



**Workforce Investment Board
Meeting Minutes
Thursday, April 28, 2005**

**3:00 pm-5:00 pm
Simpkins Swim Center
979 17th Avenue
Santa Cruz, CA**

MEMBERS:

William E. Wagy, Chair
Granite Construction Company
Howard Sherer, Vice-Chair
Hutton Sherer Marketing
Paul Arsenault, Business Representative
Sheet Metal Workers' Union, Local 104
Alia Ayyad, Director
Center for Employment Training
Kathy Bisbee, Marketing Director
Cruzio, the Internet Store
Donna Blitzer, Director, Govt & Community Relations
UC Santa Cruz
Supervisor Tony Campos, Santa Cruz
County Board of Supervisors
Greg Carter, Executive Director
Santa Cruz Chamber of Commerce
Ceill Cirillo, Executive Director
City of Santa Cruz Redevelopment Agency
John T. Collins II, Senior Vice President
Goodwill Industries
Christina Cuevas, Program Director
Community Foundation of Santa Cruz County
Janeen Diltrick, Manager
Employment Development Department
Jo Anne Dlott, VP, Human Resources
Santa Cruz Seaside Company
Russ Elliot, HR Manager
O'Neill, Inc.,
Cecilia Espinola, Director
Santa Cruz County Human Resources Agency
Bob Harper, Director,
Watsonville/Aptos Adult Ed.
Janet M. Heien, HR Manager,
Disco Strawberries
Rich Hill, City Manager,
City of Capitola
Christine Johnson-Lyons, Executive Director
Community Action Board
Linda Kennedy, VP, Human Resources
West Marine, Inc.
Laura Kuhn, Community Development Director
City of Scotts Valley
Marvin Labrie, Executive Director
Physicians Medical Group of Santa Cruz, Inc.
Susan LaForge, Senior Project Director
The National Council on the Aging
Julie Lambert, Controller
S. Martinelli and Company
Bonnie Morr, Chair
United Transportation Union, Local 23
Al Nocella, VP Human Resources
Sutter Santa Cruz
Karen O'Brien, Human Resources Director
Surf Control, Inc.
Carlos Palacios, City Manager
City of Watsonville
Rock Pfothenhauer, Dean of Instruction
Cabrillo College
Tonee Picard, VP Business Development
Picard Consulting
Emily Reilly, Owner
Emily's Bakery
Deborah Sweeney, Rehabilitation Supervisor
Department of Rehabilitation
Alice S. Talnack, Assistant Superintendent
SC County Office of Education
Lou Tuosto, Owner
Tuosto Insurance and Financial
Dick Wood, Principal
Santa Cruz Adult Education

DIRECTOR:
Kathy Zwart
WIB Director

The Chair called the meeting to order at 3:10 pm.

Members in Attendance

Arsenault, Paul	Kennedy, Linda	Reilly, Emily
Campos, Tony	Kuhn, Laura	Sherer, Howard
Cirillo, Ceil	LaForge, Sue	Slack, Ron
Collins, John, T.	Morr, Bonnie	Sweeney, Deborah
Cuevas, Christina	Nocella, Al	Talnack, Alice
Heien, Janet	O'Brien, Karen	Wagy, William
Hill, Rich	Pfothenhauer, Rock	Wood, Dick
Johnson-Lyons, Chris		

Members Absent

Ayyad, Alia	Diltrick, Janeen	Labrie, Marvin
Bisbee, Kathy	Dlott, Jo Anne	Lambert, Julie
Blitzer, Donna	Elliot, Russ	Palacios, Carlos
Bustichi, Dene	Espinola, Cecilia	Picard, Tone'e
Carter, Greg	Harper, Bob	Tuosto, Lou

Staff in Attendance

Zwart, Kathy	Director, Workforce Investment Board
Demarest, Paul	Senior Analyst
Richards, Frank	Senior Analyst
Quail, Lisa	Administrative Support

Guests

Cirillo, John	Owner, The SPOT, Inc.
Lambert, Karen	Supervisor, EDD
Picolorich, Jan	Director, SC County HRA, CareerWorks
Powers, Mary	Assistant Principal, SC Adult School
Ryan, Charmaine	Aptos/Watsonville Adult Ed.
Taylor, Dena	Fast Track to Work, Cabrillo College

Subject: Welcome/Public Comment

Discussion: The Chair welcomed everyone to the meeting. Workforce Investment Board (WIB) Members, WIB staff and guests introduced each other to those in attendance.

John Cirillo, owner of The SPOT, Inc. addressed the WIB regarding the staggered payment policy for vendors implemented last year.

Mr. Cirillo reported that 4 Workforce Investment Act funded SPOT students were not yet employed and therefore the final 10% holdback payment had not been received for any of the four students. Mr. Cirillo asked that the policy be reviewed. The Director advised the Board that she would report back to the Board on the ITA policy. Mr. Hill suggested that contract requirements be reviewed.

Ms. LaForge announced that the Department of Labor had issued a Directive regarding protocols for serving older workers. Ms. LaForge announced that a Governor's Award recognizing Older Workers and the Employers who hire them would be issued on May 17, 2005.

The Chair announced that Member Dick Wood is retiring in June. The Chair acknowledged Mr. Wood's contributions as the Principal of the Santa Cruz Adult School and as a WIB member who was active in developing the local Career Centers. Mr. Wood introduced Mary Powers, Assistant Principal at Santa Cruz Adult Ed. who will be replacing him effective June 1, 2005.

The Chair introduced new staff member Frank Richards, Senior Analyst who to the Board. Mr. Richards will be staffing the Allied Health grant that includes funds for this position.

Subject: Committee Reports

Career Center Committee: Ms. Sweeney provided the Board with an update on Committee activities in the absence of Chair, Russ Elliott. Ms. Sweeney reported that the Committee had continued planning for the annual Labor Market Survey. Ms. Sweeney reported that the Committee had continued extensive discussion on how to develop On the Job Training (OJT) as a business and job seeker service locally. Ms. Sweeney disseminated an OJT flyer to the Board and encouraged the members to utilize the service.

Executive Committee: Mr. Wagy advised members that the Executive Committee items were presented on the Consent Agenda. He stated that various Committee Chairs and Vice-Chairs had asked for a review of parliamentary procedure that would be offered by Mr. Sherer later in the agenda. Mr. Wagy requested that members arrive at the meetings at the starting time and stay for the entire meeting.

Marketing/Public Outreach Committee: Ms. Kennedy provided an overview of the Marketing Committee activities highlighting the Awards Event this fall. Ms. Kennedy reported that the Committee worked on the Newsletter content. The Committee provided input on the Annual Report and will be looking at marketing the Labor Market Survey.

Youth Council: Ms. Cuevas reported that the Youth Council is recruiting for a Parent of an Eligible Youth. Ms. Cuevas reported that Daniel Rico a Youth Council member for three years is graduating from high school and moving on to Georgetown University in the fall with a full scholarship. The Youth Council will be recruiting for a new youth member. The Council is also looked at an Essential Employability Skills curriculum and certification process.

Subject: Approval of January 27, 2005 Meeting Minutes

Discussion: None.

Action:

- Approve January 27, 2005 Meeting Minutes

Status: Motion to Approve: Emily Reilly
Motion to Second: Linda Kennedy
Abstentions: John T. Collins, II and Christina Cuevas
Committee Action: All in favor, motion passed.

Subject: Consent Items C.1 through C. 6

- C.1 Accept and File Second Quarter Business Services Report
- C.2 Accept and File Suenos Collaborative Monitoring Reports
- C.3 Accept and File Youth Council Report
- C.4 Accept and File Second Quarter PY 2004-05 Performance and Expenditure Reports
- C.5 Accept and File WIA Budget Modification
- C.6 Accept and File WIB 2005 Business Survey Plan and Budget

Discussion: None.

Action:

- Approve Consent Items C.1-C.6

Status: Motion to Approve: Christina Cuevas
Motion Seconded: Emily Reilly
Abstentions: John T. Collins, II
Committee Action: All voted in favor, motion passed.

Subject: D.1 Review and Approve Next Steps for Bi-Annual Awards Luncheon

Discussion: Ms. Kennedy provided a detailed update on planning decisions to date including location, date, format, awards, sponsorships and nominations for Master of Ceremonies and Keynote Speaker. Ms. Kennedy gave information regarding the new partnership with the Santa Cruz Chamber of Commerce.

Action:

- Accept Committee Planning Recommendations

Status: Motion to Approve: Ceil Cirillo
Motion Seconded: John T. Collins, II

Abstentions: None
Committee Action: All voted in favor, motion passed.

Subject: D.2 Review and Approve Youth Council Recommendations for Service Contract for FY 2005-07

Discussion: The Director provided an overview of the legal responsibility for the Board to conduct a periodic competitive procurement process for youth services. Approximately 1.5 million in WIA funding for a two-year period is recommended for the County Office of Education (COE) to provide youth services. COE will act as the Lead Agency for the Contract with Community Action Board (CAB) and Your Future Is Our Business (YFIOB). The funds will serve youth in Watsonville. CareerWorks, the Career Center operator, will provide eligibility and case management services. Ms. Cirillo asked about the contact amount and the source of funding.

Action:

- Approve Youth Council Recommendations for Service Contract for FY 2005-07

Status: Motion to Approve: John T. Collins, II
Motion Seconded: Emily Reilly
Abstentions: Christina Cuevas and Alice Talnack
Committee Action: All voted in favor, motion passed.

Subject: P.1 Presentation by Ceil Cirillo on Linking Economic Development and Workforce Development: City of Santa Cruz Current Economic Conditions and Efforts

Discussion: Ceil Cirillo, Director of the Redevelopment Agency of the City of Santa Cruz provided the Board with an update on City of Santa Cruz economic development efforts. Ms. Cirillo talked about efforts to support the tourism sector, which is an economic driver in the City. The Coast Hotel project had been a central part of the strategy to support tourism. Current efforts include redeveloping the La Bahia as a hotel. Ms. Cirillo discussed the Salz Tannery Project that is a Cultural/Tourism Project. An Art and Entertainment Center is envisioned which would house arts including the Cabrillo Music Festival, Community Festival, Santa Cruz Symphony and Cultural Council. It will offer 100 Units of Low Income Housing and additional 55,000 square feet will be working/living space for artists. The newest project completed by the City of Santa is the Depot Park at the old train station.

Ms. Cirillo talked about was the relationship between the City of Santa Cruz and the University of California Santa Cruz (UCSC). Some of the businesses started by UCSC graduates include the following: Harmony Foods, Emily's Bakery and Santa Cruz Biotech which are all still in existence today.

Ms. Cirillo talked about the loss of businesses such as Wrigley's, Texas Instruments, Lipton, etc. There is a huge amount of available commercial real state as result. The City has hired Cliff Warren, retired Chief Executive Officer (CEO) of Raytek to recruit business to Santa Cruz. It has been found that some of the companies that have recently left Santa Cruz will leave a Design and Engineering function here. Some business has moved to Watsonville due to more

competitive pricing. The City is looking at developing an Incubator to support the development of small business. There is a strong opportunity for Biotech since UCSC is present in the community.

UCSC has offered several collaborative initiatives between UCSC and the City of Santa Cruz including using 20,000 square feet of the Texas Instruments (TI) building for Business Incubation. UCSC and the City of Santa Cruz have jointly applied for a \$325,000 feasibility grant to study the use of 20,000 square feet of the TI facility and develop recommendations to support business, the University and the City.

Ms. Johnson-Lyons asked if there is a drop in lease prices in the City of Santa Cruz. Ms. Cirillo told the Board that there is a lot of interest in Harvey West park by churches and other nonprofits. Mr. Wagy asked about the timeframe of the incubator project. Ms. Cirillo said that the City was talking about a 3-4 year span of time. Mr. Slack asked about transportation working in conjunction with these projects, in particular in regards to UCSC's growth. Ms. Morr commented on losing diversity of workers in the community. Ms. Morr feels that the City needs to work on getting better businesses that provide decent wages and benefits such as Health Insurance and Career Ladders.

Subject: P.2 NAWB Update and Next Steps

Discussion: Howard Sherer and Linda Kennedy reported on National Association of Workforce Boards and key points for the Santa Cruz WIB to consider. Ms. Kennedy discussed the overall theme that was helping American business regain their competitive edge in the global economy. Ms. Kennedy said the message was very strong and that many nationally known speakers including the editor of Forbes magazine had discussed the need for government, business and individuals to change to adjust to "The Cheap Revolution".

Mr. Sherer opened his presentation by stating the 5 most important things that he learned at the Conference in Washington, D.C.:

- 1) Focus on qualified candidate-lose the social welfare identity;
- 2) Work with businesses to develop employment opportunities;
- 3) Need to move at the speed of business;
- 4) Lobby with Local Elected Officials for funding; and
- 5) Change American Schools-Focus more on math and science in the high schools.

The Director stated that Boards had been challenged to work with the workforce development system including the K-12 systems to respond to this challenge. Mr. Pfothenauer stated that he thought the Santa Cruz Board was innovative and currently undertaking projects that reflected these challenges. He suggested that Santa Cruz WIB present at the next conference. The Director agreed to submit a bid to present at the NAWB Forum.

Subject: I.1 Legislative Information

Discussion: The Director provided members with an update on WIA reauthorization.

Subject: I.2 Labor Market Information

Discussion: The Director reported that unemployment is going down in Santa Cruz County which reflects the trend in the state as well as the seasonality of our economy.

Subject: I.3 Membership Update

Discussion: The Director reported that Ms. Carson formerly of Watsonville Community Hospital had resigned to take a job in Southern California.

Subject: I.4 Building Workforce Partnerships

Discussion: The Director advised the Board that Bonnie Morr, one of two Union Representatives on the Board will be attending the AFL-CIO Conference in Monterey this year. Ms. Morr will be giving a presentation at a later meeting regarding the conference.

Subject: I.5 Local Workforce Investment Area Performance Goals and Outcomes

Discussion: The Director reported on the achievement of the overall performance goals of the area for PY 2003-04 as measured by the state.

Meeting adjourned at 4: 56 pm.

**Next Meeting: Thursday, June 9, 2005
3:00 pm-5:00 pm
Simpkins Swim Center
979 17th Avenue
Santa Cruz, CA**