



GOVERNOR'S WORKFORCE INVESTMENT BOARD
500 E. Third Street, Room 200
Carson City, Nevada 89713
Telephone (775) 684-3911 * Fax (775) 684-3908

MEETING MINUTES

Governor's Workforce Investment Board (GWIB) Manufacturing Sector Council Monday, September 8, 2014 10:00 a.m.

Some members of the Council may be attending the meeting in person or through a simultaneous videoconference and teleconference conducted at the following locations:

Place of Meeting:

- Department of Employment, Training & Rehabilitation**
2800 East St. Louis Avenue, Conference Rooms A-C
Las Vegas, NV
- Department of Employment, Training & Rehabilitation**
500 E. Third Street, SAO Auditorium
Carson City, NV
- Nevada Job Connect**
Reno Town Mall
4001 South Virginia Street
Reno, NV

Council Members Present: Ryan Costella, Ray Bacon, Frederick Stater, Mike Skaggs, Councilwoman Gerri Schroder, David McElwain, Terry Culp, George Gussak, Jim New, Gary Blosl, Dr. Michael Spangler, David Steiger, Dasya Duckworth, Craig Laub, Chris Zunis, Commissioner Vida Keller, Matt Verluis

Council Members Absent: Leo Gobbo, Commissioner Denise Castle (excused), Dana Ryan, Dr. David Ching Lee, Dr. Haris Dومانidis, Mark Rauenzahn, Rich Reininger, Mehul Mehta

Ex-officio Members Present: Mark Henderson, Patricia Baker

Ex-officio Members Absent: Jeremy Hays (excused), Kenadie Cobbin Richardson (excused), Beth Wicks, Lyle Smith

DETR WSU Staff Present: Earl McDowell, De Salazar, Coralie Peterson, Ansara Martino, Odalys Carmona

Others Present: Judy Turgiss (Nevada Workforce Development Center)

**Please note that all attendees may not be listed above.*

I. Welcome, Introductions and New Members Ryan Costella, Chair
GWIB Manufacturing Sector Council

Due to videoconferencing difficulty, the Chair of this Council, Ryan Costella, called the meeting to order at 10:04 a.m. and welcomed everyone and thanked them for attending the meeting. He then asked Coralie Peterson, Administrative Assistant for DETR’s Workforce Solutions Unit, to call roll.

II. Roll call and Establishment of a Quorum..... Coralie Peterson
Workforce Solutions Unit, Department of Employment, Training and Rehabilitation (DETR)

Coralie Peterson called roll and informed the Chair that a quorum was present.

III. Verification of Posting Coralie Peterson

Ryan Costella asked Coralie Peterson to verify that the agenda for this meeting was posted according to Nevada statute. Mrs. Peterson verified that the agenda was posted according to NRS 241.020.

IV. **First Public Comment Session**Ryan Costella
Members of the public will be invited to speak before; however, no action may be taken on a matter during public comment until the matter itself has been included on an agenda as an item for possible action. Public comment may be limited to three minutes per person at the discretion of the chairperson.

Mr. Costella announced the First Public Comment Session and invited members of the public to speak. No comments were made. Hearing none, he moved to Agenda Item V.

V. **Discussion/ Possible Action** – Approval of the July 7, 2014 Meeting Minutes.....Ryan Costella

Mr. Costella asked for approval of the July 7, 2014 Meeting Minutes. A motion was made by Ray Bacon and was seconded by Mike Skaggs. All were in favor, none were opposed. The motion carried unanimously.

VI. **Presentation** – Company Profile: Click Bond.....Ryan Costella, Director of Strategic Initiatives
Click Bond

Ryan Costella proceeded to provide a company profile of Click Bond. He stated that Click Bond was originally a product line for a research and development company known as Physical Systems Inc., which developed technology for many industries, for example, the film industry and health care. At one point, they developed the technology for fastening systems to combine with construction adhesives, which provided the basis for the formation for Click Bond, founded by Charles and Collie Hunter in Carson City, Nevada, in 1987.

Mr. Costella further mentioned that Click Bond is a family business, started with 5 employees. By 2014, the number of employees grew to over 410, with the majority of employees working in their headquarters in Carson City, Nevada. He said that Click Bond also has operations in Watertown, Connecticut and in 2013, the Saltney, Wales U.K. office was opened, mainly to support one of the largest customers, Airbus.

He named examples of Click Bond's customers and their programs:

- Lockheed Martin Lightning F-35 11
- Boeing 787 Dreamliner
- Airbus A 350
- Northrop Grumman X-47B Demonstrator
- NASA Mars Curiosity Rover

He mentioned that at Click Bond's Holiday Party, a video was shown displaying Click Bond parts on the Mars Curiosity Rover, located on the Planet Mars, which gave a powerful example of the extent of the company's activities.

He went on to speak about Click Bond's community presence. He stated that Click Bond participates heavily at a national level through the National Association of Manufacturers and the Aerospace Industries Association, and in the State of Nevada they are involved with Nevada Manufacturing Association, the NV STEM Coalition, as well as the GWIB Manufacturing Sector Council.

Mr. Costella stated that building a workforce for the future is a main focus for Click Bond. The company is always innovating, finding better ways to make new parts, and produce faster, more efficient planes for all uses. Mr. Costella stressed that in order to maintain and sustain the company's growth, they must have a strong workforce.

He said that Click Bond, in addition to working with the aerospace industry, is beginning to venture into the energy market, where their parts can actually save welding and "hot work" in the presence of gas. He went on to comment that many cruise ships use Click Bond parts, evidencing the entrance of the company into marine work as well as some of the transportation markets, such as in China's light rail lines. While Click Bond is becoming increasingly global, Click Bond considers Nevada to be their home, but this is contingent upon having the right people for the jobs. For this reason, Click Bond has partnered with education teams, the workforce system and economic development to ensure they will *have* a skilled workforce. Mr. Costella concluded his comments by inviting members to tour the Click Bond facilities.

Ray Bacon asked Mr. Costella to tell more about the key component in Click Bond's success--using Click Bond fasteners rather than drilling. Mr. Costella explained that if drilling is used to assemble the many parts in constructing a plane, this will weaken the structure and add weight to the craft. He said Click Bond's strong adhesives eliminate the need for drilling, so the planes are lighter, more fuel-efficient and more structurally sound.

Mike Skaggs asked about the skill sets he feels will be needed in the next 5 years. Mr. Costella mentioned that Click Bond is looking to hire individuals who are teachable and flexible, since the processes and the technology are always changing, with the needed skills expected in the following areas:

- Machine design skills and Tool design skills (high demand)
- Tool Makers
- Machine Operators
- Mechanical Engineers and Chemical Engineers
- Quality Engineers and Manufacturing Engineers
- Accounting
- Human Resources
- Marketing

Ray Bacon commented that in view of the high demand skills that Click Bond needs, it is understandable that Mr. Costella strongly advocates STEM education/training, and stated that other companies will have a similar need for employees with strong chemistry and physics education, indicating that future careers will rely heavily on STEM training. David McElwain commented on a 28% increase in enrollment in engineering classes this year at UNLV (University of Nevada, Las Vegas).

Mr. Costella highlighted STEM training as an important foundational skill, and suggested that students should be exposed to the high quality of training that is currently used at Nevada's CTA/CTE schools. He also mentioned the NCRC (National Career Readiness Certificate) which is being used by Click Bond as a screening tool, as well as for promotional use and as a coaching tool for their employees. He encouraged sector council members to promote the use of the NCRC with other manufacturers and also suggested they attempt one module of the test themselves, to understand and appreciate the rigor of the testing. When he concluded his comments, he moved to address Item VII.

**VII. Presentation – Walmart – Made in USA Commitment.....Ray Bacon, Director
Nevada Manufacturers Association**

Mr. Costella invited Ray Bacon to provide information on Walmart's Made in the USA Commitment. Mr. Bacon said that he and Mike Skaggs attended a national conference in Denver recently held by Walmart addressing the company's commitment to buy 50 billion dollars of U.S. made goods during the next 10 years. Mr. Bacon mentioned that although the company had many national ads, including one at the Super Bowl, mentioned this commitment, but some may question if this is a genuine statement.

Mr. Bacon explained that the Colorado Convention Center was used for this conference for a full week, and included a large group of managers, approximately 5,200. The last two days dealt with this manufacturing promise. Mr. Bacon said that Walmart is taking the unusual step of looking at 2 or 3 levels down the supply chain to determine if there are issues or bottlenecks that are presenting barriers to products being manufactured in the United States.

He presented the example of indigo dye, used in the manufacturing of denim blue jeans. He explained that the dying process is inefficient, remaining basically unchanged for many years and which has a large portion of chemical waste associated with it. Mr. Bacon commented that Walmart awarded a research grant to 2 universities (Texas Tech and the University of Georgia) resulting in preliminary data indicating a process that could reduce water consumption by 80-90%, with a substantial drop in both energy consumption and hazardous waste (and the nature of the hazardous waste, as well). Removing the environmental concerns are needed to return this manufacturing process to the United States and changing this fundamental production processing assured Mr. Bacon that Walmart's Made in USA Commitment is genuine.

Upon concluding his comments, Terry Culp asked if Mr. Bacon had seen any other examples of the mechanical manufacturing supply chain avenues that were being pursued by Walmart. Mr. Bacon said yes, and that Walmart has already acknowledged failure on the supply of metal lawn furniture, which has a current lead time of 18 months. Due to the furniture's complexity, only a few of the items in that line can be obtained from a U.S. source.

Mike Skaggs commented that Walmart will be expending resources in research and development to standardize small electric motors (for use in appliances). Mr. Bacon added that Walmart is looking at standardizing the armatures and bearings for small electric motors, which will result in a reduction of cost in product development as well as repair costs. Mr. Bacon commented finally that Walmart is not tackling small problems. Hearing no further comments, Mr. Costella thanked him for his presentation and moved to Agenda Item VIII.

VIII. **Discussion/Possible Action** – Update on the Pilot Program.....Ryan Costella

Mr. Costella reminded sector council members of the goal of the council’s pilot program, which was to have 1,500 people reach the *Silver Level* of the National Career Readiness Certificate (NCRC), and he stated that that this would make a substantial impact in meeting some of the initial demands of the manufacturing workforce in the next few years.

He said that the infrastructure of the NCRC testing program has been confirmed and next they will be developing effective communication strategies to involve fellow manufacturers in the State of Nevada in an effort to elicit their use and demand for this credential. Mr. Costella said that a RFP (Request for Proposal) has been released, that he and Ray Bacon helped to craft, to deliberately seek companies with 40 or more employees, who are anticipating growth, and who are looking for a workforce. Of the companies they identify, Mr. Costella said that they will target a success rate of 25% of those companies to make the NCRC testing part of their hiring process. He then asked Ray Bacon if he had any additional comments.

Mr. Bacon said that DETR’s research shows there are 217 companies that meet the (40+ employees) guideline that Mr. Costella mentioned; however, some responded that they will not be hiring. He stated that the number he gave accounts for about half of the all the manufacturers in the state, and he said that about 50 companies may be interested in collecting the data and using the NCRC tool. Mr. Bacon said that in a year there should be real data that showing the change in workforce retention. Terry Culp volunteered to help them with this effort.

Mr. Costella said that hopefully by the next sector council meeting, they will have selected a communication strategy, and he invited all the members to let him know if they would like to be involved in proving the NCRC’s worth, as Mr. Culp had offered. Hearing no further comments, he moved to Item IX.

IX. **For Possible Action** –New Business and Future Agenda Items.....Ryan Costella

Suggestions for future agenda items included the following:

- Update on the Pilot Program – Ryan Costella
- Update on the Success of Manufacturing Week – George Gussak
- Tesla Processes and Training Needs – Ryan Costella
- Plant Management and Techniques – Jim New and David Philippi

X. Next meeting is scheduled to take place on Monday, October 6, 2014 at 10:00 a.m.....Ryan Costella

Mr. Costella mentioned that the cadence of the meetings for the GWIB Manufacturing Sector Council will be every other month after the October 6, 2014 meeting.

XI. **Second Public Comment Session**.....Ryan Costella

Members of the public may now comment on any matter or topic, which is relevant to or within the authority or jurisdiction of the Board. You may comment now even if you commented earlier; however, please do not simply repeat the same comment you previously made. Please clearly state and spell your name. Each comment may be limited to three (3) minutes.

Mr. Costella announced the Second Public Comment Session and invited members of the public to speak. George Gussak gave a brief account of the activities of Manufacturers Week, which will start on October 3, 2014.

He stated that over 30 different schools will be visiting more than 2 dozen companies in northern Nevada, and Terry Culp and others have started a similar effort in organizing tours in the southern part of the state. He shared a website to view details of the events: <http://www.mfgday.com/> (open hyperlink). Mr. Costella thanked him for his comments and then moved to Item XII.

XII. Adjournment.....Ryan Costella

After closing the Second Public Comment Session, Ryan Costella adjourned the meeting at 11:06 a.m.

Agenda items may be taken out of order, combined for consideration by the public body, and/or pulled or removed from the agenda at any time. The Chair may continue this meeting from day-to-day. Pursuant to NRS 241.020, no action may be taken upon a matter raised during a period devoted to comments by the general public until the matter itself has been specifically included on an agenda as an item upon which action may be taken.

GOVERNOR’S WORKFORCE INVESTMENT BOARD
MANUFACTURING SECTOR COUNCIL

Ryan Costella (Chair), Ray Bacon (Vice Chair), Fredrick Stater, Leo Gobbo,
Commissioner Representative Denise Castle, Mike Skaggs, Councilwoman Gerri Schroder, David McElwain,
Terry Culp, George Gussak, Dana Ryan, Jim New, Dr. David Ching Lee, Cornelius Eason, Gary Blosl,
Dr. Michael Spangler, David Steiger, Dasya Duckworth, Craig Laub, Dr. Haris Doumanidis, Chris Zunis,
Mark Rauenzahn, Commissioner Vida Keller,
Rich Reininger, Matt Versluis, and Mehul Mehta

Notice: *Persons with disabilities who require special accommodations or assistance at the meeting should notify Coralie Peterson, DETR, Workforce Solutions Unit, between the hours of 8:00 a.m. through 5:00 p.m., in writing at 2800 E. St. Louis., Las Vegas, Nevada 89104; or call (702) 486-0523; or fax (702) 486-6426 on or before the close of business Friday, September 5, 2014.*

Notice of this meeting was posted at the following locations on or before 9:00 a.m. on the third working day before the meeting: DETR, 2800 E. St. Louis, Las Vegas, NV; DETR, 500 East Third St., Carson City, NV; DETR, 1325 Corporate Blvd., Reno NV; NEVADA JOBCONNECT, 3405 S. Maryland Parkway, Las Vegas, NV; NEVADA JOBCONNECT, 119 Water St., Henderson, NV; NEVADA JOBCONNECT, 2827 N. Las Vegas Blvd., North Las Vegas, NV; NEVADA JOBCONNECT, 1929 N. Carson St., Carson City, NV; NEVADA JOBCONNECT, 172 Sixth St., Elko, NV; NEVADA JOBCONNECT, 480 Campton St., Ely, NV; NEVADA JOBCONNECT, 121 Industrial Way, Fallon, NV; NEVADA JOBCONNECT, 475 W. Haskell, #1, Winnemucca, NV; NEVADA JOBCONNECT, 4001 S. Virginia St., Suite G, Reno, NV; NEVADA JOBCONNECT, 1675 E. Prater Way, Suite 103, Sparks, NV; GRANT SAWYER OFFICE BUILDING, 555 E. Washington Ave., Las Vegas, NV; LEGISLATIVE BUILDING, 401 S. Carson St., Carson City, NV; NEVADAWORKS 6490 S. McCarran Blvd., Building A, Unit 1., Reno, NV; WORKFORCE CONNECTIONS, 7251 W. Lake Mead Blvd., Las Vegas, NV. This agenda was also posted on DETR’s Web site at www.nvdetr.org. In addition, the agenda was mailed or e-mailed to groups and individuals as requested.