



PLANNING COMMITTEE MEETING

Wednesday, October 21, 2009

8:30 a.m.

Merrimack Valley Workforce Investment Board

Lawrence, MA 01843

Members Present: Peter Matthews, Charles LoPiano, Mike Lynch, Robert LeBlanc, Karen Sawyer, Mike Sweeney

Members Absent: Pedro Arce, Shirley Callan, Sal Lupoli

Staff Present: Betty Kirk, Fred Carberry

Guests Present: Barbara Zeimetz, Amy Weatherbee, Odanis Hernandez, Noah Sawyer

I. Approval of Minutes of September 16, 2009

Peter Matthews called the meeting to order at 8:30 a.m. and called for a motion on the minutes of the September 16, 2009 meeting.

Fred Carberry said that the motion on Item V was correctly recorded but should have included additional language regarding WIA funding for youth.

Robert LeBlanc said that the motion should stand and any corrections be taken up under Other Business. It was agreed to take the matter up under Other Business later in the meeting.

Chick LoPiano made a motion to accept the minutes of the September 16, 2009 minutes as submitted. Mike Lynch seconded the motion and motion passed.

II. FY2010 Career Center Performance

Betty Kirk said that the FY2010 First Quarter Report was sent out with the meeting materials. She said that the figures should be 25% of plan for the first quarter but noted that we are well above that percentage, except for total entered employments which is down 6% but is understandable in this economy. Employers new to the Career Center are way up and the participants characteristics for male and female have reversed with a greater number of

males being served. Betty then talked about the residency characteristics with the only change being an increase of 1% in Newburyport and Salisbury. Mike Sweeney asked if there is any concern with New Hampshire residents accessing tax payer dollars from the Commonwealth. Robert LeBlanc said that if they are working in Massachusetts, they are paying Mass taxes, and asked if there is any way to track where they were employed. He would like the last place of employment provided in the residents' data. Karen Sawyer asked if other WIBs that border other states provide the same services. Amy Weatherbee said that WIA mandates universal access. Barbara Zeimetz said that historically the bulk of people are employed in Massachusetts.

Betty then went on to the WIA Title I Adult Program noted that the Aged 55+ percentage is up 2% and the TAFDC Recipient number is up 7%. Bob LeBlanc asked how the Career Center protects against fraud. Amy Weatherbee said that when WIA funds move to intensive services, there is quite a bit of documentation required including residency, income status, social security cards, green cards and selective service verification for males. Barbara Zeimetz also said that even with a minimum level of services employers need to check residency.

Betty reported on the Dislocated Workers and the fact that males are up 9% and females are down 9%. Aged 55+ are up 4%, college graduates are up 8% and TAFDC recipients are up 5%. Robert LeBlanc wanted to know how many dislocated workers had children who got into the Summer Jobs Program. Barbara Zeimetz said that the children of dislocated workers may not be eligible due to income. Amy said that the Career Center puts information in the lobby on all programs and services. They do not make an effort to specifically target youth of dislocated workers but said that if they are unemployed for a long term, then the youth may be eligible.

Peter Matthews asked if next spring the criteria will be the same or has there been any move to change requirements for participation. Fred Carberry said that WIA reauthorization is underway and there is movement to relax some thresholds. Mike Lynch noted that Congressman John Tierney and Jane Oates of DOL are aware of this issue and are looking at that. Amy said that they are also looking at the issue of barriers. Fred Carberry said that they are also looking to make Summer Youth part of WIA. He said that the argument has been made and they are listening.

Betty reported on the WIA Title I Youth Program saying that the entered employment should be higher but these are tough economic times. The Average Exit Wage of \$12.85 is good for youth. Age 14-21 is up 8% and Aged 19-22 is down 8%. High School student is up 6% and TAFDC Recipient is up 6%. Robert LeBlanc asked how these numbers compare with census figures.

Betty said that the NEG grants for Lucent/Alcatel/Haverhill Paperboard are going well and we are above plan. We still have 218 active customers with some problems with placement. Robert LeBlanc asked why they don't get placed and Betty said that there are a number of reasons, one being that some Lucent participants have opted to retire.

III. Discussion on Modification to Approval of Training Programs

Fred Carberry distributed the latest unemployment figures for this region. He said that the current unemployment rate for Massachusetts is over 9%, over 10% for the Merrimack Valley, and over 17% for the City of Lawrence. ITA vendors are approved or denied based on thresholds set by the board and Planning Committee. The state has provided new guidelines in Section 30 program performance standards. The entered employment rate of 70% if the Mass Unemployment Rate is 7% or less, entered employment rate of 60% if Mass Unemployment Rate is 7 to 8%, and Entered Employment rate of 50% if the Mass Unemployment Rate is 8% or more. Fred explained that our concern is our entered employment rate of 75%, due to the high unemployment rate and economic climate, may result in some vendors not making their placement numbers. He said that we would like to suggest discussing lowering the entered employment rate to 60%.

Robert LeBlanc said that he would like to know who the vendors are and their performance levels. Fred said that he has requested that information from the Career Center IT Department. He said that we have statewide information but would like to see it localized. He provided a survey of other WIBs, all of which have lower entered employment rates. Peter Matthews asked which area we are most like and Fred said that probably North Shore, although we do have a higher unemployment rate and a difficult to serve clientele. Betty Kirk said that these figures were set three years ago and we need to take a serious look at them now.

Fred Carberry said that he assured Arthur Chilingirian, ValleyWorks Executive Director, that he would present his point of view as he is unable to be here. He said that Chili is against this because he feels that it will affect the Career Center performance. If we lower the training vendor ITA placements, that would negatively impact the Career Center's 75% placement. Fred said that he does not agree as that has not happened in other WIBs but told Chili he would present his view.

Amy said that Dislocated Workers 83% performance is reviewed every year and there is no relief from DOL for WIA placements out of training programs. Mike Lynch distributed a handout of FY2010 Title I Performance Goals and said that adjustments are made locally.

Fred Carberry said that we risk losing training vendors if we remain at 75% for entered employments.

Motion by Bob LeBlanc to table this item until provided with additional information seconded by Mike Sweeney.

Chick LoPiano asked if this is a critical time factor.

Fred said that keeping it at 75% we risk losing some potential training vendors as we have the highest numbers in the state. We are allowed to take adjustments from the state. Mike Sweeney asked if we know where the vendors are at now. Betty said that when we review performance we are looking across the state and that is all we have had access to. Chili is also interested in looking at the local area and will ask his IT department to get that information. Betty said that she does know that LARE is struggling with 70-75% entered employment rate.

Mike Sweeney said that we have some belief that current vendors meet the level. He said that if the information warrants, he would be happy to move in that direction. If someone doesn't have the information, the person should get the information next week or for the next meeting. He said that with control comes accountability. We are a team.

Mike Lynch asked exactly what information.

Peter Matthews said a list of vendors and performance for a couple of years back.

Motion to table passed until further information is provided.

IV. Discussion of Youth RFP

Fred Carberry said that we have ½ million dollars for FY2010 for youth. The Youth Council recommends maintaining the 70% OSY and 30% ISY funding split. The ARRA funds helped support the summer program and there are ideas for RFPs for OSY and ISY. ARRA funds are continuing employment for youth through 3/31/10 but we don't know the burn rate. The state is talking about 9C cuts and even eliminating YouthWorks. We are considering setting aside ARRA dollars to maintain summer jobs in 2010.

Mike Lynch asked if we were suggesting cuts on just additional ones. Chick LoPiano said we should spend the money now and then see if we get some for other areas. Amy said that there are currently 40 youth enrolled with \$7,000 in wages every week. She said that we will probably only be able to save \$200,000 for next summer. We are giving priority to Byrne grant Methuen kids as it ends 12/09. We are seeing maybe four kids per week for ARRA. Chick suggested spending the money and seeing what happens in June. Fred said we may not

spend it all. Mike Sweeney said that there are talks about more stimulus money. The 9C cuts could be devastating as there are reports that there will be no sacred cows. He wondered what kind of summer program we could run with \$200,000 – maybe serve 25 kids for 8 weeks in the summer. Peter Matthews said why wait to spend the money.

Motion by Mike Sweeney to prepare letters to our state and local delegation, mayors and town managers raising concern about funding for operating programs and asking them to defend and protect any dollars such as the summer program. Motion seconded by Bob Leblanc. Motion passed.

V. Heritage Common

Mike Sweeney said that he serves on the Lawrence Redevelopment Authority (LRA) and the LRA has been asked consider some votes on ownership of Heritage Common on Jackson Street. There is an extensive rehab planned for this property and the LRA wants to promote local hiring or get some training or employment agreed on and he felt that this will be the best vehicle. He then turned it over to Noah Sawyer a Project Manager for The Community Builders, Inc. Mr. Sawyer said that Community Builders are the owners and managers of this property and several others. He said that they have the financing lined up from the Dept. of Housing and Community Development and several other funding sources for construction in 2010. He said that they will be paying the prevailing wage. They would like to hire locally. They have a general contractor on board (Vertek Corporation) but they have no connection to the Merrimack Valley. We are looking for a list of names of people skilled in the trades. Since we will be working on occupied property we will also be hiring tenant coordinators for a twelve month period.

Fred Carberry said that he will contact Arthur Chilingirian at the Career Center who will be happy to provide a business service representative to assist you. Betty Kirk also mentioned partnering on the construction trades grant. Noah Sawyer said that they want to promote economic opportunity for residents. Amy asked if they would be hiring contractors from Lawrence and Mr. Sawyer said that if they can get a qualified candidate locally they will hire them, as this will be a twelve month construction job with trades coming and going.

Mike Sweeney said that as a municipal employee he cannot recommend any private employer. Amy also suggested connecting Noah with Youth Build.

VI. Update on ARRA

Fred Carberry said that we had a well attended vendor meeting on October 8th with 70 people from over 50 potential vendors in attendance. RFPs are under development on customized and group trainings as well as a pilot training.

Mike Sweeney said that we are in receipt of a letter from a vendor (LARE) with concerns with the barrier that states having 5 current ITAs in the past two years they cannot submit a proposal on the current program. The vendor felt this was punishing existing vendors with past successful histories. There was a meeting last week and one yesterday where we went over why. Part of the overriding theme of the Planning Committee and Full Board is to expand and try to capture new vendors and for current vendors to come up with more innovative programming. There was a spirited discussion on vendors having five ITAs in the past two years not submitting the same program for group funding.

Bob LeBlanc said that the intention of the Planning Committee was to enhance competition and increase participation but not to set up barriers to performers.

Barbara Zeimetz said that the misconception is that vendors were barred. This vendor and any other vendor can continue their ITA program. With this unique opportunity to provide group training, we feel is a way to build capacity and guarantee a level of funding. With a greater number of participants sharing the cost of the training, this can be a tool to meet the labor market demand and get people trained and into jobs. If someone has done a good job, they should be able to apply for group training. They can change to group from the existing program by adding something different than what exists and getting new people to do new things. If we don't get enough programs to fund, the money will revert to ITAs.

Chick asked if he understood correctly that if an ITA is successful and they want to do group training, they cannot do the same thing.

Amy said that with the ARRA funding we can maintain our ITAs and offer new training options. We need to make sure that this money doesn't supplant current programs but expands training, vendors and options. We are looking for new options and training in areas of green jobs that show a connection with employers.

Mike Sweeney said that there is no right or wrong but we had this discussion going into applying for High Performing WIB status of innovation and expanding. The state is looking for new and innovative training. He said that we voted to do this and have created the bus, are driving the bus and are being asked to turn the bus in a different direction. The Planning Committee voted to go in this direction and the board endorsed it. The provision that more than 5 ITAs in the past two years means that a bidder must submit something different than the program they currently serve. The money is not lost. He referenced an editorial in yesterday's Boston Globe regarding committing public money on Evergreen Solar stating that the Governor and state did the right thing in betting on this company as the state must do whatever it can to make the state and Boston the

Houston of renewable energy. If we continue to do the same old, same old, it will turn into Detroit.

Bob LeBlanc said that the board didn't vote to exclude anyone. He said that was a staff decision. Barbara said that specific programs are already funded. We are encouraging new models of programs. Chick LoPiano said that they can bid but not the same model. Barbara said that what the board is looking for is to use this unique pool of money for group programming that is different from current programs. She said that it is an opportunity to explore other avenues. Mike Sweeney said that a vendor who has had 5 ITAs in the past two years cannot use the same program but could expand that program with viable and significant changes or something brand new. Amy said that if we fund 38 slots at CAI for example, this would add new money with different programming.

VII. Update on High Performing WIB

Barbara Zeimetz said that she hopes that the submission won't change dramatically. We need to give the state two weeks advance notice before we send it in. There will need to be one more meeting of the Advisory Council or Board as one issue the state questioned is the level of involvement of the board. They are looking for a quick scorecard from the Advisory Council or Board to identify their most important priorities and whether they reached them. Barbara said that we are in good shape and she is going to be sitting down with Fred to complete this.

VIII. Update on 501©3 Status

Fred Carberry said that he has the updated financials. One line needs to be corrected and a check cut for the \$750 fee. He expects this will be done in the next week or so.

IX. Pending Grants

Fred Carberry said that we partnered with the North Shore and Greater Lowell WIBs on a State Energy Sector Partnership grant. We have brought on a private sector partner. The funding is through DOL and we are expecting \$300,000 for green jobs training over the next couple of years.

Fred said that he submitted a letter of intent to Commonwealth Corporation for a Health Care Skills Partnership and also a DOL High Growth & Independent Partnership with MEP. We also are working with LARE on another DOL Health Care Sector grant.

X. Other Business

Motion by Chick LoPiano seconded by Mike Lynch to reconsider the vote on the RFP funding at the September 16, 2009 meeting and change the motion to read "Motion by Chick LoPiano to utilize the ARRA funding for RFPs for adult and dislocated workers and a pilot

program and for WIA formula funds for youth RFPs as presented and discussed seconded by Mike Lynch. Motion passed.”

11. Adjourn

Having no further business Mike Sweeney made a motion to adjourn the meeting seconded by Chick LoPiano. Motion passed and the meeting adjourned.

Respectfully submitted,

Mary Kivell

Recorder