

**SANTA CRUZ COUNTY
WORKFORCE INNOVATION AND OPPORTUNITY ACT
LOCAL WORKFORCE DEVELOPMENT BOARD MEETING
QUALITY HOTEL AMERICANA, NOGALES AZ. 85621
VIA ZOOM MEETING**

January 24, 2024 Minutes

Board Members Present

Dina Rojas-Sanchez
Karen King
Victor Cardenas
Maria E. Kinder
Norma Lucero
Economic Opportunity
Tom McAlpine
Fernando Sandoval
Olivia Ainsa-Kramer
Efrain Triguerras

Richard Brennan
Greg Lucero
Guillermo Oton

Board Members Absent

Jesus Valdez (SCC)
Victor Heatherington
Skylie Esteph
Louis Doyle
Arizona Commerce Authority/Office of

Christopher Young
Jesse Fontes
Zaida Bustamante (Program Manager)
Dan Doyle

Staff and Guests Present:

Irasema Olvera (Director)
Jim Mize (OSO)
Adrian Chamberlain (SCC WIOA)

Patricia Azcue (SCC Finance)

Vaughn Croft (Job Corp)
Jose Fernando Abascal (DES)
Claudia Montijo (SCC WIOA)
Lupita Grijalva (SCC WIOA)
Jesus Garcia (SCC IT)
Emmanuel (SCC IT)

- A. Call to Order** - The meeting was called to order at 12:00
- B. Pledge of Allegiance**
- C. Roll Call** Quorum was present at the start of the meeting.
- D. Call to the Public - None**
- E. Adoption of Meeting Minutes – July 12, 2023**
 - D. Sanchez entertained a motion for approval of previous meeting minutes G. Lucero motioned to approve, and F. Sandoval seconded the motion, Discussion made, O. Ainsa-Kramer made it known the previous board meeting minutes had the incorrect date. Correction will be made. Motion approved and carries.
- F. Budget Report- (presented by P. Azcue)**
Overview of funds being spent and reallocated

-Presentation is representing numbers up until December, 2023. Beginning with Youth-In and Youth-out PY 22, we have spent \$138,428 leaving and available amount of \$226,023. This represents amount spent a little bit less than 38%. For Adult PY 22 has spent the full amount and Adult FY 23 had spent \$24,800 leaving an available balance of \$237,583 which represents a 26% spent for adult For Dislocated worker PY 22 we have already spent a full amount and Dislocated worked FY 23 we have spent \$69,908 leaving an available amount of \$117,871 which represents amount spent less then 50% For Administration youth PY 22 spent \$21,457 available amount \$19,038 that representations is a little bit below 21% Rapid Response expenses have been \$971 that represent 0.78% Overall considering all programs up to December we have spent 31.48% for funding that will end by June 30, 2024.

-D. Sanchez had a couple of questions. Adult FY 23 confirming we have spent 9.45% and is concerned that we have a tight time frame of only 5 months and we have a large amount of money. D. Sanchez then asks what is happening that we are not expending and what is being paid out that is different from what we have had in the past. P. Azcue responds with as M. Chavez has mentioned in the previous meetings is that it is very difficult to spend the money because of all the conditions that need to be met. Compliance regulations are strict when audits are being conducted. In what we've seen this year, she goes on to state that I. Olvera as acting director has been making efforts to spend as much as she can using all possible funds while still being in compliance.

-D. Sanchez feels that there are a lot of concerning issues, with adult FY 23 with only 9.45% with other categories at 0% to date being expended. Rapid Response also brings a concern as we have only spent \$971. D. Sanchez then requests for I. Olvera for the next board meeting with a more detailed report and action plan moving forward to provide the board with a clearer picture. That way we can take a deeper dive into total youth and adult FY 23 and to provide a total on the dislocated worker, the four (4) categories that are at zero (0) and also request for more detail on the rapid response for prior year 23.

-G. Lucero added that to his understanding the county also received a substantial amount of funding in an EDA grant through partnership with PIMA County that is going to focus a lot on similar issues. He noted that it is going to be difficult for the county to take advantage of that grant if we have funds in existing accounts that we are not utilizing. Emphasizing that we need to be paying more attention as to why we are not spending those funds, in a county that is economically disadvantaged with high unemployment, etc.

-I. Olvera comments that just for the rapid response funding, we were given a portion of the funding back in July, 2023. Prior years the state was in control as to how the funding would be spent. Rapid Response funding is strictly to be used when any business is closing permanently, laying off employees, or downsizing. So funding goes to fund those individuals who will be laid off. Fortunately, in Santa Cruz County we have not had any companies close their business to our knowledge or have given us a warning indicating layoffs to come. The last major employer we gave rapid response attention to was the agriculture plant in Amado that was the marijuana farm. Since the funds come from the federal government we learned that we at the time could not support their business. I. Olvera added that the state redirected the funds back to the counties. She went on to say Santa Cruz County received \$125,000 to spend by June 30, 2024 on that specific criteria. It is a state-wide issue that other counties are also encountering. At our local level we have specifically designated A. Chamberlain to go promote and inform this available funding to all local businesses if layoffs to their businesses occur. With this funding those specific individuals who are being laid off automatically qualify for our program without going through the eligibility. O. Ainsa-Kramer then asks if those who are in seasonal employment such as warehousing positions qualify. I. Olvera responds that unfortunately they do not because as they are seasonal employment they get let go for a period of time but return when the season comes active again. It has to be when they do not go back to the same business or industry. That is where we in Santa Cruz County are struggling to utilize these funds as we do not have business closures compared to the more populated counties.

-D. Sanchez then suggests in having a more robust plan in promoting the Rapid Response Funding.

-I. Olvera then goes on to state that before in the past the office has not had a person designated to service employer and informing employers of funding available to tailor not only their businesses but also their

employees if needed. With the onboarding of a Business Service Rep, we will be able to use the funding as time comes as we promote the services moving forward.

-D. Sanchez goes on to state that we have some concerning stats and as a board we need to take a deep dive and see from a program standpoint we need a better educational tool for our board to look at those, “red flags” for the next meeting. What are the challenges we currently face and what are we going to do to overcome them. These are large amounts of money that we are not moving the mark quick enough for the ending date on the funding cycle. D. Sanchez emphasized we have to have an action plan or we are going to be in the same boat month after month. Also requesting to have this plan prior to the next board meeting. G. Lucero added that we need to have a marketing plan because we got these programs that are great but that if nobody in the community does not know they exist they are not going to be utilized. Then asks O. Ainza-Kramer as president of the Chamber of Commerce if she has received notices from local stake holders as far as businesses closing and knowledge of the program.

O. Ainza-Kramer then goes on to state that D. Sanchez has a point in informing the board with more information and knowledge in further detail in regards to the program. As she’s gone on to mention to employers of our services many of them are unaware of our program benefits. She also went on to add that I. Olvera was correct as far as local businesses not closing which is still a good thing.

-D. Sanchez then went on to add that businesses not closing is a good problem to have but if the Chamber of Commerce do not know the program that is a problem as well as other board members not having full knowledge in the program is very alarming. Moving forward the next board meeting the goal is to be well versed that if someone where to ask any board member what qualifies for any of our programs they should be knowledgeable enough to respond by giving the correct information.

-C. Young then asked that as he gives the reports for Title II but then suggested that at the end of the meeting we can have a portion to where we would have an, “ask of the board” C. Young then went on to agree with D. Sanchez’s points in having the board be more active. D. Sanchez agrees and says if anyone has any questions or concerns we should be able to reach out to any member.

- D. Sanchez then asks if anyone has any questions. I. Olvera wanted to add that she appreciates what D. Sanchez is saying because we need more involvement with the members of the board, and working on being more resourceful in sending the board information and we are in the process of working on a second retreat for the newer board members. In order to get updates and informed and the changes for eligibility requirements. I. Olvera then adds that her office is open and is encouraging all board members to make the time and go visit the one stop office to go over exactly the eligibility requirements and the hurdles we encounter programmatic wise. No further questions.

G. Action Items:

- a. [On-The-Job- Training Contract ..\..\Final Copy - 12.27.23 - WM - On the Job Training \(OJT\)scc workforce agreement \(1\) \(AutoRecovered\).docx](#)

-I. Olvera states that as part of Workforce development we have to provide through the funding sources are: On the Job Training (OJT), work experience, pre-apprenticeships and apprenticeships. All these but one, were never implemented locally. The only one was Work Experience Training (WEX) but solely for the in-school youth were the ones who would use this contract. I. Olvera then stated coming on board as director she knew have to bring in new ideas and work on the items that were never started in the past. With this contract this will allow us to work with local employers and allow them to train participants all while getting reimbursed 50% of the participants wages with the end goal of getting the participant employed. Once the contract is approved we can ask A. Chamberlain to go and promote these services and letting the employers know of the advantages of the program.

- D. Sanchez entertained a motion for approval, G. Lucero motioned to approve, seconded by O. Ainza-Kramer.

-D. Sanchez calls for a vote, motion carries unanimously. Motion carries.

- b. [Work Experience Training Contract \(WEX\)..\..\Final Copy WEX Agreement 12.29.23 DRAFT \(002\).docx](#)

-I. Olvera goes on and says the OJT and the WEX are very similar but the difference is we did not have the stipulations before where the employer having insurance to cover the employee. With the new contract it requires that they must have insurance for the employee.

-D. Sanchez then opens the floor for any questions. D. Sanchez then entertains a motion for approval. G. Lucero motioned to approve. F. Sandoval Seconds. Floor is open for discussion.

-G. Lucero asks if its full-time employment for on the job training? I. Olvera then goes to say that is correct for full-time employment and will only reimburse for the first six (6) months. G. Lucero then asks if there is a limit on the wages. I. Olvera then states that there is a limit, it really depends on what the employer wishes to pay their employee. D. Sanchez clarifies by saying if there is a max-out. I. Olvera then confirms that there is but cannot say a specific amount. For WEX there is a \$3600 limit. D. Sanchez then says that there is still a lot of blanks with parts that have uncertainty. D. Sanchez then recommends that they be a contingency of legal approval for protection. -D. Sanchez entertained a motion for approval, G. Lucero motioned to approve, seconded by G. Oton.

G. Lucero then follows with a question, what constitutes that the individual has completed OJT, does it require some sort of certification or is it okay that the employer says they have completed it and now a full-time employee for how long? I. Olvera responds that it is 6 months training in contingency with the employee being employed for twelve (12) months. R. Brennan then asks if this is available for any employer for any job? I. Olvera confirms that it is for any job placement, for any employer.

-D. Sanchez calls for a vote, motion carries unanimously. Motion carries.

c. In-School Youth/Out-of-School Youth Waiver (Executive Committee Approved & Submitted).

[..\..\waiver request ISY-OSY 23-24 \(002\).pdf\](#)

-D. Sanchez starts the discussion by saying she has received a lot of feedback on this specific document because, "my signature is on it" she then follows up by saying she's going to make it very clear that the document needed the signature on the day of the deadline. She goes on to say that there were a lot of opportunities that needed to be fixed in the document but if D. Sanchez's signature was not on the document we would've missed the deadline for the waiver. She wants to open this topic for discussion and she wants to point out various things. D. Sanchez then enters a motion to entertain for this waiver, G. Lucero moves to approve, seconded by C. Young.

-G. Lucero then adds that he and the board of the provisional community college had a discussion on this waiver earlier in the day at their board meeting. The college is mentioned a few times in the document and which the provisional college board was not pleased as to how it was portrayed and will be discussing it formally and will be acting and will be sending some response to the county board in the way the college was reflected in the document. He then went on to ask who the executive board was that approved the waiver? I. Olvera then responds that the executive board are: Dina Sanchez, Richard Brennan, and Dan Doyle. I. Olvera also adds that this waiver was a last-minute item that the state sent out as the state is working on their state plan and gave us a week and a half to create this document. With the assistance of legal this document was written and reviewed then sent to the Board of Supervisors. We have been receiving good feedback from other areas of the state and requesting a copy of the waiver because other areas were also in the process in creating the waiver for their local areas.

-D. Sanchez follows up by stating, while this is a good document generally speaking that people can use, 'we have to verify the detail that is in the document and make sure that it is accurate, because I was put in a very delicate situation, time compressing situation, and it was either submitting a waiver or having a whole lot of other problems if we did not submit this waiver, but in all fairness the names attached to this document included R.. Brennan and myself." D. Sanchez goes on to formally state that she will not sign another document like this again even if it means not meeting deadlines. D. Sanchez then moves on to ask the board if anyone has any other discussions in regards to the document. R. Brennan then asks if there is a possibility to modify the document? I. Olvera responds that the document is up for state reviewal and we are awaiting a response from them as we do not know that it'll be approved for sure as it has to go through the department of labor and as they are waiting from the other local areas for their approval on the waiver. She also says she understands the boards concerns regarding the document but could not let this opportunity pass by because of the findings we have had with the auditor general's office for the In-school and Out-of-school youth program.

-D. Sanchez calls for a vote, motion carries unanimously. Motion carries.

H. Partner Reports

Title I: Santa Cruz County Workforce Development

Title I reports presented by A. Chamberlain

Audits:

11/17/2023 EO Monitoring

Outreach:

•Chamber of Commerce meeting, Adult Ed presentation, Youth workshop at Santa Cruz Detention Center, Pima County One Stop Business representative visit, Wade Carpenter College Career Fair, and Rio Rico Career Fair.

Enrollments:

Youth: Out of school- 4

Adult: 6

Dislocated Worker: 0

Co-Enrollments: 2

Employment/ Outreach Related Services

• **Sectors:** Manufacturing, Produce House Local Government, Hospitality, Custom Brokers, and Automotive

Employment Hires:

• GEMCO, Joffroy (2), Siesta Motel, JP Produce, Martinez Group, Intactics (2)

• 11 employers reached out for business services (job posting)

City of Nogales (5), Santa Cruz County (2) Siesta Motel, GEMCO, Harvest Pride, Alex Tires

Rapid Response visit:

• 4

Belden Distribution Center, Spectrum Plastic, DCO Custom Builders, Croppers Automotive

Hiring Events

N/A

-D. Sanchez asks the board if there are no questions. No questions asked.

Title II: Santa Cruz County Continuing Education

Report presented by C. Young

Enrollment:

Goal is 200 students

By the third week of classes in January, we have approximately 200 students

Progress exam test rate

Goal is 75% by June 30

We are on pace to reach 75% (right now I cannot confirm the exact number)

Progress exam success rate

Goal is 43%

We are at 24% (error with 10 exams, should be at 33%)

Comments

We are placing Microsoft Office in 25 computers and will be placing 25 more this year.

We just started our 2nd Winter Cohort on January 8th with both teacher and student orientations. The orientations included participation from Pima CC, Arizona@work, and Circles of Peace.

We still have 0% teacher turnover.

To decrease attrition and increase professional development and the use of Ed Essentials, we are adding another teacher to enter three classrooms once a week to work with students on job skills (computer and workplace skills). Performance evaluations were given in December. If you would like more detail about them you may contact me. We are in the process of applying for the Title II Grant for the years 2024 to 2027. The data section is due January 24th and the narrative is due February 29, 2024. The Board will review the application before its submittal.

Moving Forward

Our waiting list is getting smaller so in February we will begin promotion to find new applicants for both HSE and ELLA. -D. Sanchez asks the board if there are no questions. No questions asked.

Title III: Employment Services

Nov-Dec		
	2023	2022
Staff assisted Registration	241	346
Average Age	48	50
Total Services Provided	7,160	13,364
Job Orders	70	62
Job Openings	222	93
Job Referrals	6	24
WIOA Referrals to Title I	6	27
Job Placements	91	113

- We have a new Administrator for Workforce Solutions Administration: Kevin Herring
 - We will be holding a supervisor summit in late February in PHX
 - Looking at hiring a consolidated position for SC. The request is at HR.
- D. Sanchez asks the board if there are no questions. No questions asked.

Title IV: Vocational Rehabilitation Services

Program Overview:

Vocational Rehabilitation Services (VR) is using a hybrid model for delivering quality services to job seekers. VR staff are actively working in the community (field) and in the VR office each week meeting with clients in person or virtually depending on the client’s choice. VR Counselors will be scheduled in the office for a minimum of two days per week and/ or work in the field with clients.

The Nogales VR office has a bilingual professional team composed of two VR Counselors (VRC) and a Rehabilitation Technician (RT) who serve job seekers who have documented disabilities (physical and/ or cognitive) and need assistance finding and maintaining competitive integrated employment in Santa Cruz County.

Data search: 7/1/2023 – 01/30/2024

Nogales

New Referrals: 55

Compared to last year with the same date range: 67

Number of Individualized Plans of Employment completed with job seekers with a chosen vocational goal: 29

Compared to last year with the same date range: 25

Exits with employment/ successful closures: 9

Compared to last year with the same date range: 11

Note: The above numbers were generated from filtering VR's internal data management system and cross-checking internal tracking systems.

Highlights:

RSA/ Vocational Rehabilitation administration visited the Nogales office and met with the Nogales team in person on December 5th, 2023.

Vocational Rehabilitation staff is working closely with 4 High Schools in Santa Cruz County: Nogales High School, Pierson High School, Rio Rico High School, and Patagonia High School.

The Vocational Rehabilitation Transition Counselor and the Pierson High School TSW coordinator/ Special Education teacher were invited to be presenters at the upcoming IDEA Conference this summer in Phoenix.

The topic is how the Transition School to Work program can work in a successful partnership between a State agency and a public school.

Outreach events completed:

Pierson High School Career Fair

Head Start presentation

VR presentation to the staff at Pinal Hispanic Council

VR program information sharing at Davita Dialysis in Nogales

- Cross referrals with ARIZONA@WORK (Titles) – continues.

As of now, getting Releases of Information (ROIs) signed by mutually enrolled clients allows the partners to share program updates.

-D. Sanchez asks the board if there are no questions. No questions asked.

Directors Report

I am pleased to provide an update on our involvement in our workforce initiatives from the period of November 14th, 2023 through January 19th, 2024

WIOA Arizona State Plan:

The WIOA Arizona State Plan is currently in a crucial phase, open for public review from January 16 to January 30, 2024. This window presents a valuable opportunity for stakeholders, including our organization, to provide feedback that significantly influences the development of the state plan. Following the approval of the state plan, the local workforce boards will initiate the development of our Santa Cruz County Local plan. Our active participation during the public comment phase is pivotal, contributing to the alignment of these plans with the unique needs of our community. Engaging in the public comment process not only ensures alignment with our organizational goals but also serves as a platform for advocating policies that positively impact our workforce and contribute to regional economic development. I encourage each Board member to dedicate time to review the WIOA Arizona State Plan, and your feedback, recommendations, and suggestions are instrumental in voicing our local needs and shaping the direction of our workforce plan. To ensure a timely contribution, please submit any feedback before the due date of January 30, 2024.

Adult Education Grant

ADE-AES has released a Request for Grant Application (RFGA) for the 2024-2028 AZ WIOA Title II Adult Education Grant funding. This initiative involves two applications - Part 1, due on January 24, focusing on Demonstrated Effectiveness (WIOA Title II-34 CFR part 463), and Part 2, due on February 29, encompassing Narrative Responses and Proposed Budget/s for successful applicants from Part 1. ADE-AES aims to approve and fund qualified applicants in each of the 12 local workforce areas, adhering to the WIOA Title II requirements. The completed grant applications and a template will be submitted to the Local Workforce Development Boards (LWDBs) on March 7, 2024, for review and documenting comments. LWDBs are expected to return the template to ADE-AES by April 5, 2024, with the information reviewed by the RFGA evaluation team as part of the overall evaluation process.

Sonoita Office Satellite Office:

Construction in the Sonoita Building has concluded, and a final walk-through has been completed giving us the to-go to start furnishing the office for a potential to open by late February.

We are working with the State Administration to revise the MOU and Infrastructure Funding agreement to include costs that partners will contribute.

Approval processes involve local partners, State administration, LWDB, and the Santa Cruz County Board of Supervisors (BOS). A grand opening is scheduled

Possible Youth Center:

We are currently in the process of seeking additional funding to support the potential remodeling of the Rio Rico Building into a Youth Center. Collaborating with our County Manager, we are actively working on obtaining proposals to assess the cost estimates. This information will be instrumental in preparing an official request for funding to be submitted to the state.

Annual EO Monitoring PY22:

The Santa Cruz County site underwent an Equal Opportunity (EO) virtual monitoring review for Program Year (PY)22 in the last quarter of 2023. Following the WIOA EO Monitoring Review Guide for PY 22, no findings or observations were identified. We appreciate the cooperation and assistance of the Santa Cruz County site staff during the review.

I want to extend gratitude to the Workforce Staff, particularly Mary, for their exceptional efforts during Zaida's maternity leave. Mary has played a key role in ensuring new staff training and managing various responsibilities.

I. One-Stop Operator

I continue to distribute information from other One-Stop Partners and service providers in Southern Arizona to the Partners in Santa Cruz County.

There have been no WARN (Worker Adjustment and Retraining Notification) notices for Southern Arizona during this reporting period.

I represent Santa Cruz County in the weekly business service reps meetings which are held weekly. There are typically 80+ business service reps. in attendance from all over the State. The industry, Transportation, and Warehousing sector is the highlighted sector for this reporting period. The Transportation and Warehousing sector includes industries providing transportation of passengers and cargo, warehousing and storage for goods, scenic and sightseeing transportation, and support activities related to modes of transportation.

Arizona's seasonally adjusted unemployment rate increased to 4.0%. This follows the state's all-time low unemployment rate of 3.4% in April and May of 2023.

For data specific to the Trucking and Transportation There was a 200 job increase from August to September. The hire rate for people trained in this sector is 75.6%.

Each month the Arizona Office of Economic Opportunity publishes a press release detailing current statewide employment, unemployment, and economic trends. Some of these data are also available at the county and MSA level, which we believe may be of value to your local board. The latest available data from the Bureau of Labor Statistics' Current Employment Statistics (CES) and Local Area Unemployment Statistics (LAUS) programs covers employment through December 2023 and are highlighted in this email. Data included in this email and the corresponding attachment are not seasonally adjusted (NSA). Typically, in other releases, the state unemployment rate is adjusted for seasonal factors: the not-seasonally adjusted rate is included here for the sake of comparison.

Month over month (MoM), from November 2023 to December 2023, the following trends were observed:

- The statewide NSA unemployment rate decreased to 3.8% from 4.0%.
- Statewide total nonfarm employment gained 8,100 jobs (0.3%).
- **Santa Cruz County's** NSA (not seasonally adjusted) unemployment rate decreased to 7.0% from 7.8%.
- **Santa Cruz County's** NSA labor force decreased by 205 individuals.
- **Santa Cruz County's** total nonfarm employment gained 150 jobs (1.1%).

o Before the pandemic, from 2010 to 2019, Santa Cruz County's total nonfarm employment averaged a MoM change of 280 jobs in December.

Year over year (YoY), from December 2022 to December 2023, the following trends were observed:

- Statewide total nonfarm employment gained 64,800 jobs (2.0%).

- **Santa Cruz County's** total nonfarm employment gained 400 jobs (2.9%).

-D. Sanchez asks the board if there are no questions. F. Sandoval says that there was a number there that caught his attention, it says that our available labor workforce was reduced meaning if we have 205 less individuals? J. Mize then clarifies that it just means those 205 have found employment.

J. Board Reports/ Round Table

- C. Young wanted to address that February is Early Childhood Awareness month and well be hosting several events and presenting at the Chamber of Commerce meeting. To keep an eye out for their billboards and the banners and to support your early childhood educators.
- F. Sandoval wanted to inform from the custom brokerage industry there is a lot of opportunities with near shoring and that it is really important that we are aware. Although most the near-shoring is occurring across the line in Mexico it will be bringing a positive effect on our local economy.
- O. Ainza-Kramer wanted to add onto what Mr. Sandoval mentioned that they had a meeting with a private employer who is planning on moving to Nogales that will be servicing the South 32 mine.

K. Next Meeting -- March 13, 2024 Quality Hotel Americana, Nogales AZ. 85621

L. Adjournment

- D. Sanchez entertained a motioned to adjourn the meeting, C. Young motioned to approve seconded by F. Sandoval. Motioned carried unanimously, the meeting adjourned at 1:16.