

Southwest Wisconsin Workforce Development Board Meeting
June 10, 2008
Meeting Minutes

The Southwest Wisconsin Workforce Development Board met on Wednesday, June 10, 2008, at the First National Bank in Platteville. Attendance was as follows:

Members Present:

Mr. Scott Stocker, Chairperson	Ms. Suzanne Lee
Ms. Amy Banicki	Ms. Ann Lutz
Mr. Art Carter	Mr. Troy Marx
Mr. James Finley	Mr. Bruce Palzkill
Mr. Rich Gruber	Mr. Steve Scaccia
Ms. Anne Hore	Mr. Tom Schraeder
Ms. Stacy Kammes	Mr. Frank Thomas
Mr. Randy Jacquet	Ms. Margery Tibbetts
Ms. Jennifer James-Baker	Mr. Geoff Upperton
Dr. Karen Knox	Mr. Larry Ward
Mr. Tom Larsen	

Members Excused:

Dr. Gary Albrecht	Mr. Terry Martin
Mr. Charles Elliot	Mr. Walter Orzechowski
Ms. Carmen Granados	Mr. James Otterstein
Ms. Cindy Harrington	Ms. Regina Prude
Mr. Tom Hogan	Ms. Shari Schaff
Mr. Neil Kirschbaum	

Staff Present:

Dr. Robert Borremans	Mr. Harold Luther
Ms. Amy Charles	Mr. Craig McFarland
Ms. Mary Fanning-Penny	Ms. Annette Meudt
Ms. Nancy Flanagan	Mr. Matt Riley
Mr. Eric Guptail	Mr. Ryan Schomber
Ms. Kathy Kessler	Ms. Katie Smith
Mr. Eric Kuznacic	

1. Welcome; Call to Order; Introduction of New Board Members

Mr. Stocker welcomed everyone and called the meeting to order at 4:00 p.m. Mr. Stocker introduced and welcomed to the Board, Ms. Stacy Kammes; Human Resources Leader for Cummins Emission Solutions in Mineral Point, Wisconsin and Mr. Frank C. Thomas; Senior Project Manager for Carroll Electric in Janesville, Wisconsin. New Board member, Mr. Neil Kirschbaum, owner and president of Loudspeaker Components, LLC, in Lancaster, Wisconsin, was unable to attend.

2. Introduction of New SWWDB Staff

Dr. Borremans introduced new SWWDB staff - Matt Riley, Network Technician; Katie Smith, Program Assistant; Craig McFarland, Technology Manager; Eric Kuznacic, Business and Employer Services Manager; Harold Luther, Employment Services Coordinator; Nancy Flanagan, Special Projects Coordinator; Ryan Schomber, Workforce Services Coordinator; Eric Guptail, Project Assistant; and Kathy Kessler, Executive Assistant.

3. **Presentation and Tour of the First National Bank**

Board members, SWWDB staff and guests received a guided tour of the First National Bank which opened in May, 2009.

4. **Approval of Minutes of SWWDB Meetings**

Minutes of the joint Southwest Counties Consortium and SWWDB meetings held on March 11, 2009, and April 27, 2009 were presented to the Board for approval.

Motion by Dr. Knox, second by Mr. Palzkill to approve the minutes of the joint Southwest Counties Consortium and SWWDB meetings held on March 11, 2009, and April 27, 2009. **Motion carried unanimously.**

5. **Financial Report**

Ms. Annette Meudt reviewed the budget and expense summary as of May 2009. She stated that the available budget for PY 08-09, as of 5/31/09, is 7,770,636 and noted that American Recovery and Reinvestment Act (ARRA) adds over 1.6 million to the budget. Ms. Meudt discussed the status of the grants and began by explaining that the WIA grants have to be 80% expended by June 30th or the funds could be deobligated. This includes adult, youth and dislocated worker portions. Additionally, Ms. Meudt stated that the majority of the 1.6 million ARRA grant will be spent in the new fiscal year.

She continued by saying that the WISE Program grant will be fully obligated by June 30, 2009. The first benchmark was reached in the National Emergency Grant (NEG), which will allow the remainder of the allocation to be requested. Ms. Meudt added that the SRRR grant ends June 30, 2009 and will be fully expended. In conclusion, Ms. Meudt replied that spending for most of the Leased Contracts are on target.

Motion by Mr. Gruber, second by Ms. Tibbetts to approve the financial report. **Motion carried unanimously.**

6. **Unfinished Business**

None.

7. **Consent Agenda**

A. **Confirmation of Eligible Training Provider Applications**

The Eligible Training Provider (ETP) ad hoc committee approved the following training provider applications since the last Board meeting – University of Wisconsin – Stout for a Bachelor of Science Industrial Maintenance program and Rock Valley Community College for a Associate Degree Nursing program.

B. **Approval of FY 2008-09 Budget Modifications**

SWWDB received \$18,000 for a new Employment Center Information Specialist position in Grant County, \$1,678,237 in American Recovery and Reinvestment Act grants, and \$108,880 in Special Response Funds to expand the target group to include Rockwell Industries. These modifications increase the total 2008-09 SWWDB budget from \$5,965,519 to \$7,770,636.

Motion by Mr. Gruber, second by Ms. Tibbetts to approve the items on the Consent Agenda. **Motion carried unanimously.**

8. Committee Reports

None.

9. New Business

A. Reemployment Services (RES)

Mr. Palzkill, Regional Director for Job Service, explained that Reemployment Services (RES) is a very simple front end intake and assessment program for unemployment insurance (UI) claimants. The program has operated for years making claimants aware of programs available through the Job Centers; however, it has not been a high priority in recent years. Under ARRA, RES will be expanded and, with some exceptions, all UI claimants will be required to attend workshops or potentially lose UI payments. This program is intended to identify programs and services that people are eligible for that will help them move from unemployment back into the workforce quicker. RES workshops will be set up so no one will be required to travel more than 30 miles for a workshop.

B. Trade and Globalization Adjustment Assistance Act of 2009

Mr. Palzkill explained that the Trade Law of 2009 is a more enhanced and greatly expanded version of the Trade Adjustment Act (TAA) which provides training and services for workers dislocated because of foreign competition or that production/job has moved overseas. The new law went into effect on May 18, 2009, and many companies who had applied under the old act were reapplying under the new provisions. He noted that some companies may be approved under both acts based on petition filing/approval date.

Changes to the benefits include an increase from 104 to 130 weeks of cash payments for workers enrolled in fulltime training, 100% of allowable job search costs up to \$1,500, and 10% of relocation costs and 80% Health Coverage Tax credit (HCTC) for health insurance premiums. Mr. Palzkill further outlined that this is an entitlement program with a training cap of \$15,000 per person, but he noted that this is a soft cap and some participants can receive funding above that amount. He added that transportation costs could contribute to the additional costs of this program. Also, under the new law, service industries are now eligible for benefits whereas the old law applied only to production workers.

C. Summer Youth Employment

Ms. Amy Charles described the two demonstration projects funded by the DWD – the Energy Advocate Youth Demonstration Pilot that will fund two teams to assist homeowners and the invasive species project with the Department of Natural Resources that will provide information at boat landings to address the spread of invasive species. These programs begin on Monday, June 15th.

Dr. Borremans commented that under American Recovery and Reinvestment Act (ARRA) summer youth employment will be offered. He noted that the age of eligible youth has been raised from 21 years old to 24 years old, and that DWD is requiring that a majority of the ARRA youth funds (75-80% money available under ARRA is heavy on Summer activities with 75-80% to be used by the end of summer. Specific language keeps it different than the old program in that it needs to be tied to a career pathway. The program allows for basic skills instruction and serving the out of school population.

Ms. Charles stated that the summer youth employment will begin on June 11th with Mr. Ron

Coppernoll conducting the training. Approximately 150 youth will be enrolled in both public and private sector work experience. SWWDB will provide work readiness training for all participants prior to placing a participant on a job site.

Mr. Marx asked how many will succeed? Ms. Charles replied that the program serves those most in need and that the success statistics will not be available until the end of the program. She noted that participants will be evaluated during the program on work readiness skills – the only performance outcome for the summer work experience activities.

D. WIA Local Plan Supplement for the American Recovery and Reinvestment Act

Ms. Charles described that the ARRA plan supplements the PY 2009-10 WIA local plan. Ms. Charles stated that SWWDB is prepared and targeting those most in need. 70% of the funding will be spent on training as required by DWD. At this time, SWWDB has served 1,400 dislocated workers and Dr. Borremans added that there are currently over 15,000 workers who have filed for UI compensation. It was noted that the ARRA plan was due June 1, 2009 and rather than call another special meeting just to approve the plan, the plan was submitted pending approval of the Board at this meeting.

Motion by Mr. Gruber, second by Mr. Palzkill to approve the supplemental ARRA plan. **Motion carried unanimously.**

E. Workforce Challenges and Opportunities

Dr. Borremans reviewed the initiatives that SWWDB has been involved in over the last 6 months. There are some exciting opportunities to share:

- **Community Organizations Responding to Dislocations (CORD)**

This is a group of local community, education, government agencies meeting to address human service needs of dislocated workers and their families. CORD meets every two (2) weeks to improve coordination of services and collaboration between the agencies.

- **Community Economic Adjustment Program (CEAP) and Center on Automotive Research (CAR)**

These programs respond to the auto industry. At the December SWWDB meeting Larry Molnar, Director of the Economic Development Administration (EDA) University Center at the University of Michigan spoke about his program. There was also a well attended event in March in Rock County aimed at identifying funding opportunities to address gaps in services to dislocated workers. SWWDB and CORD has continued to work with CEAP although there have not been tangible outcomes at this point.

Dr. Ed Montgomery has been appointed by President Obama as his point person for auto projects. CEAP has been working with Dr. Montgomery almost weekly. CORD has expressed interest in inviting Dr. Montgomery to Rock County to make him more familiar with the activities occurring in the area.

- **Competitive Grants for Green Job Training**

There are five components to this funding which offers \$750 million in competitive grant opportunities related to “green jobs.” SWWDB will carefully consider opportunities and will likely submit a proposal for multiple components of the funding. The definition of green jobs is greatly expanded and includes any type of job that improves energy efficiency

and reduces energy consumption including almost all construction and trade jobs. Dr. Borremans said that SWWDB staff will meet Dr. Karen Knox, BTC and the CAP agencies to see how the Southwest Wisconsin Technical College construction curriculum may be used to this program.

- **Green Job Training for Automotive Impacted Communities**

\$50 million has been designated to retrain auto workers for “green” jobs. Steve Scaccia remarked that he hoped that there are not duplicated efforts with Community Action. Dr. Borremans replied that he has been meeting with Lisa Furseth at Community Action concerning cross support as well as other training initiatives that will serve “most in need” clients.

- **Hire A Neighbor**

The Monster.com project, which SWWDB has named “Hire a Neighbor,” has been implemented. Any employer within a 100 mile radius of Janesville can call SWWDB to obtain a list of job seekers who have registered and placed a resume on Monster.com. There have been inquiries from 4 employers during the first two weeks of operation. Dr. Borremans further commented that SWWDB has the opportunity to talk to employers about their workforce needs and use this information as a follow up tracking mechanism.

- **Rock County Job Center Annex**

Due to all of the activities at the Job Center there were long lines and delays service. SWWDB has contracted to rent a portion of the UAW Hall to provide a more accessible and comfortable place for dislocated workers. The Rock County Job Center Annex has been set up as a computer lab and resource room. SWWDB can also use the hall area for classroom activities.

- **Tri-State Alliance**

This is another group working on cooperative economic development opportunities in Iowa, Illinois and Wisconsin. The activities of the Tri-State Alliance are similar to the RiverLands project, but the service area is broader including Rock County in Wisconsin and Winnebago County in Illinois. The Tri-State Alliance has identified transportation, distribution and logistics is a unique niche market for the region.

- **Riverlands Economic Advantage Program (REAP)**

The RiverLands project continues with a focused group workshop to identify strategies to implement the economic priorities identified during the research phase.

- **Governor’s Sector Strategy Initiative**

The Governor has about \$5.9 million in set aside funds that he is making available to the workforce boards for competitive grants to implement a workgroups and training that address key industry sectors in a region. The grants require collaboration across GROW areas. SWWDB has submitted three (3) proposals in cooperation with The Workforce Development Board of South Central Wisconsin. The sector strategy initiative is an update of the industry cluster initiative of several years ago.

- **New TAA for Communities Initiative**

CEAP has been telling SWWDB about a new TAA for Communities funding program. This program is supposed to support community development gaps resulting from the loss of

jobs in a community/region. SWWDB will monitor federal information systems and will consider submitting a proposal as appropriate.

- **New REI NEG Initiative**

SWWDB is also looking at a new National Emergency Grant (NEG) program. The REI NEG initiative is another effort to regionalize community and economic development. SWWDB is considering whether to partner with WDBSCW or looking south to the Rockford area workforce board if this program is announced.

- **Documentary movie on Rock County**

A movie producer from Milwaukee, who has ties to Rock County, is interested in doing a documentary about Janesville. He would follow the development and transition of the community over the course of the next two years. This project, if funded by PBS, could result in some “wrap around” activities that would support CORD initiatives.

F. American Recovery and Reinvestment Act Funding

Dr. Borremans said that SWWDB received \$1,678,237 in ARRA funds. This is a substantial amount considering that SWWDB received slightly more than \$1.9 million for PY 2008-09. This allocation is divided into 3 categories; youth, adult and dislocated workers.

ARRA youth activities include a provision for summer youth employment as well as year round activities that mirror those provided under WIA. Summer youth employment has not been operated since the inception of WIA. This summer youth program will be different from the one operated under the Job Training Partnership Act (JTPA). The difference is that the ARRA project will focus on work experience leading using a career pathway model.

Eligible youth will be 16 to 24 years of age with multiple barriers to employment such as out of school youth, youth in foster care, juvenile offenders, court involved youth, migrant youth, native American youth and youth with disabilities. The program is scheduled to operate from May 1st to September 30th, but the SWWDB program will begin in mid-June and end in August prior to the start of the school. DOL and DWD have urged that a majority of the youth funding will be used in summer activities. It is expected that SWWDB will spend 70% of its ARRA youth allocation (a little over \$600,000) for summer activities. SWWDB will operate the program but will use the CESA agencies as program coordinators. SWWDB and the CESA agencies will also work with the Community Action agencies to implement weatherization and green job training.

Dr. Borremans stated that 100 youth have been indentified so far with a target total of 150, with youth involved from each county. The jobs will be with both private and public sector employers. Work experience activities need to tie into a career path. The funds not spent during the summer can carry over into the year round activities under the regular WIA services for youth. The program will be comprised of 20 hours of work experience and training in work readiness skills. Additional requirements are that 25% of money needs to be used for training and the focus should be on youth with barriers to employment. Employer follow-up and evaluation will also be required.

Ms. Charles added that the youth council approved the Summer Youth Plan, giving the preference to youth currently enrolled in WIA activities. One additional important change is that the ages for youth enrolled in the summer program is 14-24, while the regular youth program is 14-21.

Dr. Borremans added that there is approximately \$800,000 available for the dislocated workers and

\$200,000 for adults. The funds are allocated as part of PY 2008-09 which means that all of the funds need to be spent by June 30, 2010. The state could recapture and reallocate unused funds. The goal of ARRA funded activities is to increase the number of adults and dislocated workers enrolled in training and prepared to enter the job market. Overall enrollments in training are expected to increase significantly. DWD is encouraging that participants be enrolled in technical college training. However, it will be difficult to enroll participants in regular technical college programs because the most in demand programs are already full and have waiting lists. SWWDB will look at more flexible, short-term training. Under ARRA, SWWDB can pay costs associated with modifying curriculum.

Dr. Borremans added that all services that are part of WIA are eligible under AARA. DWD is requiring that at least 70% of the funds must be spent on training. Under ARRA, SWWD is able to pay up front for curriculum development for short-term career pathways training. ARRA also allows for needs based payments, but Dr. Borremans suggest that funding focus on training, childcare and transportation rather than needs related issues.

G. PY 2009-10 WIA Allocations

Ms. Annette Meudt reviewed the WIA allocations and stated that the State of Wisconsin had lost 10% of its allotment, the maximum amount allowable under the law, for adult and youth, and over 40% for dislocated workers. Wisconsin's adult and youth amount declined by 10% and the dislocated worker amount, declined by 40.33%.

Ms. Meudt said that SWWDB's WIA allocation is estimated to be \$1,740,273 for PY 2009-10 compared to \$1,915,284 for PY 2008-09. The ARRA allocation amount is \$1,678,237. When the two allocations are combined, SWWDB will actually have \$3,418,510 available for WIA services in PY 2009-10. She said that 10.0% of the WIA allocation will be assigned to administrative costs, with 90% allocated to program activities. Payments for training expenses are planned for 35% of the total allocation. She added that for the ARRA amount, 10% will go to administrative expenses with 90% assigned to program expenses. 70% is allocated for training as mandated by DWD.

Motion by Mr. Ward, second by Mr. Thomas to approve the PY 2009-10 WIA Allocations. **Motion carried unanimously.**

H. Approval of 2009-10 SWWDB Budget

Ms. Annette Meudt presented the PY 2009-10 Budget explaining that the budget has experienced an increase in funding due to the economic climate. She also stated that a minimum of 70% of the ARRA adult and dislocated worker allocation must be spent on training, and a minimum of 70% of the youth allocation must be spent by October 1, 2009.

The majority of the \$1,678,237 in American Recovery and Reinvestment Act (ARRA) funds, although received in PY 2008-09, will be carryover for use in PY 2009-10. The majority of these funds need to be spent by June 30, 2010. New grants from ARRA, NEG, SRR and additional leased employee contracts total another \$3,881,022. The budget does not include funds that expected to be awarded to SWWDB but a grant award has not yet been received.

The new PY 2009-10 total SWWDB budget is \$7,378,533 which is an increase of \$3,543,121 or 93% from the approved PY 2008-09 budget of \$3,835,432.

Motion by Mr. Gruber, second by Dr. Knox for the approval of the 2009-10 SWWDB budget.

Motion carried unanimously.

I. Award of Contracts for 2009-10 WIA & ARRA Programs

Contract awards are as follows and require separate Board approval for each:

- **Job Service** – WIA allocation to serve adult, older youth and dislocated worker participants. The contract amount is \$350,000 for the period July 1, 2009, through June 30, 2010.

Motion by Mr. Gruber, second by Mr. Thomas to approve the Job Service WIA contract in the amount of \$350,000. **Motion carried, with Mr. Palzkill abstaining.**

- **CESA #2** – WIA allocation to serve in-school youth. The contract amount is \$91,830 for the period July 1, 2009, through June 30, 2010.

Motion by Mr. Ward, second by Mr. Schrader to approve the CESA #2 WIA contract in the amount of \$91,830. **Motion carried unanimously.**

- **CESA #3** – WIA allocation to serve in-school youth. The contract amount is \$91,800 for the period July 1, 2009, through June 30, 2010.

Motion by Mr. Finley, second by Ms. Hore to approve the CESA #3 WIA contract in the amount of \$91,800. **Motion carried unanimously.**

- **CESA #2** – ARRA allocation to serve in-school youth. The contract amount is \$90,000 for the period July 1, 2009, through June 30, 2010.

Motion by Ms. Lee, second by Dr. Knox to approve the CESA #2 ARRA contract in the amount of \$90,000. **Motion carried unanimously.**

- **CESA #3** – ARRA allocation to serve in-school youth. The contract amount is \$30,349 for the period July 1, 2009, through June 30, 2010.

Motion by Ms. Lutz, second by Ms. Kammes to approve the CESA #3 ARRA contract in the amount of \$30,349. **Motion carried unanimously.**

J. Workforce Innovation in Regional Economic Development (WIRED)

Ms. Charles explained that SWWDB has received a \$ 107,000 grant from WIRED to provide basic skills training under the advanced Manufacturing Sector.

Co-chair of one of the sector teams dealing with utilities, Anne Lutz, reported that they have just received approval from leadership caucus for programs and they will be going out as RFP's at this point. Ms. Lutz expressed concern that those who are involved in many "trade" positions, especially the engineering sector, are over the age of 65 and will soon be leaving the workforce.

Dr. Borremans reported that at the last Leadership Caucus meeting Ms. Jennifer Alexander was nominated to be chair and Mr. Mark Masters to be vice chair. However, Ms. Alexander did not accept the nomination; therefore, Mr. Masters has been nominated to be the chair. Also, Dr. Duane Ford, from the University of Wisconsin – Platteville has resigned from the Leadership Caucus due to new responsibilities associated with the change of Chancellor at UWP. Dr. Knox has

provided some names for possible replacements.

K. Confirmation of SWWDB Meeting Schedule & Structure

Mr. Stocker said that the Board has used a policy governance approach for Board activities during the past year on a trial basis. He feels that the policy governance approach has worked well and suggested the Board formally adopted this structure for the future. Dr. Knox expressed that the Southwest Wisconsin Technical College Board has successfully used a policy governance approach for several years. Following discussion, the consensus of the Board is to continue the use of the policy governance structure and to retain the current quarterly meeting schedule.

Motion by Dr. Knox, second by Mr. Palzkill to continue the policy governance approach and current schedule and structure of Board meetings. **Motion carried unanimously.**

L. Award of Contract for Information Technology Consultant Contract

Dr. Borremans said that SWWDB has used a private vendor to support information technology systems for many years. He explained that due to changes with the current contracted firm there is no one familiar with SWWDB systems. This presented a perfect opportunity to explore changing firms.

Three (3) firms submitted proposals in response to a SWWDB Request for Proposals. Staff carefully evaluated each proposal and are recommending the award of a contract to the low bidder – C2 Technology Solutions (C2Tek) of Madison, Wisconsin, with the lowest submitted bid of \$30,000, would best suit SWWDB's needs. It is the recommendation of SWWDB that the bid be awarded to C2 Technology Solutions. The contract is for \$30,000 annually beginning July 1, 2009 and continuing to June 30, 2012. The parties may extend the contract for up to two years by mutual agreement.

Motion by Mr. Scaccia, second by Ms. Lutz to award a contract for information technology consulting services to C2 Technology Solutions in the amount of \$30,000 annually. **Motion carried unanimously.**

10. Executive Director's Report

Dr. Borremans distributed the latest edition of the Workforce Snapshot which SWWDB began distributing a few months ago. The SWWDB Update was also distributed. The SWWDB Update is intended as a tool to keep state and federal elected officials informed about workforce activities in Southwest Wisconsin.

Dr. Borremans explained that SWWDB has been approached by representatives in North Dakota who are interested in coming to Rock County to hold a job fair. North Dakota has approximately 10,000 jobs in every occupational sector. Dr. Borremans stated that the economic development people would like to retain the skilled workforce in Rock County as an incentive to attract new businesses. SWWDB surveyed a small group of dislocated workers who expressed an interest in attending a job fair in Rock County to learn more about employment opportunities in other states. Mr. Scaccia stated that SWWDB owes it to job seekers to provide information on job opportunities including those in other states. Mr. Scaccia also asked about the feasibility of seeking some type of reimbursement from North Dakota to support training efforts in Rock County. Dr. Borremans agreed that it may be worth discussing with thoughts of a possible scholarship funds for retraining. The consensus of the Board was to support the North Dakota job fair

11. Chairperson's Report

Mr. Scott Stocker indicated that he had nothing to report.

12. Adjournment

Mr. Stocker adjourned the meeting at 6:45 p.m. Mr. Stocker thanked everyone for attending. The next SWWDB Meeting is scheduled for Wednesday, September 9, 2009 at a location to be announced.