DENVER WORKFORCE DEVELOPMENT BOARD

Meeting Minutes

Date: Friday, May 11, 2018
Location: Denver Metro Chamber of Commerce, 5th Floor
1445 Market Street, Denver, Colorado, 80202

Attendance

Legend: Y=Present; P=Proxy present; R=Regrets/Excused; N=Absent

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Board Members</th>
<th>Category &amp; Industry</th>
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<tbody>
<tr>
<td>Y</td>
<td>1</td>
<td>Robert Andrews, DenverWorks</td>
<td>Workforce Partner</td>
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<td>Y</td>
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<td>Corry Avery, Sheet Metal Workers’ Apprenticeship Training Institute</td>
<td>Labor – Training</td>
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<td>Maggie Bolden, Palace Construction (CHAIR)</td>
<td>Business - Construction</td>
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<td>Y</td>
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<td>Mary Broderick, IBEW Local #68</td>
<td>Labor</td>
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<td>Bryan Cook, Associated General Contractors of Colorado (AGC Colorado)</td>
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<td>Valerie Greenhagen – Center for Employment Opportunity (CEO)</td>
<td>Workforce Partner</td>
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<td>Christina Gregoire, Denver Health Hospital</td>
<td>Business – Healthcare</td>
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<td>Ahmed Hassan – Colorado Technology Association</td>
<td>Business – IT</td>
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<td>Joseph Herold – Design Thinking Denver</td>
<td>Business – IT</td>
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<td>Kelli Kelly, PCL Construction Enterprises, Inc.</td>
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<td>Barbara Lindsay – Emily Griffith Technical College (EGTC)</td>
<td>Local Adult Education</td>
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<td>Elise Lowe-Vaughn, CO Department of Labor &amp; Employment (CDLE)</td>
<td>Workforce Partner</td>
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<td>Mark Miller, Pipefitters #208</td>
<td>Labor</td>
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<td>Turid Nagel-Casebolt, Denver OED - Business Development</td>
<td>Economic Development</td>
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<td>Fabiana Nardi, Green Hat Web Solutions</td>
<td>Business – IT/Prof. Services</td>
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<td>Lindsey Pacheco, CO Division of Vocational Rehabilitation (DVR)</td>
<td>Vocational Rehabilitation</td>
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<td>Holly Reed Sturgon, I4Talent</td>
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<td>Paula Schriever, Spring Institute for Intercultural Learning</td>
<td>Local Adult Education</td>
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<td>Lorena Toland, Brown Palace Hotel</td>
<td>Business – Hospitality</td>
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<td>Stephanie Van Cleve-DeHerrera, University of Denver</td>
<td>Higher Education – Hospitality</td>
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<td>Cecil Velázquez, The Wendy’s Company</td>
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<td>Ashley Walker, The Center for Work Ethic Development</td>
<td>Business – Prof. Services</td>
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<td>Dan Weinstein, Aon Hewitt</td>
<td>Business – Prof. Services</td>
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<td>Katrina Wert, Community College of Denver (CCD)</td>
<td>Higher Education</td>
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<td>Leanne Wheeler, Wheeler Advisory Group LLC</td>
<td>Business – Prof. Services</td>
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<td>Michael Williams, U.S. Immigration &amp; Customs Enforcement</td>
<td>US Government – Youth Program</td>
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<td>Kathy Workman, InnovAge</td>
<td>Business – Healthcare</td>
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<td>22</td>
<td>5</td>
<td>81% of the Voting Members (VM) attended</td>
<td>QUORUM: Yes</td>
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Agenda Items

1. Call to Order, Welcome & Introductions
   - Denver Workforce Development Board (WDB) Chair Maggie Bolden welcomed everyone and called the meeting to order at about 11:40 a.m.
     - Recently appointed board member, Turid Nagel-Casebolt, Director of Business Development in the Denver Office of Economic Development, shared that she is excited to contribute to the board through her work in business attraction, retention and expansion. Whether they are large or small, workforce development and the talent pipeline are very important to the businesses she and her team serve. She also relayed that Denver just submitted a proposal for the new Army Futures
Command Center; the proposal included a substantial discussion about industry partnerships, academic resources and the availability of talent in Denver.

- **Guests at the meeting included**: Faviola Armendariz, Colorado Jobs with Justice; Rebecca Balu, ResCare Workforce Services (ResCare); Terry Bower, Metropolitan State University of Denver; Judith Emery, Colorado Urban Workforce Alliance (CUWA); Tim Foster, ResCare; Lauren Garrett, Denver Indian Center; Rob Hanni, CDLE; Lauren McClanahan, Denver Public Schools (DPS); Rada Moss, Hope Communities; Adam Nettleton, Mile High United Way; James Sanchez, Goodwill Industries of Denver; Dorothea Steinke, Literacy Coalition of Colorado; and Amanda Winters, Wind River Job Corps.

- **Denver Office of Economic Development (OED) and Denver Workforce Services (DWS) staff in attendance included**: Tony Anderson, Ken Arellano, Barbara Callison, Cindy Gaertner, Tom Haslee, Marcus Johnson, Liz Kissee, Ola Kukoyi, Kathleen McCleary, James Roina, and Mamay Worku.

**Opportunities for Involvement.** Maggie reminded the group that opportunities for involvement provided events that allow the board to engage with the community, spread the word about the Denver Workforce system and help connect employers with jobseekers. She shared her recent attendance at the Contractors’ Blue Book Network Showcase and how she has been reaching out to neighborhood organizations. Cindy Gaertner, Board Liaison, directed the group to the Opportunities for Involvement handout and highlighted upcoming activities:

- EGTC will hold two career fairs: May 16 at 1205 Osage and May 17 at 1860 Lincoln. Barbara Lindsay relayed that this is the first year it has been held on both campuses.
- Last Chance Summer Job Fair for Youth will be June 2 at the Montbello Rec Center
  - Lauren McClanahan announced that the Summer Youth Employment Program will have another hiring fair on May 12 at John F. Kennedy High School. She also invited everyone to the SYEP Kickoff Event on May 22 at the Pepsi Center.
- A regional federal, state and county job fair will be June 19 at Mile High Station
- The Master’s Apprentice is recruiting for their next session which begins on May 21
- Denver Indian Center begins a new round of their Honoring Fatherhood Program. Lauren Garrett added the program is open to the general public and session will be held on Tuesdays from 5:00 to 7:30 p.m. and one Saturday each month.
- Two community events may be of interest to the board:
  - Gubernatorial candidate forum on work and working families on May 22 at East High School
  - Denver Housing Summit on May 24 at the Hyatt Regency. Maggie announced that she planned to attend and encouraged others to do so to learn about affordable housing and meet developers and funders. Mary Broderick added that scholarships are available for nonprofit attendees.

2. **Workforce Development Board Business**

- **Approval of Minutes.** Corry Avery moved and Cecil Velázquez seconded a motion to approve the April 13, 2018 Board meeting minutes without modification.

  ➢ **Action Taken**: All Board members present voted to approve the minutes; the motion passed.

- **Local WIOA Plan Modification.** Maggie reminded the board that working with Denver to develop the Local Plan and its modification is one of the roles of the Denver WDB. Cindy reviewed the Workforce Innovation and Opportunity Act (WIOA) requirement local boards modify their 4-year action plan in 2018. The changes in Denver’s plan reflect minor economic and demographic changes in the past two years as well as administrative updates to more accurately describe how DWS is implementing the plan. She provided an update of the changes requested by the board at the April 13 meeting:

  - As requested by Joseph “Hark” Herold, the narrative on page 4 now indicates that the typical entry level education required form many IT occupations is an Associate’s Degree.
  - As requested by Paula Schriefer and Valerie Greenhagen, the table of targeted populations on page
10 now reflects Program Year 2016 (PY16) enrollment numbers for individuals with barriers to employment based on Connecting Colorado data.

- Although the modification was posted for public comment on April 17, no comments were received by the end of the two-week public comment period.
  - Elise Lowe-Vaughn announced that CDLE will be negotiating performance with the US Department of Labor (USDOL) on June 5. Much disagreement exists at the national level around the statistical modelling used to develop the anticipated performance indicators, some of which represent a 20% increase over current measures. Although Colorado has been building a coalition of states to challenge the USDOL, she is not sure they will successfully negotiate any changes and warned the board that CDLE may ask Denver (and the other Colorado Workforce regions) to amend their plans once negotiations are complete. Cindy thanked Elise for CDLE’s advocacy and acknowledged that, per CDLE instructions, the modification only includes PY17 performance goals as “placeholders.”

- Stephanie Van Cleve-DeHerrera moved and Joseph Herold seconded a motion to approve the Modification to Denver Four Year WIOA Plan.

  ➢ Action Taken: All Board members present, with the exception of Elise Lowe-Vaughn who abstained, voted to approve the Modification to the Denver Four Year WIOA Plan; the motion passed.

3. Financial Report. Before inviting Barbara Callison, OED’s Fiscal Administrator, up to present her third quarter fiscal report, Maggie reminded the board that fiscal oversight to ensure the appropriate use and management of funds provided under WIOA is another of the board’s roles.

- Barbara explained that Denver is required to expend 70% of PY17 funds by June 30, 2018; as of the end of the third quarter of PY17, Denver had expended 27% of WIOA Adult funds, 36% of Dislocated Worker funds and 56% of Youth funds. She expected these numbers to be a bit low due to the lag between service delivery, contractor invoicing and OED reimbursement, however, she expressed concerned about WIOA Adult spending, which was impacted by a larger than anticipated amount of PY16 carry-in funds that needed to be spent.

  - Maggie asked what would happen if the 70% was not spent. Being underspent could result in a fiscal finding in a monitoring and a reduction in future funding. Elise added that Denver’s underspending also impacts the overall state award. Barbara stressed that she is working with ResCare to ensure timely invoicing. Robert Andrews asked what line items were underspent. Barbara believed that, although both staff and participant direct costs are included, much of this was likely participant direct.

  - Rebecca Balu commented that ResCare will meet its Adult spending requirements by June 30 through hiring a temporary accounts payable clerk to help process the $400,000 to $500,000 in incurred training expenses, as well as increasing permanent accounting staff by .5 FTE in the future. In addition, ResCare has obligated funds for participants who are enrolled in training. Elise challenged ResCare to sponsor a registered apprenticeship to fill this position.

- Barbara reported that all three WIOA programs comply with the WIOA requirement that administrative costs be capped at 10%: Adult is at 5%, Dislocated Worker at 6% and Youth at 3%.

- WIOA also requires that 75% of Youth expenditures must support Out-of-School Youth (OSY) programming. Currently OSY costs make up 83% of expenditures.

- Barbara raised a second concern: Youth program work experiences only make up 11% of total programmatic expenditures. WIOA requires that 20% of program expenses are related to work experiences. She reported that DWS has met with DPS and developed a plan of action as well as a budget modification.

  - Lauren McClanahan acknowledged this and is confident that DPS will meet the requirement, but encouraged the group to participate in hosting a 160-hour summer youth work experience, which will be paid by the program. Maggie asked the group to reach out to their networks to identify
summer employers, which may include businesses, nonprofits, unions or government entities.

- Barbara also reported that the two most recent fiscal audits, one of the Chicago Cook Retail Sector grant and another of CDLE-funded programs, resulted in no findings.
- She concluded by announcing that Denver was awarded an additional $385,000 for the next phase of the Retail Grant and has applied for $125,000 from CDLE for the Workforce Innovation Pilot and Acceleration Grant.
  - In response to a question from Hark, Tony Anderson, Interim Workforce Director, explained that Innovation Pilot funds would support and extend activities currently funded through the Technology Employment in Colorado Program (TEC-P), for which grant funding will expire at the end of the year.
  - Tony acknowledged that Barbara’s concerns are his concerns, but that he is comfortable with the plans that ResCare and DPS have developed to ensure compliance.

4. Denver Workforce Services Updates

- Tony expressed his gratitude that Denise Bryant, former Workforce Director, set DWS up for success before she left and reported that his first two weeks as Interim Director have gone well. He announced that Rebecca will be leaving ResCare soon.
  - Rebecca thanked the board for its support over the past year and a half and shared that she has accepted a position as the Employment and Training Manager at the Colorado Department of Human Services.
  - The Workforce Director position is open on the Denvergov.org website and the ResCare’s Denver Project Operator position has posted on ResCare.com. Tony and Rebecca encouraged the group to share this information with anyone who may be interested.
- The Denver Auditor’s Office has concluded its field work related to its audit of DWS. The audit focused on three topics: service delivery under privatization, contract compliance, and adherence to leading business practices in the privatization of the system. Although initial feedback indicated room for improvement, Tony did not anticipate any serious findings. Tony believes a written report will be available for board review by the June meeting.
- First drafts of the PY18 service provider contracts and budgets were completed on schedule this week. Budgets include a 5% reduction for both providers. Tony anticipates no reduction in WIOA services or individuals served due to the reduction, although Temporary Assistance for Needy Families (TANF) funding will be reduced by 50% and will result in a change the TANF service model, which will leverage WIOA Adult funds to serve TANF customers.
  - In response to a question from Christina Gregoire about the reasoning behind the change, Tony relayed that because TANF customers were not quite “job ready,” their wages and employment retention rates had not met expectations. In PY18, TANF customers will receive additional supports from Denver Human Services staff before referral to WIOA services. Rebecca added that the rapid employment model was not helpful in transitioning these families from public assistance to livable wages. Maggie reminded the group that when a TANF customer begins a job, her benefits, including rent subsidies or food stamps, can be reduced to an unsustainable level. Tony stressed that the change in the model emphasizes a variety of assessment of skills, interests and abilities to connect customers with career pathways.
  - Mamay commented that many TANF customers require additional skills to obtain employment with sustainable wages and self-sufficiency. Elise reminded the group that once a TANF customer is employed, incumbent worker supports may be used to supplement income or provide additional training. The group discussed ideas to assist these customers along a training and career pathway that would lead to self-sufficiency and address the trauma of poverty.
  - Elise announced that the Colorado Center on Law & Policy-backed Supporting and Investing in Colorado’s Untapped Talent Pipeline, a workforce support services bill, failed in the state senate at
the end of session, and she encouraged the group to support efforts to bring it back next session. Robert relayed that he had testified in committee to support the bill.

- Tony announced that Denver partnered with the Denver Early Childhood Council on a successful Early Childhood Education (ECE) Workforce grant application. DWS will focus on employer engagement, explore an Education sector partnership, support individuals in work experiences and work-based learning, and establish a registered apprenticeship. In addition, the partners will work to increase access to ECE skills and certifications in order to increase the wages of the ECE Workforce.
- Tony concluded with a summary of the work he and Marcus Johnson, Project Manager at OED, have been doing to convene city agencies in discussions around potential local hire requirements on General Obligation (GO) Bond projects. Although they heard a wide spectrum of opinions, Tony believes that the Mayor’s position does not currently support mandatory local hire goals. As a favored approach, Tony cited the National Western Center (NWC) project, which required contractor proposals to include local workforce and outreach plans to be included in resulting. Tony and Marcus have developed a proposal to mandate all GO Bond projects to adopt a targeted workforce approach though partnering with WorkNOW, as well as requiring larger projects or those within disadvantaged neighborhoods to develop a local workforce outreach plan. As a result, OED will ask for additional funding in the city budget to support and administer these activities.
  - In response to a question from Kathy Workman, Tony explained that the NWC and Central 70 projects have internal teams that monitor performance of their contractors, including the workforce outreach and training. GO Bond projects do not yet have an internal team or a system within which to track compliance, however the partnership with WorkNOW may provide options.

5. Committee Updates – Work-Based Learning (WBL) Committee: Maggie invited Corry Avery, Co-Chair of the WBL Committee, to present on the groups research into affordable workforce housing.
- Corry presented the rationale for the research: anecdotal evidence collected by the WBL Committee indicated that many training programs have lost participants due to the high cost of housing in Denver and the lack of workforce housing. Participants in work-based learning programs often do not qualify for low-income and may only need affordable housing for one to two years.
- Corry presented a slide outlining the workforce housing challenge in 2017: to afford a 2-bedroom home in Colorado at a fair market rent ($1,143), a family must earn $21.97 per hour ($45,707 annually) – the affordability standard is 30% of gross income. This presents a significant challenge for the Colorado workforce because the minimum wage is $10.20 and the average wage of renters is $17.13. Fair market rents, which are set by the US Department of Housing and Urban Development based on area incomes rather that market conditions, are higher in the Denver metro area; to afford a 2-bedroom home at the Denver fair market rent, a household must earn $25.10 per hour (over $52,200 annually). Corry shared that the Heavy Operating Engineers Local 9 is having difficulty recruiting workforce for the Central 70 project due to housing costs.
- Another slide indicated that workers earning a median income within three of Denver’s top industry clusters, Construction, Education and Healthcare Support, are not able to afford the 2-bedroom fair market rent.
- Corry shared some possible short-term solutions the group’s research found. The Heavy Operating Engineers Local 9 has unsuccessfully explored establishing a partnership with hotels for discounted rates on vacant rooms. The WBL Committee has also explored voucher programs similar to those offered by OED and Denver Housing Authority; however, they do not wish to reduce the number of vouchers available for low-income families which have much lower income qualification levels than apprentices make. Additionally, the committee would like to see more information available about all voucher programs offered in the area.
- Corry asked the Denver WDB to approve the WBL Committee’s continued research on affordable workforce housing. Next steps would include attending the Denver Housing Summit to learn more about national best practices around workforce housing, exploration of funding and financing options
for workforce housing, and inventorying of unused public buildings or land that could be developed as workforce housing.

- Corry has developed a form to collect data on how apprenticeship program participation has been impacted by lack of workforce housing and has already received significant responses from healthcare trainers. He will send this form, and the Apprenticeship Support & Assistance Program (ASAP) form, to Cindy to share with the board and its contact list.
- Barbara Lindsay asked if the WBL Committee wanted to include other industry clusters in housing data collection; Corry welcomed as much data about workforce housing as possible. In response to her question about the ASAP form, Corry explained that it and the Housing form could be used for individuals entering a pre-apprenticeship program.

- Mary asked the board if the WBL Committee Workforce Housing research was still within the scope of the committee and the Denver WDB. She cautioned the group that OED or the city would have to take the lead on this issue at some point.
- Maggie advised WBL Committee to work with the many affordable housing developers, like Hope Communities, and funders, like the Colorado Housing and Finance Authority, and offered to help make introductions. She also warned them of the “NIMBYism” often exhibited when neighbors did not want affordable housing in their neighborhoods.
- Cecil Velázquez moved and Mark Miller seconded a motion to allow the WBL Committee to continue their research and to take their next steps.

  ➢ **Action Taken:** All Board members present voted to approve allowing the WBL Committee to continue their research and to take their next steps; the motion passed.

6. **Wrap-up, Upcoming Events, and Announcements**

- The next meeting will be June 8, 2018, at the Denver Metro Chamber of Commerce. The agenda will begin with a public meeting featuring OED Executive Director Eric Hiraga and then the board will convene a closed session to allow a deep dive discussion about how the board can keep its momentum and increase its impact during OED’s search for a new Workforce Director. The closed session will probably last until 4:00 p.m. Maggie asked the group to keep the entire afternoon open for the meeting.

7. **Adjourn.** The Board meeting adjourned at approximately 1:20 p.m.

*Meeting Handouts:*

- 5/11/2018 Denver WDB Meeting Agenda
- Opportunities for Board Member Involvement – May 2018
- 4/13/2018 Board Meeting Minutes (Draft)
- Denver WIOA 2018 Local Plan Modification Draft
- Workforce Housing Slide Deck