

**SALEM COUNTY BOARD OF CHOSEN FREEHOLDERS
WORKSHOP MEETING MINUTES
APRIL 20, 2016
6:00 PM**

The meeting was called to order by Director Acton: Pledge of Allegiance

Director Acton stated that adequate notice pursuant to the Open Public Meetings Act has been given of this meeting.

On Roll Call, the following Freeholders were present: Deputy Director Cross, Freeholders Laury, Painter, Vanderslice, Ware and Director Acton.

Presentation

6:00pm – Workforce Board Presentation

Freeholder Vanderslice made a motion to adjourn the meeting, seconded by Deputy Director Cross, carried by hand vote of 6/0 at 6:30 p.m.

Respectfully submitted,

Kevin Crouch
Clerk of the Board

Cumberland/Salem/Cape May Proposed Workforce Development Partnership

BACKGROUND

In the late-Fall of 2015, local elected officials from [Cape May County](#) approached their counterparts in Cumberland County for the purpose of exploring options available to them should they seek to dissolve their current Workforce Development partnership with Atlantic County and, in-turn, [join](#) the existing [Cumberland/Salem Workforce Development partnership](#).

Several meetings related to that topic have been held since that original inquiry was made. Meeting participants have included [elected officials](#) from Salem, Cumberland and Cape May counties, the [local WDB Chairperson](#), and other [key local stakeholders](#). The partnership concept was also introduced at a recent [Cumberland/Salem WDB Oversight Committee](#) where it received favorable consideration.

Basic information related to the request was shared with both the [Deputy Commissioner of Labor and Workforce Development](#) and the State Employment and Training Commission ([SETC Executive Director](#)) in late January 2016. A meeting with the Deputy Commissioner, the SETC Executive Director and key members of their administrative and operational staff was held on March 8th to further discuss the feasibility of the proposed new partnership. The outcome of that meeting was also favorable in respect to LWD's ability to implement any changes to their administrative and operational systems that would need to occur if the new partnership were to be formed.

As a result of these collective efforts to date, an agreement in principle to proceed with the proposed partnership arrangement has been reached by the three involved Counties. The local goal is to have the required essential elements of the partnership in place prior to [July 1, 2016](#) thereby allowing Program Year 2016-17 funding and connected services to be delivered under the auspices of a newly formed [Cumberland/Salem/Cape May partnership](#).

[Formal agreement and support](#) by all entities that would be party to the new partnership agreement ([Cumberland County Board of Chosen Freeholders, Salem County Board of Chosen Freeholders, Cape May County Board of Chosen Freeholders and the Cumberland/Salem Workforce Development Board](#)) is required in order to submit a new designation request for SETC consideration. The request for new designation is [due to the SETC by April 15th](#). A full SETC vote on the new designation request will occur on or about [May 3rd](#).

The information that follows has been prepared to assist you in gaining a fuller understanding of the designation process and provides a rationale for supporting the new partnership request.

Cumberland/Salem/Cape May Proposed Workforce Development Partnership

I. GEOGRAPHY & DEMOGRAPHICS OF THE LOCAL AREA

The proposed Partnership would include the three most southern Counties in New Jersey

- Would cover a total **1067 square miles** of land area
 - ~15% of the State's total land area
- Would have the federally required - *(Section 106 (b) of the Workforce Innovation and Opportunity Act (WIOA) - contiguous nature*
 - All three Counties share common Delaware Bay coastline to the west
 - Land mass areas are linked with Cumberland as the hub
- Would be **2nd largest service area** in terms of size in NJ
NJ's only other tri-county workforce development service area (Morris/Sussex/Warren) is the largest
- Would Include three (3) of the seven counties (7) that comprise NJDOLWD's Southern NJ Region
- Would have a total collective population of approximately **320,200 individuals**
- Would have a total collective labor force of approximately **153,800 individuals**
- Would be home to nearly **8,000 private sector business establishments**



COUNTY	SQUARE MILES	POPULATION	LABOR FORCE	# OF BUSINESS ESTABLISHMENTS
Cape May	251	97,265	47,600	3,806
Cumberland	484	156,898	73,300	2,898
Salem	332	66,083	32,900	1,169
TOTAL	1067	320,246	153,800	7,873

Data Sources: US Census Data April 1, 2010; US Census Data 2012 Updates

From a geographic and demographic perspective, a Tri-County Partnership consisting of Cumberland, Salem and Cape May counties offers a viable local Workforce Development service delivery area that would meet the Workforce Innovation and Opportunity Act (WIOA) requirements. Furthermore, the Partnership can be seen as a preferred arrangement in that it is better aligned with New Jersey's regional approach to service delivery.

Cumberland/Salem/Cape May Proposed Workforce Development Partnership

II. LABOR MARKET AND THE ECONOMY OF THE LOCAL AREA

The proposed Partnership would span three (3) federally recognized [Metropolitan Statistical Areas \(MSAs\)](#)

- Vineland-Millville-Bridgeton (Cumberland County)
- Ocean City (Cape May County)
- Wilmington, De (Salem County)

A. COMMON ELEMENTS

While each of the MSA’s (or Labor Areas) holds a degree of “uniqueness”, they also display numerous commonalities.

The commonalities are most readily evidenced in Industry Sector employment statistics for:

- [Health Care and Social Services](#)
- [Retail Trade](#)
- [Accommodations & Food Service](#)
- [Construction](#)

Each of those sectors ranked in the top six (6) for employment in each County.

Collectively, the four sectors currently account for over half (56%) of all non-government and non-farm employment in the three counties.

Collectively, the four sectors are projected to account for over 90% (4950 jobs) of the net non-farm employment gains that should occur over the next ten years.

TOP SIX EMPLOYMENT SECTORS BY COUNTY

RANK	CAPE MAY	CUMBERLAND	SALEM
1	Accommodations & Food Service	Health Care & Social Services	Health Care & Social Services
2	Retail Trade	Manufacturing	Manufacturing
3	Health Care & Social Services	Retail Trade	Retail Trade
4	Construction	Accommodations & Food Service	Utilities
5	Other Services	Wholesale and Trade	Accommodations & Food Service
6	Arts and Recreation	Construction	Construction

Data Source: NJDOLWD “Key Industries by County Report” for Cape May, Cumberland and Salem counties (February 2016).

NOTE: In addition to the above, all three counties have a rich tradition of supporting [agriculture related industries and employment](#) as evidenced in recent years in the significant growth of horticulture, sod and grape (winery) operations in all three counties.

Cumberland/Salem/Cape May Proposed Workforce Development Partnership

II. LABOR MARKET AND THE ECONOMY OF THE LOCAL AREA (continued)

B. DIFFERENCES

There are certain Industry Sectors that hold a higher level of significance within one or more of the counties than they do in the other(s). They include:

- **Manufacturing** *2nd highest employment sector in both Cumberland and Salem but not in the top ten for Cape May*
- **Wholesale Trade** *5th highest employment sector in Cumberland but outside of the top ten for both Cape May and Salem*
- **Utilities** *4th highest employment sector in Salem but a minimal sector in both Cape May and Cumberland*
- **Transportation & Warehousing** *7th highest employment sector in both Cumberland and Salem but not in the top ten for Cape May*

Data Source: NJDOLWD "Key Industries by County Report" for Cape May, Cumberland and Salem counties (February 2016).

These primary labor market differences (and others, if any are identified) will need to be addressed as part of the local area's workforce development strategic planning activities.

Differences can best be viewed as opportunities for economic diversification:

- They can result in **expanded employment possibilities** for job seekers
- They can create an **expanded labor pool** for businesses seeking to hire new workers.

C. OTHER

The proposed partnership should function to support, improve and grow other regional efforts that currently exist and can be seen as a catalyst for "opening doors" to new ventures.

- New Jersey Regional Planning and Coordination Efforts
- Economic Development
- Business Retention
- Business Attraction
- Tourism

From a Labor Market perspective, a Tri-County Partnership consisting of Cumberland, Salem and Cape May counties adequately demonstrates an ability to meet the requirements for labor market and economic development consistency as presented in Section 106(1)(B) of the Workforce Innovation and Opportunity Act (WIOA). Furthermore, the Partnership can be seen as a preferred arrangement in that it should result in enhanced labor exchange possibilities for both the job seeker and the employer community.

Cumberland/Salem/Cape May Proposed Workforce Development Partnership

III. ADMINISTRATION AND OPERATIONAL PARAMETERS OF THE LOCAL AREA

A. The proposed Partnership would be a “build-out” of the current partnership that exists between Cumberland and Salem.

- Would result in [administrative efficiencies and economies](#)
- Designed so as to promote [non-duplication](#) of essential administrative services such as:
 - Financial Management
 - Management Information Systems (MIS)
 - Reporting Contracting
 - Monitoring
 - Procurement (RFPs)
 - Workforce Development Board Functions
- Allow for individual [County based direct service](#) management and provision

B. Key Functions and Roles Within the Partnership

- **Cumberland County continues to:**
 - function as the [Grant Recipient](#) for the entire local area
 - function as the primary [Administrative Entity](#) for the entire local area
 - be responsible for all program operations within Cumberland County
 - act as the employing entity for staff as necessary to carry-out designated functions and roles.
- **Salem County continues to:**
 - function as a [Sub-Grantee](#) within the partnership
 - be responsible for all program operations within Salem County
 - be responsible for certain administrative functions related to Salem County programs.
 - act as the employing entity responsible for staff as necessary to carry-out designated functions and roles.
- **Cape May County becomes:**
 - a [Sub-Grantee](#) within the partnership
 - responsible for all program operations within Cape May County
 - responsible for limited administrative functions for Cape May County programs.
 - the employing entity for staff as necessary to carry-out designated functions and roles.
- **The Workforce Development Board:**
 - Continues to be responsible for strategic planning, oversight, establishing priorities, performance monitoring, budgeting and related [required roles for the entire local area](#).
 - Determines the [direct staffing needs of the Board](#) as necessary to carry-out its designated duties and responsibilities (consistent with parameters established by the SETC)

Cumberland/Salem/Cape May Proposed Workforce Development Partnership

III. ADMINISTRATION AND OPERATIONAL PARAMETERS (continued)

C. The proposed Partnership would officially commence on July 1, 2016.

- NJDOLWD would include Cape May's formula based allocations (funding) for Program Year 2016-17 (July 1, 2016 to June 30, 2017) on the newly formed local area's Notice of Obligation (NOO).
 - The NOO would detail **individual allocation** (funding) amounts available **to each County** in the Partnership.
 - All such **allocated funds** (*with the exception of those amounts necessary to support area wide administrative functions*) would be **made available to support program operations within the County** to which they are formula allocated.
 - Funding would be utilized by each County in a manner that **complies with the laws and regulations** governing its use and **is consistent with the strategic plan and budget guidance** provided by the Workforce Development Board
- In **Cape May County**, funding would initially be targeted toward developing adequate infrastructure, staffing and **establishing base-line services**.
 - Goal would be to have such **base-line operations** in place and available to Cape May County residents as of **July 1, 2016**
 - Enrollments that occur **on or after July 1, 2016** would be **served by Cape May under the new partnership**
 - Cape May County residents currently being served (**those enrolled in activities prior to June 30, 2016**) would continue to be **served by Atlantic County**.
 - **Additional services** (as needed/identified) would be **phased in** during subsequent **six (6) month transitional period** (i.e., July through December)
- New and/or **amended One-Stop Operating Agreements, Resource Sharing Agreements and Workforce Board/CEO Agreements** must be developed during **subsequent six (6) month transitional period** (i.e., July through December)
- A **full Local Area Designation Request** would be submitted to State Employment and Training Commission (SETC) in **early 2017**. The request must include all agreements (see above) and verification of local area **demonstrated performance** and **fiscal integrity**.

Cumberland/Salem/Cape May Proposed Workforce Development Partnership

III. ADMINISTRATION AND OPERATIONAL PARAMETERS (continued)

D. The proposed partnerships would have an impact on the activities and composition of Workforce Development Board.

- The Board would become responsible for an additional County (Cape May)
- Current active members/appointees serving as Cape May County representatives to the Atlantic/Cape May Workforce Development Board would be absorbed as members of the proposed partnership's Workforce Development Board
 - Provide Cape May with the ability to offer input and advice during the six (6) month transitional phase (July to December)
 - Establishes a sub-group of the Board that would be necessary to guide initial key RFP development and provider selection processes.
- During subsequent six (6) month transitional period (i.e., July through December):
 - Board membership numbers and representation categories would need to be reviewed, adjusted and agreed upon to add an appropriate and equitable level of Cape May County representation.
 - Board membership numbers and representation categories will need to be reviewed, adjusted and agreed upon to assure compliance with the new requirements under the Workforce Innovation and Opportunity Act (WIOA) and SETC Directives.
 - The local area's Strategic Plan will need to be reviewed to assure that service priorities and industry targets (as well as management and administrative structures) are capable of fully addressing local area needs.
 - Board staffing needs would need to be reviewed to assure they comply with and are consistent with parameters established by the SETC.

From an Administrative perspective, a Tri-County Partnership consisting of Cumberland, Salem and Cape May counties would offer an opportunity to further the scope and sphere of influence of well-functioning and time-proven administrative efficiencies.

From an Operational perspective, a Tri-County Partnership consisting of Cumberland, Salem and Cape May counties would promote locally (county-based) managed and controlled service delivery that, once fully implemented, would enhance the job seeker's awareness of and access to available workforce development services.

Under the guidance and oversight of the Workforce Development Board, the Partnership would function as a fair, equitable and business needs driven system that addresses the needs within the local labor market area and the South Jersey Regional Labor Market Area as established by NJDOLWD and the SETC.

Cumberland/Salem/Cape May Proposed Workforce Development Partnership

IV. SUMMARY STATEMENT

We believe that the new partnership arrangement will:

- **Improve access** to workforce development service for the residents of Cape May County,
- Define and implement service options that will **better address** the training, education and workforce development **needs** of the residents of Cape May County,
- Function to **develop a pool of trained workers** (labor force) that possess employment skills as identified by and relevant to the local area business community (employer) needs throughout the Tri-County area,
- Identify and grow labor market (job) opportunities and **support business retention/attraction/expansion opportunities** throughout the Tri-County area,
- Build upon and potentially **expand partnerships** that currently exist for economic development, tourism and other related purposes in the Tri-County area,
- Operate in manner that will result in **administrative and operational efficiencies**,
- Function under a sound and experienced administrative structure that is characterized by **demonstrated fiscal integrity** and **performance accountability and results**,
- Be led and guided by a **governance structure** (*a Workforce Development Board and Board of Freeholder partnership*) that operates in a **fair, just, equitable and open** manner.