# STATE OF NEVADA GOVERNOR'S WORKFORCE DEVELOPMENT BOARD FULL BOARD MEETING

Wednesday, December 18, 2024 – 2:00 p.m.

#### Las Vegas: Nevada State Building 1 State of Nevada Way – 4<sup>th</sup> Floor Las Vegas, NV 89119

#### Carson City: Department of Employment, Training, and Rehabilitation SAO Auditorium 500 E. Third St. Carson City, NV 89713

### Phone Line: 1 775-321-6111 Phone Conference ID: 874 736 946# Meeting ID: 227 027 779 660 Passcode: Bc6Nd6mW

## MINUTES OF MEETING

- **Present:** Don Soderberg (Chair), Marchele Sneed, Senator Dina Neal, Councilman Scott Black, Aubree Barnum, Jerrie Merritt, Edward Estipona, Kenneth Goodrich, Kevin Landry, George Gault, Cheryl Olsen, Robert Benner, Dr. Evelyn Thompson-Hilbert, Leslie Mujica, Susan Brager, Irene Bustamante Adams, Drazen Elez, Tracy Brown-May,
- Absent: Kelly Workman, Sarah Johns, Jesse Wadhams, Michael Bolognini, Ryan Woodward, Brittany Brown, Thomas White, Nancy Olsen
- Also present: Leslie Crumb
- 1. CALL TO ORDER OPENING REMARKS AND PLEDGE OF ALLEGIANCE Chair Soderberg called the meeting to order and recited the pledge of allegiance.

#### 2. ROLL CALL – CONFIRMATION OF A QUORUM

Per direction from Chair Soderberg, Leslie Crumb took roll call and confirmed the presence of a quorum.

#### **3.** VERIFICATION OF PUBLIC NOTICE POSTING

**Leslie Crumb** affirmed that the agenda and notice of the Governor's Workforce Development Board (GWDB) meeting on December 18, 2024, was posted pursuant to Nevada's Open Meeting Law, NRS 241.020.

#### 4. FIRST PUBLIC COMMENT(S) NOTICE

**Chair Soderberg** read the notice into the record as follows: "Members of the public are invited to make comments at this time. No action may be taken on any matter during public comment until the matter itself has been included on an agenda as an item for possible action. Public comments will be limited to three minutes per person." The Chair invited comments. There were none.

5. **\*FOR POSSIBLE ACTION – Approval of August 21, 2024, Minutes** Chair Soderberg called for any discussion on the August 21, 2024, meeting minutes. <u>It was moved by</u> <u>Susan Brager and seconded by George Gault to approve the August 21, 2024, minutes. The motion</u> <u>passed.</u>

# 6. DISCUSSION/INFORMATION ONLY – Presentation from Subcommittees – Childcare, Barriers and Underserved Populations, and Strategic Planning

Chair Soderberg introduced Susan Brager to begin the presentation.

**Susan Brager** explained that the childcare policy focuses on supporting families who want to work but struggle with the high cost of childcare, which can be as much as \$17,000 per child annually. Current systems can penalize individuals who earn even slightly above eligibility thresholds by cutting off benefits, creating a barrier to economic progress.

**Ms. Brager** pointed out some of the key points to include reducing regulatory barriers by simplifying requirements for opening childcare facilities, such as eliminating unnecessary rules (e.g., requiring private bedrooms or child-specific toilets in facilities). Also, expanding access in neighborhoods by increasing affordable, accessible childcare options within neighborhoods, including exploring partnerships with apartment complexes and HOAs to establish facilities. She suggested encouraging businesses to utilize grant programs, such as the F-45 program, to provide childcare support for their employees. The committee plans to revisit the policy with a mix of internal team members and external stakeholders, given recent personnel changes, to continue building on prior work.

The focus of the childcare committee is to find ways to make affordable, accessible childcare a reality while addressing workforce needs. Like large employers, including major hotels, who have struggled to maintain daycare facilities due to high costs. Efforts are ongoing to reintroduce such programs with potential benefactors or funding solutions. They are also exploring converting old buildings (e.g., former K-marts) into multi-use daycare centers near clusters of schools, allowing parents to stay close to their children during the workday. She spoke of a pilot program that has become a successful mining industry childcare program in Northern Nevada that could serve as a model. It supports workers with flexible schedules and has been financially sustainable. Expanding affordable daycare would allow more people to work, boosting the economy by enabling families to afford housing, transportation, and other necessities. Finally, advocating for higher wages to attract and retain qualified daycare workers.

**Ms. Brager** concluded by stating that the committee plans to update its report for the next legislative session, showcasing the progress and the economic benefits of investing in childcare and welcomed further discussions to share more detailed information and collaboration on solutions.

Chair Soderberg called for any questions or comments.

**George Gault** recalled a conversation he had with "Amanda" who advised instead of asking businesses to run childcare programs, ask them to fund them.

He also discussed Station Casinos, and their involvement in their decision not to take on certain responsibilities. Emphasizing the need to shift the focus away from operational responsibilities for businesses.

Additionally, he added that there's a model in Colorado where all daycare entities are centralized, which could be worth exploring. This committee could take a leadership role in considering similar strategies for streamlining childcare efforts.

Susan Brager announced that there is a new survey available for businesses, focusing on their priorities, needs, and potential strategies.

A similar survey was conducted previously and was very successful. While she is not certain of its current status, the results should be coming in soon, providing valuable insights to guide the committee's next steps.

Dr. Evelyn Thompson-Hilbert asked what is the goal of this legislature for the proposed initiative?

Susan Brager answered that although they have been working on this, there have recently been significant changes.

She is hoping to present something before the session ends to explain why state support is needed. For example, if one of the 18 buildings in the area can be used, that isn't fully utilized maybe that could be a start to a pilot program. This would demonstrate how people who can't currently afford daycare could still access it through a sliding scale.

We are faced with either needing a benefactor or access to a building to move forward. If the committee agrees, this could be the proposal we pursue.

**Marchele Sneed** noted as Ms. Brager had mentioned, there's a survey out with a goal of getting 500 business responses. So far, there have been a little over 200 received. To reach the goal, the plan is to extend the survey until the end of the year

**Chair Soderberg** called for further discussion on the topic. There was none. He then moved on to the next topic on barriers and underserved populations.

**Dr. Tiffany Tyler-Garner** introduced herself for the record and began an overview of the committee's work:

During the 2023 and 2024 program years, the first phase focused on identifying areas of greatest need across the state. This research highlighted three groups disproportionately impacted by unemployment: individuals with special needs, women with children (due to childcare and related issues), and men from diverse backgrounds.

In 2024, the second phase emphasized implementing interventions. Surveys were conducted across all government levels to identify best practices and promising solutions for addressing the needs identified in the first phase. Initiatives and programs were reviewed for opportunities to leverage additional resources or deepen their impact across communities.

One national initiative, the STARS program (Skilled Through Alternative Routes), was a key focus. This program supports individuals with skills gained through military service, on-the-job experience, or microcredentials. STARS represent 60% of the state's workforce, but on average, they earn 70% of the wages of degree holders and take about 30 years to reach similar earnings.

The committee is exploring how to use technical assistance from this initiative to create pathways for STARS, address workforce shortages, and strengthen public services, which are expected to face growing challenges as more individuals retire and fewer enter public service roles.

The second national initiative was inspired by Minnesota's Department of Employment, which issued grants focused on three key areas:

- 1. **Identifying Organizations**: Recognizing credible leaders and organizations providing employment services in high-need or underserved areas.
- 2. Building System Capacity: Mentoring and providing technical assistance to help organizations expand their employment services.
- 3. Supporting Employers and Entrepreneurs: Leveraging entrepreneurship training to build local employment capacity.

This approach could serve as a model for state projects, ensuring efforts are both statewide and responsive to regional needs. The committee also reviewed:

- **Project 354**: A long-standing program addressing underemployment among individuals aged 24 and younger.
- Vocational Rehabilitation Services: Serving over 5,000 individuals with special needs, with a focus on removing barriers like access and awareness.
- WIN Program: A program leveraging strong sector partnerships to train and upskill workers for in-demand jobs.
- **Trauma-Informed Workforce Development**: Recognizing the importance of addressing postpandemic challenges and understanding barriers to employment.

Regional initiatives included the City of Las Vegas and CSN with a training campus in an area with high unemployment, scheduled for completion in 2025, focusing on in-demand sectors. Programs supporting target populations with initiatives like King of Jewels, which focuses on young males, addressing the trend of men entering the workforce and training programs at lower rates than women. The committee

also reviewed presentations from CSN and other organizations to understand disparities, identify resources, and explore strategies for upskilling and reskilling the workforce.

In Northern Rural Nevada, the "Good Jobs Northern Nevada" grant started in October. As training and opportunities in various areas were reviewed, they were excited to hear about the Governor's Workforce Development Board's first-ever strategic plan. This plan includes key areas like performance metrics, tracking, dashboards, and employer engagement. That concludes the overview.

Chair Soderberg called for questions on the topic.

**Dr. Evelyn Thompson-Hilbert** wanted to add for the record that in the first year, data was reviewed from the chief economist, specifically about single women. She wanted to highlight that this could overlap with the childcare report, especially since childcare is being discussed from a workforce perspective. She commended Dr. Tyler Garner for the excellent report.

**Chair Soderberg** opened the floor for more questions, before he asked a few of his own. Since there were none, the Chair recalled back when he was with DETR, under the 2017 Tax Act, there was a requirement to identify the poorest zip codes in the state, which had never been done before. The state economist worked with them on that, and it was fascinating, though a bit sad, to see the data. The Tax Act also included provisions to incentivize businesses to move into those areas.

Additionally, Nevada was part of a national pilot program through Jobs for America's Graduates, a priority of Governor Sandoval. This program aimed to expand the number of at-risk students in high schools, particularly in those poor zip codes. It was a three-year project, and he was curious if Dr. Tyler-Garner was aware of that program and its results.

**Dr. Tiffany Tyler-Garner** replied that she is aware of the program and can share how it has influenced the committee's work. The committee regularly receives reports on disproportionality, and we've found that some communities face unemployment rates as high as 29%, similar to the Great Depression. A key focus has been disconnected youth, with around 58,000 disconnected youth statewide, 42,000 of whom are in Clark County. These are young people neither working nor in school. Interestingly, about 60% of them have earned a high school diploma but are still not in the workforce.

To address this, DETR recently invested \$562,000 to help the disconnected youth gain employment or education. While I can't speak to the exact results yet, this initiative is part of a broader effort to tackle the disconnection, especially among individuals aged 16 to 24. We're seeing the issue across the state, not just among certain groups, and many have credentials but are not engaged in work.

The committee has embraced these efforts and looks forward to continuing to partner on initiatives that help more people enter the workforce, particularly those with the potential to contribute but facing barriers. The need is still significant, and there's ongoing work to address it.

**Chair Soderberg** commented that it is still a big problem, and not much progress has been made. When he first began working with DETR, he didn't know much about the workforce system. Governor Sandoval asked him to go, and he learned a lot. At the time, the workforce approach was simple and opened the doors to help anyone who showed up and qualified.

Over the years, especially during events like the Great Recession and COVID, it was discovered that many people who could benefit from these services don't even know they exist. Some people have grown up in environments where struggling was normal, and they assume that's their future. They don't know the workforce system could help them train for a good job, maybe the best job they or their family have ever had.

This mindset has been slow to change. Back then, there wasn't a clear consensus on outreach, but it became clear that people need to be actively reached. Like someone sitting at home playing video games, to show them that a better life and career are possible. It's not enough to wait for people to come to us.

From what he's hearing today, it sounds like outreach has evolved further since he left DETR, but it's still a work in progress.

**Dr. Tiffany Tyler-Garner** agreed that there is still a need to address these challenges. Access, awareness, and education are important, but there are other factors too, like the skills mismatch and changing perceptions of what makes a "good job."

Our economy is evolving, with new careers emerging in areas like digital media, IT, and creative industries. Jobs like being an influencer or working in tech are becoming viable, but we need to build stronger pipelines to connect people to these opportunities and meet employer needs.

We must increase awareness among job seekers and adapt the system to fit modern expectations like how people now order everything online instead of visiting physical spaces. Similarly, as we diversify our economy, we need to deepen partnerships with industry sectors to ensure workers gain the skills employers truly need.

**Dr. Evelyn Thompson-Hilbert** conveyed that she would not go into details on her research of traumainformed care and workforce development at this time. However, she has studied the region extensively, including its economic impact. Whether or not people focus on the human-centered approach, the economic consequences are significant.

In the private sector, it's over \$450 billion a year. For our region, it's still in the millions, potentially billions. We need to rethink how we interact with and support our workforce pipeline. She was more than happy to offer to discuss this further or present more details in the future.

**Susan Brager** included a digital campaign was also discussed. Where people often assume everyone knows about these resources because they are often discussed, but many don't.

We could try things like ads on buses or other public spaces where people might see messages like, "Did you know you can do this?" or "Did you know this resource exists?" We need to think outside the box because many people don't know about places like East Charleston or other locations they can go for help. A "Did You Know" campaign could make a big difference statewide.

**Chair Soderberg** shared a quick story, where he had a friend, who was a legislator from a disadvantaged neighborhood, who once suggested that DETR employees should go door to door in neighborhoods like his to reach people. It was July, and while he appreciated his idea and his influence on the budget, he knew there was no way they could send workers out like that.

But his point stuck with him that many people don't know about the resources offered or how much we can help them. This is especially true for those who've never had steady jobs or qualified for unemployment. They're simply not aware of programs like JobConnect.

The challenge locally and nationally is figuring out how to reach these people. They can't be forced to action, but we need to at least show them what's possible. If we can lead them to the "water," some of them will take that next step. It is something that we need to solve together.

**Kevin Landry** inquired with Milt Stewart whether it was true that Workforce Connections and Nevada Works, by design, cannot market themselves.

**Milt Stewart** responded that there is truth in using marketing dialogue, but recent U.S. Department of Labor funding is enabling more outreach and initiatives. Over the past 15 years, particularly during Mr. Stewart's time as director and chair of the Burbank Convention, that approach has shifted. Historically, things were different, but now the employee pay Plan B upgrade has improved job creation statewide, addressing the previous inconsistency across regions.

**Edward Estipona** concurred, expressing that there's a shift happening at the federal level as they realize the "if you build it, they will come" approach doesn't always work. The federal government moves slowly, but now they're focusing more on outreach.

When it comes to Gen Z, particularly those impacted by COVID, many seem stuck. For instance, kids who missed key developmental stages during the pandemic are now socially behind, like fifth graders acting more like third graders. Even high school graduates may still think and behave like sophomores.

This creates a challenge: while some will use available services, others may struggle due to these developmental gaps. To address this, Nevada must break down silos and work collaboratively, especially since the lack of a tax-base limits available funding. It will take time and teamwork to solve these issues effectively.

**Marchele Sneed** indicated that another challenge, beyond outreach, is knowing how to communicate with this generation. The workforce is younger and different. What attracts older generations doesn't appeal to

younger generations. For example, she checks her mailbox daily, but her daughters (in their 20's) barely check their email.

The key is figuring out how to speak their language, making them aware of opportunities, and addressing the social gaps they face.

**Dr. Evelyn Thompson-Hilbert** echoed Mr. Landry's point. Stating, many providers and institutions, especially in Wyoming, interpret rules that prohibit marketing as meaning they can't do outreach at all. However, it's important to educate them that this isn't the case.

Just because certain actions are restricted doesn't mean you can't take other approaches like outreach or education. Many people assume they're limited to sending emails or putting out flyers, but there are other ways to engage effectively. It's a critical point to clarify for WIOA recipients.

**Kevin Landry** revealed that they won a Good Jobs Challenge grant a couple of years ago, which includes sector navigators. Their role is to work with tribes and communities in northern Nevada. These navigators are boots-on-the-ground, attending local events, school functions, and social gatherings to spread the word. But how often has the phrase, "It's the best-kept secret out there" been heard?

**George Gault** stated that he served on the Barriers Committee subcommittee, and one key topic discussed was encouraging companies to reconsider requiring a college degree for certain job descriptions.

In Mesquite, they recently received funding from their congressman for an HVAC program at CSN. Instructors went into the local high school, where only about 30% of students graduate and go to college, the other 70% face challenges in the workforce. During recruitment, many students expressed interest in working with their hands rather than pursuing college. They filled the first cohort of the HVAC program, starting with 12 students. It's a small step, but there's a significant demand for HVAC technicians.

They also have a local dentist who, frustrated by the lack of dental hygienists, bought a curriculum, got it approved, and started training hygienists in her practice.

There are many programs and efforts happening, but he often feels overwhelmed by the information. For example, someone sent Mr. Gault a dashboard recently, but he is likely is the only person in Mesquite who knows about it. Broadening awareness is critical.

He also included another unique challenge with a gaming company that is busing housekeeping staff daily from Vegas; an 80-minute trip one way. Another relies on J-1 visa workers.

On a positive note, they've secured private funding for lab equipment to start a medical assisting program at CSN. However, he hopes Workforce Connections expands its focus beyond Las Vegas to better serve Southern Nevada as a whole.

**Kenneth Goodrich** mentioned that he has brought up this issue in previous meetings, but as someone who's been in the HVAC and plumbing business in Las Vegas for 40 years, labor challenges have always been an issue and they're only getting worse. For example, the average HVAC service technician is now 42 years old, and this kind of work gets harder as they age.

What surprised him when he joined the board was learning that programs to support employees and employers already exist, like apprenticeship programs. As a business owner, he had no idea these resources were available. Over the years, he's built multiple businesses and had to create their own training and recruiting systems because they didn't know these programs existed.

For example, in his most recent venture, Goettl Air Conditioning, trained over 220 technicians in-house. These are great, well-paid jobs that fit the exact audience that's being discussed here. But they've been operating in isolation, unaware of the available support.

The key issue is getting the word out to employers. Businesses like his are constantly searching for skilled workers and could help spread awareness if they knew about these programs. He understands there are restrictions on marketing, but perhaps grassroots efforts like Chamber of Commerce meetings could help. There's a need to bring employers, the board, and relevant agencies together to tackle this problem and find real solutions.

**Chair Soderberg** questioned Mr. Goodrich about where/how he reached the 200+ individuals to train that he spoke of.

**Kenneth Goodrich** addressed the Chair's question describing that they have a recruiting team that promotes training opportunities for young men and women to work in the trades, including through radio ads. Over the years, they've also established partnerships with colleges like Southern Nevada, which even named their HVAC school after his father, a well-known HVAC professional in Las Vegas. Additionally, they worked with Western High School to recruit students, creating a strong pipeline of young talent. As a result, a significant portion of their trained workforce comes directly from high school.

**Chair Soderberg** responded how interesting it was, since Mr. Goodrich clearly is successful with it. He has heard that workforce development needs to do more outreach with employers, as they play a key role in helping people. When he hears about someone who's already doing it, he's curious to know how individuals are reached and how we can learn from that approach.

**Kenneth Goodrich** went on to state that when he first got involved with the board and started hearing about these programs, he talked to other contractors he knew at association meetings. He asked if they had heard of these programs or were using them, and out of about 40-50 people he spoke to, none of them knew they existed. It's not a huge sample size, but it gives me some direction.

**George Gault** remembered to mention that they went door to door to HVAC companies, inviting them to participate, review the curriculum, and ensure they were teaching the right skills. They encouraged them to join because, after a certain period, all the students passed their EPA certification. Last week, a breakfast was held at CSN and the companies were invited to form a council focused on hiring graduates, ensuring there were jobs available. This effort also helped address the issue of "brain drain" in small communities. HVAC offers a good career, a chance to earn well, build a family, and avoid student debt (something that's important).

**Chair Soderberg** noted the time to move on to the next area of this agenda item, noting that Nancy Olsen was unable to be present, and handed the floor over to Mr. Estipona.

**Edward Estipona** kept it brief by starting with the goal of the strategic planning committee, to get the Nevada Strategic Plan to the federal government, which was done in May and approved by the governor's office. In June, they began working on a shorter, more digestible version of the plan, since the federal one was too complex for most people to read. The committee met, outlined goals, and then spent a couple of months gathering feedback from various organizations. After making adjustments based on that feedback, the group was selected. A meeting was to take place in early December to move forward, but that meeting was canceled. Now they're working to finalize the shorter plan, making sure it's inclusive of different perspectives and not based on assumptions. They needed input from various partners because different groups may have different rules and needs that they might not be aware of. He concluded his update for the committee.

Chair Soderberg called for any questions for Mr. Estipona, there were none.

# 7. DISCUSSION/INFORMATION ONLY – The Lithium Loop – Nevada is the only state poised to complete the entire lithium supply chain process and be the center of the lithium mining, refinement and battery manufacturing industry in the U.S.

Chair Soderberg introduced Mr. Tim Crowley, Vice President of Government Relations for Lithium Americas Corporation.

**Tim Crowley** started his presentation and advised that he was also a colleague of Aubrey Barnum, who sits on the panel. He was pleased to see some familiar faces, including the Chairman. He announced that he would be using slides from a presentation that the CEO gave at the Lithium Summit hosted by Governor Lombardo a couple of months ago in Lake Tahoe. Although, the full presentation took about 45 minutes, he chose to go through it quickly. He offered to stop at any time for the committee to take a deeper dive into any items or questions they may want to go over.

Lithium Americas is building the Thacker Pass project in northern Humboldt County. Nevada is wellpositioned to lead in the battery industry. While it's a new industry in the U.S., Nevada has key components to succeed, such as a strong regulatory framework for mining, a solid university system, and great partnerships with institutions like Great Basin College and UNR. Their K-12 system, especially in Humboldt County, also plays a vital role.

Nevada has lithium resources, and to support the industry, they've created the Nevada Battery Coalition. This group, led by Caleb Cage, includes members from across the entire battery supply chain, from mining to recycling. Nevada's geology makes it ideal for mining, but there's also a growing presence in battery component manufacturing and EV parts production. The impact on workforce development in the state will be significant, and the Thacker Pass project is a great example of how these industries will grow and create new business opportunities.

The hacker Pass project is a \$3 billion investment, which is comparable to the cost of the Bellagio hotel when it was built, though adjusted for inflation. They're building this in northern Humboldt County, an area with a weaker economy and surrounding disadvantaged communities, making this a huge capital investment.

The project will create significant economic impact. During construction, they'll need nearly 2,000 workers at peak times over the three-year period. Once operational, they'll need around 300 full-time employees. They're also partnering with other companies, which brings additional economic development and wealth generation to the region. The project plays a key role in reducing carbon emissions. They're working towards being carbon neutral, and while they may not reach it immediately, they'll be very close. There's also a national security aspect, as they're currently reliant on foreign sources for the materials needed to produce the batteries they use every day.

**Mr. Crowley** provided a slide with a more detailed look at the economic impacts of the project, including job creation and the spending multiplier effect. With a \$3 billion investment, the ripple effect from this spending will generate significant economic value. The supply and demand gap for lithium today is a key driver for building this project, and they included a graphic showing the supply chain companies involved. He recommended the committee review the data on economic impacts at their convenience.

He showed the key point is the significant gap of the supply-demand curve. Even if every lithium project in development, including less likely "pipe dream" projects, comes online, there will still be a major supply deficit in just a few years.

This highlights the urgent need for domestic lithium production, as most of the lithium they currently use comes from foreign countries, including those of concern like China. The U.S. produces only 0.2% of the lithium it consumes, while China dominates 65% of global lithium processing. This dependency creates a critical vulnerability, driving efforts to onshore lithium production and processing. It further emphasizes China's dominance in the battery world and EV industry, controlling lithium processing and producing more EVs than any other country. They leverage this dominance by manipulating prices, such as flooding the market with lithium to drive prices down.

For this company and project, the focus is on keeping costs low to remain competitive, even in the face of external price manipulation. The goal is to maintain a low operating cost (OpEx), ensuring long-term viability despite market fluctuations. This strategy is critical as China continues their dominance.

He continued noting Nevada is seeing a rise in lithium projects, with Albemarle operating the only current U.S. lithium production site at Silver Peak near Tonopah. Their brine operation pumps lithium-rich liquid from 3,000 feet underground, evaporates the water, and processes the remaining solids. While reliable, it has limited output.

Their project and others, like Ioneer's Rhyolite Ridge, are in development and expected to significantly boost production. Additional projects may follow, contributing to Nevada's growing role in lithium production.

At Thacker Pass, they're building a lithium mine in the McDermott Caldera, the world's largest known lithium resource. Located 12 miles west of the agricultural town of Orovada, the area was formed by a volcanic eruption 16 million years ago, leaving behind lithium-rich minerals.

They've secured mineral rights to much of the caldera but are focusing on a 1,000-acre area with high lithium concentrations, flat terrain, and minimal environmental impact. Phase one of the project will produce 40,000 tons of lithium carbonate annually, enough for 800,000 electric vehicle batteries, eight times more than Nevada's existing Silver Peak mine. This marks a major step in putting the U.S. on the map for battery material production.

They're also approved to build a second phase of the project. After completing phase one, they'll expand to double their output to 80,000 tons of lithium carbonate annually; enough for 1.6 million electric vehicle batteries per year.

The dark area on the map covers 18,000 acres, but only 7,000 acres will be used, with 1,000 acres for the mine and 6,000 for our processing facility. At its core, Lithium Americas is a chemical company. Colocated at the site will be an advanced chemical plant producing lithium carbonate, the essential ingredient for all lithium-ion batteries.

Moving on Mr. Crowley expressed that it has been a long journey to get here. They started in 2007 with exploration, drilling, and feasibility studies as Western Lithium. In 2021, they received final federal approval (the Record of Decision) and secured additional state permits. After 2.5 years of litigation, the appeals against them were largely dismissed, though they had to do additional drilling to confirm the value of their ore.

Today, construction has started, and it's fully funded. They secured a \$2.3 billion loan from the Department of Energy to move forward with large-scale construction. They're committed to doing this project responsibly, with a low carbon footprint and 86% water recycling. They've also worked closely with the local community and the Fort McDermitt tribe to ensure the project is done safely and sustainably. Lithium Americas has secured a \$2.26 billion loan from the Department of Energy, enabling them to move forward affordably. Since Lithium Americas has no other projects or cash flow, they've relied entirely on borrowed funds and shareholder investments. General Motors is also a key partner, investing \$950 million in exchange for exclusive access to all lithium production for the first 20 years, plus 38% of output beyond that. The mine has a 40-year lifespan, providing GM with enough lithium for 800,000 to 1.6 million electric vehicles annually.

Since obtaining their federal permit, they've completed key state permits, including air, water, and mine reclamation permits. Now, they're focused on construction and finalizing engineering, which are happening simultaneously. As of October, engineering is 50% complete, and construction is progressing rapidly.

At the site, they've leveled land for the processing plant, built culverts for surface water management, and created construction ponds. They're also setting up a batch plant to pour foundations and using water for dust control and soil compaction. These steps are paving the way for full-scale production.

Over a year ago, they opened an office in Winnemucca. There were about a third of the people from Lithium Americas and their partners, while the rest were local community members, including the mayor, county officials, and law enforcement. The community has been very supportive, and celebrated this milestone together.

They're committed to supporting local stakeholders, including the federal government, local communities, and the Native American community near their project. For over a decade, they've worked with the Fort McDermitt tribe, which expressed a need for jobs and job training. In response, they've partnered with unions and skilled labor organizations to provide apprenticeships and operator training. Additionally, given the high number of single parents in the tribe, they've committed to building a daycare facility and a community center, investing \$5 million in new infrastructure.

Beyond Fort McDermitt, they're addressing community needs in Orvada by committing \$15 million to build a new K-8 school, moving it away from a busy intersection near our project. The new school will be located two miles south of the current outdated facility.

In Winnemucca, we're also investing in a transloading facility. This facility will allow us to bring reagents to the site by train and transfer them onto trucks, creating more opportunities and economic benefits for the community.

**Mr. Crowley** advised that Winnemucca lacks the necessary housing and infrastructure to support the 2,000 workers needed for the project. To address this, they've acquired a modular housing facility with 1,197 rooms, each featuring a private bathroom. The facility will include a commercial-grade kitchen, dining area, and relaxation spaces for workers. The groundwork is complete, foundations are dug, and assembly of this workforce hub on the east side of Winnemucca is starting this year.

They've partnered with GM, which will take all of our lithium output, and Bechtel, a trusted construction management firm, to oversee the project. Workforce recruitment will be handled through a project labor agreement with the North American Building Trades Union (NABTU). Since Winnemucca doesn't have enough workers, they'll recruit skilled labor from cities like Boise, Reno, Las Vegas, Salt Lake City, and beyond. Over the next three years, these workers will live in the housing facility while building the project. They're excited to partner with skilled labor for their expertise and commitment to quality in this first phase.

Finally, after completing phase one, they'll move into phase two, supported by a strong apprenticeship program to create new jobs and career opportunities.

Their operational costs (OpEx) are among the lowest globally. Even when lithium prices hit a low of \$15,000 per ton, they can produce lithium at just \$7,000 per ton. This ensures they remain profitable during downturns and thrive when prices rise, as expected.

The project brings numerous benefits, including taxes, jobs, and economic growth. Workforce training remains a key focus. They're excited to collaborate with the committee to make this project successful. Construction is underway, and they aim to start production by late 2027 or early 2028.

Mr. Crowley thanked the committee for considering this project which would be an incredible asset for Nevada that they're proud to bring to life.

Chair Soderberg opened the floor for questions.

**Leslie Mujica** was impressed with the company's great work of creating jobs in Nevada. She asked if Lithium Americas had plans to bring opportunities to Southern Nevada and collaborate with UNLV? They have an expert here, Andrew Woods, who specializes in the lithium loop and is a proud UNLV Rebel. She suggested, if Mr. Crowley didn't have answers now, perhaps they could discuss offline, but she'd like to know about the plans for workforce development in the South.

**Tim Crowley** replied that they are fully open to collaboration as it's the right approach for Nevada, and they genuinely need support.

He would absolutely like to get together to talk. He has spoken with Andrew before and would love to strengthen that connection to see how they can work together.

**Chair Soderberg** wanted to know, since Mr. Crowley mentioned there will be about 2,000 construction jobs and a partnership with Bechtel. He understood Lithium Americas is setting up a more sophisticated workforce camp in Winnemucca, which isn't new to the area.

These workers, while in long-term roles, often come from the mining and construction industries, and might have worked at places like Newmont before. Do these workers typically move from project to project?

**Tim Crowley** explained the project they're building is quite sophisticated. It's not just a mine but a chemical plant, requiring specialized workers like pipe fitters and crane operators; skills not often seen in other mining projects in the state. So, they'll need to cast a wide net to find that workforce.

Regarding the housing facility, they prefer not to use the term "man camp" because it often gives the wrong impression of remote, Wild West-style camps. Their facility is in the city limits of Winnemucca, offering workers a comfortable living environment while still allowing them to interact with the local community and support the economy. This setup also ensures the town isn't overwhelmed by demand.

**Chair Soderberg** asked when the construction of this project has been completed, or wound down, there should remain about a little over two hundred employees. Would that be in the processing facility?

**Tim Crowley** answered that at peak they should have around 360 employees, mostly in the processing facility. However, they won't be handling the mining themselves. The mining work will be contracted out to Sawtooth, a subsidiary of North America Mining. Lithium Americas will focus on producing high-purity chemicals, staying in their area of expertise.

**Chair Soderberg** clarified that these are the jobs that require specialty, in many instances, that have not been seen in Nevada, North or South. This is where the training pipeline comes in. Which is most critical because Nevada has plenty of people who know how to build a mine and there is a shortage of them. The Chair was also curious to know if there are any population centers in the north, such as Idaho or Oregon?

**Tim Crowley** shared that Boise is about the same distance from their site as Reno. Great Basin College has recognized the need for specialized workforce training, and they received a grant to create a program focusing on chemical plant operator skills. This gives us the company three years to develop skilled workers for the future, but this program will only be in Winnemucca. While they aim to hire locally, the numbers won't be enough, so they will also need to look beyond the local area to fill the workforce.

**Chair Soderberg** wrapped up the discussion offering to ask Mr. Crowley to return again in the future to provide an update on this project.

**Tim Crowley** finished his presentation and invited the Chair/Committee to visit their Lithium Tech Center in Reno, where they showcase their processing on a smaller scale. Including that if the Chair is ever in Reno for a meeting, to please feel free to bring the board to see the facility and to visit the main site, though that may be a bigger commitment.

**Edward Estipona** added that the battery industry we're entering is similar to what Silicon Valley was for computer chips. Today, batteries power many devices, especially electric cars, and soon we'll be storing energy in our homes. This could have the same big impact on Nevada that Silicon Valley had on technology, but we'll face challenges like childcare, housing, and labor to make it happen.

**Tim Crowley** ended by saying these jobs offer young people exciting career opportunities in a cuttingedge industry. Unlike traditional mining, the battery industry allows them to help reduce carbon emissions and be part of innovative technology, which can be both satisfying and well-paying. It's a new and exciting opportunity for Nevada.

**Chair Soderberg** shared one last workforce story before closing the meeting, where he toured Truckee Meadows Community College's diesel mechanic program, I was impressed by the hands-on training and high demand for their graduates. The biggest issue they face is that just before graduation, mines from Winnemucca and Elko offer students big signing bonuses and high wages, leading many to leave the program early. The demand for skilled workers is so high that students are poached before they even finish, making it tough for the college to keep students until graduation. It's a big challenge in rural areas, where skilled labor is in dire need. In Las Vegas, we don't see this kind of issue, but it's a real problem in northern Nevada.

#### 8. DISCUSSION/INFORMATIONAL ONLY – New Business from Full Board Members

**Chair Soderberg** called for new business from the board members. There were no items to discuss at this time.

9. SECOND PUBLIC COMMENT(S) Chair Soderberg called for a second round of public comment. There were none.

#### 10. ADJOURNMENT The December 18, 2024, meeting was adjourned.

#### Notice of this meeting was posted on or before 9 a.m. on the third day prior to the meeting on the Internet at:

https://gowinn.nv.gov/boards-commissions/gwdb/ and Nevada's Public Notice website at https://notice.nv.gov/, as required by NRS 232.2175.

Supporting public material provided to Committee members for this meeting is posted on OWINN's Website at <u>https://gowinn.nv.gov/boards-commissions/gwdb/</u> and may be requested from the Executive Director's Office at 1 Harrah's Court, Las Vegas, Nevada 89119; or call (702) 486-8080.