



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: A 12-161, **Version:** 1

- a. Authorize the Acting Economic Development Director, on behalf of the County of Monterey, to accept \$999,847 from the State of California Employment Development Department for 25 Percent Governor's Additional Assistance Dislocated Worker funding for Manufacturing and Banking displaced workers;
- b. Authorize the Acting Economic Development Director to make modifications to and sign contracts, amendments and other related documents for these grant funds;
- c. Authorize the Acting Economic Development Director to execute Amendment No. 1 to the Professional Services Agreement (PSA), dated July 26, 2012, with Shoreline Workforce Development Services in the amount of \$359,993 for the period of August 1, 2012 to June 30, 2013;
- d. Authorize the Acting Economic Development Director to execute an Agreement, with the Office of Employment Training in the amount of \$514,019 for the period of August 1, 2012 to June 30, 2013;

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Authorize the Acting Economic Development Director, on behalf of the County of Monterey, to accept \$999,847 from the State of California Employment Development Department for 25 Percent Governor's Additional Assistance Dislocated Worker funding for Manufacturing and Banking displaced workers;
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SUMMARY:

Monterey County WIB applied for and received 25 Percent Governor's Additional Assistance Dislocated Worker funding from the State of California Employment Development Department to expand re-employment services and training to serve up to 185 individuals due to an increase of displaced workers seeking services from the Monterey County One-Stop delivery system. The increased customer flow is driven by multiple layoffs, primarily from Capital One and Chiquita Fresh Express. Capital One is closing their entire office, an anticipated layoff of 869 workers and Chiquita Fresh Express is moving their headquarters to North Carolina and laying off up to 100 employees. Without additional assistance, there would be an inability to serve the dislocated workers anticipated to be seeking services throughout the term of this application.

DISCUSSION:

In recent months, major Monterey County employers have announced significant dislocations of workers that have or will occur in the upcoming months. The specific companies impacted by layoffs include Capital One with 869 workers and Chiquita Fresh Express with up to 100 workers.

Based on preliminary data obtained by Monterey County's Rapid Response team from the affected employers, it is anticipated that 300 of these affected workers will visit the One-Stop system with 185 enrolled to receive

advanced levels of staff intensive and direct job placement services to help them re-enter the labor force. It is also expected that as many as 80 dislocated workers will require classroom training or on-the-job training services. Should this level of need exist, the employment and retraining needs of our community will far surpass existing resources to serve participants who face barriers to employment, therefore, additional assistance in the amount of \$999,847 was requested [from the State (of CA) Employment Development Department, 25 Percent Governor's Additional Assistance Dislocated Worker grant] and received to support the retraining and job placement of these workers. Monterey County will emphasize classroom training and on-the-job training, including supportive services and intensive/career counseling services to participants served with this funding.

WIA regulations require that 25% of monies go towards individual training; almost 45% of the additional assistance requested funds will be used for direct participant costs dedicated to individual training accounts and on-the-job training placements. Office for Employment Training (OET) will receive the majority of the monies to enroll 105 eligible participants in core and intensive workforce training services, while 45 will be placed into an OJT or an ITA. Shoreline Workforce Development Services (Shoreline) will receive monies to enroll 80 eligible participants in to core and intensive workforce training services, of which 35 will be placed into an OJT or an ITA. The goal of this project is to get affected dislocated workers into appropriate training that will allow them to gain sustainable employment, inhibiting them from utilizing Unemployment Insurance and/or other government subsidies

Specific grant outcomes are highlighted in Exhibit A-Scope of Work (OET) and Exhibit A-1- Scope of Work (Shoreline). The overall performance goals are that 118/185 (63.4%) individuals served by both OET and Shoreline enter employment, 94 (80%) of the 118 retain employment and the average 6-month earnings rate, post program, be \$12,500.

The State (CA) Employment Development Department (EDD) recommended that the existing (WIA Adult) Agreement between the County and Shoreline be amended to include the additional deliverables, outcomes and funding. A separate Agreement, also recommended by EDD, was drafted between the WIB and OET to provide transparency and clarity of expected project outcomes and deliverables.

The Economic Development Department - Monterey County WIB is the oversight and evaluation project manager of the grant, therefore; \$125,835 has been allocated to the WIB for fiscal and program administration, oversight and monitoring of the project. Monterey County WIB will be overseeing implementation of the grant and working with the One-Stop Career Center in partnership OET and Shoreline to develop on-the-job training (OJT) opportunities and individual training accounts as well as perform outreach, career path assessments, case management, counseling, and placement services to participants. If the WIB terminates either the Agreement with OET or the Amendment with Shoreline for good cause, WIB may proceed to direct available funding to another provider, subject to review and approval by the Monterey County Board of Supervisors.

OTHER AGENCY INVOLVEMENT:

The WIB's Executive Committee supports the recommended action; County Counsel have reviewed and approved the Amendment, Agreement and all Exhibits; the Economic Development Department has reviewed and approved this project; DSES and Shoreline have reviewed and approved the fiscal and program provisions; the Auditor and Controllers office has reviewed and approved the fiscal provisions of the project. The project has also been discussed with Capital One and Chiquita Fresh Express.

FINANCING:

This report has no impact on the general fund. The 25 Percent Governor's Additional Assistance Dislocated Worker funds

were budgeted in the FY 2012-13 Modified Adopted Budget. In-kind contributions being leveraged to provide outreach, assessment, case management, and placement services in collaboration with WIB partners will come from local Workforce Investment Act (WIA) funds. Fiscal follow-up to the project budgets, including OET's, Shoreline's and the WIB's, will be conducted on a quarterly basis, and shared with the budget committee, to ensure positive performance outcomes.

Prepared by:

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Interim Assistant Director of Employment
& Economic Development

Approved by:

Gene Rogers, Ext. 5383
Interim Assistant CAO/Acting Economic
Development/WIB Director

Attachments: Agreement between WIB and OET;
Exhibits A, B, C, D, E, F, G, H, I, and J;
Amendment No. 1 to PSA with Shoreline; and
Exhibits A-1, B-1, and C-1.