

COUNCIL ON WORKFORCE INVESTMENT

Dislocated Worker Subcommittee March 21, 2007 Madison, Wisconsin

MEETING MINUTES

Members Present: James Haney, Mark Reihl, Greg Gasper for Senator Joe Leibham and Joanna Richard.

Members Absent: Daniel Andrist, Jayson Chung, Phil Neuenfeldt and Colleen Bates

CWI Staff Present: Ron Danowski and Annette Nekola

Others Present: Pat Schramm and Dianne Hoffmann, South Central WDB; Dick Best and Kris Pawlowski, Workforce Resource (West Central WDA); Cheryl Welch and Al Hesse, Fox Valley WDB; Ed Werstein, WOW WDB and Monica Littlegeorge, LETC (South Central WDA).

Key Issues/Discussion

- 1. Call to Order and Approval of Minutes.** Chair Haney called the meeting to order at 2:40 p.m., no quorum was present. Joanna Richard, the DWD Deputy Secretary was introduced. She replaces Micabil Diaz-Martinez.

Since no quorum was present, consideration of the minutes of the meeting of August 16, 2006 and November 15, 2006 are deferred to the next meeting to be held in May, 2007. The Subcommittee is advisory to the DWD Secretary, so even without a quorum present, they may proceed to review grants and make funding recommendations.

- 2. Special Response Funding.**

Dislocated Worker Program Updates. Ron Danowski provided updates on dislocated worker program activities. For the first 2 months of 2007, DWD has received notice of 21 dislocation events affecting 1,600 workers. For the same period in 2006, there were also 21 events but nearly 2,000 workers were affected. Manufacturing continues to be heavily impacted. In particular, staff are monitoring activity in the paper, wood building materials and automotive supplier areas.

- a. Funding Availability.** Ron Danowski reviewed the level of funding available for Special Response Grants. For the program year that began 7/1/2006, \$4 million was available. That included \$3.3 million in new dollars and approximately \$700,000 remaining from grants that ended 6/30/2006 that was carried forward. At the last meeting in November, all funds remaining at that time were obligated to grants. Since then, \$121,000 has become available for grants. This amount includes some funds previously planned for DWD staff costs and some funds returned by two WDAs. The requests to be considered by the sub-committee today total \$103,565.

Wisconsin was recently awarded two National Emergency Grants (NEG) to respond to specific dislocations in two regions. In the Fox Valley area, up to \$1.2 million will be

made available to serve dislocations in Calumet County at Tecumseh Power, Chilton Products (Western Industries) and Brillion Iron Works. In the North Central region, up to \$470,000 is available to serve dislocations at Fiskars in Wausau and Spencer and at Hurd Millwork in Merrill. DOL distributes NEG funds incrementally based on grant enrollments and expenditures. An NEG application for \$948,000 to serve civilians being displaced by the closure of the General Mitchell 440th Airlift Wing in Milwaukee has been submitted and is under review by DOL.

b. Quarterly Grant Performance Summary. Staff presented a summary of Special Response Grant Performance for the quarter ending 12/31/2006. Annette Nekola explained the measures included in the report. Enrollments – the summary compares the number that were projected to be served through the 2nd quarter to the actual number provided services. Statewide, enrollments through the quarter are 91% of projections. Variations may be due to changes in layoff schedules or fewer people needing services that initially thought. Received Training – this is the number of those enrolled in the program that received some type of occupational training (either on-the-job or in the classroom). Overall, 40% of people enrolled in the grants are receiving training funded under the grant. For the last program year, the figure was 46%. Expenditures – This is accrued expenditures reported through the quarter. At mid-point in the program year this should be about 50% of the total; for all grants combined it is 54% through the second quarter. Exits – This is the number of people that have completed or otherwise ended services under the grant. Employed at exit – This is the number who, at the time they ended services, reported being employed.

c. Funding Requests.

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

Special Response Grant Request – modification
Current Grant - \$659,435 (7/1/2006 – 6/30/07)
Grant request – additional \$75,565

Continuing target groups – Midas, Strong Financial, Triumph Engineering, SignStrut, Array, Russell Corp. (Huffy), OSI Outsourcing Solutions Inc., First Health, Brio Toy Inc., Gehl Corp., Regal Ware, Kraft, Quebecor World, Vollrath Corporation, Parker Hannifin, Cardinal Health, Amity/Rolf's, Salon Systems, Simplicity, Journal Community Publishing Group

New target groups – Baldor Corp.

Proposed number served – 390 (adding 20 from Baldor)

Staff Recommendation - Approve the request to add \$75,565 to the current grant and one new target group; bringing the total grant amount to \$735,000.

Discussion – Local staff reported that there was a large turnout at the Baldor worker orientation meetings. The additional funds requested are primarily for training, as they have people waiting to start training as funds become available.

Action – Motion to add target groups and additional funding as recommended by staff made by Reihl, second by Richard. Motion carried.

Funding Request B - Fox Valley Workforce Development Area

Special Response Grant Request – modification
Current Grant - \$562,888 (7/1/2006 – 6/30/07)

Continuing target groups – Advanced Data-Comm, Air Wisconsin, Norwood Promotional Products, Riverside Paper, SJP Corporation, Mercury Marine, Alcan Packaging, Glatfelter, Kimberly Clark Corporation, Tecumseh, Kimberly-Clark/Lakeview plant, Alferi Seasonings and Sauces, Chilton Products, Inc., Rolling Meadows, Tecumseh (updated)

New target groups – Photoland, Inc., Cub Foods, Inc.

Proposed number served – 373

Staff Recommendation – Add new target groups as requested. Workers from Tecumseh Power and Chilton Products currently in this grant will be transferred to the NEG that was recently received.

Discussion – Cheryl Welch of the Fox Valley WDA reported that the Cub Foods store has been purchased by Rainbow Foods but not all workers laid off are expected to be rehired by the new owners. The closure of the Photoland lab is due to the increase in the production of photos from home computers.

Action - Motion to add target groups as recommended by staff made by Richard, second by Reihl. Motion carried.

Funding Request C - West Central Wisconsin Workforce Development Area

Special Response Grant Request – modification
Current Grant - \$1,011,274 (7/1/2006 – 6/30/07)

Continuing target groups – American Tool, Cray, Nelsons Fleetguard/Nelson Muffler, Northern Wisconsin Center, Hutchinson Technology, Silicon Graphics, Mason Shoe, Seneca (Chiquita Foods), Honeywell Kolpak, Lakeside Nursing, UFE, Inc., 3M Eau Claire, AM Tool, Ametec, Donaldson, Leeson, Phillips Plastic, Seneca, USTC (United Semi Conductor Technology Corp.), Wright Products.

New target groups – Andersen Window, Johnson Truck, AM Tech and Rutledge Home.

Proposed number served –277

Staff Recommendation - Approve the addition of four new target groups to the current grant. No additional funding is requested.

Action - Motion to add target groups as recommended by staff made by Richard, second by Reihl. Motion carried.

Funding Request D - South Central Workforce Development Area

Special Response Grant Request – modification

Current Grant - \$998,852 (7/1/2006 – 6/30/07)

Grant request – additional \$28,000

Continuing target groups – Cargill, Certegy, CUNA Mutual/Mortgage, Johnson Controls, Lands End, Perry Judd, Rayovac, Sanford North America (Eldon), State of Wisconsin, Demco Media, LA Darling, Morning Star Foods, Royster Clark, SITEL

New target groups – DCI Cheese, Lubriquip, Sunny Industries, Foremost Farms

Proposed number served – 405

Staff Recommendation - Approve the addition of four new target groups to the current grant and additional funding in the amount of \$28,000.

Note: Worker orientations for Foremost Farms were held the week of March 5th. Details on this target group are forthcoming. Proposed number served was reduced by 200. This reflects prior over projections in numbers to be served from some layoffs, including Certegy.

Action - Motion to add target groups as recommended by staff made by Richard, second by Reihl. Motion carried.

- 3. Adjourn.** There being no further business, the meeting adjourned at 3:21 p.m. The next meeting of the Subcommittee will be Wednesday, May 16, 2007 at a time to be determined. *Note: the meeting time was subsequently changed to Wednesday, May 23 at 2:00 to accommodate members' schedules.*