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**MEETING MINUTES  
NORTH DAKOTA WORKFORCE DEVELOPMENT COUNCIL  
JUNE 17, 2004**

**Meeting Date, Time, & Place:** June 17, 2004, 9:30 a.m., North Dakota Department of Commerce, 1600 East Century Avenue, Suite 2, Bismarck, North Dakota 58503.

**Members Present:**

**Bismarck:** Alvin “Butch” Brandt, Dave Kemnitz, Dave Massey, Jim Walker, Justin Schardin, Cathi Christopherson, Maren Daley, Carol Olson, Rosella Grant, Jim Dahlen (via phone), Wayne Kutzer, Dr. David Gipp, and Jim Hirsch.

**Fargo:** Sharon Buhr.

**Minot:** Leo Cummings and Bruce Walker.

**Jamestown:** Charles Axtman.

**Members Absent:** Al Lukes, Brian Mathews, David “White Thunder” Trottier, Dr. Donna Thigpen, Lee Lampert, Lee Peterson, Michel Hillman, Paul Steffes, Robert Blackford, and Cheryl M. Kulas.

**Guests Present:** Beth Zander, Chip Thomas, Dan Marrs, Dan Polk, DeAnn Berg, Doreen Mehlhoff, Ellen Anderson, Gene Hysjulien, J.P. Wiest, Linda Lembke, Melissa Jorgensen, Ron Ness, Korrine Lang, Kristi Pfliger-Keller, Greg Allen, and Jill Splonskowski.

**Opening Remarks & Introductions:** Cathi Christopherson called the meeting to order and asked members to introduce themselves at all four IVN sites. Cathi Christopherson is Chairing the meeting for Al Lukes who had another commitment.

**Administrative Announcements:** Jim Hirsch announced that lunch will be served at the Bismarck site. All employer panel participants are welcome to attend.

**Approval of Agenda:** Cathi Christopherson asked Council members for a motion to approve the agenda.

Dave Massey requests that the Planning Committee report be moved right after the Chair's Report instead of the 11:30 a.m. time slot. Members concur with the proposed change to the agenda.

**Motion: Dave Massey made a motion to approve the agenda. Rosella Grant seconded the motion. Motion carried.**

**Approval of Minutes:** Cathi Christopherson asked for a motion to approve the April 8, 2004, meeting minutes.

Maren Daley made several language change suggestions to the April 8, 2004, meeting minutes. Those changes will be made and e-mailed to all Council members by Jill Splonskowski.

**Motion: Justin Schardin made a motion to approve the April 8, 2004, meeting minutes. Maren Daley seconded the motion. Motion carried.**

## **Chairs Report**

### **Budget**

Jim Hirsch stated that 38% of the biennium has lapsed and 14% of the budget has been expended to date between salaries and operating costs. The budget is in good shape. Any other unused funds will go back into the Workforce Investment Act pool.

### **Governor's State of the Workforce Summit**

A flyer has been sent out promoting the Summit in Fargo, North Dakota on September 30 – October 1, 2004. Eight (8) industries have been identified or targeted. The Program Committee has been developed and will meet on June 28, 2004. Several

speakers have been asked to participate in the Summit including Emily Stover-DeRocco, Rebecca Ryan, Jeff Thredgold, Governor John Hoeven, and Lee Peterson.

Several break-out sessions and tracks have been scheduled in addition to pre-conference training. Several committees have been set-up; however, there is still a need for more volunteers for promotions. Any members interested in helping out with any of the following Committees should contact Jim Hirsch:

- Finance Committee
- Program Committee
- Sponsorship Committee

### Council Resolutions & Workgroups

Jim Hirsch explained to members the purpose of the Technology/Foundation Skills Project Resolution, the High School to College Transition Workgroup Charter, and the Executive Committee Charter. Any comments or suggestions on the Resolution or Charters should be submitted to Al Lukes.

Jim Hirsch explained that the Council will hold their next meeting on September 29, 2004, in Fargo, North Dakota in lieu of the September 9, 2004, meeting in Bismarck.

### Workforce Development Council Promotional CD

The Council was shown a CD-Rom piece that will promote the awareness of internships, youth retention, volunteerism, and employment opportunities for communities with skill gaps and shortages. The CD-Rom was developed by KAT Productions and will be available for distribution shortly.

Cathi Christopherson then asked for approval of the Executive Committee Charter.

**Motion: Dave Massey made a motion to approve the Executive Committee Charter. Carol Olson seconded the motion. Motion carried.**

### **Planning Committee Report**

Jim Walker reviewed the membership of the Planning Committee for Council members and he explained that the Planning Committee has recently reviewed all incentive award applications. The applications totaled \$820,000. After several reductions and revisions to the budgets, the final application reflects the following amounts:

<b>Job Service North Dakota =</b>	<b>\$215,000</b>
<b>Department of Public Instruction =</b>	<b>\$180,000</b>
<b>State Board for Career &amp; Technical Education =</b>	<b>\$355,000</b>

Jim Walker then outlined two new policies for recommended adoption and acceptance.

- 1) **Displaced Homemaker**
- 2) **Service to Individuals with Multiple Barriers to Employment**

Cathi Christopherson asked for a motion to approve the WIA Incentive Award recommendations.

**Motion: Dave Massey moved for acceptance of the Planning Committee's report and the WIA Incentive Award report with the stipulation that we obtain actual cost reports for the Occupational Information System project and that any funds not expended by July 31, 2005, for Jobs for America's Graduates and the Polycom System be made available for reprogramming. Jim Dahlen seconded the motion. Motion carried.**

Cathi Christopherson asked for approval of the Displaced Homemaker policy.

**Motion: Wayne Kutzer made a motion to approve the Displaced Homemaker policy. Jim Walker seconded the motion. Motion carried.**

Cathi Christopherson asked for approval of the Service to Individuals with Multiple Barriers to Employment policy.

**Motion: Dave Massey made a motion to approve the Service to Individuals with Multiple Barriers to Employment policy. Justin Schardin seconded the motion. Motion carried.**

### **Youth Council Report**

Jim Hirsch reported on the presentation given by Nicole Wright from the Department of Public Instruction on the "Youth Risk Behavior Survey". One recommendation of that presentation was for the Youth Council to do more research on targeted populations. Members were also given a presentation by Community Action on a Low Income Needs Assessment. Job Service North Dakota reports were outlined for members at their June 15, 2004, meeting. It was determined that negotiated performance levels of adult and older youth had not been met in Program Year 2003.

### **Low Income Needs Assessment**

Kristi Pfliger-Keller from Community Action stated that they have been active in identifying key collaborations, addressing service needs, and providing emergency services. A survey of 1400 low income respondents were asked what their needs were among their households. The needs were ranked in the following order:

- 1) Food
- 2) Dental Health

- 3) Clothing
- 4) Employment
- 5) General Healthcare

Some barriers to meeting income needs identified in the survey were:

- 1) Low Wages
- 2) Work Hours
- 3) Stress Management/Balancing Family & Work
- 4) Transportation
- 5) Child Care

Community Action tries to implement support mechanisms for economic development professionals to distribute throughout their communities.

Sharon Buhr mentioned that she would like to see some contacts made with County Commissioners to get their involvement as well.

### **Daycare Demonstration**

Linda Lembke from the Childcare Resource & Referral Agency in Fargo, North Dakota informed members that the agency serves as a clearinghouse of childcare providers and support services. They provide training, lending libraries, and references. They also provide community awareness and community outreach. They are funded by the Department of Human Services.

Seventy-one percent (71%) of children have both parents working in North Dakota, so there is a great need for childcare services. The childcare industry brings in \$133,000,000 in revenue for the State each year, and about 6,000 jobs. More than 17,000 families use childcare services each day. More than 30,000 children attend licensed daycare programs and another 20,000 children have parents in the workforce. Childcare settings promote children's health and safety, impact brain development, early learning, and school readiness. Over 70,000 children up to age 12 need daycare services in North Dakota on a daily basis. The cost of childcare is approximately \$5,142 per year for each child. The highest wage shown for payment of daycare services is \$8.82 per hour. Studies show that we are losing 62% of the childcare workforce each year.

Ellen Anderson then spoke about her role at the Childcare Resource & Referral Agency. She conducts research, development, and implementation of a childcare apprenticeship program. Grant awards of \$325,000 have been awarded to the project over 30 months to help improve the service delivery, on-the-job training, childcare giver retention, and to provide a model childcare center for use as a demonstration site.

***Apprenticeship Standards are:***

- Hours of instruction (144 hours each year for 2 years)
- Content of instruction
- Hours of on-the-job training
- Journey teachers: qualifications and applications
- Wage increments: how much and when

***Participation Includes:***

- 7 childcare centers throughout the State
- 30 journey teachers recruited and trained
- 24 apprentices recruited

Some accomplishments within the first year have been:

- 1) CDA coursework developed and accessible
- 2) Standards have defined required knowledge base
- 3) Pushed for development of career lattice
- 4) Established a benchmark for internal staff development

Some future steps for the agency is to provide ongoing financial support for workforce development and education as well as recognize and endorse the need for statewide strategies.

--LUNCH--

**Industry Panel on Workforce Perspectives**

**ND Motor Carriers Association**

J. P. Wiest from Wiest Trucklines gave a presentation on the truck driving industry in North Dakota. J. P. Wiest presented members with United States freight projections. Wiest Trucklines projects to see a proportionate increase in freight tonnage in the next several years. The industry is short of trained people. The shortage means higher state and corporate income tax, economic development suffers, and fuel taxes are increased. Critical needs today are for mechanic technicians and truck drivers.

Wiest Trucklines currently owns 89 power units and has 67 drivers. Drivers must be 21 years of age and wages can average about \$47,000 - \$52,000 per year. Wiest Trucklines recently developed a terminal in Denver, Colorado to promote the use of trucking driving employees and to try to build up the shortages they face. Training for a CDL (Commercial Driver's License) takes 6 weeks of classroom training and a written test. Wiest Trucklines has recently partnered with the construction industry to initiate

more participation in truck driving occupations. J. P. Wiest mentioned that he felt there was a need for more Native Americans to receive their CDL and become licensed truck drivers for Wiest Trucklines.

### ND Transportation Industry

Melissa Jorgenson from Cross Country Courier spoke on behalf of the transportation industry. Cross Country Courier employs Class A, B, C & D drivers. Melissa Jorgenson believes the perception of driving has not been socially accepted among our youth. Cross Country Courier has put together a proposal to “grow their own” which they have submitted to their insurance company to find drivers right out of school for employment opportunities. Cross Country Courier experiences a fairly high rate of termination. They currently have a driving shortage and are actively pursuing recruitment efforts.

### ND Petroleum Council

Ron Ness from the North Dakota Petroleum Council outlined the energy industry and identified some concerns and opportunities available within North Dakota. In the next 8-10 years, demand for skilled labor will exceed the available supply. Retirements and new construction will drive increased demand. The high-paying career opportunities close to home will be available for North Dakota’s young people.

The Energy Council has held meetings involving North Dakota energy plants, vocational schools, State government, construction trades, and major contractors. Sub-groups have been formed to address:

- 1) Long range forecast
- 2) Future skills needed
- 3) Promote internships and vocational scholarships
- 4) Marketing vocational career opportunities in North Dakota

Educating parents, teachers, counselors, and youth is one of the keys to making individuals aware of the opportunities available in the energy field due to the number of workers that will be retiring within the next 10 years.

### ND Hospital Association

Chip Thomas spoke about some of the necessary human resource entities within the healthcare industry. In 2002, the healthcare industry generated \$2 million in revenue for North Dakota. In 2002 there were over 12,000 employees in the nursing profession. The North Dakota Hospital Association is conducting a study on manpower replacement to curve the possibility of future shortages. Some occupations which may need recruitment in the future are: LPNs and RNs who are traveling to nearby states such as Minnesota for approximately \$13,000 in higher wages per year.

Chip Thomas said that the average annual wage in North Dakota in 2003 was \$26,000. There are many occupations in the healthcare industry which pay equivalent and/or above these wages. The North Dakota Hospital Association is working with students in grades K-12 to raise awareness of the healthcare industry.

### ND Information Technology Council

Justin Schardin gave a presentation on behalf of the Information Technology Council Board. Information Technology jobs are high-paying jobs targeted toward younger and well-educated individuals. By 2010, 6 of the 9 fastest growing job categories are going to be computer based. Organizations say the use of technology will increase within the next 1-3 years.

Some statewide training resources include:

- 1) North Dakota University Centers
- 2) North Dakota State College of Science programs
- 3) Skills & Technology Training Center
- 4) Private training offerings

Some problems within the technology industry include:

- 1) Out-migration
- 2) Employers are unable to provide competitive compensation or local amenities
- 3) Most information technology companies are unknown to students
- 4) Funding can be difficult
- 5) Offshore labor

Some solutions that have worked and some future solutions are:

- 1) Training and job resources
- 2) Renaissance Zones
- 3) H1B
- 4) Emphasis on well-rounded education and training
- 5) Risk is good – be creative and bold
- 6) North Dakota needs to market itself and its image
- 7) Attract, keep, and train talent

### ND Food Processing

Greg Allen from Cavendish Farms explained that they have over 200 employees and operate on 12 hour shifts 24 hours per day. They have an extensive employee selection process in order to determine the best employer profiles. They offer a competitive benefit and incentive award package and turnover is only about 1% among

those who have passed the probationary period. The average rate of pay at Cavendish Farms is \$9.14 per hour not including benefits.

Some workforce needs identified by Cavendish Farms is to find qualified workers in the mechanical field, electricians, and boiler/refrigeration occupations. Some ongoing training needs are:

- Operator trainee and certification (general needs)
- Machine specific manufacturers
- Skills assessments of current employees

Cavendish Farms has had to pay contract people from Fargo, North Dakota in order to fill certain positions. Greg Allen encourages the public to educate our youth about having a positive work ethic/integrity and teaching them to achieve the required soft skills necessary to work in this type of field.

#### ND Association of Builders

Doreen Mehlhoff from the North Dakota Builder's Association reported that there are 1537 members statewide. The North Dakota Builder's Association employs 47,267 North Dakotans. The U.S. Department of Labor says the industry must recruit 200,000 to 250,000 new trade workers each year. North Dakota had just below 2,000 building permits in 2003. On a national basis, 65,000 – 85,000 skilled workers leave the trades annually due to inadequate training programs. Shortages in the construction industry are predicted within the next 10 years.

A new initiative designed to attract young people to careers in the skilled trades is called "Skills to Build America's Future". This program is designed to build national awareness of the importance of skilled workers. Most individuals entering the labor market indicate that they were unaware that they could make good money and pursue rewarding careers in the construction trades.

Issues faced by North Dakota builders include the need to find skilled trade people, the lack of higher wages, more knowledge needed with technological advances, and many programs face funding cuts. Some future projections include a 15% increase in skilled labor and an increased work ethic.

Jim Hirsch then outlined some of the areas that the Council has sponsored and provided funds for:

- 1) Internships
- 2) Addressed truck driving shortages with Legislators
- 3) Workforce Needs Assessment
- 4) Energy Education Project
- 5) ImagineND Project
- 6) H 1B Nursing Grant

- 7) Sponsoring a Governor's Workforce Summit 2004 to identify and address issues in Legislation

### **New Business and Recommendations**

Jim Hirsch mentioned that the Planning Committee should identify the specifics of the recommended Proclamation as addressed by Linda Lembke and Ellen Anderson.

### **Public Comment**

Alvin "Butch" Brandt thanked the industry panel for their information and thought they did an excellent job of representing their industries.

Jim Hirsch then invited all members, guests, and presenters to the Governor's Workforce Summit in Fargo, North Dakota on September 30 – October 1, 2004.

Jim Hirsch stated that the next Workforce Development Council meeting will be held on **September 29, 2004, in Fargo, North Dakota** instead of the meeting scheduled for September 9, 2004, in Bismarck. The Council also needs to set the 2005 meeting dates and possibly meet again before the next Legislative Session.

Jill Splonskowski will e-mail all members in the near future to establish a consensus of meeting dates.

**Adjournment:** Cathi Christopherson asked for a motion to adjourn the meeting.

**Motion: Wayne Kutzer made a motion to adjourn the meeting. Alvin "Butch" Brandt seconded the motion. Motion carried.**

The meeting was adjourned.

**Next Meeting:** The next meeting of the North Dakota Workforce Development Council will be held on September 29, 2004, in Fargo, North Dakota.

### **Action Plans:**

- ✚ **Jill Splonskowski will e-mail all Council members the revised April 8, 2004, meeting minutes.**
- ✚ **Council members interested in helping out with Summit Committees should contact Jim Hirsch.**
- ✚ **Any comments or suggestions to the new Resolution or Charters should be submitted to Al Lukes.**
- ✚ **The Planning Committee will identify the specifics of the recommended Proclamation as addressed by Linda Lembke and Ellen Anderson.**

 **Jill Splonskowski will e-mail all Council members to establish a consensus of 2005 meeting dates in order to meet prior to the 2005 Legislative Session.**