



PLANNING COMMITTEE MEETING

Wednesday, October 20, 2010

7:30 a.m.

Merrimack Valley Workforce Investment Board
Lawrence, MA 01843

Members Present: Peter Matthews, Kevin Page, Ron Contrado, Atty. Robert LeBlanc, Fred Carberry

Members Absent: Joseph J. Bevilacqua, Michael Munday, Juan Yopez

Staff Present: Rafael Abislaiman, Betty Kirk, Odanis Hernandez, Ruth Marrero, Deborah Andrews, Susan Almono

Guests Present: Arthur Chilingirian

I. Approval of Minutes of September 15, 2010

A quorum being present, Peter Matthews called the meeting to order at 7:35 a.m. Peter then called for a motion on the minutes of the September 15, 2010 meeting.

Fred Carberry made a motion to accept the minutes of the September 15, 2010 meeting as submitted. Ron Contrado seconded the motion and motion passed.

II. First Quarter Career Center Performance

Ruth Marrero, Performance & Monitoring Manager, presented the FY2011 First Quarter Report. She noted that total job seekers are 41% of plan and total entered employments is 31%. Ruth said that participant characteristics are basically the same as last year. Regarding residency of job seekers, Haverhill is at 19%, Lawrence at 34.1% and Methuen at 10.2%. Total participants enrolled in the WIA Title I Adult Program is 64% of plan, with new participants at 34% of plan. The average exit wage is \$12.48. Total participants enrolled in the WIA Title I Dislocated Worker Program is at 75% of plan with total exiters at 12% and the average exit wage is \$18.61. Enrollments for the WIA Title I Youth Program are at 60% of plan. New participants are at 29% of plan. The average exit wage is \$11.02. Total participants enrolled in the Alcatel/Lucent/Haverhill Paperboard National Emergency Grant is at 102.9% of plan. We exited 222 participants, which is 79% of plan. The average placement wage is \$16.64. Ralph mentioned that, by the end of the first quarter, we should be at 25% of plan and that those numbers above are ahead of plan and below are behind. The

Career Center is well ahead of plan and overall we are well ahead with the only exception being the number of exits. Chili said that we don't see a lot of exits in the first quarter and that the numbers will pick up in the second and third quarters. He said that the past quarter we have seen a large increase in numbers as unemployment extensions are being exhausted. More people are coming through as members. Ralph said that membership implies some level of additional services.

III. Update on High Performing WIB

Ralph Abislaiman said that yesterday they had a teleconference with reviewers and the undersecretary which is the last step in the process and went very well. They only asked one question and it was more of a marketing information question. He said that Joe did a wonderful job and the reviewers said the package looked great. We should know within a couple of weeks if we are approved. They did say that they would be publicly announcing awards in late November or early December.

Bob LeBlanc asked how we would be using the money. Ralph said for some sort of direct service but it hasn't been decided yet and he welcomes the board input. He said that he assumes there will be some leverage funds required. Fred Carberry said that he would like to see something outside of the box not using WIA resources for an innovative approach to some indentified need. Bob said that he would like to see enhancement of job training such as OJTs.

IV. Results of Manufacturing Survey conducted by Mike Munday (Arwood Machine)

Deputy Director Betty Kirk said that she would report on the manufacturing survey results which Mike Munday from Arwood Machine put together. We have results from nine (9) companies. Betty said that the cover page contains the number of predicted job openings through 2015 and totals for 2010 and 2011. We plan to schedule a forum for employers and Mike Munday has agreed to host the event at Arwood Machine. Betty said that in the past, workforce training fund vendors and other education advisors were invited to employer forums. She said that she would have to check with Mike to see if he can accommodate additional people. Mike has two OJTs going on now, and thinks that other employers are interested in doing OJTs. She said that they would like to schedule the meeting before the holidays.

Kevin Page said that Raytheon will be looking for some additional employees in the future and Betty said that Polartec will be hiring and wondered if they have the same kind of needs. Bob LeBlanc said that they have a recall list. Kevin said that OJTs are tough in a union company. Ralph mentioned that a lot of the manufacturing in this area is defense driven and the Secretary of Defense said that budget has to be restrained.

Kevin Page said that most of their contracts are single sourced and more competitive now. He said that they work with contractors to develop a cost quality schedule working with suppliers to get the best products out. He did say that they would be

growing some jobs in the next 18 months as there was a lull during union negotiations which have been concluded.

Peter Matthews said that it is nice to have employer input and Bob LeBlanc said that is nice to see a government agency reaching out to employers.

Discussion followed on the fact that machine jobs are hard to fill and classes at the vocational schools are the lowest attended. Many parents see machinist jobs as a dying industry but Kevin said machining is not what it was in the past and machines are operated with software today and not dials. Chili said that schools cannot buy the \$1M machines to train on and students are coming out with basic machining skills.

Kevin talked about Math Works, a Raytheon tutoring program for Lawrence High School students in math and science. He also said that they provide a walk through of the plant. Peter Matthews said that we seem to keep coming back to OJTs but Kevin said that it is hard to put an OJT person on a machine that is doing a run with parts that go into a missile. He said that they are receptive to shadow programs and is interested in working with any ideas. Bob LeBlanc advocated for Raytheon to include Methuen students in the tutoring program.

Also discussed was the fact that some products are built overseas but Kevin said that Raytheon sends engineers to work with suppliers to lower costs and integration of products is done in the United States.

Fred Carberry said that there is a lot to be said for basic machine skills and that is a universal and essential foundation to build on for further training.

V. MVWIB & DGA Roles

Ralph asked Fred Carberry to speak on this item and Fred said that what we are seeing is a shift away from the total control and DGA's overarching control of the WIB and Career Center. You are seeing a shift to fiscal operations as it is meant to be. DGA is a small entity of 6 or 7 people who do fiscal management and control of WIA and state grants. In the past there was some contention with the RFP structure and the WIB/board lost some of their focus when DGA stopped working on behalf of the board. The role shift is for the DGA function to be strictly fiscal – just monitoring the proper use of funds according to state and federal regulations.

Ralph Abislaiman said that about six years ago there was a struggle between the WIB and Career Center over who managed the finances. DGA was created as an intermediate organization and the planning and policy roles are the WIBs by law. The new Mayor is returning it back to the WIB and the DGA responsibility is where the money is dispersed. Ralph said this is not a mere formality as the WIB approves the annual budget with the mayor. Fred is the mayor's representative in that process and the voice of the mayor in final decisions. Planning and budgeting is the WIB's responsibility.

Fred said that of the 15 cities and towns in our region Lawrence is on the hook if there is some misuse of funds. He cited an outstanding case in Lynn where the city needs to pay back \$900,000. He said that DGA is the fiscal safeguard and watch dog. Bob LeBlanc proceeded to give the history of why DGA was formed and said that there was a political struggle within the WIB. He said that resulted in the mayor deciding to take fiscal oversight into city hall under the Director of Budget and Finance. This worked until someone closer to the office of mayor was appointed. He said that there still needs to be a firewall and said that Chili is an honest, trustworthy person. Now we are returning to the intent of the legislation having the policy making function at the WIB with the mayor having veto authority.

Fred Carberry said that DGA staff will be supervised by the WIB Executive Director and he will provide the fiscal oversight. Fred said that the city has an annual single point audit. Ralph said that the WIB role assures that the plan is implemented. He also said that DCS audits annually and Ruth Marrero monitors contractors with the WIB and DGA tracking.

Discussion then began on the grievance process and procedures. It was agreed that the grievance process and procedures needs to be reviewed and updated to clarify the process. Peter Matthews said that we will put this item on the agenda for the next Executive Committee and then bring it back to the Planning Committee and the full board.

Bob LeBlanc said that we need a clearly defined process and procedures that are fair for all and protects the mayor/CEO.

VI. Other Business

There was no other business.

VII. Adjourn

Having no further business Bob LeBlanc made a motion to adjourn the meeting seconded by Fred Carberry. Motion passed and the meeting adjourned.

Respectfully submitted,

Mary Kivell

Recorder