



**MINUTES OF THE
WORKFORCE DEVELOPMENT BOARD**

February 27, 2014

The Macomb/St. Clair Workforce Development Board met Thursday, February 27, 2014 at the Michigan Works Office, 43630 Hayes Road, Clinton Township, MI with the following members present:

(T denotes private sector):

AT ROLL CALL:

Ken Austin	T Mike Kramer
Deborah Bouts	Ken Lampar
John Bozymowski	T Dominic LaRosa
T Hannah Costello	T Mary Matuja
T Ann Forster	Valerie Nunn
T Patti Gendernalik	Gary Polulak
T Carl Gervason	T Charles Shaw
T Virginia Gronley	Erin Smith
T Carter Hitesman	T Mike Wiegand
T Peter Keating	

ARRIVALS AFTER QUORUM CALLED:

T Lori Bianco

MEMBERS ABSENT:

T Patricia Anger	Mike Moran
T Dan Casey	T William Morelli
T Sarah Herhilar	Rick Niedieck
T Maria Kokas	William Peterson

OTHERS PRESENT:

John Bierbusse

1. Call to Order

Chairman Keating called the meeting to order at 3:00 p.m.

2. Roll Call

Roll call taken with 19 members present.

3. Approval of Previous Minutes

CARL GERVASON MOVED TO APPROVE THE MINUTES OF DECEMBER 2013 AND JANUARY 2014 AS PRESENTED; SUPPORT BY CHARLES SHAW. MOTION CARRIED UNANIMOUSLY.

4. Chairperson's Report

Mr. Keating thanked all for attending.

5. Committee Reports

A. Education & Adult Programs Committee

1. Meeting of February 20, 2014

a. Recommendation to Approve Michigan Works Systems Plan

Mr. Bozymowski reported that the Michigan Works System Plan is an annual agreement submitted to the Workforce Development Agency of the State of Michigan which assures that this board adheres to the guidelines, stipulations and certifications as required. There is **no funding** attached to this plan but a number of documents must be signed and submitted. The seven documents include the *approval request* form; the *assurances, certifications and stipulations acknowledgment/ adherence* form; *certification regarding debarment, certification regarding lobbying*; a *one-stop operator verification* form; *one-stop centers verification* form; and a *federal funding accountability and transparency act data collection and certification* form.

MARY MATUJA MOVED TO APPROVE THE MICHIGAN WORKS SYSTEMS PLAN AS PRESENTED; SUPPORT BY DOMINIC LaROSA. MOTION CARRIED UNANIMOUSLY.

b. Recommendation to Modify the OJT/NEG Program

An additional \$30,000 was received earlier in the month due to deobligations from another area and will be incorporated into the On-the-Job Training - National Emergency Grant program. Four Michigan Works Agencies are involved with the program; Macomb/St Clair is the program administrator. Since both the City of Detroit and Oakland County have not gotten their respective programs started, our board will reclaim funds and provide services to qualified dislocated workers who have layoff dates of January 1, 2008 or later and are experiencing long-term unemployment of over 16 weeks. Monies must be expended by the end of March or will have to be returned. Funds will be expended by the deadline allowing Macomb/St Clair to serve 70 customers instead of the initial target of 16 and increases SEMCA from 16 customers to 20.

DOMINIC LaROSA MOVED TO MODIFY THE OJT/NEG PROGRAM AS PRESENTED; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.

c. Informational

i. Plant Closure Report

Mr. Bozymowski reported two closures. *Archiver's* in Sterling Heights is a scrap booking business permanently closing affecting 18 people. Information packets were delivered to the store for distribution to employees prior to the closing on February 15th.

Syncreon in Sterling Heights is permanently laying off approximately 90 workers by June 30th due to loss of a contract with Chrysler Sterling Heights Assembly Plant. Chrysler has decided to in-source the work provided through Syncreon. Layoffs will begin at the end of March. The affected UAW employees consist of truck drivers, material handlers, and process technicians earning between \$11 and \$17 per hour. Nine salaried workers are also affected. A worker orientation is pending. A Joint Action Committee (JAC) is being formed and will be run by a neutral chair to assist the employees through this transition.

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ii. Success Stories

A new policy recently developed requires staff to report success stories monthly from each of the five service centers. As a result, the newsletter "Telling Our Story" was created and will be published monthly. The second issue features a follow-up story of a customer who participated in Michigan Works programs twelve years ago. The newsletter is circulated internally and will be forwarded to state representatives, commissioners, and other organizations of interest. It is also posted on the board's website and facebook page.

iii. Update on PATH Caseload

Graphs were reviewed which reflect the decrease of customers entering the system through the PATH program. The decline is attributed to limits of lifetime welfare benefits, non-compliance sanctions, and the recent addition of the 21-day applicant period. Customers have declined statewide from a high of 61,742 to a current level of 39,257. Both Macomb and St. Clair Counties are seeing a corresponding decrease.

iv. PATH Characteristics Report

The majority of customers within the PATH program remain female. Customers are older and better educated than in previous years. The refugee program is equally divided between male and female who tend to come from two-parent families with the majority above the age of 30. Their educational status is difficult to verify.

v. Update on Advanced Energy Storage Systems Initiative (AESSI)

The program is in the third year of a four-year grant. Two providers, Macomb Community College and Wayne State University, offer short-term and long-term energy training programs to dislocated workers and incumbent workers. With the advent of electric cars, this is a new arena to be addressed. Macomb Community College trains first responders of fire and police departments and is working with the City of Warren and a few other departments. Currently 211 incumbent workers from various companies have completed their training with a final goal of 457. Fifty dislocated workers have completed programs; 37 are employed; with a final goal of 143 participants.

Wayne State University has enrolled and completed 76 with a goal of 240 participants in programs geared toward engineers. These incumbent workers are from LG Chem and Bosch. It is anticipated training will be provided to Roush, BAE, Navitas and Chrysler employees.

vi. WIN Report

The Workforce Intelligence Network has reported 2013 fourth quarter real time labor market data for the Detroit Metropolitan area including data reports for the entire area along with a finer breakdown for Macomb and St. Clair counties. The health care industry and information technology continue to improve, while a demand for high skilled rather than traditional technicians appear to be on the rise. Macomb and St. Clair counties remain strongest in manufacturing.

B. Administrative Committee

1. Meeting of January 9, 2014

a. Recommendation to Modify PY'13 WIA Dislocated Worker Program Budget

Mary Matuja reported that Federal dislocated worker dollars are distributed throughout the state. Michigan withholds 40% and sends 60% to the local level. The funds the state holds accumulate and must be spent over a 3-year period. Therefore, remaining 2011 dollars were distributed with Macomb/St Clair receiving \$212,972. These funds must be spent by the end of June. Dollars are targeted to classroom training services. The budget now totals \$3,371,403.

CARL GERVASON MOVED TO MODIFY THE PY'13 DISLOCATED WORKER PROGRAM BUDGET AS PRESENTED; SUPPORT BY DEBORAH BOUTS. MOTION CARRIED UNANIMOUSLY.

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b. Recommendation to Modify PY'13 Emergency Unemployment Compensation Budget

These funds are to provide services to customers who move from state unemployment benefits to federal extended emergency unemployment benefits. Three services are provided through this program and include orientation of available services; labor market and career information; and individual skills assessment. An additional \$60,096 was received to be incorporated into the current budget. The budget totals \$293,596.

JOHN BOZYMOWSKI MOVED TO MODIFY PY'13 EMERGENCY UNEMPLOYMENT COMPENSATION BUDGET AS PRESENTED; SUPPORT BY PATTI GENDERNALIK. MOTION CARRIED UNANIMOUSLY.

c. Recommendation to Approve FY'14 PATH DHS Support Services Macomb Budget

The Macomb Department of Human Services has released \$10,000 dedicated to auto-related expenses for customers of the PATH program who are referred to Michigan Works to attain a goal of self-sufficiency. Funds will be used for car repair and related expenses. No funds will be used for administrative costs. The budget totals \$10,000.

DEBORAH BOUTS MOVED TO APPROVE THE FY'14 PATH DHS SUPPORT SERVICES MACOMB COUNTY BUDGET AS PRESENTED; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.

d. Recommendation to Approve FY'14 PATH DHS Support Services St. Clair Budget

The St Clair County Department of Human Services has agreed to release \$15,000 to support auto-related expenses for PATH customers. The budget totals \$15,000.

DEBORAH BOUTS MOVED TO APPROVE THE FY'14 PATH DHS SUPPORT SERVICES ST CLAIR COUNTY BUDGET AS PRESENTED; SUPPORT BY HANNAH COSTELLO. MOTION CARRIED UNANIMOUSLY.

e. Recommendation to Approve STTF Kuhnhenh Brewing Company Budget

In order to assist the business community facing shortages of skilled workers, the Governor recommended and the legislature supported the creation of the Skilled Trades Training Fund for fiscal year 2014, which provides ten million dollars statewide for companies who commit to hiring new full-time employees. A proposal submitted and approved for Kuhnhenh Brewing Company LLC will train 15 new employees. The budget totals \$18,000.

DOMINIC LaROSA MOVED TO APPROVE THE STTF KUHNHENH BREWING COMPANY BUDGET AS PRESENTED; SUPPORT BY HANNAH COSTELLO. MOTION CARRIED UNANIMOUSLY.

f. Recommendation to Modify FY'14 Macomb Prisoner Re-entry Budget

The State of Michigan previously released a Request for Proposal to operate the prisoner re-entry program but was unable to complete the process which resulted in a 3-month extension given to existing administrative agencies. Due to errors and omissions in their process for selecting vendors, the State has since extended all existing contracts for an additional 9 months. The initial budget reflected funding levels for the first quarter of FY'14. The budget modification addresses the 9-month extension. Therefore, the budget totals \$860,498.

CARL GERVASON MOVED TO MODIFY THE FY'14 MACOMB PRISONER RE-ENTRY BUDGET AS PRESENTED; SUPPORT BY HANNAH COSTELLO. MOTION CARRIED UNANIMOUSLY.

g. Recommendation to Modify FY'14 St Clair/Thumb Prisoner Re-entry Budget

With the 9-month extension to this contract, the revised budget totals \$333,761.

GARY POLULAK MOVED TO MODIFY FY'14 ST CLAIR/THUMB PRISONER RE-ENTRY BUDGET AS PRESENTED; SUPPORT BY CHARLES SHAW. MOTION CARRIED UNANIMOUSLY.

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h. Recommendation to Approve Education Advisory Group

State law requires there be an Education Advisory Group (EAG) at the local level to work in an advisory capacity with our board on education issues. EAG members are appointed by the local workforce development boards and represent various sectors including board members, labor representatives, local school districts, post-secondary institutions, intermediate school districts, career and technical educators, public school parents and academic educators. Pat Anger has agreed to serve as chair, other board members are Bill Peterson and Debbie Bouts. The EAG meets at a minimum of three times a year. Meeting dates will be posted on the website.

**DOMINIC LaROSA MOVED TO APPROVE THE EDUCATION ADVISORY GROUP AS PRESENTED;
SUPPORT BY JOHN BOZYMOWSKI. MOTION CARRIED UNANIMOUSLY.**

2. Meeting of February 13, 2014

a. Recommendation to Modify PY'13 WIA Adult Program Budget

Fifteen thousand dollars (\$15,000) was transferred from the budget and dedicated to information technology and computerization in order to purchase additional equipment. Funds for participant transportation were reduced as part of phase out actions of this line item. The on-the-job training line item was reduced as there are not many participants involved with this training option and supportive services were reduced accordingly. An increase of funds was targeted to classroom training. The modified budget totals \$3,164,032.

**DEBORAH BOUTS MOVED TO MODIFY PY'13 WIA ADULT PROGRAM BUDGET AS PRESENTED;
SUPPORT BY CHARLES SHAW. MOTION CARRIED UNANIMOUSLY.**

b. Recommendation to Modify PY'13 WIA Dislocated Worker Program Budget

Twenty thousand dollars (\$20,000) was transferred from the budget and dedicated to information technology and computerization for equipment purchases. Participant transportation was reduced, on-the-job training was reduced and increases were made to classroom training and supportive services line items. The modified budget totals \$3,351,403.

**VIRGINIA GRONLEY MOVED TO MODIFY PY'13 WIA DISLOCATED WORKER PROGRAM BUDGET AS
PRESENTED; SUPPORT BY HANNAH COSTELLO. MOTION CARRIED UNANIMOUSLY.**

c. Recommendation to Modify PY'13 Administration Budget

Adjustments to the administration budget include an increase in the contribution to the administrative cost pool and a decrease of the 2014 carry-in. Wages and fringes were increased due to a year-end stipend that was awarded to all staff. The budget totals \$381,450.

**GARY POLULAK MOVED TO MODIFY PY'13 ADMINISTRATION BUDGET AS PRESENTED; SUPPORT
BY PATTI GENDERNALIK. MOTION CARRIED UNANIMOUSLY.**

d. Recommendation to Approve PY'13 Capacity Building Budget

The Capacity Building budget is comprised of dollars the State allocates for the support of the Michigan Works Association. Macomb/St Clair is one of four MWAs who receive these funds. This year \$88,750 was allocated and these funds will be forwarded to the association. The budget totals \$88,750.

**JOHN BOZYMOWSKI MOVED TO APPROVE THE PY'13 CAPACITY BUILDING BUDGET AS
PRESENTED; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.**

e. Recommendation to Modify PY'13 Wagner-Peyser Employment Service Budget

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Carry-in to program year 2014 was reduced while increases were made to wages, salaries and fringe benefits to cover the cost of the year-end stipend awarded to staff. Minor adjustments were made. The budget totals \$1,656,121.

DOMINIC LaROSA MOVED TO MODIFY PY'13 WAGNER-PEYSER EMPLOYMENT SERVICE BUDGET AS PRESENTED; SUPPORT BY HANNAH COSTELLO. MOTION CARRIED UNANIMOUSLY.

f. Recommendation to Modify PY'13 Administrative Cost Pool Budget

Adjustments were made to the contributions from the various programs that comprise the budget to allow for a \$10,225 increase. Again wages, salaries and fringe benefits were increased to cover the cost of the year-end stipend with minor adjustments made to other line items. The budget totals \$1,304,075.

VIRGINIA GRONLEY MOVED TO MODIFY THE PY'13 ADMINISTRATIVE COST POOL BUDGET AS PRESENTED; SUPPORT BY CARL GERVASON. MOTION CARRIED UNANIMOUSLY.

g. Recommendation to Modify PY'13 Information Technology & Computerization Budget

As a result of previous actions, the Information Technology & Computerization budget increased by \$77,100. Salaries and fringe benefits were increase for the year-end stipend while an increase was made for necessary equipment purchases. The budget totals \$656,500.

CARL GERVASON MOVED TO MODIFY THE PY'13 INFORMATION TECHNOLOGY & COMPUTERIZATION BUDGET AS PRESENTED; SUPPORT BY CHARLES SHAW. MOTION CARRIED UNANIMOUSLY.

h. Recommendation to Approve FY'14 Make It In America Challenge Grant Budget

As part of a nationwide competition, a Make It In America Challenge grant was awarded to the board. Partners include the Center for Automotive Research. The grant addresses the need to develop bio-materials for automotive production. Macomb Community College is developing curriculum to train technicians in this growing industry. While the allocation is \$1,081,800, the majority of funds will carry in to the 2015 fiscal year. The budget totals \$194,800.

CHARLES SHAW MOVED TO APPROVE THE FY'14 MAKE IT IN AMERICA CHALLENGE GRANT BUDGET AS PRESENTED; SUPPORT BY GARY POLULAK. MOTION CARRIED UNANIMOUSLY.

i. Recommendation to Modify FY'14 Advanced Energy Storage Systems Initiative Budget

The AESSI program is operated through a 4-year grant with an initial allocation of \$999,994. Carry-in from fiscal year 2013 provides \$780,729 with deductions for the administrative cost pool and projected carry-in to the 2015 fiscal year. The majority of funds will be dedicated to classroom training mainly in the field of automotive batteries for electric vehicles. The budget totals \$637,829.

VIRGINIA GRONLEY MOVED TO MODIFY FY'14 ADVANCED ENERGY STORAGE SYSTEMS INITIATIVE BUDGET AS PRESENTED; SUPPORT BY HANNAH COSTELLO. MOTION CARRIED UNANIMOUSLY.

j. Recommendation to Modify PY'13 OJT/National Emergency Grant Budget

The On-the-Job Training/National Emergency Grant, which serves dislocated workers, is administered by this board for southeast Michigan and includes the City of Detroit, Wayne and Oakland counties. While the funds were initially divided four equal ways, the partners have been unable to reach their enrollment goals. Funds must be expended by March 31, 2014. Therefore, since this board is able to meet enrollment numbers, we will be reclaiming dollars to ensure they are used and not returned.

DEBORAH BOUTS MOVED TO MODIFY PY'13 OJT/NEG BUDGET AS PRESENTED; SUPPORT BY PATTI GENDERNALIK. MOTION CARRIED UNANIMOUSLY.

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k. Informational

i. FY'14 TAA Expenditure Report

The fiscal year 2014 report reflects a significant funding decline as demand for these services is slowly dissipating . Currently, \$639,181 has been expended compared to \$1,182,289 at this time a year ago.

6. Executive Director's Report

Mr. Bierbusse elaborated further on the information received through WIN noting patterns that affect skilled trades, engineering, information technology and health care industries. The data provides a good platform for planning purposes in southeast Michigan. The WIN organization and Michigan Works Agencies are learning to use real time data to forecast future employment opportunities to determine immediate and long-term career training which shall provide customer value and success.

7. Other Business

There was no other business.

8. Hearing of the Public

There was no hearing of the public

9. Scheduling of Next Meeting

The next general meeting is scheduled for 3:00 p.m., Thursday, March 27, 2014 at the Michigan Works Service Center in Clinton Township. Members will be notified.

10. Adjournment

HANNAH COSTELLO MOVED TO ADJOURN; SUPPORT BY JOHN BOZYMOWSKI. MOTION CARRIED UNANIMOUSLY. The meeting adjourned at 3:40 p.m.

Respectfully submitted,

Laura Carne
Recording Secretary