement with growing businesses and connect people to good jobs. The HC-WIB adopted the resolution (Attachment B) at their February 13, 2015 meeting.

WIOA states that any local area that has been designated a local area under WIA shall be approved for initial designation for two full program years provided that it performed successfully and sustained fiscal integrity. Humboldt County has met the criteria for initial designation.

On February 20, 2015, the California Employment Development Department (CA-EDD), Workforce Services Division issued Directive WSD14-10 directing WIBs to submit applications for "initial local area designation and local board certification under WIOA" by March 31, 2015. The HC-WIB submitted a draft application with only the HC-WIB Chair's signature on March 31. Per the Directive, the Board of Supervisors authorization is requested within 30 days (see Attachment A).

Planning Regions under WIOA

Within two years, all areas will need to apply for subsequent local area designation and submit plans that fulfill the requirements of a planning region. The State has yet to provide a process for designating planning regions. According to WIOA, for Humboldt County, there are potentially two types of "planning regions", one that is the same as the geographic boundaries of Humboldt County as a designated local area, and one that includes Humboldt County, along with two or more other designated local areas, such as Mendocino. The Counties of Del Norte and Trinity are part of a consortium WIB, called Northern Rural Training and Employment Consortium (NoRTEC), which includes counties across the north state to as far south as Nevada County.

Under WIOA, planning regions in the State shall be consistent with labor market areas and economic development areas (California does not have any designated economic development areas), and shall have the federal and non-federal resources, such as institutions of higher learning and area career and technical education schools, necessary to effectively administer workforce activities.

According to the labor market data, commute patterns indicate that over 98 percent of residents live and work in Humboldt County (see maps in Attachment C). Humboldt County also provides jobs for surrounding counties. One thousand three hundred twenty (1,320) residents commute into Humboldt, primarily from Del Norte, Trinity and Mendocino counties. One thousand seventy-one (1,071) residents of

Humboldt County commute out for work to various places, the largest single group going to Trinity County, where 338 Humboldt residents work.

Additionally, Humboldt State University (HSU) and College of the Redwoods (CR) are located in Humboldt County and provide access for the workforce and business community to the educational resources (the third requirement for regional planning areas). According to the WIOA requirements, Humboldt County qualifies for designation both as a local area and as a planning region. As the maps in Attachment C indicate, significant labor market exchange occurs between Humboldt and surrounding counties, indicating a potentially larger planning region.

HC-WIB recommends collaborating with surrounding counties in an effort to build relationships among staff and WIB members, and to better understand the labor market conditions. Were the Governor to put Humboldt and surrounding counties into a planning region together, the WIB and Chief Elected Official of each local area would be required to develop regional plans with seven components: (1) regional services strategies; (2) sector initiatives for in-demand industries or occupations; (3) collection and analysis of regional labor market data (such as the *Redwood Coast Targets of Opportunity Report*, which analyzes labor market data for Humboldt and the five surrounding counties, and forms the foundation of Humboldt County's Local Strategic Plan and Comprehensive Economic Development Strategy); (4) administrative cost arrangements, including pool administrative funds; (5) coordination of transportation and other supportive services; (6) coordination of service with regional economic development agencies; and (7) collective negotiation and agreement with Governor on performance accountability measures.

Toward regional collaboration, the HC-WIB will co-host meetings this summer with WIB members and staff from surrounding counties to review labor market and industry data, and to discuss opportunities to collaborate as a region for economic and workforce development.

These actions support your Board's Strategic Framework core role of supporting business, workforce development and creation of private sector jobs.

FINANCIAL IMPACT:

For fiscal years 2015-16 and 2016-17, the initial designation of Humboldt County as the local workforce area will allow the county to continue to receive annual formula funding for workforce services to dislocated workers, to long-term unemployed adults, to at-risk youth, and for rapid response services. Humboldt County's formula allocation ranges between approximately \$1.2 million and \$1.7 million annually. The HC-WIB has also been successful in securing discretionary grants; in the largest year, discretionary grants added \$1.5 million in fiscal year 2004-05. Discretionary grant funding requires preparation of a grant application that is evaluated in a competitive process. Examples of discretionary grant funding for workforce include funding to re-train workers laid off after substantial business closures (e.g. \$492,000 for the California Redwood Company mill closure), and funding for strategic improvements in the workforce system (e.g. \$2 million from the US Department of Labor to build training programs that produce skilled workforce for demand occupations in the Target industries). Long-term, participation in a designated economic region will likely be more competitive for discretionary grants in addition to annual formula funds.

OTHER AGENCY INVOLVEMENT:

Mendocino County WIB, and the Northern Rural Training and Employment Consortium (NoRTEC), the WIB that includes the Del Norte, Trinity, and Siskiyou Counties

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Board discretion.

ATTACHMENTS:

Attachment A: Application for initial local area designation and local board certification under WIOA (Two copies)

Attachment B: Resolution of the HC-WIB for local area designation and regional collaboration

Attachment C: Commute pattern data and maps for Humboldt, Del Norte, Trinity and Mendocino counties

ATTACHMENT A:

Application for initial local area designation and local board certification under WIOA

Existing Local Area

Application for Initial Local Area Designation
Program Years 2015-17
and
Initial Local Board Certification
Program Year 2015-16

Local Workforce Investment Area

Humboldt County Workforce Investment Board

Existing Local Area

Application for Initial Local Area Designation and Initial Local Board Certification

This application will serve as your request for Local Workforce Development Area (local area) initial designation for Program Years (PYs) 2015-17 and Local Workforce Development Board (local board) initial certification for PY 2015-16 under the Workforce Innovation and Opportunity Act (WIOA).

If the California Workforce Investment Board determines the application is incomplete, it will either be returned or held until the necessary documentation is submitted. Please contact your <u>Regional Advisor</u> for technical assistance or questions related to completing and submitting this application.

Name of Local Area

520 E Street

Mailing Address

Eureka, CA 95501

City, State ZIP

March 30, 2015

Date of Submission

Jacqueline Debets WIB Executive Director

Contact Person

707-445-7747

Contact Person's Phone Number

Local Area Levels of Performance

Instructions: Enter your local area's negotiated levels of performance and actual levels of performance for PYs 2012-13 and 2013-14.

Performance Table Name of Local Area: Humboldt County							
Adult							
Entered Employment Rate	71.5%	57.3%	63.4%	52.3%			
Employment Retention Rate	81%	80.8%	81%	79.8%			
Average Earnings	\$12,500	\$12,310	\$14,400	\$12,277			
Dislocated Worker							
Entered Employment Rate	73%	67.7%	68%	71.7%			
Employment Retention Rate	84.5%	90%	84.5%	88.5%			
Average Earnings	\$12,800	\$15,796	\$15,500	\$14,658			
Youth (ages 14-21)*							
Placement in Employment or Education	72%	72.2%	64%	53.8%			
Attainment of a Degree or Certificate	60%	78%	68%	71.3%			
Literacy and Numeracy Gains 54% 14.3% 60.5% 0%							

*Note: For PY 2012-13, each local area's youth performance goals were the same as the State level goals.

The reason for the 0% literacy/numeracy performance measure: There were four youth who were reported as being below level in 2013-2014. There was a change of staff, and new staff attempted but could not reach the youth. The youth were exited without being re-tested and for non-participation.

Local Board Membership

Current Local Board Membership

Provide a list of individuals currently appointed to the local board and their respective membership category (e.g., business, local education entity, labor organization, community based organization, etc.) in the following chart (Workforce Investment Act [WIA] Section 117).

Or, attach a roster of the current local board which identifies each member's respective membership category.

Name	Title	Membership Category
Roster Attached		
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Plan for WIOA Local Board Compliance

Identify the actions the local chief elected official (CEO) will take in order to ensure WIOA local board membership compliance by June 30, 2016.

The Humboldt WIB is engaged in a WIOA transition process, and will make recommendations to the CEO in early 2016 regarding membership for the WIB under WIOA. The CEO will review those recommendations at that time, and appoint a new WIB by June 2016. Currently, the CEO and WIB are leaving open seats on the WIB that have been vacated by attrition.

Sustained Fiscal Integrity

The local area hereby certifies that it has not been found in violation of one or more of the following during PYs 2012-13 or 2013-14:

- Final determination of significant finding(s) from audits, evaluations, or other reviews conducted by State or local governmental agencies or the Department of Labor identifying issues of fiscal integrity or misexpended funds due to the willful disregard or failure to comply with any WIA requirement, such as failure to grant priority of service or verify participant eligibility; or
- Gross negligence defined as a conscious and voluntary disregard of the need to
 use reasonable care, which is likely to cause foreseeable grave injury or harm to
 persons, property, or both; or
- Failure to observe accepted standards of administration. Local areas must have adhered to the applicable uniform administrative requirements set forth in Title 29 Code of Federal Regulations (CFR) Parts 95 and 97, appropriate Office of Management and Budget circulars or rules, WIA regulations, and State guidance. Highlights of these responsibilities include:
 - Timely reporting of WIA participant and expenditure data
 - Timely completion and submission of the required annual single audit
 - Have not been placed on cash hold for longer than 30 days

(In alignment with WIOA Section 106[e][2])

Local Area Assurances

Through PY 2016-17, the local area assures that:

A. It will comply with the applicable uniform administrative requirements, cost principles, and audit requirements included in the appropriate circulars or rules of the Office of Management and Budget (WIOA Section 184[a][2] and [3]).

Highlights of this assurance include:

- The local area's procurement procedures will avoid acquisition of unnecessary or duplicative items, software, and subscriptions (in alignment with Title 2 CFR Section 200.318).
- The local area will maintain and provide accounting and program records, including supporting source documentation, to auditors at all levels, as permitted by law (Title 2 CFR Section 200.508).

Note that failure to comply with the audit requirements specified in Title 2 CFR Part 200 Subpart F will subject the local area to potential cash hold (Title 2 CFR Section 200.338).

B. All financial reporting will be done in compliance with federal and State regulations and guidance.

Highlights of this assurance include:

- Reporting will be done in compliance with Workforce Services Directive WSD12-3, Quarterly and Monthly Financial Reporting Requirements.
- All close out reports will comply with the policies and procedures listed in Workforce Services Directive WSD09-12, WIA Closeout Handbook.

Note that failure to comply with financial reporting requirements will subject the local area to potential cash hold. (Title 2 CFR Section 200.338)

C. Funds will be spent in accordance with federal and State laws, regulations, and guidance.

Highlights of this assurance include:

- The local area will meet the requirements of State Senate Bill 734, to spend a
 minimum of 25 percent of combined total of adult and dislocated worker formula
 fund allocations on training services (California Unemployment Insurance Code
 Section, 14211).
- The local area will not use funds to assist, promote, or deter union organizing (WIOA Section 181[b][7]).

- D. The local board will select the America's Job Center of CaliforniaSM (AJCC) Operator(s), with the agreement of the local CEO, through a competitive process such as a Request for Proposal (RFP), unless granted a waiver by the state (WIOA Section 121[d][2][A] and 107[g][2]).
- E. The local board will collect, enter, and maintain data related to participant enrollment, activities, and performance necessary to meet all CalJOBSSM reporting requirements and deadlines.
- F. The local board will comply with the nondiscrimination provisions of WIOA Section 188, including the collection of necessary data.
- G. It will comply with State Board policies and guidelines, legislative mandates and/or other special provisions as may be required under federal law or policy, including the WIOA or state legislation.
- H. Priority shall be given to veterans, recipients of public assistance, other low-income individuals, and individuals who are basic skills deficient for receipt of career and training services funded by WIOA Adult funding (WIOA Section 134[c][3][E] and Training and Employment Guidance Letter 10-09).

Application Signature Page

Instructions: The local CEO and local board chair must sign and date this form. Include the original signatures in the application package.

By signing the application below, the local CEO and local board chair request initial designation of the existing local area and initial certification of the existing local board. They certify that the local area has performed successfully and sustained fiscal integrity during PYs 2012-13 and 2013-14. Additionally, they agree to abide by the local area assurances included in this application.

Local Workforce Investment Board Chair	Local Chief Elected Official
	Estable Dennell
Signature	Signature
David Wells	Estelle Fennell
Name	Name
Chair	Chair
Title	Title
Dette	4-28-2015
Date	Date

Humboldt County Workforce Investment Board Roster of Members by Positioned Represented

I. Required One-Stop Partners			Add to	Add to	Add to	Add to	Serving
Funding Source/Program	Local Operator	Representative	Total	Private	Labor	Public	Multiple
Adult and Dislocated Workers programs	County Employment Training Division/DHHS	Barbara LaHaie, Deputy Director DHHS	1			1	yes
Veterans Workforce Investment programs	CA Employment Development Department	Lorraine Perry	1			1	yes
Indian and Native American programs	Northern California Indian Development Council	Terry Coltra	1	1			yes
Wagner-Peyser Act	CA Employment Development Department	Lorraine Perry	0				yes
Trade Adjustment Assistance & NAFTA	CA Employment Development Department	Lorraine Perry	0				yes
Veterans Employment Services	CA Employment Development Department	Lorraine Perry	0				yes
Unemployment Insurance	CA Employment Development Department	Lorraine Perry	0				yes
Labor Market Information Division	CA Employment Development Department	Dennis Mullins	1			1	yes
Adult Education	Eureka Adult School	Sheri Jensen	1			1	
Post-Secondary Vocational Education	College of the Redwoods	Marla Gleave	1			1	
Vocational Rehabilitation	CA Department of Rehabilitation	Lawrence Siler	1			1	
Title V of the Older Americans Act	Title V of the Older Americans Act						
CalWORKS	County Dept of Health & Human Services (DHHS)	Barbara LaHaie, Deputy Director DHHS	0			0	yes
Community Service Block Grant	Redwood Community Action Agency	Maura Eastman	1	1			yes
		I. Category Sub-Totals	8	2	0	9	
II. Other Required Partners							
Category	Organization	Representative					
Labor Union	Carpenter's Local 751	Mariann Hassler	1		1		
Labor Union	CA State University Employee's Union	Mark Greenleaf	1		1		
Labor Union	Central Labor Council	Harriet Lawlor	1		1		
Labor Union	UFCW Local 5	John Frahm	1		1		
Economic Development							
Economic Development	Gainer & Associates	Maggie Gainer	1	1			
Community-Based Organization	Changing Tides Family Services	Carol Hill	1	1			yes
Community-Based Organization	Ink People Center for the Arts	Libby Maynard	1	1			yes
		II. Category Sub-Totals	7	3	4	0	
III. Tribal Representatives							
Native American Tribe		Representative					
IV. Other Recommend Workforce Affiliates							
Recommended Category	Organization	Representative					
Education/K-12	Humboldt County Office of Education	Jon Sapper	П			1	yes
Child Care Organization	Changing Tides Family Services	Carol Hill	0	0			yes
Education/Regional Occupation Program	Humboldt County Office of Education	Jon Sapper	0				yes
Chief Elected Official	Humboldt County Board of Supervisors	Mark Lovelace (Alt: Rex Bohn)	Н			1	
Post Secondary Education	Humboldt State University	Connie Stewart	1			1	
Other	Assembly Member Wesley Chesbro	Zuretti Goosby	1			1	
		IV. Category Sub-Totals	4	0	0	4	
		I.thru IV. Category Sub-Totals	19	5	4	10	38

V. Private Sector Representatives (owners, CEO's, COO's of local employers in 9 base industries or Targets of Opportunity)

Updated 4/16/2015

Humboldt County Workforce Investment Board Roster of Members by Positioned Represented

Industry Cluster/Sector	Business Name	Representative			
Arts & Culture	Ink People Center for the Arts	Libby Maynard	0	1	
Child Care non-profit	Changing Tides Family Services	Carol Hill (Vice Chair)	0	1	
Staffing Services	Express Employment Professionals	Dan Heinen	1	1	
private non profit	Redwood Community Action Agency	Maura Eastman	0	1,	
Economic & Community Development	Gainer & Associates	Maggie Gainer	0	1	
Management & Innovation Services	SHN Consulting Engineers	Jeff Nelson	1	1	
Management & Innovation Services	HWR Engineering and Science	Mike Wilson	1	1	
Employment Training non-profit	Northern California Indian Development Council	Terry Coltra	0	1	
Energy	Pacific Gas & Electric	Alison Talbott	1	1	
Investment Support Services	Umpqua Bank	Evelyn Giddings	1	1	
Financial	Eureka Payments, LLC	Steve Kimberling	1	П	
Manufacturing	Mad River Brewing	Charlie Jordan	1	1	
Niche Manufacturing/Investment Sup Serv	Humboldt Investment Capital, LLC	Cedar Reuben	1	1	
Investment Support Services	Wells Commercial	Dave Wells (Chair)	1	T T	
Investment Support Services	Edward Jones Investments	Bryan Plumley	1	H H	
Investment Support Services	Shaw & Peterson Insurance	Mike Newman	1	1	
Tourism	Arcata Stay	Alex Stillman	1	1	
Dairy & Dairy Processing	Leonardi Dairy	Dennis Leonardi	1	1	
		V. Category Sub-Totals	13	18	
		I. thru V. TOTAL Members	32		

	13%					
%95						
Current Business % of Membership	Current Labor % of Membership	Local Educational Entities	Community-Based Organizations	Economic Development Agencies	One-Stop Partners	Others
51% Required Business Percentage of Total	15% Required-10% Minimum Labor Percentage of Total					

32

31%

Total Private Sector Members

Total Labor Union Members Total Public Sector Members

ATTACHMENT B: Resolution of the HC-WIB for local area designation and regional collaboration

WORKFORCE INVESTMENT BOARD COUNTY OF HUMBOLDT, STATE OF CALIFORNIA

Certified copy of portion of proceedings, Meeting of February 13, 2015

RESOLUTION NO. 2015-2.13

RESOLUTION REQUESTING THAT THE COUNTY OF HUMBOLDT BE DESIGNATED A LOCAL WORKFORCE DEVELOPMENT AREA AND PLANNING REGION, PURSUANT TO THE WORKFORCE INNOVATION AND OPPORTUNITY ACT OF 2014.

WHEREAS, the Workforce Innovation and Opportunity Act of 2014 defines local areas and regions according to labor market data, economic development regions and access to institutions of higher education; and

WHEREAS, the Workforce Innovation and Opportunity Act of 2014 directs Workforce Development Boards to identify high growth industry sectors, and prioritize training workforce to meet the demand occupations in these sectors;

WHEREAS, the Humboldt County Workforce Investment Board has identified six Target of Opportunity industry clusters as high growth, high wage industries and prioritized identifying and meeting their needs in Humboldt County's local strategic plan; and

WHEREAS, the six Targets of Opportunity industries form the foundation of Humboldt County's Comprehensive Economic Development Strategy; and

WHEREAS, the Targets of Opportunity industries span the five counties of Del Norte, Siskiyou, Trinity, Humboldt and Mendocino in the Redwood Coast region;

WHEREAS, confidentiality screens overlaid on Bureau of Labor Statistics data can mask emerging industry trends in rural areas and the combined data of the five county region reveals the trends of new industry sectors, providing a better foundation for planning and engagement with business leaders; and

WHEREAS, over 98% of the residents of Humboldt County live and work within Humboldt County; and

WHEREAS, Humboldt State University and College of the Redwoods are located in Humboldt County, providing access to higher education for residents and businesses of Humboldt and surrounding counties; and

WHEREAS, Humboldt County provides 1,320 jobs for residents of other counties, primarily those on its borders;

NOW, THEREFORE, be it resolved, that the Humboldt County Workforce Investment Board requests that the Governor of the State of California designate Humboldt County a local area and region aligned for workforce development;

BE IT FURTHER RESOLVED, that the Humboldt County Workforce Investment Board will collaborate with surrounding counties and Workforce Investment Boards to understand the needs of high growth industries that span our counties and share promising practices in meeting these needs.

Adopted on	motion by WIB Member Stewart, second by WIB Coltra
Member	on the following vote: Reuben, Stillman, Wells, Stewart, Coltra Kimbering, Leonardi, Lovclace, Naynard, Mulling, Leison, WIB Members: Guner, Giddings, Gleave, Goosby, Heinen, Hill, Jenson
AYES	WIB Members: Guner Endlings, Gleave, Goosby, Heiner, Hill, Jenson
NAYS	WIB Members: WOVE
ABSENT	WIB Members Eastman, Frahm, Corente of Hossier Vordam, Lastair
ABSTAIN	WIB Members: none Lawlor, Dewhouse, Perry: Plumley, Sapper, Siler, Talbott, Wilson, Bohn

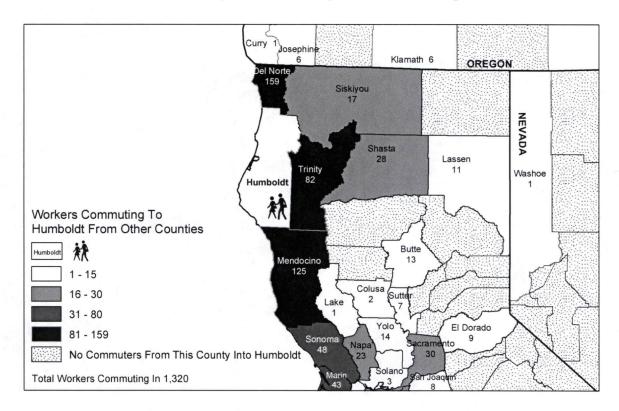
I, Debbie Damiano, Secretary of the Humboldt County Workforce Investment Board, do hereby certify the foregoing to be a full, true, and correct copy of the original made in the above titled matter by said Workforce Investment Board at a meeting held in Eureka, California.

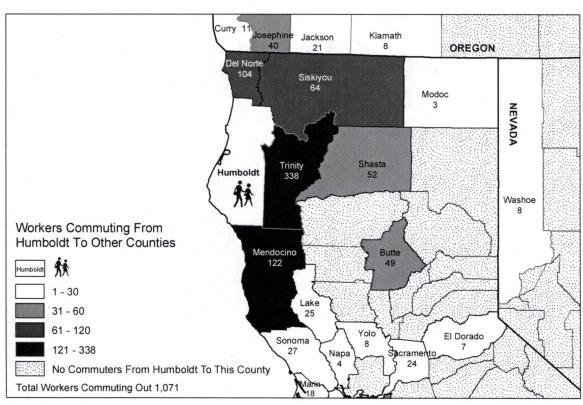
I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

By: Debbie Damiano, Secretary of the of the Humboldt County Workforce Investment Board

ATTACHMENT C: Commute pattern data and maps for Humboldt, Del Norte, Trinity and Mendocino counties

Humboldt County to County Commuting

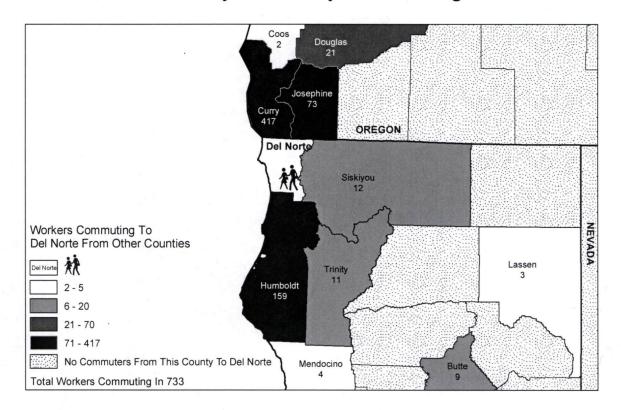


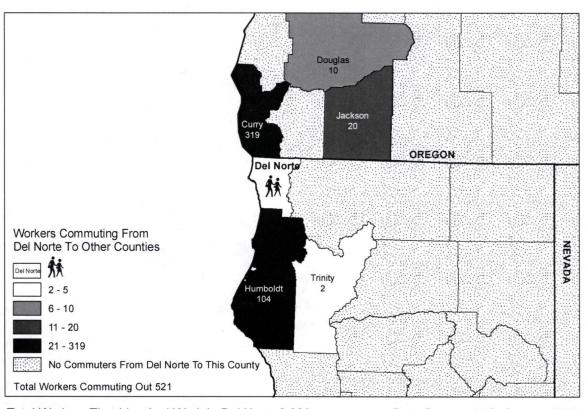


Total Workers That Live And Work In Humboldt 52,963

Data Source: U.S. Census 2000

Del Norte County to County Commuting

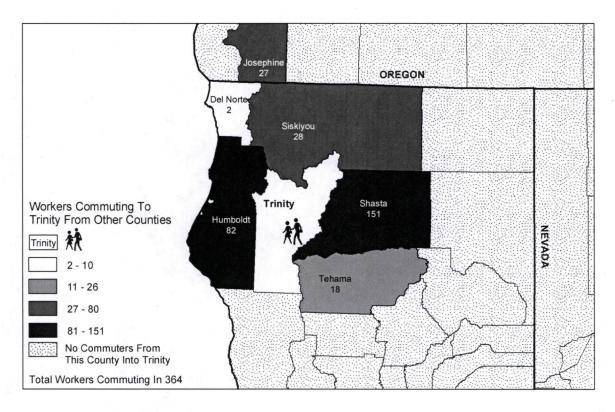


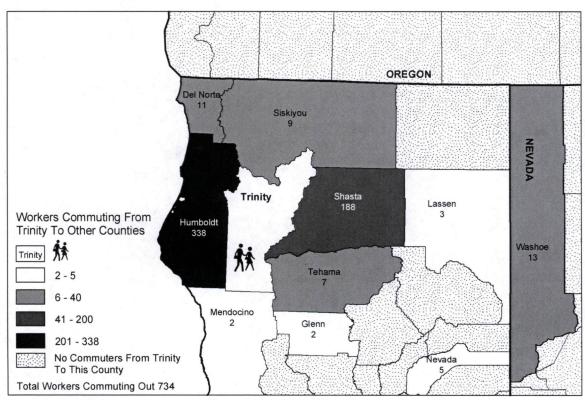


Total Workers That Live And Work In Del Norte 8,323

Data Source: U.S. Census 2000

Trinity County to County Commuting

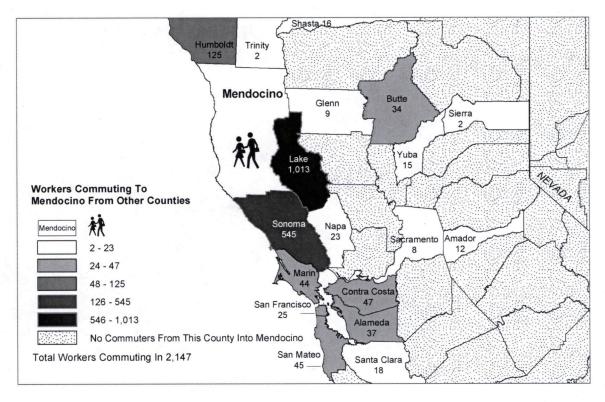


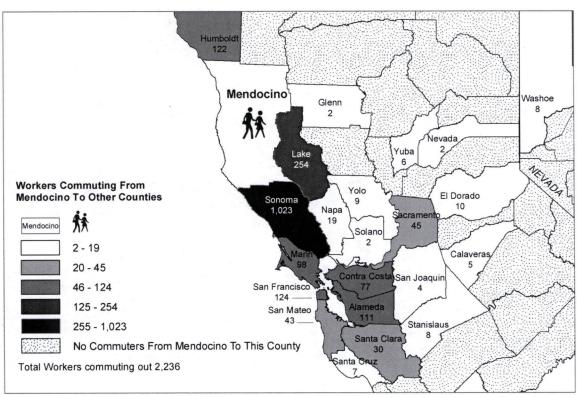


Total Workers That Live And Work In Trinity 3,667

Data Source: U.S. Census 2000

Mendocino County to County Commuting





Total Workers That Live And Work In Mendocino 35,427

Data Source: U.S. Census 2000

Cartography by
Current Economic Statistics Group
Labor Market Information Division
California Employment Development Department
www.labormarketinfo.edd.ca.gov

94% of Mendocino residents live and work in Mendocino