

### Business and Industry Committee

### November 3, 2010

###### SUMMARY MINUTES

The meeting was called to order at 3:30 p.m.

ROLL CALL: PRESENT - Fely Guzman, Sam Norman, Joe Olivares, Alice Saviez and Lydia Zabrycki

ABSENT - Robert Alcazar, John Ballinger and Frank Gornick

AGENDA CHANGES: None

ABSTENTIONS: None

STAFF/CHAIR REPORT: Chair Alice Saviez acknowledged that Fresno Regional Workforce Investment Board (FRWIB) Director Steve Geil was at the meeting and stated that he has decided to become a member of the Business and Industry (B&I) Committee.

Three (3) other FRWIB Directors attended the B&I meeting: Brian Angus, Richard Keyes and Jose Plascencia. These Directors are in the process of deciding on which FRWIB committee they would like to serve.

PUBLIC COMMENTS: None

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| Item | Description/Action Taken |
| 1. | | **August 4, 2010, Business and Industry Committee Meeting Minutes** |
|  | | **OLIVARES/NORMAN – APPROVED THE MINUTES OF THE AUGUST 4, 2010, BUSINESS AND INDUSTRY COMMITTEE MEETING. (UNANIMOUS)** |
| 2. | | Items Referred by Other Committees |
|  | | At its October 28, 2010, meeting, the FRWIB Adult Council referred two (2) items to the Business and Industry Committee (B&I).  The first item was the Community Based Job Training (CBJT) Grant item. Pam Lassetter, Assistant Director, FRWIB, stated that the State Center Community College District, with West Hills Community College District, Kings County Job Training Office, Madera County Workforce Investment Board (WIB) and the FRWIB, applied for a national community based training grant and was fortunate to receive $3 million. Funds from the CBJT will be used to provide training in health care careers, with $600,000 having been set aside for the purpose of providing client supportive services.  The second item referred was the Licensed Vocation Nurse (LVN) and Registered Nurse (RN) Over-Income Participants item. Ms. Lassetter stated that the FRWIB will exercise the waiver to serve the over-income LVN and RN participants. |
| 3. | | Vice Chair Selection |
|  | | Chair Alice Saviez stated that FRWIB Director and B&I member, Lydia Zabrycki, has volunteered to serve as Vice Chair of the B&I Committee. Ms. Lassetter thanked Director Zabrycki for her willingness to serve in this capacity. |
| 4. | | Business Cost Assistance – Blue Sky Resources |
|  | | Ms. Lassetter introduced Jim Dritsas, Chief Executive Officer of Blue Sky Resources (BSR). In February 2010, the FRWIB awarded $100,000 of American Recovery and Reinvestment Act funds to BSR to assist 30 companies in reducing the cost of doing business and proposing cost savings measures to help them avoid layoffs. Mr. Dritsas provided a presentation to the B&I on the progress of the project to date.  Mr. Dritsas stated that out of the 630 firms contacted, 26 companies have signed on to participate in the program and that these companies are from a variety of industries. He stated that while providing outreach to these companies, they have found that businesses are more concerned about how to grow revenues than how to reduce costs and that access to capital is a difficulty facing businesses. He indicated that it has been difficult to encourage businesses to invest in green initiatives, explaining that companies want to see a return on their investment in two (2) to three (3) years, rather than the projected ten (10) year horizon.  Mr. Dritsas indicated that most of the companies have let their marketing basics slip, such as not refreshing their website to make sure it reflects what the company is doing at that time, not “shopping” for their property and liability insurance often enough, not staying updated on personal property taxes, keeping old missing property on the books, and fearing that they will anger their customers by collecting from them.  Mr. Dritsas stated that BSR estimates the potential cost savings and revenue improvements at $3.5 million over a 36 month period, and that 32.5 jobs potentially will have been saved or created if the businesses are able to implement these recommendations. The estimated cost associated with these improvements is $1.62 million.  Ms. Lassetter stated that BSR’s contract with the FRWIB will run through December 31, 2010, however, Mr. Dritsas said that his company will provide follow up and will track the progress of the participating companies for a month after the end of the contract. Mr. Dritsas will come back at a future B&I meeting to provide the final report.  ZABRYCKI/NORMAN - ACCEPTED THE BLUE SKY RESOURCES STATUS REPORT. (UNANIMOUS) |
| 5. | | 2010 Employer Survey Report |
|  | | Ms. Lassetter distributed a copy of The 2010 Fresno County Employment Study to the B&I members and reviewed the highlights of the report. She stated that on this report, ten (10) sectors were targeted: Healthcare, Manufacturing, Logistics, Automotive, Agri-Business, Renewable Energy, Trades, Professional/Technical, Stimulus, and Information Technology. Ms. Lassetter noted that there is a lack of confidence with employers, overall. Some of the obstacles that were identified that businesses face are market conditions, regulatory constraints, the cost of doing business in California, and access to capital. She stated that this report shows a loss of the mid-level professional jobs, but more entry level, low-wage jobs or highly specialized jobs and trades. Ms. Lassetter indicated that National Establishment Time Series data accessed indicate 682 businesses are no longer in business since 2007, which translates into net loss of approximately 11,000 jobs. Ms. Lassetter noted that there is some optimism in what is reflected in the report with some projected growth in the trades, renewable energy, the green industry, and infrastructure.  Ms. Lassetter stated that the FRWIB, through the B&I, will begin to facilitate discussions with businesses, business support agencies, and government officials for the purpose of working to remove some of the obstacles Fresno County businesses face, and that the FRWIB will continue to promote high-growth, high-wage occupations by making sure there is enough certified training available in the growth areas.  Chair Saviez complimented FRWIB staff on the time and effort put into the Employment Study and stated it is a beautiful piece of work.  **OLIVARES/ZABRYCKI - ACCEPTED THE 2010 EMPLOYER SURVEY REPORT. (UNANIMOUS)** |
| 6. | | Blue Technology Business Survey |
|  | | Ms. Lassetter stated that in January 2010, the Central Valley Business Incubator (CVBI), in partnership with the Fresno State International Center for Water Technology (ICWT), was awarded the contract to offer specific business related services to support and expand the water technology industry (Blue Technology) and that at the August 4, 2010, meeting, the B&I accepted the CVBI’s strategies and goals of the Blue Technology plan.  In October, a letter and survey were mailed to the Water Cluster members in Fresno County, requesting that they identify barriers and possible solutions to the specific issues that hinder their ability to grow their businesses. Ms. Lassetter stated that the answers to the surveys will be compiled and will be used to facilitate a discussion and action plan at the December Water Cluster meeting, with the hope that this will help with industry growth.  **OLIVARES/GUZMAN - ACCEPTED THE BLUE TECHNOLOGY BUSINESS SURVEY. (UNANIMOUS)** |
| 7. | | Regional Industry Clusters of Opportunity Grant |
|  | | Ms. Lassetter reminded the B&I that the Central California Workforce Collaborative, a collaborative made up of fourteen (14) WIBs in the San Joaquin Valley, applied for and was awarded one (1) of ten (10) Regional Industry Clusters of Opportunity (RICO) grants awarded throughout the state in the amount of $200,000. The purpose of the grant is to identify areas of economic and workforce development needs in the health care industry. FRWIB staff is managing the project for the collaborative and the Hospital Council of Northern and Central California (Hospital Council) is providing the program management support.  To date, there have been two (2) leadership meetings for the grant; one (1) in the north valley and one (1) in the south valley, in which county hospitals, rural clinics, long-term care facilities, WIBs, public/private education, and Economic Development Corporations across the fourteen (14) counties participated. These entities provided their input on issues that the valley’s health care providers are facing. Ms. Lassetter stated that the same issues were raised at both meetings: Regulatory issues in California, the costs associated with doing business, the uncertainties with the new national health care reform, the shortage of physicians, and the role of information technology in health care with the electronic medical records.  Ms. Lassetter and Lynne Ashbeck of the Hospital Council, provided the California State WIB the information gathered at the leadership meetings at a recent RICO meeting in Sacramento. Another set of leadership meetings will be held to help prioritize the top issues and identify which issues the industry wants addressed first.  This was an information item. |
| 8. | | Rapid Response – Worker Adjustment and Retraining Notification Act Notice |
|  | | Tamico Thomas, Senior Outplacement/Vendor Contract Specialist, FRWIB, reported that during the First Quarter, the Rapid Response team met with five (5) employers and provided information to 1,392 dislocated workers. Ms. Thomas noted that she has not seen a  decline in the layoffs and that she has actually begun to see some of the same employers continue to downsize.  This was an information item. |
| 9. | | **First Quarter Customer Satisfaction Report for Program Year 2009-2010** |
|  | | Steve DeWitt, Head of Quality and Contracting Unit, FRWIB, presented the First Quarter Customer Satisfaction Report for the B&I’s acceptance. Referring to the report, Mr. DeWitt noted that the job seeker satisfaction level has remained at 100% and that employer satisfaction was at 91.3%. Director Sam Norman asked what factors are weighed as part of the employers’ satisfaction. Ms. Lassetter stated that employers are only asked one (1) question: “Did the client meet your needs?”. She pointed out that even one (1) “fair” response will noticeably lower the employer satisfaction level.    **OLIVARES/GUZMAN – RECOMMEND THAT THE FRWIB ACCEPT THE FIRST QUARTER CUSTOMER SATISFACTION REPORT FOR PROGRAM YEAR 2010-2011. (UNANIMOUS)** |
| 10. | | **Referral of Agenda Items to Other Committees** |
|  | | None. |
| 11. | | **February 2, 2011, Agenda Items** |
|  | | Blake Konczal, Executive Director, FRWIB, stated that with the new Governor of California coming into office, he would like to have an item for discussion regarding the San Joaquin Valley Partnership.  Chair Saviez stated that the B&I strategic planning session will be scheduled for some time in January or February 2011. |
| 12. | | **Meeting Feedback** |
|  | | None. |

The meeting was adjourned at 4:48 p.m.