

C.L. "BUTCH" OTTER  
GOVERNOR



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*Vice Chair*

## WORKFORCE DEVELOPMENT COUNCIL

317 W Main Street, Boise, Idaho 83735-0510

### Grant Review Committee Meeting Minutes – August 28, 2018

**Council Members:** ~~Bobbi-Jo Meuleman~~, Deni Hoehne, ~~Ken Wiesmore~~, Melinda Smyser, Michelle Stennett, Steve Widmyer

**Committee Members:** ~~Jay Larsen~~, Justin Touchstone

**Guests:**

**Staff:** Paige Nielebeck, Wendi Secrist, William Burt, Matt Thomsen

**Called to order at 2:04**

**Welcome**

#### Review Agenda

Add agenda item: Update from the August Policy Committee Meeting – **postponed until next meeting**

**Roll Call** – Quorum Met

#### Approve July 10, 2018 Meeting Minutes

Motion by Ms. Smyser to approve the minutes as written. Second by Mayor Widmyer. Motion carried.

#### Review Workforce Development Training Fund Balance

WDTF Financial Summary	
WDTF Cash Balance 08/24/2018	\$18,173,669.90
Obligated Balance Employer Grants	\$7,407,878.54
Obligated Balance Industry Sector Grants	\$1,245,777.19
Obligated Balance Micro Grants	\$51,815.43
FY 19 WDTF Admin Costs	\$725,271.00
<b>WDTF Obligated Balance</b>	<b>\$9,430,742.16</b>
<b>Unobligated Balance</b>	<b>\$8,742,927.74</b>

Proposals before Grant Review Committee	\$1,566,607.10
Proposals in pipeline	\$1,608,015.00
Unobligated Balance if all funded	\$5,568,305.64

### **Employer Grant – Plant Therapy**

Ms. Smyser toured the Plant Therapy facility to gain insight on this industry.

It is a very robust business and growing very quickly. They are in the process of moving to a new building. All the training is very highly skilled, professional, and scientific. It is a fast-growing industry that needs workers to keep up with the demand. It was a great visit and Plant Therapy is a very nice facility. They will also be donating some of their own money to fund some of the training.

How are they going to be able train that many workers and will they need to hire outside of the area?

- They will be doing training over the next 2 years and their hope is to recruit from the Magic Valley area. Of the total employees they are going to train some of them are current employees.

Motion by Ms. Smyser to recommend the Plant Therapy Employer Grant in the full amount of \$169,480. Second by Senator Stennett. Motion carried.

### **Industry Sector – Idaho AGC**

Idaho AGC continues to lead the nation in the creation of new construction jobs. Opportunities range from the very skilled to entry level positions. Tackling this significant worker shortage will require many different levels of coordinated effort.

While other projects addressed filling the shortage in higher skilled positions, the We Build Idaho Career Launcher aims at addressing the most basic skills necessary to secure a position in the industry. While these may be considered entry level positions in the construction industry, the pay and fringe benefits associated with these types of jobs is significantly higher than Idaho's average starting wage. Since most careers in construction start on the ground floor, it makes sense to focus efforts here first.

The Idaho AGC's sister chapter, The Colorado AGC, has partnered with a community college to address the same problem in their area. Together, they help identify the pathway for individuals in Denver to bridge the gap between low-wage jobs and higher-paying careers. Idaho AGC will be replicating this program throughout Idaho by partnering with the six workforce training centers located at Idaho's community and technical colleges.

The program provides exposure to the types of work done in construction. The anticipated commitment of three to four hours a day, four days a week, for three weeks is enough to get participants started on the road to new skilled careers. The course culminates in a fourth week devoted to developing resumes, practicing interview skills, and securing a job at a hiring fair attended by local construction companies.

They have a portion of the funds going towards outreach because they know how important this element is in getting people to attend this event.

Idaho AGC is requesting a total award of \$250,000.

Has there been any outreach going to the Career & Technical Schools who have Residential Construction courses?

- AGC has established relationships with CTE programs individually, but this is an opportunity that they will be working with Caty Solace (WDC Communications Manager) to ensure they are reaching all of their targeted audiences.

What personnel are the funds going to?

- Workforce Development Center Instruction, Workforce Development Center Career College Counseling, Public Education, AGC Operations, etc.

In the future it would be helpful to have a breakdown of where the funds are going.

- The WDC is working on a resource for all of the committee members where they have access to all of the grant application information.

This is a great opportunity regionally and a great program.

How will this program's success be measured?

- The social security numbers of everyone who participates in the program is collected. It also shows in the application how many they intend to go through the program.

It was nice to see that they are using a model that has been successful in Colorado. The recruiting needs that they need for this event is a legitimate expense. There is a large need for people to join the construction industry.

At what point will the committee see a follow-up report?

- On sector grants they provide a quarterly narrative report that will be shared with the Committee.

Motion by Ms. Smyser to recommend the approval of the Idaho AGC Industry Sector Grant in the full amount of \$250,000. Second by Mayor Widmyer. Motion carried.

### **Micro Grant – Franklin County**

Currently, residents of Franklin County go 60 miles north to Idaho State University (ISU) to continue their nursing education. Franklin County Medical Center has partnered with ISU to provide a satellite campus for LPN training that will take 30 weeks to complete. The impact of this program will provide Franklin County residents an opportunity for continued education in the nursing occupation close to home. It will help educate and sustain Franklin County Medical Center's workforce, which in turn will help improve the economic growth within the County. Having this education opportunity in their facility will give them the opportunity for growth in services offered and professional care.

This program will give current employees (i.e. CNA's employed by Franklin County Medical Center) the opportunities to continue their healthcare nursing education. Future programs will be available to graduating students from our two local high schools, Preston High School and West Side High School. Community members will also have an opportunity to participate as well as anyone who has a desire to further their nursing education.

Franklin County is requesting a total award of \$25,000 effective August 20, 2018.

There was a similar project conducted in Salmon. Healthcare is such a huge need in rural Idaho. There needs to be a bigger statewide solution for the Healthcare industry that is sustainable.

It seems like a low number of people for a large sum of money. It may just be the 4 they have identified, but they may have an open enrollment opportunity.

Why would this need to be tested? ISU should know what training is required for an LPN. It is not a new program.

- This is more to try the satellite aspect of the program so people do not have to travel to ISU to receive the training.

The WDC Staff will ask Franklin County to provide data on if they backfilled those 4 positions (wages before and after training, etc.).

Motion by Senator Stennett to recommend the approval of the Franklin County Micro Grant in the full amount of \$25,000. Second by Ms. Smyser. Motion carried.

### **Micro Grant – Clearwater County**

Recently, LCSC was able to hire an instructor to provide the CNA training at their workforce training center in Lewiston, Idaho. The proposed micro grant project will help defray the cost for employers to invest in their incumbent workforce and get the certification needed to appropriately staff facilities and offer promotional opportunities internally to workers.

The LCSC Workforce Training CNA course is accessible remotely as a hybrid, where the ten-week trainings are offered once per week in a local facility for practical/hands on skills training. Students participate in online instruction. Participants in the program are required to spend 40 hours job shadowing with employers. Upon completion of the job shadowing, students will travel to the Lewiston LCSC workforce training facility for knowledge and skills testing.

The hybrid program makes it easier for rural lower skilled/underserved people to participate. The distance from Orofino to Lewiston (42 miles) is a barrier to incumbent workers who are currently making \$12 or less an hour in non-certified nursing assistant role. Walla Walla Community College in Clarkston, WA also offers a CNA certification program. The WWCC does not offer a hybrid and the increased cost for out-of-state tuition makes it even less of an opportunity for low skilled workers as a suitable training site.

Clearwater County is requesting a total award of \$10,481.10 effective August 20, 2018.

Because they can deliver the classroom portion of the CNA classes online, it does make it a little cheaper than what ISU is doing. An LPN program is also much longer than a CNA program.

Many of these workers will be incumbent workers. They may work in the Healthcare Industry already, but this training will bump them up to become a CNA.

The Workforce Training Center out of Lewis-Clark State College will be developing the training.

Motion by Mr. Touchstone to recommend approval of the Clearwater County Micro Grant in the full amount of \$10,481.10. Second by Mayor Widmyer. Motion carried.

### **Employer Grant – Basic American Foods**

Basic American Foods' need for workforce training assistance is two-fold: 1) Accommodate the implementation of a new, customized ERP (enterprise resource planning) system to integrate all facets of our operations including product planning, development, manufacturing processes, sales and marketing. 2) Implement a new industrial maintenance mechanic apprenticeship program to develop a skilled pipeline of workers.

Training assistance will help create and sustain a formal training curriculum and task processes via modules conducted in a classroom training environment at Basic American Foods' training center. This training will help solve a number of workflow challenges, reduce costs, manage growth, streamline processes, and gain a competitive advantage in the industry. The proposed apprenticeship training program will provide apprentices with the technical knowledge, manipulative skills and experience to develop proficiency as a skilled journey worker. The lack of qualified workers is a constant barrier to business growth and this training will help ease the ongoing struggle to find qualified workers.

They are training a total of 857 employees.

Basic American Foods is requesting a total award of \$159,895.00.

What are the training costs being spent on?

- The ERP training will take place in multiple group sessions. Funds will be going towards trainer costs and for travel costs. Basic American Foods has a training facility that they will send their employees to. For the Registered Apprenticeship funds are going towards trainer wages. That is due to the 4,000 hours of training provided by the Registered Apprenticeship program. Basic American Foods are basically asking the WDC to fund the first two years of the apprenticeship program. There is also a vendor cost for College of Eastern Idaho (tuition costs).

Only 2 people will be put through the Registered Apprenticeship Training. There is concern about the cost for how few people are going through the training.

These skills are very transferrable.

Lots of companies move over to new ERP systems and everyone must get retrained on it. A lot of the wage increases in this grant are pennies. This does cause some discomfort with the Committee members. Is the ERP considered a cost of doing business?

- The Policy Committee did address this issue at their August meeting. They asked the WDC staff to over the next year collect data on what amount of funds are being used on training that might be considered a cost of doing business.
- It is not a policy that people have to receive a wage increase because of the training. It is simply a way that the WDC staff can tell the effectiveness of the program.

The Committee would like the WDC staff to go back to Basic American Foods and let them know the committee is not interested in funding the ERP training but is interested in the Apprenticeship training and help them modify their application.

Motion by Mr. Touchstone to advise Basic American Foods to revise their application to propose the apprenticeship training and other direct transferrable skills type training they may offer. Second by Senator Stennett. Motion carried.

### **Employer Grant – Wood Grain**

Woodgrain had an opportunity to move that vertical integration closer to the forest by purchasing the Emmett sawmill. They shut the mill down and invested millions to completely remodel and upgrade the facility to a state-of-the-art, modern sawmill. The upgrading of the mill also requires that the employees have an updated skill set; moving from a labor-intensive, high-touch model to a knowledge-intensive, low-touch one. The Emmett sawmill will produce the industrial pine products that are consumed internally. It will also produce framing and appearance lumber products that will be sold externally.

Because of the updates, the new state-of-the-art sawmill has several challenges. There is virtually no established program for the modernized skills required nor is there a local upper-education facility providing the needed training. Woodgrain Millwork is compiling various curriculums and resources to implement a training program that will encompass all of the skills necessary at the Emmett sawmill site. Covering the basics as well as industry specific skill-sets, Woodgrain will produce a well-trained workforce that will be both safer and more productive.

Wood Grain is requesting a total award of \$111,647.00.

They do have basic safety training included in their plan, but for many of these trainees it may be their first exposure to this type of training.

The funds are going to vendor provided training, internal training, vendor costs, material and travel costs, trainer wages, and training materials.

This a great opportunity for Emmett and it is creating good paying jobs for their community. Their new equipment is extremely high tech.

If the committee invests in this, will this make a difference in longevity?

- Wood Grain is a very established company. The previous business who tried to restart the mill was a startup company out of Montana. Wood Grain will be distributing their product to their other mills around the state (some will be going to their plant in Utah). The technology, since the closing of the mill, has changed drastically and requires a whole new set of skills. Within the contracts for Workforce Development Training Funds there is a claw back clause.

Motion by Mr. Touchstone to recommend the approval of the Wood Grain Employer Grant for the amount less the safety training. Second by Mayor Widmyer. Motion carried.

#### **Employer Grant - Simplot**

This agenda item will be moved to the next meeting.

#### **Adjourned at 3:31**

Motion by Mr. Touchstone to adjourn. Second by Senator Stennett. Motion carried.