

COUNCIL ON WORKFORCE INVESTMENT

Dislocated Worker Subcommittee

March 15, 2006

Madison, Wisconsin

MEETING MINUTES

Members Present: Phil Neuenfeldt, Micabil Diaz-Martinez, Mark Reihl, Jayson Chung, Aaron Olver and Daniel Andrist

Members Absent: James Haney, Senator Joe Leibham

CWI Staff Present: Ron Danowski and Annette Nekola

Others Present: Kathy Palmer, Fox Valley WDB; Pat Schramm, South Central WDB; Cindy Kiesling, AFL-CIO LETC (North Central WDA) and Jim Lindbo, Workforce Resource (West Central WDA)

Key Issues/Discussion

- 1. Call to Order and Approval of Minutes.** Chair Neuenfeldt called the meeting to order at 9:35 a.m. Roll was called and a quorum was present. New member Dan Andrist was introduced and welcomed. He is Sheboygan resident, former dislocated worker and presently a student and student ambassador at Lakeshore Technical College. Additional private business sector members are currently being recruited.

Motion was made to accept the minutes of the November 16, 2005 meeting as distributed. Motion Reihl, second Diaz-Martinez. Motion carried.

2. Special Response Funding.

Updates and Funding Availability. Ron Danowski reported on funding available for Special Response Grants. There is \$366,000 available for grants at this time. Requests for consideration at this meeting total \$172,878. Approximately \$193,000 is available for the remainder of the program year ending 6/30/2006. Current grants are expected to be about 80% expended at the end of the current program year.

Funding Requests. Annette Nekola presented the current requests for funding and the addition of new target groups. Four applications were initially received. In recent days 2 Workforce Development Areas - Waukesha-Ozaukee and Washington (WOW) and West Central - requested to add new target groups. This information was e-mailed to subcommittee members on March 14. In both cases layoffs were announced or worker orientations were not scheduled until after the most recent round of applications were due. Both WDAs will be required to submit modifications to their current grants within the next couple of weeks that document the layoffs and the planned numbers of additional participants to be served.

Funding Request A - Fox Valley Workforce Development Area

This is a continuing grant. Additional funding is requested to serve workers dislocated from Alcan Packaging, Mercury Marine and Glatfelter.

Current grant - \$503,553; serving 307

Target groups – Norwood Promotional Products, SJP Corporation, Leach Company, Riverside Paper, Advanced Data-Comm, Air Wisconsin, Emjay Corporation, Rippin' Good (Bremner, Inc.), Westra Construction.

Changes proposed – add \$147,878 to current grant

New target groups – Alcan Packaging, Mercury Marine, Glatfelter

Proposed number served – 368 (adding 61)

Staff Recommendation

Award additional funding in the amount of \$147,878, as requested, to serve continuing participants and workers being dislocated from Alcan Packaging, Mercury Marine, Glatfelter.

Discussion

Chung asked whether given recent announcements of additional layoffs in the Fox Valley paper industry this application needed to be revised. Danowski explained that resources are not needed for these workers at present due to the announced timeline for the Kimberly-Clark dislocations. The Lakeview plant (diapers) which employs 510 is not expected to close until sometime in 2007. A second facility which manufactures non-woven papers is expected to be sold or closed around the end of 2006.

Funding Request B - North Central Wisconsin Workforce Development Area

This is a continuing project. Additional funding is requested for 3 new target groups - – Marshfield Door, Neighbor Care and Stora Enso North America – Stevens Point (SENA).

Current grant - \$600,000; serving 275

Target groups – Alumitech, Bemis, Cell One, Citizens, Copps, County Market, Domtar, Edelweiss Cheese, Fiskars, Footstar, Full Size Fashions, Go2America, Golden County Foods, Gordon Aluminum, and 21 other companies

Changes proposed – add \$25,000

New target groups – Marshfield Door, Neighbor Care and Stora Enso North America – Stevens Point (SENA).

Proposed number served – 285 (adding 10)

Staff Recommendation

Award \$25,000, as requested, to serve continuing participants and newly dislocated workers from three new target groups - Marshfield Door, Neighbor Care and SENA (Stevens Point).

Funding Request C - West Central Wisconsin Workforce Development Area

This is a continuing grant. The request is to add 3 new target groups; no additional funding is requested.

Current grant - \$950,000; serving 463

Target groups – American Tool, Donaldson's, Fleetguard/Nelson Muffler, Northern Wisconsin Center, 3M Eau Claire, American Phoenix, Celestica, Century Casting, Hutchinson Technology, and 25 other companies.

Changes proposed – no additional funding

New target groups – New layoffs at Fleetguard/Nelson Muffler, Silicon Graphics and Wright Products.

Proposed number served – 468 (adding 5). This number may be revised based on results of worker orientations for Silicon Graphics and Wright Products.

Staff Recommendation

Add new layoffs at Fleetguard/Nelson Muffler, Silicon Graphics and Wright Products as new target groups; no additional funds.

Funding Request D - South Central Workforce Development Area

This is a continuing project.

Current grant - \$1,027,733; serving 446

Target groups – Admanco, Applied Molded Products, APV Crepaco, Arimon, Big Joe Manufacturing, and 48 other companies

Changes proposed – no additional funding

New target groups – Sanford North American-Eldon, Certegy

Proposed number served – 646 (adding 200 – 160 from new target groups and 40 in excess of current planned number)

Staff Recommendation

Add Sanford North American-Eldon and Certegy as new target groups; add additional 200 participants to be served. No additional funds requested or recommended.

Funding Request E – Waukesha-Ozaukee-Washington Workforce Development Area

This is a continuing project. The request is to add 4 new target groups

Current grant - \$1,150,000; serving 756

Target groups – West Bend Co./Regal Ware, OmniQuip International, Amcast Automotive/General Aluminum, Milwaukee Electric Tool, Waukesha Electric and 17 other companies

Changes proposed – no additional funding

New target groups – Huffly Sports, OSI Outsourcing Services, First Health and Array, Inc.

Proposed number served – 881 (adding 125). This number may be revised based on results of worker orientations.

Motion

Motion to approve the 5 requests as presented and recommended by staff was made by Chung; second by Reihl. Motion carried.

Discussion

Chung asked for clarification of the performance measurement factors on the Dislocated Worker Program Performance Summary included in each grant application. Nekola and Danowski explained these measures as follows:

Credentials – Only individuals who are enrolled in training are included. A positive outcome for this measure is the completion of the training course and employment in the first quarter after the individual exits the dislocated worker program. A credential can be a certificate or diploma depending on the type of training. The credential must be recognized by the training institution and employers. There are no requirements that it be in any specific industry or occupation though it is expected that training will only occur for occupations for which there is demand in the local labor market.

Earnings Replacement Rate – The Department of Labor (DOL) has changed the way earnings outcomes are measured. In Program Years 2000 – 2004 post-program earnings for dislocated workers were measured as a percentage of earnings prior to receiving program services. For the current program year (2005) earnings are measured as an absolute change (in dollars) between pre and post-program earnings. Beginning July 1, 2006 under the new DOL common measures earnings will be measured as the average of wages earned in the 2nd and 3rd quarters following program exit. No comparison to pre-program earnings will be made.

Retention Rate – This is measure of employment retention through the 2nd and 3rd quarters after the individual leaves the program.

- 3. Advance Transformer Project Update.** Annette Nekola provided an update on the Advance Transformer Dislocated Worker Study Project. In November, 2005 the CWI Executive Committee awarded \$9,950 to Southwest Wisconsin Technical College to

conduct a follow-up study of the nearly 700 workers laid off by the 1996 closure of the Advance Transformer facility in Platteville.

The major objectives of the study are to assess the impacts of training received by the workers, evaluate the benefit of assistance provided by service agencies and determine post-layoff quality of life. This is the first study of its kind undertaken in Wisconsin and has the potential to identify model practices relevant to future mass layoffs.

A committee to design, conduct and oversee the follow-up study was formed in December, 2005. This group is comprised of several partner agency programs involved in the response to the dislocation, former Advance Transformer dislocated workers, and DWD dislocated worker program staff. Nekola represents DWD on this group

A worker survey has been designed and field tested and was distributed in late February to all workers affected by the 1996 dislocation. The distribution of the survey was preceded by regional media releases to raise awareness and interest in the study. An 80% response rate is planned through mail surveys and individual contacts. The first round of surveys is due 3/17, so far about 135 responses have been received. The survey will be mailed again to non-respondents. Individual phone calls will be made to those who do not respond to the second mailing. The final report of the study results will be published by September 30, 2006. Subcommittee members interested in seeing the survey materials should contact Nekola.

4. **2006 Schedule of Meeting Dates.** Danowski reviewed the proposed schedule of meeting dates through Program Year 2006. On a motion by Chung; second by Andrist the schedule of meeting dates was approved as proposed. These dates are:
May 17, 2006
August 16, 2006
November 15, 2006
March 14, 2007
5. **Other Business.** There was no other business before the subcommittee.
6. **Adjourn.** The meeting adjourned at 10:15 a.m. on a motion by Diaz-Martinez; second by Chung. Motion carried.