

COUNCIL ON WORKFORCE INVESTMENT

**Dislocated Worker Subcommittee
May 23, 2007
Madison, Wisconsin**

MEETING MINUTES

Members Present: Phil Neuenfeldt, Mark Reihl, Jayson Chung and Colleen Bates

Members Absent: James Haney, Joanna Richard and Senator Joe Leibham

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

Others Present: John Milisaukas, Southeast WI WDA; Dave Wilson, PIC of Milwaukee County; Alba Baltodano and Roger Hinkle, Milwaukee HIRE Center; Ed Werstein, WOW WDB; Sally Cutler, North Central WDB; Cindy Kiesling, AFL-CIO LETC (North Central WDA); Kris Pawlowski, Workforce Resource (West Central WDA); Beth Sullivan, Workforce Connections (Western WDA) and Pat Schramm, South Central WDB

Key Issues/Discussion

1. Call to Order and Approval of Minutes. Chair Neuenfeldt called the meeting to order at 2:08 p.m. New member Colleen Bates, Eau Claire County Supervisor, was introduced. Motion to approve the minutes of the meetings of August 16, 2006; November 15, 2006 and March 21, 2007 made by Reihl, second by Bates. Motion carried. Due to a telephone problem, the meeting was briefly interrupted, and resumed at 2:20 p.m.

2. Special Response Funding.

a. Dislocated Worker Program Updates. Annette Nekola provided updates on dislocation activity in the state. The recent trend of dislocation events affecting smaller numbers of workers continues. For the first 4 months of 2007, DWD has received notice of 35 dislocation events affecting 2,486 workers. For the same period in 2006, there were 44 events but 4,400 workers affected. Manufacturing continues to be heavily impacted. Staff are monitoring activity in the paper (Kimberly-Clark), automotive (Chrysler) and engine manufacturing areas (Simplicity). Bates asked whether potential large layoffs are taken into consideration in distributing Special Response grant funds. Nekola explained that the state can apply for additional funding from the DOL National Emergency Grant program to assist large layoff events.

b. Quarterly Grant Performance Summary. Staff presented a summary of Special Response Grant Performance for the quarter ending 3/31/2007. The results are generally as planned for the quarter and include: 1,710 enrolled in Special Response Grants (96% of the number planned); 659 are receiving training (39% of those enrolled); expenditures are \$3,114,982 (76% of total awarded); 668 have completed services under the program and 487 (73% of completers) are employed.

c. Funding Availability. Annette Nekola reviewed the level of funding available for Special Response Grants. For the program year that will begin 7/1/2007, \$3,430,628 is

available for grants. The PY2006 fund balance is about \$15,000 so no significant amount of money is expected to be carried forward. Preliminary final PY2006 expenditure figures will be available at the next subcommittee meeting scheduled for mid-August. Total requests for the 12 month period 7/1/2007 – 6/30/2008 are \$3.9 M. Staff recommend that approximately 1/3 of the available PY2007 funding (\$1,144,249) be obligated for the grant requests before the subcommittee today. This amount will fully fund the smaller requests and fund the remaining requests through the first quarter of the new program year. At this time last year, one half of available funds were obligated to projects. A more conservative approach to distributing the funds is being recommended to avoid a shortfall at year's end as occurred this year. By the August meeting of the subcommittee, there should be a clearer picture of some of the impending layoffs and pending petitions for Trade Adjustment Certifications will be resolved.

DWD recently notified the Workforce Development Areas of the allocation of 85% of the funds for the local dislocated worker program which total \$8,750,841. After an anomaly in the intrastate distribution formula is resolved the remaining funds will be distributed.

d. Special Response Grant Funding Requests

Funding Request A - Southeastern Wisconsin Workforce Development Area

Special Response Grant Request – new
\$142,000 (7/1/07-12/31/07)
\$385,825 (7/1/07-6/30/08)

New target group – Deluxe Media

Proposed number served – 50

Staff Recommendation - Staff recommend funding this project in the amount of \$71,000 to initiate services to this group. An application for Trade Adjustment Assistance certification has been filed. Additional funds may be requested in the future, if needed.

Action – Motion to fund the request for Deluxe Media in the amount of \$71,000 as recommended by staff made by Reihl; second by Chung. Motion carried.

Funding Request B - Milwaukee County Workforce Development Area

Special Response Grant Request – new
\$319,250 (7/1/07-12/31/07)
\$510,000 (7/1/2007 – 6/30/08)

New target groups – Washington Mutual Insurance, Jewel Osco, Delphi Energy/Delphi Electrical

Proposed number served – 200

Staff Recommendation - Staff recommend initial funding for this project at \$129,625 to begin services to 3 target groups. No funding is recommended for the Delphi Core Services Project since this group of workers is determined to not be eligible for WIA services at this time. An application for Trade Adjustment Assistance certification will be filed for Delphi Energy/Electrical when layoffs begin. Additional funds may be requested in the future, if needed.

Action – Motion to fund the request for the Milwaukee project in the amount of \$129, 625 as recommended by staff made by Chung; second by Reihl. Motion carried.

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

Special Response Grant Request – new
\$466,000 (7/1/07-12/31/07)
\$800,555 (7/1/07-6/30/08)

Continuing target groups – Amity, Array, Baldor Corp., Cardinal Health, Gehl, Huffy, Journal Communications, Kraft, Parker Hannifin, Quebecor World and Salon Systems

New target groups – Jewel/Osco, CompUSA, Doll Foods, Schwarz Pharma

Proposed number served – 357

Staff Recommendation - Staff recommend funding this application in the amount of \$280,000 to provide services to 4 new and 11 continuing target groups. Additional funds may be requested in the future, if needed.

Action – Motion to fund the request for the WOW project in the amount of \$280,000 made by Bates; second by Reihl. Motion carried.

Funding Request D - Bay Area Workforce Development Area

Special Response Grant Request – new
\$46,273 (7/1/07-12/31/07)
\$116,922 (7/1/2007 – 6/30/08)

Continuing target group – Emerson Motors

New target group – Bay Area Medical

Proposed number served – 27

Staff recommendation - Staff recommend funding this application in the amount requested - \$46,273 – for the first 6 months of the program year.

Action – Motion to fund the request for the Bay Area project in the amount of \$46,273 as recommended by staff made by Chung; second by Bates. Motion carried.

Funding Request E - North Central Workforce Development Area

Special Response Grant Request – new
\$90,000 (7/1/07-12/31/07)
\$185,129 (7/1/07-6/30/08)

Continuing target groups –Kerry Ingredients, Wausau Papers

New target groups – Graphic Packaging, Badger Attachments

Proposed number served – 76

Staff Recommendation - Staff recommend funding this application in the amount of \$90,000 to provide services to 2 new and 2 continuing target groups. Additional funds may be requested in the future, if needed. A modification to the recently awarded National Emergency Grant to serve Graphic Packaging is under DOL review.

Action – Motion to fund the request for the North Central project in the amount of \$90,000 made by Reihl; second by Chung. Motion carried.

Funding Request F - West Central Wisconsin Workforce Development Area

Special Response Grant Request – new
\$633,939 (7/1/07-12/31/07)
\$1,188,832 (7/1/2007 – 6/30/08)

Continuing target groups – AmTech, Andersen Windows-Menomonie, Fleetguard/Nelson, Johnson Truck Body, Kolpak, Lakeside Nursing, Northern Center, Rutledge Home, SGI, Wright Products

New target groups – 3M Eau Claire, Ardisam

Proposed number served – 269

Staff Recommendation - Staff recommend funding this request in the amount of \$316,970 and adding the 2 new target groups as requested. Depending on need, additional funds may be requested in the future.

Action – Motion to fund the request for the West Central project in the amount of \$316,970 made by Bates; second by Chung. Motion carried.

Funding Request G - Western Wisconsin Workforce Development Area

Special Response Grant Request – new
\$91,136 (7/1/07-12/31/07)
\$153,751 (7/1/2007 – 6/30/08)

Continuing target groups – Trane, Fleming, Northern Engraving, Sparta Manufacturing

New target groups – Sixteen individuals from two National Emergency Grants that are ending June 30, 2007 in order that they may complete training.

Staff Recommendation - Staff recommend funding this application at \$91,136, the amount requested, for the first 6 months of the grant year.

Action – Motion to fund the request for the Western Wisconsin project in the amount of \$91,136 made by Bates; second by Reihl. Motion carried.

Funding Request H - South Central Wisconsin Workforce Development Area

Special Response Grant Request – new

\$332,490 (7/1/07-12/31/07)

\$562,500 (7/1/2007 – 6/30/08)

Continuing target groups – Certegy, DCI Cheese, Demco Media, Eldon (Sanford North America), Foremost Farms, Lubriquip, SITEL, Sunny Industries

New target group – SITEL (new layoff)

Proposed number served – 225

Staff Recommendation - Staff recommend funding this request in the amount of \$166,245 to initiate services for a new layoff at SITEL and to continue services to previously approved groups. Additional funds, as needed, may be requested in the future.

Action – Motion to fund the request for the South Central Western Wisconsin project in the amount of \$166,245 made by Chung; second by Reihl. Motion carried.

3. **Update on Advance Transformer Dislocated Worker Study.** Nekola reported that Southwest Wisconsin Technical College was nearing completion of the project report. The final report of the project will be presented at the August meeting.
4. **Adjourn.** There being no further business, the meeting adjourned at 3:04 p.m. The next meeting of the Subcommittee will be Wednesday, August 15, 2007 at a time to be determined. Note: It later became necessary to change the date of the next meeting to Tuesday, August 14 at 9:30 a.m.