

**MINUTES OF THE
WORKFORCE DEVELOPMENT BOARD**

January 28, 2010

The Macomb/St. Clair Workforce Development Board met Thursday, January 28, 2010 at the Clinton Township Michigan Works Office, 43630 Hayes Road, Clinton Township MI with the following members present (✓ denotes private sector):

AT ROLL CALL:

- | | |
|---------------------|-------------------|
| ✓ Chris Bessenecker | ✓ Mike Kramer |
| Ken Austin | ✓ Dominic LaRosa |
| ✓ Frank Blowers | Mike Moran |
| John Bozymowski | ✓ William Morelli |
| ✓ Robert Doetsch | Phil Papes |
| ✓ Patti Gendernalik | William Peterson |
| ✓ Carl Gervason | Gary Polulak |
| ✓ Peter Keating | ✓ Charles Shaw |
| George Kovtun | |

ARRIVALS AFTER QUORUM CALLED:

- | | |
|--------------|----------------|
| Rene Stephan | ✓ Mike Wiegand |
|--------------|----------------|

MEMBERS ABSENT:

- | | |
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| Lillian Adams | |
| ✓ Patricia Anger | ✓ Rick Regan |
| ✓ John Daoud | ✓ Paul Reiz |
| Nancy Falcone | Erin Smith |
| ✓ Mary Matuja | ✓ Kristine Tremble |
| ✓ Scott Orts | ✓ Jennie Tunnell |

OTHERS PRESENT:

- | | |
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| John Bierbusse | Doreen MacDonald |
| Brenda Etheridge | Joe Dueweke |
| Kathy Jordon | Diane Weiss |
| Chris Reilly | Deborah Porter |
| Cathrine Pomaville | |

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1. Call to Order

Chairman Shaw called the meeting to order at 3:05 p.m.

2. Roll Call

Roll call was taken with 17 members present (10 private sector).

3. Approval of Previous Minutes

FRANK BLOWERS MOVED TO APPROVE THE MINUTES OF DECEMBER 3, 2009 AS PRESENTED; SUPPORT BY WILLIAM MORELLI. MOTION CARRIED UNANIMOUSLY.

4. Chairperson's Report

Mr. Shaw welcomed new board member Chris Bessenecker, who is the chief financial officer and human resources manager for automotive manufacturer, Craig Assembly, located in St. Clair.

(Stephan arrived)

Mr. Peterson requested the administrative committee report be given first due to time constraints. **WILLIAM MORELLI MOVED TO REARRANGE THE AGENDA AS REQUESTED; SUPPORT BY GEORGE KOVTUN. MOTION CARRIED UNANIMOUSLY.**

5. Committee Reports

C. Administrative Committee

1. Meeting of January 14, 2010

a. Recommendation to Modify PY'09 WIA Dislocated Worker Budget

Mr. Peterson reported that due to redistribution of excess carry-in dollars from other Michigan Works agencies, the board received an additional \$184,534. Funds will be used to increase classroom training, equipment purchase, outreach, and support services. Funds previously transferred into the adult program budget have been returned to this budget. The budget totals \$5,427,676.

WILLIAM MORELLI MOVED TO MODIFY THE PY'09 WIA DISLOCATED WORKER BUDGET AS PRESENTED; SUPPORT BY GEORGE KOVTUN. MOTION CARRIED UNANIMOUSLY.

b. Recommendation to Modify PY'09 WIA Adult Program Budget

With the return of dislocated worker funds and reduced projected carry-in, the budget decreases to \$4,734,572. Enrollments into the adult program were halted last September while awaiting additional funding. A request for \$2 million for this program has been submitted.

WILLIAM MORELLI MOVED TO MODIFY THE PY'09 WIA ADULT PROGRAM BUDGET AS PRESENTED; SUPPORT BY PATTI GENDERALIK. MOTION CARRIED UNANIMOUSLY.

c. Recommendation to Modify PY'09 WIA Youth Program Budget

An additional \$122,968 of excess carry-in funds was received for the youth program. Funds are targeted to increase training for both in-school and out-of-school youth. The budget totals \$4,536,981.

DOMINIC LaROSA MOVED TO MODIFY THE PY'09 YOUTH PROGRAM BUDGET AS PRESENTED; SUPPORT BY PATTI GENDERALIK. MOTION CARRIED UNANIMOUSLY.

d. Recommendation to Modify FY'10 WIA NEG Budget

The State of Michigan was awarded \$19 million of National Emergency Grant funds for the six Michigan Works Agencies in southeast Michigan. Half of these funds are held by the federal government for access upon expenditure of allocated funds; in turn, the State retains half and distributes their remaining half. Additional funds can be requested upon expenditure of the allocation. Locally, \$1,039,181 has been awarded to the Macomb/St Clair board. These funds will be used to provide services to customers enrolled in training after

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March 1, 2009. Staff requested and received \$2 million. It is anticipated that when spent, an additional \$2 million will be requested. The budget totals \$2,887,221.

WILLIAM PETERSON MOVED TO MODIFY THE FY'10 WIA NEG BUDGET AS PRESENTED; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.

e. Recommendation to Approve FY'10 Jobs, Education & Training Program Budget

Due to the delay in reconciling the State of Michigan's budget, the board is now in receipt of the official JET allocation. The budget is comprised of three funding sources: the Workforce Investment Act; State general fund/general purpose; and federal Temporary Assistance for Needy Families - TANF funds. Once combined, the total allocation is \$4,458,409. The program has suffered a \$1 million reduction from last year. As a result, JET staff at each of the centers was reduced; however, these staff were absorbed through other Michigan Works programs within the centers.

While the State allows eligible participants up to \$2,000 for auto purchases, the local policy is \$900; the State's ceiling of \$900 for auto-related repairs is funded at a local level of \$675. Transportation allowance was reduced from \$7 or \$15 - depending on miles traveled for training - to \$5 or \$10 per day. The total budget is \$3,929,430.

WILLIAM PETERSON MOVED TO APPROVE THE FY'10 JOBS, EDUCATION & TRAINING BUDGET AS PRESENTED; SUPPORT BY PHILIP PAPES. MOTION CARRIED UNANIMOUSLY.

f. Recommendation to Approve FY'10 Food Assistance Employment & Training Budget

The allocation for the Food Assistance Employment and Training program has also been received. This program services low income single adults ages 18 through 49 through funding provided by the Department of Agriculture. The majority of enrollees come through the Michigan Prisoner Re-entry Initiative, which this agency administers. The budget totals \$319,313.

GEORGE KOVTUN MOVED TO APPROVE THE FY'10 FOOD ASSISTANCE EMPLOYMENT & TRAINING BUDGET AS PRESENTED; SUPPORT BY FRANK BLOWERS. MOTION CARRIED UNANIMOUSLY.

g. Recommendation to Approve FY'10 TAA Wagner-Peyser Case Management Budget

Separate dollars were set aside through the Recovery Act to support case management for trade eligible individuals. Of the \$850,000 available statewide, the board has received \$176,023 due to the large local trade population. Additional funds can and will be requested upon expenditure.

CHRIS BESSENECKER MOVED TO APPROVE THE FY'10 TAA WAGNER-PEYSER CASE MANAGEMENT BUDGET AS PRESENTED; SUPPORT BY MIKE MORAN. MOTION CARRIED UNANIMOUSLY.

h. Recommendation to Approve FY'10 Dept of Transportation RCAR Budget

The Department of Transportation developed the *Road Construction Apprenticeship Readiness Program* (RCAR) as a pre-apprenticeship training program. These funds are earmarked for the Port Huron area to rebuild the port of entry/customs plaza at the Blue Water Bridge. Training commenced this month for nine (9) weeks.

MIKE MORAN MOVED TO APPROVE THE FY'10 DEPARTMENT OF TRANSPORTATION ROAD CONSTRUCTION APPRENTICESHIP READINESS PROGRAM BUDGET AS PRESENTED; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.

i. Recommendation to Approve Staffing Changes

The committee is recommending reclassifying two WIA administrative technician positions. This position was originally a level 7 and was downgraded to level 9 with the hiring of new employees. Both employees have

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performed outstandingly during their first year and the committee requests permission to return the position to the original level.

MIKE MORAN MOVED TO APPROVE READJUSTING THE WIA ADMINISTRATIVE TECHNICIAN POSITION TO LEVEL 7; SUPPORT BY WILLIAM MORELLI. MOTION CARRIED UNANIMOUSLY.

The committee also recommended hiring a part-time accountant to assist with the large number of grants currently being administered by this board. The position would be up to 20 hours per week at a rate of \$30 per hour.

FRANK BLOWERS MOVED TO APPROVE THE ADDITION OF A PART-TIME ACCOUNTANT; SUPPORT BY GARY POLULAK. MOTION CARRIED UNANIMOUSLY.

j. Informational Items

i. Trade Readjustment Assistance Expenditure Report

Funds are requested as needed and the organization is reimbursed for actual expenditures, eliminating the need for monthly budget modifications.

Year-to-date comparisons were reviewed reflecting fiscal year 2009 at \$928,065.28 compared to fiscal year 2010 at \$2,021,836.68.

A. Michigan Works Service Centers Committee

1. Meeting of January 19, 2010

a. Recommendation to Approve CY'10 Michigan Works System Plan

Mr. Papes reported that the annual Michigan Works system plan informs the State of assurances, certifications and stipulations for programs offered through the one-stop operators and funded through the Michigan Department of Energy, Labor, and Economic Growth. In our case, the Macomb/St. Clair Workforce Development Board is the one-stop operator. The only change to the plan this year is the inclusion of the Automotive Transition Center.

WILLIAM PETERSON MOVED TO APPROVE THE CY'10 MICHIGAN WORKS SYSTEM PLAN; SUPPORT BY PETER KEATING. MOTION CARRIED UNANIMOUSLY.

b. Informational Items

i. Update on Re-employment Services Plan

The re-employment services plan does not require any action from the board. The plan serves those receiving unemployment insurance benefits who are at risk of exhausting their benefits. The ending date for this program has been extended from June 30th to September 30th.

ii. Update on CY'09 Service Center Traffic

The bar graphs reflect that 8,352 individuals visited the Macomb County offices and 1,674 visited the St. Clair County office in December. These are first-time registrants to the Talent Bank. A total of 122,241 visited the offices to register during the 2009 calendar year, a 40% increase over the previous year. The Clinton Township and Roseville offices continue to handle the highest traffic. Macomb County has lost more than one quarter of its labor force since the start of the economic downturn.

iii. Update on White Collar Employee Services

In an effort to increase services to the displaced white collar workforce, the board has contracted with *Connecting 4 Purpose* to offer these individuals an 8-hour workshop divided into two 4-hour sessions with the objective of providing an actionable plan to assist in obtaining employment. Notices were sent to eligible individuals. Sessions began January 27. It is anticipated that workshops will be conducted on a bi-weekly basis.

(Wiegand arrived)

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Another project slated to begin involves *Working Habitat*, a new job placement portal for unemployed engineers, designers, program managers, analysts, and architects. The initial program focuses specifically on unemployed engineers. The goal is to connect individuals with companies worldwide who are seeking persons with these skills. The company provides access to 2D and 3D design software, allowing individuals to work from their homes. Kelly Services will provide W2 processing and benefit options through the portal. They will also employ individuals if they prefer not to become independent contractors.

Oakland County Michigan Works is also contracting with *Working Habitat*. If successful, it is anticipated that this may stop or slow this workforce from leaving southeast Michigan.

Staff is also awaiting a proposal from Wayne State University to operate at the county library on Hall Road a program for white collar unemployed.

iv. Employment Information

The final page reported employment information comparing 2009 to 1999 for both Macomb and St Clair counties. Mr. Bierbusse noted that Macomb County has lost one quarter of its workforce.

B. Education & Adult Programs Committee

1. Meeting of January 21, 2010

a. Recommendation to Modify National Emergency Grant Plan

Mr. Kovtun announced that the State of Michigan applied for and received National Emergency Grant funds through a competitive nationwide bid. The request was \$32 million; the State received \$18.5 million. The local allocation is \$1,039,181 with additional requests allowed upon expenditure of funds. The City of Detroit will not utilize their allotment allowing for additional funds for distribution. Staff requested an additional \$2 million. With this request approved, the State may now apply for the remaining allocation. Staff anticipates requesting another \$2 million as soon as possible. The modified plan allows for \$2,887,221 to be dedicated to program services and \$151,960 for administration. The State may apply for the remaining allocation by the end of January.

WILLIAM MORELLI MOVED TO APPROVE THE NATIONAL EMERGENCY GRANT PLAN AS PRESENTED AND TO FORWARD TO THE DEPARTMENT OF ENERGY, LABOR AND ECONOMIC GROWTH; SUPPORT BY PHILIP PAPES. MOTION CARRIED UNANIMOUSLY.

b. Recommendation to Approve FY'10 RCAR Plan

The *Road Construction Apprenticeship Readiness* (RCAR) program is a unique opportunity offered through the Michigan Department of Transportation. This is the third year of operation and this year they are focusing on the Port Huron area.

A pre-apprenticeship training program was developed for nine weeks to train 15 eligible participants, who upon successful completion, can apply for apprenticeship positions with MDOT this spring where there are plans to renovate the customs/port of entry plaza at the Blue Water Bridge. Enrollees will earn \$10 per hour plus any necessary support services during training. Eligibility is targeted to economically disadvantaged young people 18 years or older, women and minorities.

The grant is for \$178,897. A request for proposal was released in mid-December by this board with only one response. Therefore, St. Clair County Community College will administer the pre-apprenticeship training, which started January 18th and will be completed by March 19th.

JOHN BOZYMOWSKI MOVED TO APPROVE THE FY'10 ROAD CONSTRUCTION APPRENTICESHIP READINESS PROGRAM PLAN AS PRESENTED; SUPPORT BY RENE STEPHAN. MOTION CARRIED UNANIMOUSLY.

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c. Recommendation to Approve FY'10 TAA Case Management Plan

Recovery act dollars through the Wagner-Peyser re-employment services allocation have been distributed to assist MWAs with case management costs. This board has received the most funds – \$176,023 – since it has the highest enrollment in the trade program. Additional dollars are available upon expenditure. Future submissions will be approved on a competitive basis.

**CARL GERVASON MOVED TO APPROVE THE TAA CASE MANAGEMENT PLAN AS PRESENTED;
SUPPORT BY FRANK BLOWERS. MOTION CARRIED UNANIMOUSLY.**

d. Informational Items

i. Plant Closure Report

One closure was reported. Big Boy Restaurants International in Warren closed December 8, 2009 affecting 88 employee, who have registered on the Talent Bank in order to receive their unemployment benefits. The company temporarily suspended their operations in October due to a shutdown ordered by the USDA. Issues were not resolved resulting with the closing.

Trade certification was received by Mold Rite Tool in Fraser; Manter Technologies in Marine City; and Mollertech, LLC in Shelby Township. Trade orientations have or will be scheduled for affected employees.

ii. Report on JET Program

Federal funding through TANF requires a minimum of 50% of work eligible cash welfare recipients to participate in either 20 or 30 hours per week relative to the age of their children. Those with children ages six and under are required to participate for 20 hours weekly; the remainder are required to participate for 30 hours weekly.

Core and non-core activities were reviewed. There are challenges to meeting work participation requirements as there are no adjustments for states with high unemployment rates. The federal policy does not recognize any state approved deferrals or noncompliant customers. If goals are not met, the federal government can levy fines against a failing state. Michigan has failed to reach goals and has united with other states to petition the federal government for waivers.

iii. Update on Funding Requests

Mr. Kovtun presented correspondence where the board requested additional \$2,071,497 of WIA adult program funds. The adult program ceased enrolling at the end of September.

6. Executive Director's Report

Mr. Bierbusse addressed further correspondence requesting an additional \$2 million for Recovery Act National Emergency Grant funds, along with a request to the State for an additional \$4.2 million of WIA dislocated worker program funds as current funds are obligated. He was informed by the State that both requests have been approved, which will provide the opportunity to reopen training enrollments.

A handout reflecting *No Worker Left Behind* statistics from August 2007 to date was distributed. This three-year initiative ending in July is a consolidation of all training funds delivered through the Michigan Works system. Almost 9,000 individuals have participated in training since inception; of these, more than 4,700 have attended courses in community colleges, colleges and universities, i.e., forty-one percent (41%) have enrolled at community colleges, and 12% enrolled at colleges and universities. At least 75% of community college participants have enrolled in Associate Degree programs. Completion rates are beginning to be compiled. While there is still a significant lag in the job market, Mr. Bierbusse stated that this area will be in a better skilled position when the economy improves.

7. Other Business

Mr. Bozymowski congratulated Frank Blowers on an award he received from the Sterling Heights Chamber of Commerce for his many years of service. Mr. Blowers thanked all and reported that Lillian Adams, former Chamber president and current WDB member, is in very poor health.

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8. Hearing of the Public

Brenda Etheridge of St. Clair County Community College thanked the board for their support .

9. Scheduling of Next Meeting

The next general meeting is scheduled for 3:00 p.m., Thursday, February 25, 2010. Members will be notified.

10. Adjournment

FRANK BLOWERS MOVED TO ADJOURN; SUPPORT BY DOMINIC LaROSSA. MOTION CARRIED UNANIMOUSLY. The meeting adjourned at 3:45 p.m.

Respectfully submitted,

Laura Carne
Recording Secretary