

MICHIGAN WORKS! WEST CENTRAL
WDB/LEO JOINT MEETING
REED CITY WORKFORCE SERVICE CENTER
WEDNESDAY, DECEMBER 7, 2016

MINUTES

LEO Members Present

Byl, Larry
Castonia, Gary
Emig, Larry
Howard, Linda
Walls, Karl
Warba, Mark

LEO Members Absent

Andersen, Janet
Ortwein, Chris
Trapp, Chuck

WDB Members Present

Andrus, Amy
Booyinga, Voni
Eisler, David
Gustad, Eric
Kosheba, Dan
Massy, Dan
Nolan, Don
Pasley, Julia
Roberts, Carla
Smith-Olson, Debbie
Stark, Liz
Thompson, Sheri
Visser, William
Vyse-Staszak, Janet

WDB Members Absent

Cherry, Ralph
Cooper, David
Ferguson, Tim
Fisk, Dena
Griffin, Nancy
Hampton, Heidi
Marek, Ron
Merriam, David
Romanowski, Cynthia
Splane, Rob
Trucks, Mary

Michigan Works! West Central Staff

Bennett, Merri Eppley, Jonathan
Reed, Brigitte Ridenour, Beth

Griffith, Paul
Shoemaker, Connie

Others Present

Albanesi, Angie – Hope Network
Bozeman, Jerri – Hope Network
Daly, Jennifer – NCRESA

Martin, Tim – Pinnacle Truck Driver Training
Spedowske, Gretchen – NCRESA
Sprank, Angie – Offender Success
Sweigart, Lynda – Hope Network

Call to Order

LEO Chairperson, Larry Emig brought the joint meeting of the Workforce Development Board/Local Elected Officials to order at 12:37 p.m. at the Reed City Workforce Service Center.

A quorum is present of both the WDB and the LEO.

Welcome New WDB Member

◇ Eric Gustad, Community Relations Manager, Consumers Energy

Eric is the public affairs and community outreach representative for Consumers Energy. He covers Mecosta, Osceola, Lake, Manistee and Mason counties. Eric is also the contact for economic development, Michigan Works! and Consumers Energy charitable activities. He has been with Consumers Energy for about three and a half years. Prior to that he worked in training development for the tribe in Manistee for 11 years working with the Manistee Tribe of Ottawa Indians. He managed their training, education, leadership development programs both on the tribal side, as well as, the casino side. Prior to that he was in Detroit for a few years, Grand Rapids for a few years and Lansing but also in Big Rapids for a time and graduated from Ferris State. He has a lot of roots in this area. He serves on three economic boards, two chamber boards, this Michigan Works! Board. Also on a governmental affairs committee in Manistee for their chamber, as well as, a committee for Mecosta for their educational outreach programs.

Introduction of Jonathan Eppley New Business Services Specialist – Handout

Jonathan has more than ten years of journalism experience and earned his Bachelor of Arts in Journalism from Wayne State University. He has an Associate Degrees in Journalism and Broadcasting from St. Clair County Community College and a Manufacturing Engineering degree from Lake Superior State University.

Jonathan moved to Big Rapids to take a job at the Pioneer newspaper as city and township reporter and was promoted to an editor's role which includes the responsibility to layout and copy edit the Pioneer.

Jonathan lives in Big Rapids with his wife, Megan, son Alex and daughter on the way, due in mid-March.

Introduction of Guests

Guests were introduced and welcomed.

Consent Agenda (Action Item)

- ◇ Minutes of October 5, 2016 WDB/LEO Joint Meeting – Emailed Prior
- ◇ October Financial Report – Emailed Prior/Handout (Goldenrod)

Gary Castonia moved to accept the Consent Agenda as presented; supported by Sheri Thompson; motion accepted unanimously by both the WDB and the LEO. 12:44 p.m.

Showcase: Offender Success Program – Angie Sprank, Community Coordinator & Tim Martin,

President Pinnacle Truck Driver Training, Cadillac – Handout

Paul explained that Prisoner ReEntry has changed to Offender Success.

He explained that Angie Sprank made him aware of a truck driving program that was initiated in West Michigan with ALTL Trucking, connecting with our partners from the south. This has the strong support of the Department of Corrections.

Angie said this is probably one of the highlights of the things she has taken part in. In June of 2015 ALTL – a trucking company out of Hudsonville – approached West Michigan Works! with the idea of a Second Chance Program for offenders. Angie explained that she is not only the coordinator for West Central but also for West Shoreline for Ottawa and Muskegon and also for Allegan and Barry which fall under the Kent area. Angie was asked to be part of the team to put this together because of her association with Ottawa County.

ALTL's vision was to start the program in the prison but there was not the room to bring in the simulator but also during the brainstorming process it was decided that this really should be offered to offenders who have proven that they deserve the opportunity.

Most of the time the offender population has temporary jobs, minimum wage jobs, this vision was to offer a career.

Michigan Department of Corrections, Pinnacle Truck Driving and Michigan Works! all partnered with ALTL to start the program. Offenders were screened to get this started. The first option was to offer full time employment to the candidate once they successfully completed training at Pinnacle. This option was offered to many who already had a job so asking them to change or quit the job they had for this was a consideration. However, it was explained that once the training was done they had an employer who would hire them.

ALTL agreed to fund half of the training cost of \$6,000 tuition and the other is paid back by the offender over the course of a year through payroll deduction that wouldn't impact them greatly. So, Pinnacle does not expect any money upfront and works it out as each parolee pays back their half of the tuition via payroll deduction and each company as they have come on board have worked out their own repayment plan.

Tim Martin, President of Pinnacle Truck Driver Training, explained that their involvement dates back even before Angie started. ALTL was familiar with the graduates produced in the program. For those coming out of the corrections system it's not getting a Commercial Driver's license, it's finding someone who will hire them. The critical people involved in this are the employers willing to take on these employees and the Michigan Department of Corrections who screen those people to take on these jobs.

Tim explained that the tenth person to come through this program started a week ago – the eleventh person started last week. All of those who have taken the course, except one, have

graduated and gone on to be successful drivers and outstanding employees. There is a lot of turnover in the trucking business and all of these folks are at the original companies they went to work for. This has been a very successful program. Pinnacle has trained lots of people who had criminal records of one sort or another and the problem was always finding them an employer who would hire them. This was a natural fit and Pinnacle is excited to be involved in this.

Angie explained that it starts when the offender is referred by their agents. The agents screen their caseloads and pick someone they think would be a good candidate. When Angie interviewed the first candidates she told them they were “blazing the trails” for those who come later, so “don't screw this up.” They took pride in this challenge and would tell others that they were paving the way for others to have a second chance. It gave them a lot of pride. We have had a 100% success rate – how many programs can say that. There was one individual who did great in school but could not pass the driving portion. This is not a failure, we just learned that the trucking industry is not for everyone.

In the vetting process, they look for someone who has been out for six months, has a valid driver's license, has had no violations, no medical issues, mental health issues, no medications and all that ties into what they have to have to pass to be able to drive a truck. Once they are chosen, Offender Success will pay for them to stay at the Economy Inn in Cadillac; they go up on a Sunday night and are there through Thursday for four weeks and typically they get a gas card so they can get back and forth. A few individuals have had to go beyond the four weeks and Pinnacle has never come said it would cost more in the tuition. They will even make arrangements to pick someone up at the hotel; they have gone above and beyond to make sure our group is successful.

When they get their CDL training that's when they start with the company and we work with ALTL out of Hudsonville, WDS out of Shepherd and Larson Trucking out of Greenville. There are companies coming on board in the north west region Cadillac/Traverse City area, Saginaw Parolee has now become involved to vet prospects; Kalamazoo is starting their own trucking program; Kent County is working now with Van's Trucking. So far those companies who have come on board pay them a \$100 a day until they are driving their own truck.

The first three started in March and are all still with ALTL and if you ask them they have no intention of going anywhere else at any point in time. They appreciate someone giving them a chance and in fact ALTL will tell you that those first three reenergized the whole company. Dispatch said, "We want more of these guys." Trainers who have been on the road for years said, "Give us more of these guys." So obviously that sense of appreciation has spread throughout the company. There was one female candidate; she had to stay on a little longer passed the four weeks but she is still with ALTL. One of the first ones that even came to speak at an event has since been discharged from parole and he'll tell you that he does not live his life any different because he has a career now which has given him so many opportunities.

The question was asked about Michigan Works! paying the portion that is being paid by the offender. Jerri explained that Michigan Works! does work with some of them depending on their qualifications for the programs. Angie also explained that they want the offender to have some "skin" in this training. They need to pay part of this as a good faith effort.

NOTE: Amy Andrus left at 1:00 p.m.

Angie Sprank & Tim Martin left at 1:14 p.m.

Plans/Modifications Summary – Handout Blue (Action Item)

1. WIOA Adult and Dislocated Worker Funding - *No Action Required*

In the WIOA Law, the Michigan Works! Agencies’ have been given the authority to transfer up to 100% of funds between Adult and Dislocated Worker. Michigan Works! West Central has requested a transfer of \$250,000 from the Dislocated Worker allocation to Adult. Upon approval, the revised allocations will be: Adult - \$691,812.70 and Dislocated Worker - \$311,394.80. The request has been made due to the larger number of Adult participants that are being served compared to Dislocated Workers.

2. WIOA PY 16-17 Performance Goals – *No Action Required*

Michigan Works! West Central has received official notification of the final negotiated performance goals for PY 16-17. The goals are as follows:

Adult	PY 2106
Employment Rate 2 nd Quarter after Exit	80.0%
Employment Rate 4 th Quarter after Exit	70.0%
Median Earnings 2 nd Quarter after Exit	\$6,153
Credential Attainment within 4 th Quarter after Exit	70.0%
Dislocated Worker	
Employment Rate 2 nd Quarter after Exit	87.0%
Employment Rate 4 th Quarter after Exit	84.0%
Median Earnings 2 nd Quarter after Exit	\$5,416
Credential Attainment within 4 th Quarter after Exit	70.0%
Youth	
Employment Rate 2 nd Quarter after Exit	84.0%
Employment Rate 4 th Quarter after Exit	86.0%
Credential Attainment within 4 th Quarter after Exit	70.0%
Wagner Peyser	
Employment Rate 2 nd Quarter after Exit	64.0%
Employment Rate 4 th Quarter after Exit	62.0%
Median Earnings 2 nd Quarter after Exit	\$7,079

3. Allocation Year 2015 Michigan Works! Service Center Operations (PI 15-15, Change 1, *draft*) – No Action Required

Service Center Operation funds may be used in support of all activities to improve customer service, inform and educate the public about the service centers, and upgrade facilities. This policy modification awards Michigan Works! West Central with \$40,839 additional funds to bring the total allocation for AY 2015 to \$54,839.

4. Allocation Year 2016 Michigan Works! Service Center Operations (PI 16-XX, *draft*) – Action – Signatures Required

Service Center Operation funds may be used in support of all activities to improve customer service, inform and educate the public about the service centers, and upgrade facilities. This policy awards Michigan Works! West Central a total of \$87,512. A grand total of \$142,351 of these type funds are available during the current Fiscal Year that started July 1, 2016.

5. Apprenticeship Success Coordinators (PI 16-xx, *draft*) - Action – Signatures Required

In Michigan, the Talent Investment Agency recognizes Registered Apprenticeship as a key driver of transformational workforce and economic development activity, especially for connecting employers that have jobs to fill which require high-skill levels with qualified job seekers who have potential to obtain the required high-skill levels.

Each Michigan Works! Agency will receive an allocation of \$37,500 that will expire on May 31, 2018. The purpose of the funds is to support the Michigan Works! Agencies in developing and implementing comprehensive strategies to support Registered Apprenticeship expansion; engage industry and workforce intermediaries, employers, and other partners to expand and market Registered Apprenticeship to new sectors and underserved populations; enhance capacity to conduct outreach and work with employers to start new programs; and

expand and diversify participation in Registered Apprenticeship through innovations, incentives, and system reforms.

David Eisler moved to accept the Allocation Year 2016 Michigan Works! Service Center Operations; and the Apprenticeship Success Coordinator as presented; supported by Dan Massy; motion accepted unanimously by both the WDB and the LEO. 1:19 p.m.

Personnel Committee Report – Emailed Prior (*Action Item*)

Larry Emig explained that the Personnel Committee received the survey put out by the Michigan Works! Association. They looked at the wages – the highs and lows of the positions of those in similar positions at West Central. Two positions fit into the survey are a ways below so a recommendation was made for those two positions to be brought more in line with other Michigan Works! Agencies of similar geography. This would be a \$5,000 increase for the Accounting MIS Specialist and the Business Services Director. The recommendation for the other staff is a 2.5% increase.

David Eisler moved to accept the Personnel Committee Recommendation to bring the Accounting/Specialist/MIS and the Business Services Director in line with other Michigan Works! Agencies by increasing their salary by \$5,000 and to authorize a 2.5% increase to the rest of the staff; supported by Gary Castonia; motion accepted unanimously by both the WDB and the LEO. 1:24 p.m.

NOTE: Dan Kosheba left at 1:25 p.m.

West Central Audit – Email Prior (*Action Item*)

Brigette explained that typically the engagement letter is received in the spring when the fieldwork visit is scheduled. Then once the Fiscal Year is closed preparation for the audit begins. An Audit preliminary list is checked off which may contain bank statements, receipts, ledgers, organizational charts, board meeting minutes, bylaws and other documentation.

When the auditors arrive an “entrance conference” is held with key staff to discuss the process and expectations of the visit.

The auditors review the systems in place to record and transmit financial information; the agency’s record keeping policies; they review elements of the agency’s accounting system; the agency’s internal controls; the handling of cash receipts, banking procedures, how deliveries are received; grant closeout reports; monitoring reports; leases, contracts and budgeting.

The draft preliminary report is done on site and an “exit conference” is held with key staff to go over the results and recommendations.

The bottom line is that Michigan Works! West Central, again has a “Clean” audit.

Sheri Thompson moved to accept the West Central Audit as presented; supported by Deborah Smith-Olson; motion accepted unanimously by the LEO and those present of the WDB. 1:29 p.m.

Election of WDB Chair & Vice Chair (*Action Item*)

Larry Emig explained this is the time of year when the WDB elect their Chair and Vice Chair. The LEO elect their Chair and Vice Chair at the February meeting when new Commissioners are seated and assignments have been confirmed for all LEO.

Sheri Thompson nominated Deborah Smith-Olson for Chair; supported by Dan Massy.

Sheri Thompson moved that the nominations be closed and a unanimous ballot be cast; supported by Dan Massy. Motion accepted unanimously by those present of the WDB. 1:31 p.m.

Deborah Smith-Olson, Chair

Sheri Thompson nominated Julia Pasley for Vice Chair; supported by Dan Massy.

Deborah Smith-Olson moved that the nominations be closed and a unanimous ballot be cast; supported by Sheri Thompson. Motion accepted unanimously by those present of the WDB. 1:32 p.m.

Julia Pasley, Vice Chair

NOTE: Karl Walls left at 1:34 p.m.

October Program Reports – Handout

- ◇ Enrollment/Expenditures Reports
- ◇ PY16 PATH Work Participation Rate

Paul explained that the list of the 16 MWAs in Michigan shows that Michigan Works! West Central has the highest percentage of 78.1 for the entire year ending September 30th. The state average was 70.3. The credit goes to Hope Network for having the highest Work Participation Rate. This is only the MWA side, there is also a number listed for DHHS only and then for MWA and DHHS combined. This is charted every month.

PY 2017 Skilled Trades Training Fund – Handout

Merri explained that the Skilled Trades Training Fund application period opened September 12 and ran through October 14, 2016. The applications were awarded strictly based on competitive scoring. Approvals were done in two rounds. By November 18th West Central received notice that eight of the 16 applications had been approved. On December 2nd West Central was notified that additional applications had been approved for a total of ten approved applications for a total of almost \$200,000. First time applicants were given special consideration. Those receiving awards were in Mason, Mecosta, Newaygo, Oceana and Osceola – no one from Lake County applied. Grants ranged from \$600 in Oceana County to almost \$48,000 in Newaygo County.

Informational meetings were held for the first time this year to give clarity to the application process and to encourage first time applicants.

Voni commented that for an area to receive ten awards for STTF is very good. Also the workshops held by West Central were considered one of the “best practices” this year.

Outreach Activities

◇ Impact Award – Leora Bain

Those of you in attendance at the August Board meeting, remember that Leora was our Showcase. Her story was entered as an applicant for the Statewide Annual Impact Awards and was selected. This event will occur February 22 in Lansing. Leora experienced challenges from being raised in foster care and from the trauma of abuse when growing up. As a child she lived in five different foster homes; was married at 16; divorced by 17 and homeless by 19. When she began getting her life together, she came to Michigan Works! Greg Wickings worked with her and was able to help her get her Nursing Degree at Ferris State University and she graduated with a GPA of 3.4. She now works at Pine Rest Hospital in Grand Rapids.

◇ Show Me The Money

Merri said that the Show Me the Money Day is a statewide program that connects people with local resources and tools that help them better manage and maximize their household income. In our Region it is held in Ewart which is our Project Rising Tide Community; information is gathered together from Osceola County to educate people on how to get help and save money.

Michigan Works! is taking part in the workshops and also has an informational table.

This is the second year and will be held at the Osceola Fairgrounds on February 2, 2017.

Business Activity – Handouts

◇ Job Postings

Merri stated that in October and November, she and the Employment Service staff posted more than 50 positions on the Pure Michigan Talent Connect. This is less than September and October which was 80, but now that STTF is done and Jonathan is on board things will pick up again.

◇ Mason & Oceana County HR Groups

Merri explained that these groups are to help employees, whether with drug counseling, help getting a loan for an emergency, to help with morale and reduce absenteeism. The topics at the Mason County meetings have ranged from addressing mental health in the workplace to identifying different personality types in order to establish better working relationships. These are great networking opportunities to learn more about employer/employee relations and services.

◇ Rapid Response

- Crossroads Chevrolet, Reed City – Osceola County

Crossroads Chevrolet, an auto dealership in Reed City, will be closing their doors and as a result laying off seven or eight people. Michigan Works! was allowed to make up some packets and drop them off for the affected employees.

- Plumbs, Newaygo – Newaygo County

Plumbs closed their doors November 13, 2016 but West Central was able to deliver packets on November 10th for the affected employees. Corporate confirmed that 30 people were affected and were all offered jobs at other locations but not all accepted the offer.

- Harsco Rail, Ludington – Mason County

Harsco Rail did lay off 22 people October 14, 2016 but Merri was told these were not permanent lay-offs, they were waiting on details for new orders. Informational packets were dropped off. It was reiterated that the layoffs were temporary.

- First Merit Bank, LeRoy – Osceola County

First Merit Bank sent out letters to their customers informing them that First Merit Bank and Huntington Bank were merging, effective February 17, 2017. With this merge some First Merit locations would be closed, LeRoy being one of them. The First Merit locations in Ewart and Marion would not be closing. Of the three employees at the LeRoy location all will be transferred to other branches.

- Emerson Lake Inn, Walhalla – Mason County

The Emerson Lake Inn, a restaurant in Mason County has closed.

- Staples, Ludington – Mason County

The Ludington Daily News carried the article that Staples in Ludington would be closing January 7, 2017. The Big Rapids location will remain open. No information yet on how many employees will be affected.

- Bonsers, Custer – Mason County

There is a possible buyer for Bonsers in Custer but legalities have not been worked out.

NOTE: Janet Vyse-Staszak left at 2:10 p.m.

Leaders in Economic Alliance Development (LEAD)

There are four counties involved – the western four counties. The USDA and MSU Extension Service facilitated a large initial meeting of nearly 70 individuals which selected the three following issues to work on: Workforce Development came out number one – Tourism was number two – Broadband was number three. The Workforce Development group is expected to be an active group in which Paul will co-chair with Crystal Young from West Shore Community College.

Lakeshore Resource Network Center Update – Ludington

Paul said he still does not have a lease to bring to the Board but the building is moving very fast and the paving is already done. They are still expecting April 2017. A lease agreement should be available by the February meeting.

NOTE: Beth Ridenour left at 2:13 p.m.

Governor Snyder Names Roger Curtis as Director of Michigan Department of Talent & Economic Development – Handout

Governor Snyder announced that Roger Curtis will serve as director of the Michigan Department of Talent and Economic Development while Steve Arwood will continue in his role as CEO of the Michigan Economic Development Corporation.

Michigan’s “Hot 50 Jobs” (2014-2024) – Handout

The Michigan “Hot 50 Jobs” flyer highlights the 50 top, high demand/high wage jobs. The wage range is determined by using the 25 and 75 percentiles. Of these 50 Hot Jobs there are 36 which require a bachelor’s degree or higher.

Fremont Area Community Foundation Receives National Standards Reaccreditation – Handout

Paul noted that the Fremont Area Community Foundation received reaccreditation through the National Standards for U.S. Community Foundations; this is said to be the nation's highest standard for philanthropic excellence. Four of the six West Central counties are affiliated with the Fremont Area Foundation.

West Shore Community College Ranked in Top 10 Among Michigan Community Colleges – Handout

West Shore ranked in the top 10 among Michigan’s 29 community colleges. West Shore was ranked number 3; West Shore was also recognized for collaborations with the West Shore Educational Service District in the operation of ASM Tech Early College High School.

LEO Appointment of One WDB Member

Larry Emig informed the Boards that the LEO met prior to the joint meeting and appointed Christine Schurkamp, Spectrum Health Gerber Memorial, HR Director, to fill the Newaygo County Private Sector vacancy.

2017 Meeting Schedule – Handout

A meeting schedule of the 2017 meetings was distributed.

Pre-Meeting Packet Items

October 2016 Unemployment Ranking

All six counties showed an increase in unemployment.

Next Meeting February 1, 2017 – Idlewild Historic & Cultural Center

The next WDB/LEO Joint meeting is Wednesday, February 1, 2017 at the Idlewild Historic & Cultural Center.

Round-the-Table

- » Smith-Olson, Deborah, Lake Osceola State Bank – the interest in the Starbucks article about the Baldwin Promise did generate \$10,000 from Howard Schultz. A new College Access and Promise Zone coordinator, one who graduated from Baldwin High School, has been hired.
- » Warba, Mark, City of Big Rapids – Steve Sobers is retiring, Mark Gifford will be the City Manager. New construction is going on – O’Riley’s Auto Parts; Gerber Construction is remodeling the old Pioneer building for the Social Security Administration offices. In the

Township the Hampton Inn is getting done; Wolverine Worldwide is adding a warehouse and Dunhum's is moving in at the "Gate" (bowling center) and the "Gate" is moving back across the river to their former location.

- » Byl, Larry, Oceana County Commissioner – Silver Lake has extremely high nutrient levels due to septic failure and recent expansions of campgrounds. Next year we will begin construction of a municipal type sewer system or there will be a force sewer main constructed to the Hart City sewer system. Oceana was awarded a USDA grant of \$30,000 for preliminary engineering and feasibility study to see which is the best way to proceed.
- » Castonia, Gary, City of Ludington Councilman – the water treatment plant is still in negotiations with House of Flavors.
- » Gustad, Eric, Consumers Energy – the Energy Bill was debated and passed in the Senate and is now in the House, if it is not passed by the end of the year they may have to start all over.
- » Eisler, David, Ferris State University – the Swan Annex construction and renovation project is underway. The new residence hall will be named North Hall.
- » Howard, Linda, Mecosta County Commissioner – one new commissioner for Mecosta County; she has been attending state policy events and drug problems are extensive and Michigan is in the top 10 of the US in using heroin and other new drugs.
- » Roberts, Carla, Fremont Area Community Foundation – There is a new tourism council for Newaygo County and we are in the final stages for approval for \$2 million in grants.
- » Start, Liz, Mason-Lake Adult Education – the program at the Baldwin Workforce Service Center is very successful and we have exceeded the amount of people needed to keep it open. It has become a source of pride for students in the Baldwin area.
- » Thompson, Sheri, Mecosta-Osceola Intermediate School District – National lame duck session with many different opinions, lots happening.

» Emig, Larry, Osceola County Commissioner – he has been a commissioner for 28 years, this is his last term.

Other Business

Reserved for the Public

Adjournment

Meeting adjourned at 2:40 p.m.

Meeting stands adjourned at 2:40 p.m.