REQUEST FOR COUNCIL ACTION

CITY COUNCIL MEETING DATE:

JULY 2, 2019

TITLE:

AUTHORIZE THE SUBSEQUENT LOCAL AREA DESIGNATION AND RECERTIFY LOCAL WORKFORCE DEVELOPMENT BOARD UNDER THE WORKFORCE INNOVATION AND OPPORTUNITY ACT FOR TWO YEAR PERIOD - JULY 2019 TO JUNE 2021 {STRATEGIC PLAN NO. 2, 4}

CITY MANAGER

RECOMMENDED ACTION

Authorize the Mayor and City Clerk to sign the application for Subsequent Local Area Designation and Local Board Recertification for a two-year period from July 1, 2019 to June 30, 2021.

WORKFORCE DEVELOPMENT BOARD ACTION

At its regular meeting on May 16, 2019, by a vote of 13:0 (Alegre, Baetz, Korthuis, Smith absent), the Workforce Development Board approved the recommended action.

DISCUSSION

The California Employment Development Department (EDD), released Directive WSD 18-14 outlining procedures regarding subsequent designation of Local Workforce Development Areas (Local Areas) and recertification of Local Workforce Development Board's under the Workforce Innovation and Opportunity Act (WIOA).

WIOA Section 106 required Local Areas to apply for initial designation and the Governor to approve requests for Local Areas that had performed successfully and had sustained fiscal integrity. After the period that a Local Area was initially designated, WIOA Section 106 calls for a subsequent designation process and requires the Governor to approve a request for any subsequent designation from a Local Area, if the area performed successfully, sustained fiscal integrity, and engaged in the regional planning process as described in Section 106 (c)(1).

WIOA Section 107 provides criteria for the recertification of Local Boards. Specifically, it requires the Governor to certify one Local Board for each Local Area in the state once every two years. It
Designation And Recertification Of Local WDB Under WIOA
For a Two-Year Period
July 2, 2019
Page 2

states that, in order to be recertified, the Local Board must have met WIOA membership requirements, met or exceeded performance accountability measures, and achieved sustained fiscal integrity.

The City received initial designation as a Local Area and certification of its Workforce Development Board by the California Workforce Development Board (State Board) in July 2016. Since then, the City and its Workforce Development Board has fulfilled these requirements and are eligible to submit an application for Subsequent Local Area Designation and Local Board Recertification (Exhibit 1) under WIOA.

Acting under the authority of the Governor, the process for subsequent designation and recertification of Local Boards under WIOA is overseen by the State Board and will be effective from July 1, 2019, through June 30, 2021 ensuring the continuation of WIOA funding and services to Santa Ana residents and businesses.

STRATEGIC PLAN ALIGNMENT

Approval of this item supports the City’s effort to meet Goal #2 - Youth, Education, Recreation, Objective #4 (Partner with groups and organization to promote education, senior services, job training and development for all Santa Ana residents).

FISCAL IMPACT

There is no fiscal impact associated with this action.

_________________________
Steven A. Mendoza
Executive Director
Community Development Agency

Exhibit: 1. Application for Subsequent Local Area Designation and Local Board Recertification for Program Year 2019-21
Existing Local Area

Application for Subsequent Local Area Designation and Local Board Recertification Program Year 2019-21

Local Workforce Development Area

SANTA ANA
Existing Local Area Application for Subsequent Local Area Designation and Local Board Recertification

This application will serve as your request for Local Workforce Development Area (Local Area) subsequent designation and Local Workforce Development Board (Local Board) recertification for Program Year (PY) 2019-21 under the Workforce Innovation and Opportunity Act (WIOA).

If the California Workforce Development Board (CWDB) determines the application is incomplete, it will either be returned or held until the necessary documentation is submitted. Please contact your Regional Advisor for technical assistance or questions related to completing and submitting this application.

Santa Ana
Name of Local Area
801 W. Civic Center Drive, Suite 200
Mailing Address
Santa Ana, CA 92706
City, State
ZIP

May 30, 2019
Date of Submission
Deborah Sanchez
Contact Person
714-565-2621
Contact Person’s Phone Number
Local Board Membership

The WIOA Section 107(b)(2)(A) through (E) states the requirements for nominating and selecting members in each membership category. The WIOA Section 107(b)(2)(A) requires that business members constitute a majority of the Local Board. The chairperson shall be a business representative, per WIOA Section 107(b)(3).

The Local Chief Elected Official (CEO) is required to provide the names of the individuals appointed for each category listed on the following pages, and attach a roster of the current Local Board which identifies each member’s respective membership category.

**Business** — A majority of the members must be representatives of business in the Local Area who (i) are owners of businesses, chief executives or operating officers of businesses, or other business executives or employers with optimum policy-making or hiring authority; (ii) represent businesses, including small businesses, or organizations; and (iii) are appointed from among individuals nominated by local business organizations and business trade association (WIOA Section 107(b)(2)(A)).

Please identify the Local Board chairperson by typing CHAIR after his/her name.

<table>
<thead>
<tr>
<th>Name</th>
<th>Title</th>
<th>Entity</th>
<th>Appointment Date</th>
<th>Term End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stacey Sanchez</td>
<td>Senior Community Loan Officer</td>
<td>CDC Small Business Finance</td>
<td>8/21/2018</td>
<td>5/31/2022</td>
</tr>
<tr>
<td>David Elliott</td>
<td>President &amp; CEO</td>
<td>Santa Ana Chamber of Commerce</td>
<td>5/17/2016</td>
<td>5/31/2020</td>
</tr>
<tr>
<td>Greg Lewis</td>
<td>Partner</td>
<td>LSL CPA’s and Advisors</td>
<td>5/17/2016</td>
<td>5/31/2020</td>
</tr>
<tr>
<td>Barbara Smith*</td>
<td>General Manager</td>
<td>Holiday Inn Orange County Airport</td>
<td>5/17/2016</td>
<td>5/31/2019</td>
</tr>
<tr>
<td>Andy Wadhera</td>
<td>President</td>
<td>CalTrend Automotive</td>
<td>8/21/2018</td>
<td>5/31/2022</td>
</tr>
<tr>
<td>Marjorie Knitter</td>
<td>President/CEO</td>
<td>The Moote Group</td>
<td>5/17/2016</td>
<td>5/31/2020</td>
</tr>
<tr>
<td>Patrick Korthuis</td>
<td>Owner</td>
<td>Sir Speedy Printing</td>
<td>5/17/2016</td>
<td>5/31/2020</td>
</tr>
<tr>
<td>Darren Rutledge</td>
<td>General Manager</td>
<td>Guarantee Chevrolet</td>
<td>5/17/2016</td>
<td>5/31/2020</td>
</tr>
<tr>
<td>Vacant*</td>
<td></td>
<td></td>
<td>8/21/2018</td>
<td>5/31/2022</td>
</tr>
<tr>
<td>Vacant*</td>
<td></td>
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<td>8/21/2018</td>
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<tr>
<td>Vacant*</td>
<td></td>
<td></td>
<td>5/17/2016</td>
<td>5/31/2020</td>
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</tbody>
</table>
*Note: Working with Chamber of Commerce to forward nominations to the WDB to replace business members who have had to resigned due to relocation, work commitments or changes in employment. Anticipate nominations to go before City Council at a July 2019 meeting.

**Labor** – Not less than 20 percent of the members must be representatives of workforce within the Local Area who must include: (i) representatives of labor organizations who have been nominated by state labor federations; (ii) a member of a labor organization or a training director from a joint labor-management apprenticeship program, or if no such joint program exists in the area, such a representative of an apprenticeship program in the area; and may include: (iii) representatives of community based organizations with demonstrated experience and expertise in addressing the employment needs of individuals with barriers to employment, veterans, or individuals with disabilities; and (iv) representatives of organizations with demonstrated experience and expertise in addressing the employment, training, or education needs of eligible youth and/or out-of-school youth (WIOA Section 107(b)[2][B]).

**California Unemployment Insurance Code (CUIC) Section 14202(b)** further requires and specifies that at least **15 percent** of Local Board members shall be representatives of labor organizations unless the local labor federation fails to nominate enough members. For a local area in which no employees are represented by such organizations, other representatives of employees shall be appointed to the board but any local board that appoints representatives of employees that are not nominated by local labor federations shall demonstrate that no employees are represented by such organizations in the local area.

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</tr>
</thead>
<tbody>
<tr>
<td>1. Brent Beasley</td>
<td>Business Manager</td>
<td>Roofers and Water proofers Local 220</td>
<td>8/21/2018</td>
<td>5/31/2022</td>
</tr>
<tr>
<td>2. Robert Ruiz</td>
<td>Secretary</td>
<td>Laborers Local 652</td>
<td>8/21/2018</td>
<td>5/31/2022</td>
</tr>
<tr>
<td>5. Vacant</td>
<td>CBO</td>
<td></td>
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**Education** – Each Local Board shall include representatives of entities administering education and training activities in the Local Area who must include (i) a representative of eligible providers administering WIOA Title II adult education and literacy activities; (ii) a representative of institutions of higher education providing workforce investment activities; and may include (iii) representatives of local educational agencies, and community-based organizations with...
demonstrated experience and expertise in addressing the education or training needs of individuals with barriers to employment (WIOA Section 107[b][2][C]).

<table>
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<th>Appointment Date</th>
<th>Term End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Dr. Linda Rose</td>
<td>President</td>
<td>Santa Ana College Title II Adult Ed</td>
<td>5/17/2016</td>
<td>5/31/2020</td>
</tr>
<tr>
<td>2. Enrique Perez, JD</td>
<td>Vice Chancellor of Educational Services</td>
<td>Rancho Santiago Community College - Higher Education</td>
<td>5/17/2016</td>
<td>5/31/2019* Reappointment scheduled to go before City Council July '19</td>
</tr>
</tbody>
</table>

**Economic and Community Development** – Each Local Board shall include representatives of governmental, economic, and community development entities serving the Local Area who must include (i) a representative of economic and community development entities; (ii) a representative from the state employment service office under the Wagner-Peyser Act; (iii) a representative of the Vocational Rehabilitation program; and may include (iv) representatives of agencies or entities administering programs serving the Local Area relating to transportation, housing, and public assistance; (v) Representatives of philanthropic organizations serving the Local Area; and (E) individuals or representatives of entities as the local CEO in the Local Area may determine to be appropriate (WIOA Section 107[b][2][D] and [E]).

<table>
<thead>
<tr>
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<th>Appointment Date</th>
<th>Term End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Dennis Varnum</td>
<td>Employment Program Manager III</td>
<td>EDD</td>
<td>May 31, 2019</td>
<td>May 31, 2023</td>
</tr>
<tr>
<td>2. Ignacio Alegre</td>
<td>Rehabilitation Supervisor</td>
<td>DOR</td>
<td>May 21, 2019</td>
<td>May 31, 2023</td>
</tr>
<tr>
<td>3. Christine Snapper</td>
<td>Division Director Family Self Sufficiency</td>
<td>Social Services Agency</td>
<td>May 21, 2019</td>
<td>May 31, 2023</td>
</tr>
<tr>
<td>4. Dave Elliott</td>
<td>President &amp; CEO</td>
<td>Santa Ana Chamber</td>
<td>5/17/2016</td>
<td>5/31/2020</td>
</tr>
</tbody>
</table>
**Sustained Fiscal Integrity**

The Local Area hereby certifies that it has not been found in violation of one or more of the following during PY 16-17 or PY 17-18:

- *Final determination of significant finding(s)* from audits, evaluations, or other reviews conducted by state or local governmental agencies or the Department of Labor identifying issues of fiscal integrity or miss expended funds due to the willful disregard or failure to comply with any WIOA requirement, such as failure to grant priority of service or verify participant eligibility; or

- *Gross negligence* — defined as a conscious and voluntary disregard of the need to use reasonable care, which is likely to cause foreseeable grave injury or harm to persons, property, or both; or

- *Failure to observe accepted standards of administration* — Local areas must have adhered to the applicable uniform administrative requirements set forth in Title 2 Code of Federal Regulations (CFR) Part 200, WIOA regulations, and state guidance (in alignment with WIOA Section 106[e][2]).

**Performed Successfully**

The Local Area hereby certifies that it has performed successfully, defined as successfully negotiating PY 18-19 and PY 19-20 performance goals within their designated Regional Planning Unit in the following ways:

- Staff from the Santa Ana WDB participated in the joint conference call with CWDB, Anaheim and County WDB staff to negotiate the Orange RPU regional performance measures.

**Engaged in Regional Planning**

The Local Area hereby certifies that it has participated in and contributed to regional planning and negotiating regional performance measures in the following ways:

- Coordinated and participate in the quarterly OC Workforce Leadership Council meetings, mandated partners that were added due to the State revisions to the State Plan.
- Shared responsibility for drafting the Revised Regional and Local Plan.
- Coordinated and co-hosted the Joint Community Public Hearing meeting.
- Participate in the Regional Industry Sector initiative meetings (Mfg., Medical, Hospitality/Tourism/Retail, and IT sectors).
- Participated in the joint conference call with CWDB, Anaheim and County WDB staff to negotiate the Orange RPU regional performance measures.

Local Area Assurances

Through PY 19-21, the Local Area assures that:

A. It will comply with the applicable uniform administrative requirements, cost principles, and audit requirements (WIOA Section 184[a][2] and [3]).

Highlights of this assurance include:

- The Local Area’s procurement procedures will avoid acquisition of unnecessary or duplicative items, software, and subscriptions (in alignment with Title 2 CFR Section 200.318).

- The Local Area will maintain and provide accounting and program records, including supporting source documentation, to auditors at all levels, as permitted by law (Title 2 CFR Section 200.508).

Note that failure to comply with the audit requirements specified in Title 2 CFR Part 200 Subpart F will subject the Local Area to potential cash hold (Title 2 CFR Section 200.338).

B. All financial reporting will be done in compliance with federal and State regulations and guidance.

Highlights of this assurance include:


- All close out reports will comply with the policies and procedures listed in WSD16-05, *WIOA Closeout Requirements* (July 29, 2016).

Note that failure to comply with financial reporting requirements will subject the Local Area to potential cash hold. (Title 2 CFR Section 200.338)

C. Funds will be spent in accordance with federal and state laws, regulations, and guidance.

Highlights of this assurance include:
• The Local Area will meet the requirements of the California Unemployment Insurance Code Section 14211, to spend a minimum of 30 percent of combined total of WIOA Title I adult and dislocated worker formula fund allocations on training services.
• The Local Area will not use funds to assist, promote, or deter union organizing (WIOA Section 181[b][7]).

D. The Local Board will select the America’s Job Center of CaliforniaSM operator(s), with the agreement of the local CEO, through a competitive process such as a Request for Proposal, unless granted a waiver by the state (WIOA Section 121[d][2][A] and 107[g][2]).

E. The Local Board will collect, enter, and maintain data related to participant enrollment, activities, and performance necessary to meet all CalJOBSSM reporting requirements and deadlines.

F. The Local Board will comply with the nondiscrimination provisions of WIOA Section 188, including the collection of necessary data.

G. The Local Area will engage in and contribute to, regional planning and regional plan implementation (for example, Local Area has participated in regional planning meetings and regional plan implementation efforts, and the Local Board and local CEO have reviewed and approved the regional plan and modifications).

H. The Local Area will participate in regional performance negotiations.

I. It will comply with CWDB policies and guidelines, legislative mandates and/or other special provisions as may be required under federal law or policy, including the WIOA or state legislation.

J. Priority shall be given to veterans, recipients of public assistance, other low-income individuals, and individuals who are basic skills deficient for receipt of career and training services funded by WIOA Adult funding (WIOA Section 134[c][3][E] and Training and Employment Guidance Letter [TEGL] 10-09, and TEGL 19-16).
Application Signature Page

Instructions — The local CEO and Local Board chair must sign and date this form. Include the original signatures in the application package.

By signing the application below, the local CEO and Local Board chair request initial designation of the existing Local Area and initial certification of the existing Local Board. They certify that the Local Area has performed successfully, sustained fiscal integrity during PY 16-2017 or PY 17-18, and engaged in the regional planning process as described in WIOA Section 106(c)(1). Additionally, they agree to abide by the Local Area assurances included in this application.

Local Workforce Development Board Chair

Local Chief Elected Official

Stacey Sanchez
Name

Miguel A. Pulido
Name

Chair, Santa Ana Workforce Development Board
Title

Mayor, City of Santa Ana
Title

May 30, 2019
Date

Date