

COUNCIL ON WORKFORCE INVESTMENT

Dislocated Worker Subcommittee November 13, 2007 Madison, Wisconsin Minutes

Members Present: James Haney, JoAnna Richard, Colleen Bates and Greg Gasper for Senator Joe Leibham

Members Absent: Phil Neuenfeldt, Mark Reihl and Jayson Chung

DWD Staff Present: Annette Nekola and Dianne Reynolds

Others Present: Beth Sullivan and Wanda Palmer, Workforce Connections (Western WDA); D.J. Blum, WOW WDA; Roger Hinkle, Milwaukee HIRE Center; Victoria Harmon and Seth Lentz, South Central WDA, Bill Eskola, Northwest WDA; Cindy Kiesling, LETC (North Central WDA), Kris Pawlowski, Workforce Resource (West Central WDA); and Betty Gregory-Paasch (Bay Area WDA).

Key Issues/Discussion

1. **Call to Order and Approval of Minutes.** Chair Haney called the meeting to order at 2:40 without a quorum present. A quorum was achieved later in the meeting and the minutes of the meeting of August 14 were approved on a motion by Richard; second by Bates. Motion passed.

2. **Special Response Funding.**

a. **Dislocated Worker Program Updates.** Annette Nekola provided updates on dislocation activity in the state. Through October of 2007; DWD received 78 notices of dislocation events affecting 4,651 workers. For the same period in 2006, there were 97 events with 8,723 workers affected. Manufacturing accounts for more than half of the affected workers; retail, particularly grocery store consolidations, accounts for almost one quarter of reported dislocations. Four National Emergency Grants (NEGs) are operational and include grants in Milwaukee County (440th Air Lift Wing); Fox Valley WDA (Tecumseh and Chilton Products); North Central WDA (Fiskars and Graphic Packaging) and Western and Southwest WDAs (Flood Disaster). The Flood Disaster Grant funds temporary jobs for dislocated workers to assist flood relief and recovery efforts. Large events that will occur in 2008 include Delphi Powertrain and Electrical and Safety Divisions in Oak Creek (900) and Simplicity in Port Washington (500). The acquisition of Stora Enso operations by New Page is expected to result in layoffs starting early in 2008.

b. **Final PY2006 Performance Summary.** Staff presented the final report of Special Response Grant Performance for the Program Year that ended 6/30/2007. The participant results were generally as planned for the grant year and included: 1,794 enrollments (91% of the number planned); 680 received training (38% of those enrolled); 759 completed services and 549 (72% of completers) are employed. Final expenditures

for PY2006 were \$3,860,311, leaving a balance of \$255,121 to carry forward for PY2007 grants.

- c. PY2007 First Quarter Performance Summary.** Program Year 2007 outcomes for the quarter ended 9/30/2007 were reviewed. The chart distributed in the meeting packet only reflected expenditures through 8/30/2007. A revised chart with expenditures through 9/30/2007 was later sent to subcommittee members. Enrollments are at 84% of the planned number for the quarter. Low enrollments in the Southeast WDA grant are due to the purchase of Deluxe Media and subsequent temporary reemployment of the affected workers. In the case of Fox Valley, these are Kimberly Clark Lakeview plant workers. Layoffs are still occurring but this group has typically had low participation rates in our programs. Thirty-nine per cent of enrollments are in a training program. In some cases, West Central WDA for example, many of the participants in training have been carried over from the prior year. A correction was made to reflect \$57,835 (23% of grant total) in expenditures for Milwaukee. This brings the total expenditures for all grants to \$826,983 (43% of awarded funds).
- d. Funding Availability.** Annette Nekola reviewed the level of funding available for Special Response Grants at this time. For the program year that began 7/1/2007, a total of \$3,685,748, including \$255,120 in PY2006 carry-in, was available for grants. A total of \$2,153,379 was awarded for grants through 12/31/2007, leaving a balance of \$1,690,339 for the final 6 months of the year. Total requests from 10 WDAs for the balance of the year are \$3,087,954; staff recommend funding 9 requests in the amount of \$1,403,000. This leaves a balance of \$287,339 for the remainder of the year which will be further reduced by a 2% administrative rescission by DOL (subject to legal challenge) leaving \$229,871.
- e. Special Response Grant Funding Requests**

Funding Request A - Southeastern Wisconsin Workforce Development Area

Special Response Grant Request – modification

Current grant - \$71,000

Grant request - additional \$130,433

Continuing target groups –Deluxe Media Services

New target groups – Hexion, Converse Industries, Pentair, Spiegelhoff

Proposed number served – 67

Staff Recommendation - Staff recommend the addition of the Hexion and Converse Industries target groups but no additional funding for this project at this time due to low level of services and low expenditures in existing grant. This is due to the call back of many of the Deluxe Media workers to work for the new owners. In addition, the Pentair and Spiegelhoff layoffs do not affect 25 or more so do not meet the qualifying threshold.

Action – Motion to approve the staff recommendation to add 2 new target groups and no additional funding made by Bates; second by Richard. Motion carried.

Funding Request B - Milwaukee County Workforce Development Area

Special Response Grant Request – modification

Current grant - \$251,000

Grant request - additional \$563,000

Continuing target groups – Washington Mutual, Jewel Osco, Delphi Energy/Delphi Electrical, Reiman Media Group, 3M Touch Systems

New target groups – Hillview Health Care Center, AT&T, Wellpoint, Bowne Marketing Goldman's, Inc. and Milsco Manufacturing

Proposed number served – 370

Staff Recommendation - Staff recommend \$300,000 in additional funding for this project serving 6 new and 5 continuing target groups, bringing the total amount available through 6/30/2008 to \$551,000. The state plans to apply for a National Emergency Grant to serve this and future layoffs at Delphi.

Action – Motion to approve the staff recommendation to add 6 new target groups and award an additional \$300,000 in funding made by Richard; second by Gasper. Motion carried.

Funding Request C - W-O-W Workforce Development Area

Special Response Grant Request – modification

Current grant - \$450,000

Grant request – additional \$415,082

Continuing target groups –Amity, Array, Baldor Corp., Cardinal Health, CompUSA, Doll Foods, Gehl, Huffy, Jewel/Osco, Journal Communications, Kraft, Parker Hannifin, Quebecor World, Salon Systems, Schwarz Pharma, Carlisle, HB Performance

New target groups – JC Penney, Regal Ware, Jay Foods, Inc.

Proposed number served – 420

Staff Recommendation - Staff recommend \$300,000 in additional funding for this project and the addition of three new target groups. This will bring the total amount of funding to \$750,000 through 6/30/2008.

Action – Motion to approve the staff recommendation to add 3 new target groups and award an additional \$300,000 in funding made by Richard; second by Bates. Motion carried.

Funding Request D - Fox Valley Workforce Development Area

Special Response Grant Request – modification

Current Grant \$50,000

Grant request – additional \$450,000

Continuing target group – Kimberly Clark Lakeview Plant

New target groups – Econo Foods, Calumet County Nursing Home, JMS Converters and Chef Fresh

Proposed number served – 250

Staff Recommendation - Staff recommend additional funding in the amount of \$75,000, to initiate services to workers being laid off at the Kimberly Clark Lakeview Plant and four other target groups. This is a total grant of \$125,000 for the year ending 6/30/2008. Once service needs of these groups are better known, the WDA may apply for additional funding in the next application cycle.

Action – Motion to approve the staff recommendation to add 4 new target groups and award an additional \$75,000 in funding made by Richard; second by Bates. Motion carried.

Funding Request E - Bay Area Workforce Development Area

Special Response Grant Request – modification

Current Grant \$46,273

Grant request – additional \$111,276

Continuing target group – Bay Area Medical, Emerson Motors

New target groups – none

Proposed number served – 28

Staff Recommendation - Staff recommend \$100,000 in additional funding, for a total of \$146,273, to support nursing training for two previously approved target groups.

Action – Motion to approve the staff recommendation for an additional \$100,000 to provide nursing training made by Bates; second by Richard. Motion carried.

Funding Request F - North Central Workforce Development Area

Special Response Grant Request – modification

Current Grant \$90,000

Grant request – additional \$20,000

Continuing target group – Kerry Ingredients, Wausau Papers, Graphic Packaging, Badger Attachments

New target groups – none

Proposed number served – 20

Staff Recommendation - Staff recommend \$20,000 in additional funding, as requested for a total grant of \$110,000.

Action – Motion to approve the staff recommendation for an additional \$20,000 to provide nursing training made by Richard; second by Gasper. Motion carried.

Funding Request G - Northwest Wisconsin Workforce Development Area

Special Response Grant Request – new
Grant request – \$125,000

New target groups – Capeside Cove, Norse Building, Leef Services

Proposed number served – 50

Staff Recommendation - Staff recommend \$50,000 to initiate services to workers laid off at Capeside Cove. Both the Norse Building and Leef Services layoff affect fewer than 25 workers so cannot be approved.

Action – Motion to approve the staff recommendation for \$50,000 to initiate services to workers laid off at Capeside Cove. Motion carried.

Funding Request H - West Central Workforce Development Area

Special Response Grant Request – modification
Current grant - \$575,000
Grant request – additional \$834,334

Continuing target groups – Ardisam, 3M-EauClaire, AmTech, Andersen Windows-Menomonie, Fleetguard/Nelson, Johnson Truck Body, Kolpak, Lakeside Nursing, Northern Center, Rutledge Home, SGI, Wright Products, Hutchinson Technology

New target groups – Chippewa Falls Ford, TRAC, TQC

Proposed number served – 337

Staff Recommendation - Staff recommend additional funding in the amount of \$300,000 for a total grant of \$875,000 through 6/30/2008. In addition, staff recommend the approval of 3 new target to be served under the grant.

Action – Motion to approve the staff recommendation for additional funding in the amount of \$300,000 and the addition of three new target groups made by Richard; second by Gasper. Motion carried.

Funding Request I - Western Wisconsin Workforce Development Area

Special Response Grant Request – modification
Current grant - \$91,136
Grant request – additional \$161,329

Continuing target groups – Trane, Fleming, Northern Engraving, Sparta Manufacturing, NEG/Farm

New target group – Webster Hardwoods

Proposed number served – 113

Staff Recommendation - Staff recommend the addition of one new target group, as requested, and additional funding in the amount of \$112,000. This will bring the total amount of funding to \$203,136 through 6/30/2008.

Action – Motion to approve the staff recommendation made by Richard; second by Bates. Motion carried.

Funding Request J - South Central Wisconsin Workforce Development Area

Special Response Grant Request – modification

Current Grant - \$285,000

Grant request – additional \$277,500

Continuing target groups –Certegey, DCI Cheese, Demco Media, Eldon (Sanford North America), Foremost Farms, Lubriquip, SITEL, Sunny Industries, RR Donnelley, Emerson Network Solutions

New target group – CUNA Mutual

Proposed number served – 225

Staff Recommendation - Staff recommend the approval of one new target group and the addition of \$146,000 in funds for a total grant of \$431,000 through 6/30/2008.

Action – Motion to approve the staff recommendation made by Bates; second by Richard. Motion carried.

- 3. Adjourn.** There being no further business, the meeting adjourned at 3:45 p.m. The next meeting of the Subcommittee will be held in mid-March. Annette Nekola will poll the subcommittee to determine the date and time.