

**MINUTES OF THE
WORKFORCE DEVELOPMENT BOARD**

October 23, 2008

The Macomb/St. Clair Workforce Development Board met Thursday, October 23, 2008 at the Michigan Works Service Center, 43630 Hayes Road, Clinton Township, Michigan with the following members present (✓ denotes private sector):

AT ROLL CALL:

Lillian Adams	George Kovtun
Ken Austin	✓ Dominic LaRosa
✓ Frank Blowers	✓ Mary Matuja
John Bozymowski	✓ William Morelli
✓ John Daoud	✓ Scott Orts
✓ Patti Gendernalik	✓ Rick Regan
✓ Carl Gervason	✓ Charles Shaw
✓ Peter Keating	

ARRIVALS AFTER QUORUM CALLED:

✓ David Brandt	Erin Smith
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MEMBERS ABSENT:

✓ Patricia Anger	Philip Papes
Nancy Falcone	William Peterson
✓ Mike Kramer	Gary Polulak
✓ Charles Michel	✓ Paul Reiz
Mike Moran	Jennie Tunnell
Angelo Nicholas	

OTHERS PRESENT:

John Bierbusse	Marsha Prose
Brenda Etheridge	Kathy Jordon
Tammy Russo	Doreen MacDonald
Deborah Porter	Deborah Bouts

1. **Call to Order**

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

2. **Roll Call**

Roll call was taken with 15 members present (11 private sector).

3. **Approval of Previous Minutes**

FRANK BLOWERS MOVED TO APPROVE THE MINUTES OF SEPTEMBER 25, 2008 AS PRESENTED; SUPPORT BY MARY MATUJA. MOTION CARRIED UNANIMOUSLY.

4. **Chairperson's Report**

Mr. Regan thanked Mr. Shaw for chairing the previous meeting.

5. **Election of Officers**

William Morelli graciously agreed to conduct elections. **WILLIAM MORELLI NOMINATED CHARLES SHAW FOR CHAIRMAN; SUPPORT BY MARY MATUJA.** Mr. Shaw accepted the nomination. There were no other nominations.

MARY MATUJA MOVED TO CLOSE NOMINATIONS; SUPPORT BY DOMINIC LaROSA. CHARLES SHAW WAS UNANIMOUSLY ELECTED AS CHAIRMAN OF THE MACOMB/ST. CLAIR WORKFORCE DEVELOPMENT BOARD.

DOMINIC LaROSA NOMINATED FRANK BLOWERS FOR VICE CHAIRMAN; SUPPORT BY GEORGE KOVTUN. Mr. Blowers accepted the nomination. There were no other nominations.

MARY MATUJA MOVED TO CLOSE NOMINATIONS; SUPPORT BY RICK REGAN. FRANK BLOWERS WAS UNANIMOUSLY ELECTED AS VICE CHAIRMAN OF THE MACOMB/ST. CLAIR WORKFORCE DEVELOPMENT BOARD.

MARY MATUJA NOMINATED PATRICIA ANGER FOR SECRETARY/TREASURER; SUPPORT BY DOMINIC LaROSA. While not in attendance, Ms. Anger had indicated that she would be willing to accept the nomination. There were no other nominations.

CARL GERVASON MOVED TO CLOSE THE NOMINATIONS; SUPPORT BY JOHN DAUD. PATRICIA ANGER WAS ELECTED SECRETARY/TREASURER OF THE MACOMB/ST. CLAIR WORKFORCE DEVELOPMENT BOARD.

6. **Committee Reports**

A. **Education & Adult Programs Committee**

1. Meeting of October 16, 2008

a. **Recommendation to Approve PY'08 WIA National Emergency Grant Plan**

Mr. Kovtun reported that the State of Michigan has received \$6.2 million for a national emergency grant; the local allocation is \$757,793. This is a one-time allocation to be spent over a three-year period. The plan is targeted toward those who have been displaced by the auto industry and will operate under the same terms as the *No Worker Left Behind* initiative; i.e., participants will have access up to \$10,000 for training to be divided in a two-year period, no more than \$5,000 per year. It is projected that enrollment will reach 190 participants. All services except training will be provided at the Michigan Works Service Centers.

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(Smith arrived)

GEORGE KOVTUN MOVED TO APPROVE THE PY'08 WIA NATIONAL EMERGENCY GRANT PLAN AS PRESENTED; SUPPORT BY FRANK BLOWERS. MOTION CARRIED UNANIMOUSLY.

b. Informational Item

i. Plant Closures

RCO Engineering in Roseville received cancellation of a number of programs from one of their primary customers resulting in a permanent layoff of 38 employees. No formal worker orientation has been scheduled.

A worker orientation is scheduled for October 21st to address the closing of International Paper in Warren affecting 82 union employees.

UFP Technologies - SIMCO Automotive is closing its facility in Macomb Township. It has since been learned that the facility is moving its operation to a newly acquired facility in Grand Rapids. Approximately 50 employees are affected; 16 have agreed to relocate. A worker orientation is scheduled for November.

Three companies have been trade certified. Comau Inc in Warren became certified September 15th with an impact date of May 19, 2007. The certification will expire September 15, 2010. A trade information meeting was held October 3rd with 7 out of the 27 affected attending. Follow-up letters were mailed to the remaining 20 employees reminding them of the importance and timeliness of signing the appropriate trade paperwork.

Lapeer Metal Stamping Companies, Inc in Mt. Clemens was certified September 22nd with an impact date of September 5, 2007. Many employees were transferred to the company location in Dearborn; however, 12 received permanent layoff notices. Those individuals were invited to attend a trade orientation October 14th.

Magna Technologies of America of Shelby Township became certified September 11th with an impact date of June 24, 2007. A trade orientation is scheduled for October 24th for the 29 affected employees.

The report was received and filed.

ii. JET Plus Report

Mr. Kovtun updated members regarding the new pilot program, *Jobs, Education & Training (JET) PLUS*. There is approximately \$50 million available to operate six (6) pilot sites. The selected sites are Berrien, Kent, Genesee, Macomb, Saginaw and Wayne counties where 5,000 cash welfare recipients will be allowed to access vocational training which should lead to career employment and self-sufficiency. The program design consists of two models: community outreach for individuals who lack a high school diploma or GED; and the campus-centered model for those who have a high school diploma or GED and can proceed with training at Macomb Community College. A number of required elements include vocational training in demand occupations, English Language Skills, basic reading and math skills upgrading, life skills, support services, child care and transportation

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assistance, etc. The local pilot expects to enroll 280 customers in the community outreach component and 140 in the campus-centered component. Funds for this program total \$4,202,000.

Challenges for the program consist of mandatory participation; higher allocation of training costs than needed; reluctance of customers to participate in basic skills upgrading; participation in 20 hours of mandated employment, community service, or unpaid work experience while upgrading skills; a short-term program that may not allow for definitive outcomes; and no local program flexibility. Periodic updates will be provided.

(Brandt arrived)

B. Administrative Committee

1. Meeting of October 9, 2008

a. Recommendation to Approve PY'08 WIA National Emergency Grant Budget

Ms. Matuja reported that the State received \$6.2 million in National Emergency Grant funds from the federal government to assist dislocated workers affected by the auto industry and the local allocation is \$757,793. The program mirrors the regular dislocated worker program and is expected to provide training for approximately 190 dislocated auto workers. In order to continue training programs into next year, \$164,393 will be carried in to the next program year budget. Reductions also include funds for administrative costs and information technology & computerization, bringing the total available budget to \$534,050.

DOMINIC LaROSA MOVED TO APPROVE THE PY'08 WIA NATIONAL EMERGENCY GRANT BUDGET AS PRESENTED; SUPPORT BY FRANK BLOWERS. MOTION CARRIED UNANIMOUSLY.

b. Informational Items

i. Trade Adjustment Assistance Expenditure Report

Funds for the trade program are requested as needed and the organization is reimbursed for actual expenditures. The year-to-date report compares \$1,618,508.74 expended in 2007 versus \$3,711,704.47 in 2008. This large increase continues as a direct result of local plant closures where trade certifications have been approved by the federal government. While TAA benefits continue to be made available for those dislocated from the manufacturing sector, it is hoped Congress will amend the TAA program to include workers affected in the service industry.

ii. Chrysler Pilot Program

Staff continues to meet with company representatives at Chrysler Corporation where a partnership between the company and UAW has been created to provide job training and placement assistance through the *No Worker Left Behind* initiative for those employees who take the early retirement and buyout offers. Meetings have been held with employees to inform them of the core elements of the program, which includes up to two years of free tuition at any Michigan community college, university, or other approved training program allowing up to \$5,000 per year or \$10,000 total for training. Participants must complete a skills assessment administered by Michigan Works and must enroll in high demand occupations or emerging industry occupations. This is a one-time offer and participants have six months from date of separation to register. It is not yet known how many employees are interested.

iii. 4th Quarter Performance Standards

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Final fourth quarter statistics for WIA programs were reviewed. Of the 17 standards, eight were exceeded, eight were met, and the older youth credential rate failed due to the transient nature of this population

iv. Update of Annual Accounts of Funding Sources

Members reviewed a chart reflecting the sharp increase of funds due to the state of the economy, which the agency has received over the past seven years. In 2002 there was approximately \$14 million available; currently there is \$36.8 million with additional dollars expected before the end of the program year.

7. Executive Director's Report

Mr. Bierbusse reported that Chrysler Corporation has announced another round of early retirement / buyouts. Once employees respond, the company will make a decision on who will be accepted. Based on their decision, a list of affected employees will be compiled and submitted to the State, who will in turn inform the various Michigan Works agencies. Separation date is December 31, 2008.

A work-flex waiver was presented for review. Mr. Bierbusse explained the need to be able to transfer 100% of funds between the adult and dislocated worker programs. Currently, legislation allows for a 30% transfer between the two programs. However, this board has already transferred 25% from dislocated worker funds into the adult program resulting with a 47% expenditure rate by the end of September. The State has no additional funds to supplement the adult program. However, there remains a significant amount of dislocated worker funds. The federal government has designated the State of Michigan as a work-flex state allowing them the authority to grant additional funds to requesting workforce development boards.

WILLIAM MORELLI MOVED TO REQUEST A WORK-FLEX WAIVER FROM THE STATE OF MICHIGAN; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.

A revised handout reflecting training enrollment comparisons from last year to this year was reviewed. Mr. Bierbusse noted more than a 100% increase in training since this time last year.

The State of Michigan appropriated \$15 million for the *No Worker Left Behind* initiative, with \$10 million to be allocated to the local MWAs; however, this amount has been reduced to \$2 million; one million dollars is set aside for incentive awards; and \$5 million dedicated to special projects. Therefore, the board may expect to receive an additional \$287,000 locally.

8. Other Business

Charles Shaw encouraged members to attend the Macomb Homeless Coalition's annual dinner and fund raiser Wednesday, November 19th.

9. Hearing of the Public

There were no comments by the public.

10. Scheduling of Next Meeting

The next general meeting is scheduled for 6:00 p.m., Thursday, December 4, 2008. Members will be notified.

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11. Adjournment

FRANK BLOWERS MOVED TO ADJOURN; SUPPORT BY WILLIAM MORELLI. MOTION CARRIED UNANIMOUSLY. The meeting adjourned at 3:40 p.m.

Respectfully submitted,

Laura Carne
Recording Secretary