



GOVERNOR'S WORKFORCE DEVELOPMENT BOARD
500 E. Third Street, Room 200
Carson City, Nevada 89713
Telephone (775) 684-3911 * Fax (775) 684-3908

MEETING MINUTES
Governor's Workforce Development Board (GWDB)
Manufacturing and Logistics Sector Council
Monday, January 25, 2016
2:00 p.m.

Place of Meeting: **Department of Employment, Training & Rehabilitation**
SAO Auditorium
500 E. Third Street
Carson City, NV

Some members of the Council may be attending the meeting in person or through a simultaneous videoconference and teleconference conducted at the following locations:

Nevada Job Connect
Reno Town Mall
4001 South Virginia Street
Reno, NV

Department of Employment, Training & Rehabilitation
2800 East St. Louis Avenue, Conference Rooms A-C
Las Vegas, NV

Council Members Present: Ryan Costella, Ray Bacon, Mike Skaggs, Councilwoman Gerri Schroder, David McElwain, Terry Culp, Jim New, Gary Blosl, Commissioner Vida Keller, Denise Castle, Dr. Alan Schlottmann, Nancy McCormick

Council Members Absent: Frederick Stater, Leo Gobbo, George Gussak, Dana Ryan, Dr. Michael Spangler, David Steiger, Craig Laub, Dr. Haris Doumanidis, Rich Reininger (excused), Gina O'Connell (excused), Johnnie Stoker (excused), Travis Brady, Brad Mamer, Dr. Marcus Johnson, Perry Ursem, Cathy Paschane, Rob Tidwell, Raquel Krol, Greg Carroll (excused), Michael T. Martin (excused)

Ex-officio Members Present: Dionny McDonnell, Beth Wicks, Mark Henderson, Kirstie Ruvalcaba

Ex-officio Members Absent: Kenadie Cobbin Richardson, Patricia Baker, Marilou Parayno, Steve Settembre

DETR Staff Present: De Salazar, Coralie Peterson

Others Present: None noted.

**Please note that all attendees may not be listed above.*

I. Call to Order.....Ryan Costella, Chair, GWDB Manufacturing and Logistics Sector Council

The meeting was called to order at 2:04 p.m.

II. Roll call and Establishment of a QuorumCoralie Peterson, Administrative Assistant II
Workforce Intelligence Unit, Research & Analysis Bureau,
Department of Employment, Training and Rehabilitation (DETR)

Ms. Peterson called roll and informed the Chair that a quorum was not present. The Chair mentioned that two members may no longer be serving in their same capacities, George Gussak and David Steiger, and that Mr. Haris Doumanidis had not attended several meetings. Ms. Peterson noted that membership would be reviewed. Mr. Costella stressed the importance of meeting attendance with respect to having a quorum for taking any action.

III. Verification of Posting.....Coralie Peterson

Ms. Peterson affirmed the notice and agenda for today’s January 25, 2016 was posted pursuant to Nevada’s Open Meeting Law in accordance with NRS 241.020.

IV. **First Public Comment Session**Ryan Costella
Members of the public will be invited to speak before; however, no action may be taken on a matter during public comment until the matter itself has been included on an agenda as an item for possible action. Public comment may be limited to three minutes per person at the discretion of the chairperson.

The Chair announced the First Public Comment Session and invited members of the public to speak. No comments were made. Hearing none, the Chair closed this item and noted that as a quorum was not present, the next two items would be tabled and he would proceed to Item VII.

V. **Discussion/ Possible Action** – Approval of the October 5, 2015 GWDB Manufacturing Sector Council Meeting Minutes.....Ryan Costella

VI. **Discussion/Possible Action** – Approval of the July 30, 2015 GWDB Logistics & Operations Sector Council Meeting Minutes.....Ryan Costella

VII. **Discussion** – Overview of the Consolidation of the Manufacturing and Logistics Sector Councils
.....Ryan Costella

Bill Anderson, Chief Economist and Sector Council Administrator
Research and Analysis Bureau/DETR

De Salazar, commented that Mr. Bill Anderson was unable to attend today’s meeting.

To provide a context for Mr. Potts discussion, Mr. Costella explained that the Governor’s Workforce Development Board chose to merge the efforts of the GWDB Logistics and Operations Sector Council with the GWDB Manufacturing Sector Council, which was a logical decision as they have a similar ‘ecosystem.’

He mentioned his interest in understanding, from a needs perspective, what the specific skill sets are for logistics, those which are common to the manufacturing sector, as well as those skills that are unique. He

also stated he would like to have information on how to provide better training programs in to order to help scale economic development appropriately.

He went on to mention that their **first** year, the GWDB Manufacturing Sector studied the data to see where they would see the most growth in jobs and skills needs. The bulk of their **second** year was spent in reviewing the different credentialing, academic, technical and vocational programs across the spectrum of higher education and workforce development, and in their **third** year they endorsed certain programs/pathways that they felt represented the ‘gold standard’ for their industry and worked to support those partners in standing up programs that can scale to meet the sector’s workforce demand.

Mr. Costella suggested that they take a similar approach and asked: 1) What are the projections for jobs in the logistics sector, and 2) What are the credentialing bodies that exist and what programs have proven to be effective and 3.) What are the needs of the program partners (in order to scale the programs to meet these needs). He concluded his comments by stating that if they do their work well, more funds will be channeled to the right programs, and the right people will get the right jobs, which will help the state become more successful.

De Salazar commented that members will need to reapply to the new GWDB Manufacturing and Logistics Sector Council. Mr. Costella asked if this was for all members and Ms. Salazar confirmed this information.

After being asked and answered questions from sector council members, Mr. Costella moved to the next agenda item.

VIII. **Discussion/Possible Action** – Demand Occupational Data for Manufacturing and Logistics
.....Bob Potts, Research Director
Nevada Governor’s Office of Economic Development (GOED)

Mr. Costella welcomed Bob Potts to provide demand occupational data for the manufacturing and logistics sectors.

Mr. Potts stated that their whole focus is to develop the state’s economy specifically by using diversification strategies, which is the purpose behind the industry-based sectors. These councils specifically talk about the workforce. Economic development looks at the companies we work with and what workforce resources they need, as well as making it easier for new companies to move into the state.

He has been working with higher education with high-in demand occupations.

He gave an overview of the Manufacturing and Logistics industries, which included highlights such as:

- Manufacturing and Logistics sectors includes 471 detailed industries – roughly 117,000 jobs – paying an average \$66,924 annual salary
- Priorities list for employers – number #1 availability of qualified workforce
- Over half of manufacturing and logistics share the same top 10 jobs (laborers/freight movers, truck driver, sales representatives)
- Education required - few require bachelor degrees; mostly entry-level/on-the-job training per the Bureau of Labor Statistics reporting

Discussion ensued amongst sector council members about the education/credential requirements for the sector based on the Bureau of Labor Statistics data.

- Staffing demand priorities/projections *to be nationally competitive in 10 years* – machinists (manufacturing); technical product sales representatives (logistics); team assemblers (general information)

Bob Potts thanked them for their comments, as he stated they are tasked to review the data he is presenting, in order to confirm its accuracy. Mr. Costella thanked him for his comprehensive presentation.

The Chair went on to mention that he would like to map the credentials that they have endorsed through the Manufacturing Sector Council, who have a presence in the community college programs, along with credentials that have proved successful in logistics, in relation to Mr. Potts analysis. He explained that this should allow them the best opportunity to scale programs to meet workforce demands.

Ray Bacon cited the example of the machinists program at Truckee Meadows Community College (TMCC), and asked Jim New to give information on their current capacity. **Jim New** stated that in a good year (having additional grant funding) they may have had 75 graduates and in a typical year (with traditional funding) they would expect to see approximately 35 graduates. Mr. Bacon estimated that Western Nevada College could add probably 30, leaving them very short of needed workforce demand.

Mr. New commented further that TMCC could increase their number of graduates with open entry modelling as they have done with their production technician program (maintenance workers), by breaking away from their traditional enrollment model, being careful to evaluate for quality.

Another issue Mr. New mentioned was the need to create a workforce pipeline. He noted that as the economy rebounded, their enrollment has dropped (potential students finding other employment being the reason). He briefly explained ongoing efforts to get funding for summing training programs through the state which may increase their capacity by 33%.

Nancy McCormick mentioned one of the concerns that had been noted by the Logistics Sector Council was the visibility of jobs in the logistics sector, and that having a better understanding of manufacturing and logistics should encourage increase school enrollment. She also mentioned that they are working with Dana Ryan on an industry tour for middle school counselors to both a manufacturing facility and distribution facility to give counselors a better idea of the types of jobs that exist.

Mr. Potts added a concluding comment on the difference between projections and priorities. He stated that if economic development is guided by projections, there is no guarantee of a job at the back end; however, if they don't take this step, there may be no companies here, indicating an element of risk, but this risk is diminished if they know what is coming down the pipeline.

Mr. Costella talked about the benefits of the technician positions they are encouraging, mentioning that the technician skills that are gained are both transferable and portable, which reduces the risk Mr. Potts mentioned. Mr. Bacon asked Nancy McCormick and Dr. Alan Schlotman to explain the efforts of the Logistics Sector Council. Ms. McCormick and Dr. Schlotman both described limited involvement and lack of enthusiasm, focusing largely on the CDL certification.

Discussion ensued amongst council members about educational programs for manufacturing and logistics. In the interest of time, Ryan Costella closed this agenda item.

IX. **Discussion/Possible Action** – Understanding the Workforce Credentials of the Logistics and Operations Sector.....Ryan Smith, Business Division Manager
GOED

Ryan Smith greeted the sector council members and provided his work background, explaining that he spent six years working with J.V. Hunt Transportation and Logistics, and this experience should help him to shed more light on the landscape of the logistics industry.

By way of a PowerPoint presentation, Mr. Smith provided information on the workforce credentials required for the logistics and operations sector. He first commended the Logistics Sector Council for their efforts in their pilot program in CDL (Commercial Driver Licensing) cited its high demand.

Some of the qualifications and certifications highlighted in his presentation included:

- Qualifications for **truck drivers** – endorsements for doubles/triples, tanker, and hazardous materials recommended
- Truck driver certifications – flatbed/manual pallet jack/safety (ongoing training in and out of classroom)
- Qualifications for **managers/supervisors** – *one* of the following is needed: bachelor’s degree; E4 or higher (US military); 3 years prior management experience

Discussion ensued amongst sector council members about transitioning military into positions available in the logistics sector.

Skills/knowledge for managers/supervisors – customer focus/problem solving/conflict management/communication/reverse logistics

- Qualifications for **maintenance technicians**** – diesel tractor mechanic (Department of Transportation certification – Federal Highway Administration) **high demand area – supply is lower than demand.
- Qualifications for **warehouse operations** – bachelor’s degree (logistics/supply chain/business administration); proven experience in warehouse management; leadership skills/best practices

Mr. Smith went on to describe that logistics/transportation has many facets and trends in the United States such as the current truck driver shortage, and currently there has been increased amount of competition in the brokerage side of the business. He explained that company may have obtained freight but may not have company drivers, so they will instead broker or contract this freight to a pool of drivers. This business has increased as it only needs connections/computer/operating system/assets to move the freight. He concluded his comments by stressing that transferability of skills is essential to the logistics sector for use in these different settings.

Ryan Costella thanked Mr. Smith for his presentation and then briefly explained one of the methodologies employed in the Manufacturing Sector Council to validate a beneficial skill set/certification is that it be ***nationally portable***, recognized from state to state, and this would be true of some of the certifications that Mr. Smith mentioned, such as the Department of Transportation certification through the Federal Highway Administration, 2) the certification that is effective is ***driven by longitudinal data***, if a person passes the certification assessment, they actually have the needed skills and 3) the information in the assessing body is ***validated by a third party***.

The Chair went on to state that he would like to create time to discuss what are the credentialing bodies in the United States (or internationally) that are relevant in operations and logistics (if at all), and if not what are the most reputable programs, such as the University of Arkansas program mentioned briefly by Mr. Smith.

He would like to create time in the agendas to talk about the jobs available, what are the needed competencies and how they being measured, as well as determining where programs can be put in place high quality programs to produce.

- Suggested programs mentioned by council members included: Dale Rogers (Rutgers), Apex, The Council of Supply Chain Professionals, Warehouse Education Research Council (WERC)
- Jim New suggested a presentation on the new Bachelor of Applied Science Degree being offered at TMCC – Logistics Operations Management (this fall)
- Ray Bacon mentioned the University of Reno Logistics Program

Mr. Costella asked that the council members think about this topic for a future agenda item. Hearing no further comments, the Chair moved to the next agenda item.

X. **Discussion/Possible Action** – Review of Sector Council Bylaws.....Ryan Costella

De Salazar stated that she, Bill Anderson and Christopher Robison are still working on the bylaws, which can be discussed in a future meeting.

XI. **New Business and Future Agenda Items**.....Ryan Costella

- Silver State Solutions Sector Report /Administrator Update – Bill Anderson
- Review Manufacturing and Logistics data (programs/credentials) – Ryan Costella
- Discussion of enrollment rates in current manufacturing programs – TMCC and WNC

XII. Next meeting was scheduled for Monday, February 22, 2016 at 10:00 a.m.....Ryan Costella

Mr. Costella mentioned to meet more frequently to begin, such as at the end of February and March and would like to focus on adding members who represent businesses that are hiring. He also asked members return their applications to De Salazar and Coralie Peterson as appropriate.

XIII. **Second Public Comment Session**.....Ryan Costella
Members of the public may now comment on any matter or topic, which is relevant to or within the authority or jurisdiction of the Board. You may comment now even if you commented earlier; however, please do not simply repeat the same comment you previously made. Please clearly state and spell your name. Each comment may be limited to three (3) minutes.

The Chair announced the Second Public Comment Session and invited members of the public to speak. **Ray Bacon** stated that although credentialing was in place, it is not being publicized effectively as yet. He stressed that qualified workforce are needed by employers.

Ryan Costella mentioned one case where a program was presently publically if students could take three of four classes of classwork (on a certification that the Council has endorsed), they would be prepared to take a job, but actually the coursework prepares them only to sit for the examination. He went on to comment that maximizing completion rates are very important as this helps schools protect their limited funding, and not using effective screening tools does the schools a disservice.

Jim New stated that there is still push back on where the State has prioritized where the State is going, and they need to be able to show demand and show certification to prove skill set in order to have an interview, and also the training institutions need to advise the Sector Council what they are doing to meet those demands numbers.

Terry Culp agreed that getting higher education involved has always been a challenge and he has had this discussion with Dr. Mike Spangler asking him to ‘show him the demand’ to justify putting curriculum/programs into place.

David McElwain stated that their accountability is based on completers which they need in writing grants and their dilemma is that they are asking for public dollars for jobs that may or may not be available, and valid data is needed. He stated that having a specific list of companies who desire to participate and hire graduates would be very helpful to provide clear direction and produce results in general terms.

XIV. Adjournment.....Ryan Costella

The Chair adjourned the meeting at 3:30 p.m.

Agenda items may be taken out of order, combined for consideration by the public body, and/or pulled or removed from the agenda at any time. The Chair may continue this meeting from day-to-day. Pursuant to NRS 241.020, no action may be taken upon a matter raised during a period devoted to comments by the general public until the matter itself has been specifically included on an agenda as an item upon which action may be taken.

GOVERNOR’S WORKFORCE DEVELOPMENT BOARD
MANUFACTURING AND LOGISTICS SECTOR COUNCIL

Ryan Costella, Ray Bacon, Fredrick Stater, Leo Gobbo, Denise Castle, Mike Skaggs,
Councilwoman Gerri Schroder, David McElwain, Terry Culp, George Gussak, Dana Ryan, Jim New, Gary Blosl,
Dr. Michael Spangler, David Steiger, Craig Laub, Commissioner Vida Keller, Rich Reininger, Matt Versluis, Gina
O’Connell, Johnnie Stoker, Michael Martin, Nancy McCormick

Travis Brady, Dr. Alan Schlottmann, Bramby Tollen, Brad Mamer,
Dr. Marcus Johnson, Nancy McCormick, Perry Ursem, Cathy Paschane, Rob Tidwell, Raquel Krol, Greg Carroll

Notice: *Persons with disabilities who require special accommodations or assistance at the meeting should notify Coralie Peterson, DETR, Workforce Solutions Unit, between the hours of 8:00 a.m. through 5:00 p.m., in writing at 2800 E. St. Louis., Las Vegas, Nevada 89104; or call (702) 486-0523; or fax (702) 486-6426 on or before the close of business Friday, January 22, 2016.*

Notice of this meeting was posted at the following locations on or before 9:00 a.m. on the third working day before the meeting: DETR, 2800 E. St. Louis, Las Vegas, NV; DETR, 500 East Third St., Carson City, NV; DETR, 1325 Corporate Blvd., Reno NV; NEVADA JOBCONNECT, 3405 S. Maryland Parkway, Las Vegas, NV; NEVADA JOBCONNECT, 4500 E. Sunset Road, Henderson, NV; NEVADA JOBCONNECT, 2827 N. Las Vegas Blvd., North Las Vegas, NV; NEVADA JOBCONNECT, 1929 N. Carson St., Carson City, NV; NEVADA JOBCONNECT, 172 Sixth St., Elko, NV; NEVADA JOBCONNECT, 480 Campton St., Ely, NV; NEVADA JOBCONNECT, 121 Industrial Way, Fallon, NV; NEVADA JOBCONNECT, 475 W. Haskell, #1, Winnemucca, NV; NEVADA JOBCONNECT, 4001 S. Virginia St., Suite G, Reno, NV; NEVADA JOBCONNECT, 2281 Pyramid Way, Sparks, NV; GRANT SAWYER OFFICE BUILDING, 555 E. Washington Ave., Las Vegas, NV; LEGISLATIVE BUILDING, 401 S. Carson St., Carson City, NV; NEVADAWORKS 6490 S. McCarran Blvd., Building A, Unit 1., Reno, NV; WORKFORCE CONNECTIONS, 6330 W. Charleston Blvd., Las Vegas, NV. This agenda was also posted on DETR’s Web site at www.nvdetr.org. In addition, the agenda was mailed or e-mailed to groups and individuals as requested.