



**MINUTES OF THE
WORKFORCE DEVELOPMENT BOARD**

January 23, 2014

The Macomb/St. Clair Workforce Development Board met Thursday, January 23, 2014 at the Michigan Works Office, 43630 Hayes Road, Clinton Township, MI with the following members present:

(✓ denotes private sector):

AT ROLL CALL:

Deborah Bouts
John Bozymowski
✓ Hannah Costello
✓ Ann Forster
✓ Patti Gendernalik
✓ Carl Gervason
✓ Peter Keating

Ken Lampar
✓ Mary Matuja
Rick Niedieck
William Peterson
Gary Polulak
✓ Charles Shaw
Erin Smith

ARRIVALS AFTER QUORUM CALLED:

MEMBERS ABSENT:

✓ Patricia Anger
Ken Austin
✓ Lori Bianco
✓ Dan Casey
✓ Virginia Gronley
✓ Sarah Herhilar
✓ Carter Hitesman

Maria Kokas
✓ Mike Kramer
✓ Dominic LaRosa
Mike Moran
✓ William Morelli
Valerie Nunn
✓ Mike Wiegand

OTHERS PRESENT:

John Bierbusse

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1. Call to Order

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

2. Roll Call

No Quorum

3. Approval of Previous Minutes

Tabled

4. Chairperson's Report

Mr. Keating announced there was no quorum and proceeded with informational items.

5. Committee Reports

A. Education & Adult Programs Committee

1. Meeting of November 21, 2013

a. Informational

i. Plant Closure Report

Mr. Bozymowski reported two closures. Valu-land in Roseville closed December 7th affecting 18 workers. Management declined a worker orientation due to employee transfers or the gaining of other employment; however, information packets were delivered to the store prior to the closing date.

Due to losing their contract with Chrysler Sterling Heights Assembly Plant, Kelsey-Hayes Company (TRW) in Sterling Heights is closing February 14th permanently laying off 58 workers plus an additional 82 contracted workers from Adeco and Kelly Services. A worker orientation was scheduled for January 28th.

ii. Telling Our Story

A new in-house policy was developed requiring 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. Mr. Bozymowski introduced Beth Diehl, WIA Supervisor, who related that the first issue reported stories from each of the service centers, along with two stories of success through the Prisoner Re-entry program and a letter of appreciation from an employer. Members suggested the newsletter be distributed to State legislators and other pertinent organizations such as newspapers, the MISD, hospitals, etc.

iii. Update on Service Levels

Members reviewed graphs reflecting the number of customers served within the two counties and the offices they visit. Individuals are counted only on their initial visit where they register for the Talent Connect system along with other services. The numbers have declined since 2012 by 14% where 59,700 had registered versus 51,584 in 2013. Both counties saw a sharp increase between November and December. With the elimination of the Emergency Unemployment Compensation program, an increase in traffic is anticipated. Clinton Township and Roseville continue to be the highest visited offices.

iv. Update on Emergency Unemployment Compensation Program

Special re-employment services to recipients of Tier I and Tier II Emergency Unemployment Compensation benefits were previously mandated and included orientation of available services, assessment of job readiness, and information regarding the local labor market.

The federal extended unemployment insurance benefits program ended December 28th; 17,879 participants were served since inception of the program March 12, 2012. While reimbursement rates changed throughout the program, the board was reimbursed a total of \$1,468,684.50.

Congressman Sander Levin has been championing to reinstate benefits and has visited the local Michigan Works offices to meet customers who use these services to learn how they are fairing in this economy. He is strongly encouraging fellow congressmen to support continuation. The Department of Human Services is

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also experiencing an increase in traffic due to loss of unemployment benefits. Figures will be tracked to compile a case to support an extension

v. Prisoner Re-entry Program Update

The Michigan Department of Corrections has withdrawn their entire bid process to identify fiscal agents for the 2014 Prisoner Re-entry program. The department initially approved extension of the program for three months with the current providers but has since reauthorized the contracts with current providers for another nine months to complete the fiscal year. A number of grievances were filed with the Department of Corrections, who initially eliminated all but one Michigan Works agency. Therefore, the DOC is expected to issue a new Request for Proposal for the 2015 program year which begins in October.

Since extending contracts, all providers were required to decrease their budgets. Macomb County has taken a 28% reduction; the Thumb Area is experiencing a 35% reduction. The majority of funds are dedicated to residential stability as it is a priority that newly released prisoners are housed in a stable environment. Employment readiness services will be charged to other programs as appropriate.

vi. Update on Skilled Trades Training Fund

In the face of a growing shortage of skilled workers in Michigan, and in order to assist the business community, the Skilled Trades Training Fund was established for Fiscal Year 2014 (October through September) with a total of \$10 million available statewide. The program is intended to fill in the gaps not covered through similar federal programs by offering short-term training to workers through classroom training, on-the-job training, customized training, incumbent worker training, or through USDOL-registered apprenticeships. Training is designed to fill a documented need experienced by an eligible business and must result with full-time employment for the trainee(s).

Locally, the Kuhnhehn Brewing Company was awarded an \$18,000 grant to hire and train 12 individuals in the science of brewing craft beers. In an effort to expand the business, the owners have purchased the former Evergreen Hardware store on Groesbeck Highway in Clinton Township with plans to relocate the brewery into this larger facility and to also incorporate a restaurant into the business. This will require additional staff who will need training in the art of brewing beer. Training will be provided by the Siebel Brewing Academy located in Chicago with a portion of training on site at the academy and a portion provided on line. In addition to the \$18,000 grant, the owners are contributing \$16,000 of their funds to cover training costs scheduled to begin in March with an opening anticipated this summer. Employees will be paid \$12 hourly to start with future increases to \$16 per hour. The jobs will be posted on the Talent Connect system.

B. Administrative Committee

1. Meeting of January 9, 2014

- a. **Recommendation to Modify PY'13 WIA Dislocated Worker Program Budget**
- b. **Recommendation to Modify PY'13 Emergency Unemployment Compensation Budget**
- c. **Recommendation to Approve FY'14 PATH DHS Support Services Macomb Budget**
- d. **Recommendation to Approve FY'14 PATH DHS Support Services St. Clair Budget**
- e. **Recommendation to Approve STTF Kuhnhehn Brewing Company Budget**
- f. **Recommendation to Modify FY'14 Macomb Prisoner Re-entry Budget**
- g. **Recommendation to Modify FY'14 St Clair/Thumb Prisoner Re-entry Budget**
- h. **Recommendation to Approve Education Advisory Group**

ALL ACTION ITEMS WERE TABLED DUE TO LACK OF QUORUM

i. **Informational**

i. Update of Prosperity Region

The *Prosperity Region Michigan Works Agency Talent District Charter* is a document drafted by the State to be signed by each MWA who agree to participate in charter activities by coordinating workforce services within talent districts to better meet the needs of business and participants. Macomb County remains in Region 10 along with the City of Detroit, Oakland County, and Wayne County. St. Clair County has been

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aligned with Genessee-Shiawasee and the Thumb area Michigan Works. The Michigan Works Agencies are in the process of modifying prior to signing any agreement.

ii. FY'14 TAA Expenditure Report

Customers in this program have lost jobs to foreign competition making them eligible for retraining through the Trade Adjustment Assistance program. A comparison of October 2012 versus October 2013 shows a decline in expenditures: \$121,014 vs \$106,364.

iii. WIA PY'12 Final Performance Report

The final report for the 2012 program year resulted with 3 standards exceeded and one met for the adult program; 3 standards exceeded and one met for the dislocated worker program; 4 standards exceeded for older youth; 2 standards exceeded and one met for younger youth; customer participant satisfaction exceeded and employer satisfaction met for a total of 13 exceeded; 2 met with incentive; 1 met with no incentive.

iv. Annual Accounts of Funding Sources

A handout of funding sources from program 2007 to date was reviewed. During the height of the recession, the board was responsible for approximately \$64 million; the 2013-14 allocation is now just below \$23 million, a 64% reduction of funds. Despite the funding reductions over the years, the demand for services has not seen a similar reduction. Cuts in training dollars and staff reduction have been a direct result of lower allocations.

6. Executive Director's Report

Mr. Bierbusse reported on labor market information for the two counties from 1999 to date, including the number of residents employed, the number within the local labor force, the number unemployed and the rate of unemployment.

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, February 27, 2014 at the Michigan Works Service Center in Clinton Township. Members will be notified.

10. Adjournment

WILLIAM PETERSON MOVED TO ADJOURN; SUPPORT BY MARY MATUJA. MOTION CARRIED UNANIMOUSLY. The meeting adjourned at 3:40 p.m.

Respectfully submitted,

Laura Carne
Recording Secretary