

MICHIGAN WORKS! WEST CENTRAL
WDB/LEO JOINT MEETING
LUDINGTON/SCOTTVILLE CHAMBER OF COMMERCE/AIRPORT
LUDINGTON
WEDNESDAY, AUGUST 5, 2009

MINUTES

LEO Members Present

Emig, Larry
Myers, Robert
Nichols, Mary
Scholtens, Sam
Warba, Mark

LEO Members Absent

Howard, Linda
Scott, Brent
Trapp, Chuck

WDB Members Present

Arnoldi, John
Aultman, Robb
Boitnott, Larry
Bonga, Roger
Crandall, Sandy
Fettig, Grant
Frost, Jim
Griffin, Nancy
Jensen, James
Smith-Olson, Debbie
Stanek, Bill
Thompson, Sheri
Trucks, Mary

WDB Members Absent

Ferguson, Tim
Geno, Buck
Goward, Scott
Massy, Dan
Stuck, Brian
Varenhorst, Michael

Michigan Works! West Central Staff

Griffith, Paul Shoemaker, Connie Wyman, Michael

Others Present

Andersen, Brian – Harsco Rail	Calabrese, John – Eagle Village	Hall, Marie – Eagle Village (EV)
Anderson, Felisha – FBR	Crum, Moreen – FBR	Nash, Roger – Harsco Rail
Blue, Nellie – Worksite Superv EV	Frendo, Joe – NCRESA	Palsrok, Ed – WSCC
Bozeman, Jerri – Hope Network	Gaietto, Cindy – Goodwill	Wood, Janet – Hope Network

Call to Order

The Board members were taken on a very informative tour of Harsco Rail before the meeting.

LEO Chairperson, Larry Emig brought the meeting to order at 12:38 p.m. at the Ludington/Scottville Chamber of Commerce/Airport n Ludington. A quorum was present of both the WDB and the LEO.

Introduction of Guests

Guests were introduced and welcomed.

Consent Agenda (Action Item)

Ø Minutes of June 3, 2009 WDB/LEO Joint Meeting – Mailed Prior

Ø June Financial Report – Mailed Prior/Handout (Goldenrod)

Sheri Thompson moved to approve the Consent Agenda as presented; supported by Larry Boitnott; motion approved by both the WDB and the LEO. 12:41 p.m.

Showcase I: Roger Nash, General Manager, Harsco Rail, Ludington & Ed Palsrok, Director, Workforce Development, West Shore Community College

Larry Emig thanked Roger Nash & Brian Andersen for a very interesting tour of Harsco Rail.

Roger explained that in the fall of 2008 Harsco received a contract from a German company to build a rail grinder for the operation on German railways, but a new European welding standard had been put in place. Therefore Harsco needed to certify all their welders to a high level of certification which was very expensive. Roger approached West Shore Community College and through West Shore an Incumbent Worker grant was received and through that Harsco was able to train 27 welders to this level of certification. When the certification process was completed a certifying body from the Czech Republic came for the testing, and at the end of the certification process he said, “Congratulations! You are one of only four companies in the United States to be certified.” This is an excellent opportunity for Harsco which will open a lot of doors.

Harsco Rail makes machines for the railway industry that maintain the rail systems. The machine Harsco is building for Germany is a grinder that actually resurfaces the rail so they do not have to replace it as often. Harsco has their machines on every continent except Antarctica and that’s being worked on. Their competitor cannot produce machines fast enough so Harsco is hoping to grab some

of this market. Without the Workforce Development Grant they would have had trouble meeting this standard. West Shore Community College did an excellent job and made this happen.

Ed Palsrok explained that this represents an opportunity to show a number of winners in this case: one is the workers themselves, obviously without this training, based on what the economy is now, there was a good chance they would have been laid off. Because they received this training Harsco is now able to bid on business that was impossible to bid on before. This is a \$7 million machine plus three railroad cars, these are big ticket items. Consequently because these people are continuing to work in these jobs, it supplies this community with additional tax revenue.

Secondly it is good for the state and federal government that Harsco is exporting product out of the United States. Because of this standard that these people were trained in, they will be able to export to all of Europe which opens up a whole new market.

And of course for the College, they were able to gain from this because they now have an instructor who can train other people in this particular standard. All in all this has been an extremely good use of tax dollars.

Ed also thanked the Boards for the ability to make all this happen.

Brian Andersen also thanked everyone for the support.

Jim Jensen thanked Ed for his enthusiasm and for bringing good products to Michigan Works! for the Incumbent Worker program.

NOTE: Brian Andersen, Roger Nash and Ed Palsrok left at 12:52 p.m.

Showcase II: Nellie Blue, Supervisor, Lake County Summer Youth – Roving Work Crew

Marie Hall introduced John Calabrese who is now working as Youth Coordinator for the Summer Project. John hires all the supervisors who are out in the counties who are working with the youth. One of those Supervisors is Nellie Blue. She has had some interesting ideas that she has brought to the

program with our encouragement. She has gone above and beyond in helping the kids. Nellie is here to share with you a few of those things she has done with her particular work crew in Lake County.

Nellie brought a photo collage and explained that her crew is based out of Chase Township. Some real changes have been made in the “neighborhood.” The community has been very favorable and they like hearing that yellow bus. This has also been an opportunity to be an educator when she found out that her students could not spell and did not speak good English. So using “jobology” she got them to work on things such as getting to work on time, and being consistent on coming and they were! Today she had her first person tardy. The students have been encouraged and in addition to the labor in the cemeteries, the Chase Township Hall and the library grounds, they went to Michigan Works! and had them make up a resume. Some of the young men could not type but as a team they worked together to get these resumes completed. Each resume had to look different so it would jump out at a potential employer.

When she first started with them she would use words such as extrapolate – words they did not know and they would have to find the definition. The first time they went to MacDonald’s they were wild and rowdy, but the next time they said, “Mrs. B we were not recalcitrant.” She began the vocabulary words but after that they came up with the words and definitions. The group is bonding and one young man is hard of hearing so the group is learning sign language. Another young man has been out of school for three months, he is going back to school, there will be follow up to make sure this happens.

After work the group is getting together at the lake to have pizza, because they like being together. This has been a wonderful opportunity to work with this group.

NOTE: Nellie Blue and John Calabrese left at 12:59 p.m.

June Program Reports

Ø Enrollment/Expenditure Reports – Handout

Paul explained that ARRA is the American Reinvestment and Recovery Act. There is a little over \$1 million that is available starting in February and going through June 2010.

This year for WIA Adult and Dislocated Worker, the 15% maximum carry-over is not in affect because of the Recovery Act funds.

In the JET program, West Central is a little below the state average in Unsubsidized Employment as the unemployment rate has gradually increased over the last couple years. However, in Case Closures, West Central is ahead of the state average.

NCRESA staffs the front of each Center and as of about four months ago each Center has two people up front.

Goodwill is 21% behind but about three months ago there was increase – well over \$100,000. They are making good progress and as of a week or two ago hired Cindy Gaietto as Program Manager.

The Muskegon Community Health Project is the smallest contract West Central has and is based on demand. They deal with chronic health problems of those on the MPRI program. Of those prisoners released that were under some type of treatment while in prison, the Muskegon Community Health Project would help them find a “medical home” in their community.

Ø Service Provider Updates – Mailed Prior

Summer Youth Program Worksites

There are a total of 53 worksites for the Summer Youth Program in the West Central region with 216 working youth.

Marie and her staff have done an excellent job – they received over 1,000 applications for 200 jobs. They have made it very clear that if they screw up there are five other people ready to

step into their jobs. It's a hard lesson to learn but best learned at a young age instead of later in life.

Marie assured the Boards that this is a well rounded program – offering work experience but also some creative fun projects.

Dock Project

Paul explained that the “Dock Project” is actually using the ballast measured in tons, instead of pounds. The dock gets anchored into the lake but only in a couple spots. This is an entrepreneur who happens to be the Mayor of Grant. He has been working on this for the last three years with several individuals who are experts in their field. The Newaygo County Board of Commissioners authorized \$10,000 to the County Parks Department to buy two sections of the prototype and the Grant City Commission allocated \$5,000 to buy one section of the prototype. Even though this is a prototype of an entrepreneur, it will be tax dollars that will be buying the prototypes that will be placed in public bodies of water for the public to use. Therefore, West Central considered this to be a perfect situation for the youth to work on an exciting project, learn welding skills and work ethics. The six youth working on this project are 17 to 22 year olds.

Plans/Modifications *Summary Blue*

1. WIA Five Year Plan (Modification 00-12)

Update: the plan has been approved. Michigan received approval as a Work Flex state and has approved the West Central waivers. There are changes to some of the waivers from the federal level, governing the transfer of funding to the Incumbent Worker program, and limitations on transfers between the Adult and Dislocated Worker programs. These changes will be made to the plan.

2. WIA Major Programs (Modification 08-06)

The Modification moves \$25,000 from Adult to Dislocated Worker to avoid excess carry in funding in the Adult program. Signature not needed.

3. WIA Incumbent Worker (Plan 09-00)

There are significant changes to the Incumbent Worker program. Funding for the state portion has been reduced from a planning allocation of \$71,282 reported in June to \$53,497. The program can only be used for layoff aversion, and the transfer of funding from other programs, a West Central waiver, may only use Dislocated Worker funding. However, if Recovery Act funding was used under a previous waiver from Youth or Adult funding last year, that waiver may continue through June 2010. We made sure we did that.

4. Service Center Operations (Plan 09-00)

The Plan is for \$60,000 to assist in the operation of Workforce Service Centers. Funding is used for rent, utilities, and to maintain internet connectivity.

5. Statewide Youth (Plan 09-00)

The Plan accepts \$3,496 of Statewide Activities funding for the Youth Program.

6. WIA Capacity Building (Plan 09-00)

This is funding to support the Michigan Works! Association's training activities.

7. No Worker Left Behind Incentive (Plan 09-00)

We were awarded \$40,000 by application, based on the number of participants using NWLB funding for longer term training, funding is to be used to train additional participants.

8. Re-Employment Services Application (Plan 09-00)

This is an application to provide additional services to people receiving unemployment insurance to assist them in preparing and finding employment. We applied for \$50,000.

9. ES Plan (Plan 09-00)

This plan was approved at the last meeting. Between meetings the signature sheet was revised and we need to submit the new signature sheet.

10. MPRI Comprehensive Plan 09-10

The Comprehensive Plan is due August 11 for programs continuing October 1, 2009. The format has been revised to show fewer line items for the budget and activities, going from 19 to 6. The MPRI Coordinator and West Central are working with the Steering Team Co-Chairs on the new plan.

11. Application to be Administrative Entity

The Department of Corrections is bidding out the Administrative Entity function for all MPRI areas. This is the Fiduciary responsibilities with a revised name. The applications are due August 13. We are working on this application.

Jim Frost moved to accept the WIA Five Year Plan 00-12, the WIA Plan 09-00, the WIA Incumbent Worker 09-00, the Service Center Operations 09-00, the Statewide Youth 09-00, the WIA Capacity Building 09-00, the NWLB Incentive 09-00, the MPRI Comprehensive Plan 09-10, and the application to be the MPRI Administrative Entity as presented by Mike Wyman; supported by Roger Bonga; motion accepted by both the WDB and the LEO.

1:45 p.m.

New Big Rapids Workforce Service Center/Administrative Office – Update – Handout (*Action Item*)

Paul explained the square footage for the new Big Rapids Center was inaccurate and needs to have 1,618 additional square feet added, with the cost remaining at \$11.25 per square foot. Paul and Gary Gerber attended the Big Rapids Township meeting and they did approve unanimously the creation of a Commercial Rehabilitation District. The expected move time to this facility is January 2010.

Larry Boitnott moved to proceed with the new Big Rapids Workforce Service Center/Administrative Office with the additional square footage as explained by Paul Griffith; supported by Bill Stanek; motion accepted by both the WDB and the LEO. Debbie Smith-Olson abstained. 1:56 p.m.

Ø Reed City Workforce Service Center Expansion

The Reed City Center is completed and West Central is in the process of getting furniture and procuring a new telephone system.

New Michigan Works! Association Annual Impact Award

Paul explained that the Impact Award is something new the Michigan Works! Association created this year. Each Director is asked to appoint a person to receive that award; this year West Central has appointed Marie Hall because of the Summer Program. Marie and her staff have had a lot of issues to deal with; this has been a very tough assignment but Marie has been creative and on top of the program from the beginning. She certainly is very deserving of this award.

MPRI Report – Handout

This is June information because the Steering Team did not have a meeting in July. Total enrollment for MPRI for the year is 238, which is an unduplicated count. Units of service from October 2008 through April 30, 2009 is 609 which is a duplicated count, as one person could receive several units of one service and more than one service through the year; yearly job placements from December 2008 through May 31, 2009 are 94.

“The Stream” – City of Newaygo

This project continues to move along, they are actually erecting steel and a meeting is set up to meet with DELEG to ask for some funding to assist with this project. West Central is seriously considering setting up a satellite office there. West Central would not enter into a financial lease agreement, as our contribution would be that we have staff there, both from FBR and NCRESA.

2008/2009 Walk-In Visits – Handout

There has been well over 10,000 more walk-ins to our Centers from one year ago. This is not surprising given the economy, however, keep in mind that in Newaygo County one year ago we had two private for profit temp agencies and they are both gone, but the traffic from those unemployed more than made up for it. The Reed City Center increased significantly due to the traffic for GED and Youth Program.

Business Activity – Handouts

Ø Trade Act Petitions Filed

- 4 Pittsburgh Glass Works – Evert
- 4 Straits Steel & Wire – Ludington
- 4 North American Refractories – White Cloud
- 4 Martinrea (Reed City Tool & Die) – Reed City
- 4 Fluid Routing Solutions – Big Rapids
- 4 Ventra – Evert

Paul explained that no word has been received for Pittsburgh Glass Works, it actually went to the Certifying Officer which is the last step; they had enough questions so it was given back to the

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report writer. The frustrating part to this is even if we receive word this week it will nearly be impossible to enroll people this fall.

Ø North Lake Correctional Facility – Baldwin

Paul reported that Greg Skeens, the Regional VP out of North Carolina has retired; he will still be working for them on a contractual basis. All in all the news has been very encouraging. Hopefully they should be accepting applications soon.

Ø Other

Paul reported that he is aware of five positive projects throughout our five county region that he is not free to discuss at this point but all is not doom and gloom and this does not count North Lake Correctional.

Appointment of WDB Member

Larry Emig reported that the LEO met prior to the Joint Meeting and appointed Larry Lloyd, Superintendent of the Mason-Lake-Oceana Intermediate School District to the WDB to fill the Secondary Education vacancy.

Mailing Packet Items

Service Provider one-page reports

Unemployment Ranking Chart

Unemployment numbers went up in all five counties, statewide and nationally.

Ludington Daily News, June 17, 2009 – “FiveCap director receives affordable housing award”
features Mary Trucks as recipient of the Terrence R. Duvernay Award.

The Pioneer Osceola Edition, July 16, 2009 – “MCWC, Nestle end litigation”

The Pioneer Osceola Edition, June 19, 2009 – “Hersey receives help in developing park” features Mosaic plant manager, Robb Aultman, Michigan Works! representative, Marie Hall and Village of Hersey president, John Calabrese breaking ground for the new park in Hersey.

The Big Rapids Pioneer, June 27, 2009 – “Working all summer long” Stimulus money helps youth earn cash this summer.

Ludington Daily News, July 1, 2009 – “New name in town” & “Timeline of Dow Chemical in Ludington” OxyChem takes over plant from Dow.

Paul informed the Boards that Jim Jensen is the new Chair of the West Shore Board of Trustees. Jim said he has been on the Board for eight years and has never missed a meeting.

Next Meeting, October 7, 2009 – Mecosta-Osceola Intermediate School District, Big Rapids

The next meeting will be at the Mecosta-Osceola Intermediate School District in Big Rapids.

Round-the-Table

- » Thompson, Thompson Milk Hauling – encourage everyone to attend the local county fairs and support the local youth who are showing their work.
- » Stanek, Living Water Christian Book Store – encourage everyone to attend the Michigan Works! Conference.
- » Myers, Lake County Commissioner – Looking forward to the Michigan Works! Conference.
- » Fettig, Fettig Farms – has been a very cold growing season; the dairy industry is down by about \$4 or \$5 a hundred weight, which is a loss for these small businesses and they cannot collect unemployment.
- » Scholtens, Newaygo County Commissioner – the tour of Harsco Rail was very good and all the news out there is not all doom and gloom; the dock system is in process and there are still good ideas out there for development.

- » Bonga, Magna Mirrors – the Newaygo plant all that were on lay-off have been called back and they have another 75 temps from Northern Staffing.
- » Frost, Ludington Daily News – companies have called back and there are ads to hire in the paper. The Scottville Music Festival featuring Jeff Daniels is coming up and the Southern Gospel Band will be coming soon.
- » Smith-Olson, Lake Osceola State Bank – the season festivals have been well attended, more people are looking for a place to go that is close to home. Retail merchants are at least even with last year.
- » Crandall, Northern Escape Lodge & Cabins – the five counties of Michigan Great Outdoors is making a video. There is the fifth annual fall conference October 26 with creative ways for economic development.
- » Jensen, West Shore Community College – West Shore Community College numbers are up by about 20%. This may be a reflection of the unemployment with people taking the opportunity to get training. West Shore's tuition for a credit hour is \$72.
- » Griffin, Michigan Rehabilitation Services – MRS is here to work with the partners to help those seeking employment, will offer retention services if awarded a grant.
- » Arnoldi, Michigan Department of Corrections – Prison population is down so things are headed in the right direction. Reducing the prison population is directly related to MPRI which helps them to succeed.
- » Boitnott, Department of Human Services - the numbers are up and recently the Department converted to a new computer system, this will slow down the process of client entry until the conversion is complete, however vouchers are available at the local offices. As of August 24 applications for food stamps can be done online.

- » Warba, City of Big Rapids – improvements continue at Ferris State University and downtown Big Rapids. The runway at the airport is being extended to 5,000 feet and a new hanger is also being constructed. Things are not all doom and gloom as there are a few things in the works.
- » Emig, Osceola County Commissioner – Yoplait is the largest producer of yogurt and they have just completed an expansion and will be adding a new product. Eat yogurt, lots of yogurt!

Other Business

Sheri Thompson asked Marie about the “Credit Recovery” program offered to high school students who need additional credits to graduate. Marie explained that 50 plus students took part in this program. There were some difficulties in getting each county set up because each one used different online software. The schools referred the students to the program and if there was an “empty seat” it was filled by a non-Michigan Works! student. Good feedback was received from teachers and students.

Reserved for the Public

Janet Wood said Marie Hall has done an excellent job and she has been very impressed with the job she’s done and has done so well.

NOTE: Robb Aultman left at 2:43 p.m.

Cindi Gaietto introduced herself; she has been recently hired by Goodwill Industries as Program Manager for the MPRI.

NOTE: Jim Jensen left at 2:44 p.m.

Adjournment

Meeting stands adjourned at 2:46 p.m.