



Southwick Clothing LLC
20 Computer Drive
Haverhill, MA

MEETING

Minutes
Tuesday, January 11, 2011
7:30 AM

MEMBERS PRESENT:

Howard Allen, Joseph Bevilacqua, Fred Carberry, Michael Collins, Supt. William DeRosa, Paul Durant, Julie Gadziala, Steve Kfoury, David Hartleb, Susan Jepson, Atty. Robert LeBlanc, Jeff Linehan, Eric Mane, Michael Munday, Peter Matthews, Andres Rodriguez, Jeff Sheehy, Nancy Tariot, Lester Schindel, Evan Silverio, Michael Strem, Stanley Usovicz, Cal Williams, Ray Wrobel, Juan Yopez

MEMBERS ABSENT:

Kimberly Abare, Patrick Blanchette, Pedro Arce, Wayne Capolupo, Thomas Casey, Ron Contrado, Thomas Connors, Leonard Degnan, James Driscoll, Howard Flagler, Mark Forman, Joe Gangi, Jr., Gary Hale, Robert Ingala, Sal Lupoli, Maria Miles, Dahianara Moran-Liranzo, John Olenio, Ann Ormond, Margaret O'Neill, Cindy Phelan, Donna Rivera, Kevin Page, Steve Salvo, Fred Shaheen, Len Wilson

GUESTS PRESENT:

Honorable James J. Fiorentini, Barbara Zeimetz, Arthur Chilingirian, Rosemary Chandler, Linda Piergeorge, Varsha Gandhi

STAFF PRESENT:

Rafael Abislaiman, Mary Kivell, Deborah Andrews, Odanis Hernandez, Ruth Marrero, Susan Almono

1. Call to Order

A quorum being present, Chairman Joseph Bevilacqua called the meeting to order at 7:50 a.m.

2. Report of Chair

Joe said that Southwick is a fantastic facility and he is pleased it stayed in the Merrimack Valley. He said that Mr. Martynec would be back to address the board as he needed to meet with his staff. Joe said that the WIB is on a positive track with the high performing WIB certification which was a lengthy process. Businesses are where the training ends up and we gather information from the Career Center and WIB to find new employees for companies. Everyone is aware of the high unemployment rate but Massachusetts is doing better than the rest of the country. Joe said that in meetings with his peers in his role as state WIB Co-Chair jobs are the priority and the Governor has taken a hands on approach to tackling this problem meeting with his administration secretaries and

the Economic Development office and has jobs as a priority. We need to identify the types of jobs for the future. It will take years to get back to the level of employment prior to this recession which Joe said it the worst since the great depression. He said that we need to work to return jobs and work on growth by partnering with all of you.

Joe continued his remarks stating that one thing we have embarked upon is green jobs with some success. Some employers are reluctant to hire at this time but he highlighted the success of the Yopez brothers in Lawrence with two green projects. Joe also said that a new phenomenon is that mature workers are staying and that has closed out the job market for young employees. Education is the key factor in economic and workforce success. Without a minimum of a high school diploma you cannot succeed in the job market. Through education chances are increased depending on the level of education.

Joe Bevilacqua then recognized Mayor of Haverhill James J. Fiorentini.

3. Welcome

Mayor Fiorentini said that he is pleased that the WIB is meeting at Southwick in Haverhill. Southwick is proof that tax incentives work. They received the largest TIF and have 365 employees and are hiring. The Mayor said that there is \$150M invested in the downtown and four or five new restaurants coming into the city (three downtown). He also said that Magellan Aerospace is a welcome addition to Haverhill and the MVWIB partnership helps find jobs. He said that he welcomes WIB members to Haverhill and the partnership with the WIB.

4. Approval of Minutes of October 5, 2010

Joe then called for a motion on the minutes of October 5, 2010 meeting.

Motion by Fred Carberry seconded by David Hartleb to approve the minutes of the October 5, 2010 meeting as submitted. Motion passed.

5. Reports of Committee Chairs

• Planning Committee

Peter Matthews said this Planning Committee report will update progress made in our four High Performing Board Action Plan focus areas. Our High Performing WIB application was approved shortly after our last annual meeting and we will attempt to follow it as closely as possible. Just as a reminder, the four focus areas in our action plan are healthcare, manufacturing, youth and green-related employment training and development.

He said that he had hoped to be able to provide information on our Individual Training Account (ITA) allocations as well as group training ones but our Career Center's head IT guy has been out and he will provide it at a later date. Peter said that they historically form our largest resource block for training.

He reported on non-ITA Health Care-related activities stating that so far this year we have allocated \$430,000 to health group training. We've funded a total of four programs over a spread of six contracts. Three LARE contracts total \$276,581 and were intended to provide sixty-eight (68) people with entry level jobs in three separate health-related fields. They are Medical Assistant, EMT and

Certified Pharmacy Technician. Due to client recruitment issues, the final number of clients trained will be closer sixty (60).

The other health program, funded at \$153,400, provides remedial education and certificate training to sixty (60) new or incumbent, lower and higher skilled people now working or planning to work in health jobs. It consisted of a partnership between Worksource Partners, Notre Dame Education Center and Northern Essex Community College. The program enrolled its planned 60 participants but fewer than the expected number of people were interested in pursuing a college level certificate. College matriculation ends this month and that number has been reduced from twenty (20) to ten (10) students. He continued stating that health care takes an increasing portion of our national treasure – currently up to about 18% of the total. As an industry sector, it currently has both the greatest need for entry level employees and what is probably the clearest and most developed career ladder. It's not a coincidence that a large part of our resources go to training people for the health field. But we should also be aware that this sector is increasing subject to allocations from the public purse and that future budget deficits may have a severe impact.

Peter continued with manufacturing. He said it's an employment sector that's been increasingly shrinking over the last few decades. This region is fortunate to have fought that trend better than most in Massachusetts. He said that we also hope that our national policy will change so that there are more global OSHA-type safety, green manufacturing, and wage equity requirements throughout the world. That way, local manufacturers may not have to fight the trend as hard as they do now. Planning Committee member Mike Munday has told us that some manufacturing is coming back to us from China. An enlightened Asian industrialist recently contracted Mike's Arwood Company to do work with specifications that they found too difficult to meet in China. That says a lot for this region's workers and managers

This year our WIB has so far allocated \$94,500 to group train twenty-four (24) people in entry-level manufacturing skills. We should realize that this type of training is tricky. The people who know how to do this work well are retiring or actually working on the job and not as trainers. Few training facilities have up-to-date equipment on which to train prospective workers. Often manufacturing sites are used but then they aren't being used for production and there's a risk of damaging machines that cost hundreds of thousands of dollars. We're exploring how to use computers to replicate the skills needed to operate industrial machines and hope to come back with some positive news sometime in the future.

Peter said that the next item on our High Performance Action plan is improving the youth employment pipeline. The Youth Council and Planning Committee recently passed a resolution to make our youth training more inclusive. Until recently, we could just reach poor youth who are deficient in basic skills, or school drop-outs, ones who are homeless or in foster care, or pregnant or parenting, or disabled in some way. We could also serve youth with some sort of offender record. As Mayor Lantigua stated at our last quarterly meeting, many poor kids who are good and doing things right most often didn't qualify for summer jobs and work related training. With the resolution that we recently passed, we can now include more of these economically poor kids in our youth training programs. Our teen unemployment rate is at historically high levels, possibly greater than it was during the Great Depression. So it was disappointing when we recently discovered that the modifications we made to our youth training eligibility do not apply to subsidized youth summer jobs. Consequently, we still don't know if we will be able to help more poor kids who are doing things right by getting them into Youthworks. The Planning Committee discussed the issue at our last meeting.

As a result of that discussion, Ralph has sent a letter to COMMCORP, the Commonwealth's training fund administrator, asking for information on the authorizing legislation for this state's subsidized summer jobs.

We will continue to seek clarifying information so that we can persuade the authorities to allow us to match our youth training eligibility criteria with the criteria used for summer jobs. It would be good to reward more kids who are working hard in school by providing them with the opportunity to earn a few dollars – especially when some of their parents aren't working.

This fiscal year, we have so far spent Youth training money via ITAs but we hope to soon start a group program for Haverhill, Methuen or Lawrence youth who have passed at least one MCAS test but failed the English MCAS. We'll do so because one COMMCORP eligibility criteria is lack of English fluency. If possible, we'd like to tie at least some subsidized youth employment toward training and conscientious progress in English learning.

Peter said that his last review is 'green' employment. As you know, greenness deals with promoting renewable, safe energy, conservation and the protection and repair of our natural environment. It's an industry sector that's still largely dependent on the public purse because carbon based fuel is still cheaper. But much carbon fuel is controlled by people who want to harm us and its unregulated use will probably increasingly harm the environment and us so it makes sense to plan for the future and support it publicly. This WIB received some of that public money for green employment training via our partnership with the Northshore and Lowell WIBs. It mandated that we use our \$188,000 training allocation to train 36 new green employees and 35 incumbent ones but green energy industry budgets are tight and most green industries find it difficult to commit to hire more than very high skilled and absolutely essential employees. Therefore, we've focused on activities that repair existing space as well as renewable energy. As previously reported, the International Institute has a green handyman program that separately funded with \$70,000 in ARRA money to teach up to 15 students how to assist with solar panel installations and other green activities. We've recently agreed to provide NEXAMP with a little less than \$5,000 in incumbent training and then about an equal amount of dollars for each new employee to be trained before hire until all of our green partnership contract money is allocated. We've so far dedicated almost \$37,000 for Lawrence Training School to train 35 incumbent Asbestos and Lead Abatement workers and plan to soon RFP an additional \$100,000 for new worker training in the same fields. All told, our group training contracts will reach at least 75 actual and prospective green workers.

In closing I can say that we are making progress but that there's a lot of work still to be done and that work won't be finished until all of us are well beyond retirement age.

- ***Youth Council***

Youth Council Chair Cal Williams reported that the youth RFP of \$104,000 for group training will be released to potential vendors this month. Programs are to begin by April. He said that we are looking for vendors to provide English Language Arts MCAS remediation and job exploration after school for in-school-youth, and give them preference for a summer job. Lawrence High School English Language Arts MCAS results in the Needs Improvement and Warning/Failing are 30% higher than the rest of the state. The target population is juniors and seniors who have passed at least one MCAS (math or science) test but are still in need of English Language remediation. The reward is the link with summer jobs. After the program ends, we will offer them enrollment in our Pathways or Connecting Activities programs. The philosophy is to help youth while they are in school and reward

them with a summer job. We hope to work with the school systems to serve youth we have not served in the past.

Cal said that our Youth Council has voted to serve 70% Out-of-School youth and 30% In-School-Youth. We have already reached our locally required service to 70% Out-of-School Youth this year, so we can target In-School-Youth with these funds. He also said that we met the 70% for the Out-of-School youth through WIA group programs and Individual Training Accounts. Education is a way out of poverty. Youth are getting mixed signals. If they come from families with low incomes and they are doing well in school, they may not qualify for WIA programs.

We are trying to increase the numbers of positive outcomes for youth. Our new local barriers, based on WIA-approved barriers, will allow us to serve more young people. As reported at the last MVWIB meeting, these barriers are: 1.) Youth Living in a Designated Census Tract Poverty Area (as designated by the Commonwealth of MA, City of Lawrence or other data source); or, 2.) Resides in a non-traditional household setting; or, 3.) Youth Living in Public Housing.

The Youth EMT program that was recommended to the board for funding and was approved was not filled. As reported at the last MVWIB meeting, this program had serious problems with recruitment and numbers of appropriate youth to sustain the program. Any youth that did meet program requirements were moved to the Adult EMT program. The Youth Council recommended to the Planning Committee to de-obligate this contract up to \$58,000, the original amount of the contract. There are invoices that need to be paid because LARE had incurred some necessary expenditures. The balance will be allocated to Youth ITAs.

The MCAS Remediation/Cell Phone work and learning program last summer was funded by the Dept of Elementary and Secondary Education and YouthWorks summer jobs. Many of the participants had received high school Certificates of Completion, meaning they completed and passed all their classes, but did not pass the MCAS. Youth often do not return to take the MCAS when they have finished high school. Cal noted that with this partnership, we were able to serve the youth through the summer and refer them to our Pathways to MCAS Success program in the fall. They remained engaged until November, when the test was next given. Eleven out of fourteen participants took the MCAS test, although we don't have the scores yet.

The teacher externship program is beginning. We have one business on board so far – Strem Chemicals, one of our WIB members that will contribute tax-deductible monies to the MVWIB for the support of one extern. We are looking for other companies interested in supporting externs. These are math and science teachers who want to learn more about the workings of an industry in order to make their curricula more dynamic and up-to-date. Please let Howard Allen or Deborah Andrews know if you would like more information on the program.

6. Remarks of Southwick COO John Martynek

Joe introduced John Martynek, COO of Southwick. Joe said the best suits in America are made at Southwick.

Mr. Martynek thanked the board for coming and said that he is proud of what they are doing at Southwick and is happy that we can bear witness to what they do. They are continuing to grow with a 20% increase since January 1st. The corporation has approved a new line to create quick, clean

manufacturing and is developing mass customerization such as web based sales direct to customers. He noted that the big runs are going to die and we need to become flexible. He encouraged visits to this facility and is pleased to be manufacturing products in the United States and the Merrimack Valley.

Joe Bevilacqua said the John served as a panelist on a statewide economic development forum and explained the entire process of making suits and how the company changed and adapted to keep up with modern times and the latest high tech procedures.

5. (Continued) Reports of Committee Chairs

• *Nominating Committee*

Joseph Bevilacqua said that Nominating Committee Chair Ann Ormond was unable to attend due to a prior commitment. He then proceeded to introduce the newest board members Nancy Tariot, Eric Mane, and Evan Silverio.

7 Report of Executive Director

WIB Executive Director Ralph Abislaiman began his remarks talking about the obligation logs which show the Career Center well ahead in almost every category. They trained more people except WIA adults and supplemental ARRA slots which are only used as needed. Overall the Career Center is well ahead of plan. Ralph then said that the Report Summary as of 12/31/10 also shows job seekers ahead of schedule. New employers are a little bit behind but he feels the Career Center will make a good attempt to correct. Every other category is ahead of schedule.

Ralph then referenced a handout on UI claims by job type as of 11/24/10. The highest claimant numbers are highlighted in red and are jobs in health care which is one of the four focuses in the High Performing WIB submission and include registered nurses, LPNs, pharmacy techs etc. There were a couple of surprises, one being packers which Ralph said probably reflects the recent Sunoco workers laid off in Devens. These were \$10 an hour jobs that are going to Mexico and 600 were laid off. Ralph continued stating that the biggest surprise was the number of managers and executives. The green highlighted jobs include carpenters which are the hardest hit in our region. The yellow highlighted jobs are office support staff and customer service positions that have also been hard hit by this recession. He thanked the Career Center for this information. He then explained a chart that compares the LMV to the state by percentage. Construction is higher by a 40% difference than the rest of the state and Office is slightly less.

We have received \$480,000 from the government for TRADE training. The greatest portion of the training money went to ESOL, \$100,000 to miscellaneous and \$82,000 to Management.

Ralph said, as Peter Matthews mentioned earlier, we tried to modify or expand the number of youth we can serve in different categories. We are mandated to serve 95% poor youth. The question is do we want to serve exclusively youth who have a problem in school, dropouts, homeless, or juvenile delinquents or try to expand the number of kids we reach, some who are doing better in school. We need to refocus on education as a way out of poverty. For the past 50 years we have provided money for those who drop out. With the funds that we have which are far less than the school systems we need to find a way to help kids who are doing better in school. It is difficult to change the course but we are trying.

Jeff Linehan asked if it is prudent to spend money on training for jobs that aren't there and said that the cost of doing business in the state is high. He spoke about the high cost of health care for employers.

Joe Bevilacqua said that is the concern, to make sure that training funds connect people to jobs. In the past, we provided training but now along with the HPW we need to connect training to potential jobs and employers and identify where the jobs are. Many young people don't have the education or skills and are not ready to go into the workforce. Joe said that he doesn't think the cost of health care will be going away.

Mike Munday said that with top management position UI claims it sounds like businesses are leaving the state. We are trying to put people to work and our population is going down. We should look at linking up with urban development. Joe Bevilacqua said that the major difference with this recession is that it impacts white collar jobs as well as blue collar. As Chili found out working with Lucent, it is very difficult to place managerial staff.

Mayor Fiorentini spoke about the food processing industry and said he had met with minority workers who need ESOL and training and wondered about working to assist this group of workers.

Ralph said that Mediterrean Foods had received Workforce Training Funds for ESL that were cancelled due to a bureaucratic misunderstanding. Individual people go to ABE programs. The Mayor suggested taking a look at this and also mentioned Nestles. Chili said that both Joseph's Gourmet and Nestles recruit at the Career Center in Haverhill weekly and also participate in their job fairs.

Bob LeBlanc said that we are trying to develop more synergy with employers by having partnerships with employers and having the training done by the companies. As discussed in previous Planning Committee meetings, training program curriculum doesn't address the technology and computerized training necessary today. It is too expensive for the vocational schools to invest in high cost equipment and what were traditional jobs are now computerized. We would like to allocate to those companies for particular training and employment. As part of the HPW we could be leaders that way.

Jeff Sheehy said that he can find line people but his problem is in turning them into supervisors and managers. Educating them on how to utilize help and do three or four things at once. Trying to train to the next level and help them to step up the ladder.

Chili mentioned On the Job Training (OJT) and Workforce Training Funds. Joe said that OJT is subsidized training where wages are subsidized with the goal to bring the unemployed and train them for jobs. Chili said that there is a state NEG grant for OJT. The State NEG will subsidize 90, 75, or 50% of wages depending on the size of the company. There are limited slots in this area but said that he would talk to anyone who is interested.

Julie Gadziala said that staffing is her business and finds that there is a bias against the long term unemployed white collar workers. She can't get them interviews. Joe wondered about encouraging volunteers in their field and talked about setting up a meeting on this issue. Susan Jepson said that her clients are 55+ white collar workers, many who are working 20 hours per week or in volunteer slots due to the need to keep busy, and for self esteem, etc.

Joe said that he and Ralph have met with Superintendent DeRosa and will be meeting with Greater Lawrence Vocational School on these issues. He also said that the Community College is also on board with us.

Paul Durant said that he has hired four people and still has eight open positions. He can't get production or project managers. Joe said that the USDOL Secretary Jane Oates is a strong advocate for OJT. Mike Munday opined that the federal level will pay people to sit on the couch and we have to fight for OJT money.

Ralph said that he and Joe listened and would meet to discuss and respond to your ideas. Joe said that there was a history with OJT where some saw it as giving money to employers now the idea is coming back and WIA mandates that we work together with employers.

Jeff Sheehy said that when he was looking for a supervisor it was very frustrating as he had fifteen interviews. He said that folks are very picky about the jobs they will take.

Joe said that this was a good discussion and we will meet to talk about the food service industry. We want to serve you, especially if you have jobs.

Ralph then mentioned the idea of a ½ or 1 day retreat for WIB members in reference to the HPW to take about issues, perhaps in the spring. He said that we would send out a survey for the best day and time.

Joe then said that our next quarterly meeting would be in Salisbury in April.

Cal Williams again mentioned teacher externships and what an excellent investment they are. He urged contacting Deborah Andrews or Howard Allen.

8. Adjournment

Having no further business Atty. Robert LeBlanc made a motion to adjourn and Jeff Linehan seconded the motion. Motion passed and meeting was adjourned.

Respectfully submitted,

Mary Kivell

Recorder