

COUNCIL ON WORKFORCE INVESTMENT

Dislocated Worker Subcommittee November 20, 2008 Madison, Wisconsin Minutes

Members Present: James Haney, JoAnna Richard, Colleen Bates, Jayson Chung, Mark Reihl, Phil Neuenfeldt and Greg Gasper for Senator Joe Leibham

DWD Staff Present: Annette Nekola, Gary Denis and Dianne Reynolds

Others Present: Amy Charles, Southwest WI WDA; Cindy Kiesling, North Central WDA; Betty Gregory-Paasch, Bay Area WDA; Al Hesse, Fox Valley WDA and Deborah Blum, WOW WDA.

Key Issues/Discussion

1. **Call to Order and Approval of Minutes.** Chair Haney called the meeting to order at 2:35 p.m. with a quorum present. Minutes of the meeting of June 19, 2008 were approved on a motion by Bates, second by Richard. Motion passed.
2. **Special Response Funding.**
 - a. **Dislocated Worker Program Updates.** Annette Nekola provided updates on dislocation activity in the state. Through October, 2008, DWD has received notice of 106 events affecting 14,388 workers. The number of workers affected is more than three times the number for the same period in 2007 when there 73 events with 4,893 workers affected. Manufacturing still accounts for the majority of affected workers, including the automotive industry and paper mills.
 - b. **Final PY2007 Performance Summary.** Outcomes for the program year that ended 6/30/2008 were reviewed. These included achievement of 75% of projected program enrollments during the grant year; 28% of all participants received training services. Expenditures were 87% of the funds obligated, leaving \$474,187 to be recaptured for use in PY2008.
 - c. **PY2008 First Quarter Performance Summary.** Outcomes for the first quarter of PY2008, ending 9/30/2008 were also presented. Overall enrollments are 145% of the number planned. This is due to some layoffs occurring earlier than previously announced, resulting in more enrollments for the period than planned. Thirty-five per cent of participants were enrolled in a training activity and 37% of funds awarded have been expended.
 - d. **Funding Availability.** Annette Nekola reviewed the level of funding available for Special Response Grants at this time. Total funds available for grants in PY2008 is \$6,293,069. This includes the PY2008 allotment of \$5,578,093 plus \$714,976 in PY2007 funds. To date, \$1,634,911 has been obligated to grants, including \$69,900 in Start-Up Grant awards. The balance now available is \$4,658,158.

The distribution methodology for WIA Dislocated Worker funding received by Wisconsin was also reviewed. Of the total state allotment 5% is available for state-level administration of the program, 10% is set-aside for statewide projects as determined by the Governor; 60% is allocated to the Workforce Development Boards by a formula that takes local labor market conditions into account and 25% is reserved for Rapid Response activities. Rapid Response activities in Wisconsin include state Rapid Response operations which includes dislocated worker unit staff and Special Response Grants made to local areas.

- e. **Special Response Grant Requests – Additional Target Groups and Funding**
Seven Workforce Development Areas submitted grant modifications. Six are requesting additional funds to serve new and continuing target groups. Southeastern WDA is not requesting additional funds, only to add a new target group.

Funding Request A - Southeastern Wisconsin Workforce Development Area

Special Response Grant Request – modification

Current grant - \$178,000, no additional funds requested

Continuing target group – Conn-Selmer, Inc. (Kenosha)

New target group – Conn-Selmer, Inc. (Elkhorn), Sanmina and Frank Wells

Proposed number served – 35

Staff Recommendation – Staff recommend the addition of the new target groups as requested including Conn-Selmer (Elkhorn), Sanmina and Frank Wells. No additional funds were requested, so total funding through 6/30/2009 remains at \$178,000.

Action – Motion to approve the staff recommendation to add the Conn-Selmer, Elkhorn, Sanmina and Frank Wells target groups made by Neuenfeldt; second by Chung. Motion passed.

Funding Request B - Waukesha-Ozaukee-Washington Workforce Development Area

Special Response Grant Request – modification

Current grant - \$440,132

Grant request – additional \$440,135

Continuing target groups – Kerry Ingredients, Tecumseh Products, Midwest Building Systems, Amity/Rolfs, Carlisle Tire & Wheel, NECCO/Stark Candy, JC Penney, Huffy, Ozaukee Bank, Simplicity, Serigraph and Broan-Nutone

New target group – Kelch/Div. of Bemis

Proposed number served – 509

Staff Recommendation - Staff recommend adding the Kelch target group and \$440,135 in additional funds, as requested, for total PY2008 funding of \$880,267.

Action – Motion to approve the staff recommendation to add the Kelch target group and \$440,135 in additional funds made by Bates; second by Richard. Motion passed.

Funding Request C - Fox Valley Workforce Development Area

Special Response Grant Request – modification

Current grant - \$215,715

Grant request – additional \$527,420

Continuing target groups – NewPage (Kimberly) , Kimberly Clark (Lakeview Plant), Econo Foods, JMS Converters, Calumet County Homestead Nursing Home, Hoffmaster, Home Depot, Mercury Marine, Outlook Group and ThyssenKrupp.

A \$25,000 start up grant was issued on 9/1/2008 to initiate services to Mercury Marine, ThyssenKrupp and Outlook Group and to respond to accelerated layoffs at the NewPage Kimberly mill.

New target group - Bremner Foods

Proposed number served – 439

Staff Recommendation – Staff recommend an additional \$527,420 in funding as requested for a total PY2008 grant of \$743,135. The addition of the Bremner Foods target group is recommended on the condition that worker orientations are held and workers demonstrate the need for and interest in services. Note: Worker orientations were completed on 11/13/2008 with 56% of workers expressing interest in services.

Action – Motion to approve the staff recommendation to add the Bremner target group and award \$527,420 in additional funds made by Chung; second by Richard. Motion passed.

Funding Request D - Bay Area Workforce Development Area

Special Response Grant Request – modification

Current grant – \$148,649

Grant request – additional \$508,030

Continuing target groups – Emerson Motors, NewPage (Niagara), Kohler
New target group - Pentair

Proposed number served – 364

Staff Recommendation – Staff recommend an additional \$508,030 in funds to provide services to previously approved target groups. The total PY2008 award to this WDA will be \$656,679.

Action – Motion to approve the staff recommendation to award an additional \$508,030 in funds to serve new target group Pentair and the previously approved target groups made by Neuenfeldt; second by Bates. Motion passed.

Funding Request E - North Central Workforce Development Area

Special Response Grant Request – modification

Current grant - \$94,000

Grant request – additional \$849,700

Continuing target groups – Domtar, SNE Enterprises Inc., Schreiber Foods.

Start-up grants in the amount of \$25,000 and \$19,900 were issued on 10/9/2008 to initiate services to Schreiber Foods and SNE Enterprises.

New target groups – Wick Building, Federal Mogul and Sartori Foods

Proposed number served – 410

Staff Recommendation – Staff recommend additional funding of \$479,100 for a total PY2008 grant of \$618,000. This is the amount requested by the WDA through 3/31/2009. A National Emergency Grant will be applied for to serve workers from Domtar, SNE Enterprises and Schreiber Foods. Once the amount of that grant is known, the WDA will determine its needs for additional Special Response Grant resources and may apply for additional funds in March, 2009.

Action – Motion to approve the staff recommendation to award an additional \$479,100 in funds made by Reihl; second by Neuenfeldt. Motion passed.

Funding Request F - West Central Workforce Development Area

Special Response Grant Request – modification

Current grant - \$187,250

Grant request – additional \$251,759

Continuing target groups – 3M-EauClaire, Hutchinson Technology, Lakeside Nursing, Northern Wisconsin Center, Regal Beloit-Leeson Electric, Wright Products and L.O. Simenstad Nursing Care Unit

New target groups – UFE, Master Craft and Country Market

Proposed number served – 155

Staff Recommendation – Staff recommend the addition of three new target groups and an additional \$251,759 in funding as requested by the WDA. The total PY2008 grant will be \$439,009.

Action – Motion to approve the staff recommendation to add three new target groups and award an additional \$251,759 made by Richard; second by Neuenfeldt. Motion passed with Bates abstaining.

Funding Request G - Southwest Workforce Development Area

Special Response Grant Request – modification

Current grant - \$192,958

Grant request – 193,314

Continuing target groups – Advance Transformer, Chrysler, Alcoa, Lear, General Motors, United Industries, Chromalox, and Logistics Services, Inc. (LSI)

Proposed number served – 702

Staff Recommendation –Staff recommend \$193,314 in additional funds to continue services to previously approved target groups. The total PY2008 grant will be \$386,272.

Action – Motion to approve the staff recommendation to award an additional \$193,314 to serve previously approved target groups made by Bates; second by Chung. Motion passed.

3. **Adjourn.** There being no further business, the meeting was adjourned. The next meeting will be held in mid-March.