



STATE WORKFORCE INVESTMENT BOARD

JANUARY 27, 2012

MINUTES

MEMBERS PRESENT: Fred Webber, John Butera, Don Berry, Laura Boyett, William Burney, Susan Corbett, Tom Davis, Scott Good, Wayne Holmquist, State Representative Peter Johnson, Renee Kelly, Carolyn Lockwood, State Senator Thomas Martin, State Senator Garrett Mason, Edward McKersie, Peter Pare, Steve Pound, Chip Roche, Gerard Salvo, Gail Senese, State Representative Amy Volk, Barbara Woodlee, Terry Young

ATTENDING AS PROXY FOR MEMBERS: Mel Arsenault for Craig Larrabee, Rick Parent for Gary McGrane

MEMBERS ATTENDING BY PHONE: Mel Clarrage, Tracey Cooley, Joanne Harris, Margaret Harvey, Kevin Healey, Dan Muth, Liz Ray

MEMBERS ABSENT: Mark Adams, John Leavitt, Deb Neuman

GUESTS: Maine Department of Labor Commissioner Robert Winglass, Deputy Commissioner Jeanne Paquette, Michael Bourret, Joanna Russell, Jeffery Sneddon, Craig Anderson, Debbie Kelly, Heather Stott, Dawn Mealey, Ryan Pelletier, Steve Duval

STAFF: Peaches Bass, Garret Oswald

State Workforce Investment Board (SWIB) Chair Fred Webber opened the meeting with welcomes and introductions. Fred then gave a Chair's report, indicating that he has attended various meetings to hear and learn as much as possible from stakeholders. Regarding the workforce system, he concluded by saying "It is clear that changes are needed."

Fred asked for approval of the 12/13/11 SWIB minutes; Susan Corbett made the motion, Chip Roche seconded, and the motion passed unanimously.

John Butera outlined the Governor's proposal concerning a restructured workforce development system. John stressed that there are two customers of the system: citizens and employers and we need to be responsive to both. He also spoke about maximizing the return on investment for state and federal funds. Additional goals include expand funding for job training, increase involvement of private sector job creators, increase relevance to business, expand input at the local level and to the SWIB, and increase customer service and consistency of state-wide policies.

Garret Oswald, SWIB Director, then presented the three key points of the Governor's proposal; Redesignation of the local workforce areas to align with the eight Chamber of Commerce regions, submission of a waiver to US Department Of Labor Employment and Training Administration (USDOL ETA) for the SWIB to carry out the roles and functions of the Local Workforce Investment Boards (LWIBs), and development of new performance measures that reflect Maine's workforce development goals and guide the new system. Steve Duval explained the Program Year 11 WIA funding and the administrative component that goes to the four current LWIBs.

After the presentation, member's comments and questions were recorded for submission to the Governor;

- Representative Pete Johnson (District 27): Agree strongly with Governor. We need to understand what the education system needs to address our challenges.
- Steve Pound (Cianbro and LWIB Board Chair, Central Western Maine Workforce Investment Board): What's the bottom line? The systems need support. Have you run numbers on what the savings will be?
- Steve Pound (Cianbro and LWIB Board Chair): I'm a little skeptical.
- Chip Roche (NewFab): How does this proposal affect the LWIBs? How does this work?
- Meg Harvey (Maine Dept of Education Career and Technical Education) : How do you save money going from 4 to 8?

- Renee Kelly (University of Maine) : As a representative of the local Chamber, I recommend that you make presentations to local chambers right away. Their functions will require some resources.
- Gerard Salvo (Coastal Enterprises Incorporated [CEI]) : What happens to the LWIBs? What conversations will you have with them?
- Steve Pound (Cianbro and LWIB Board Chair) : I know how much capacity that exists and I'm concerned that some rural areas will not be served by regional chambers
- Tom Davis (LWIB Chief Local Elected Official [CLEO] from Penobscot County): Years ago we found out we couldn't depend on Augusta. We know things can be done better. I'm not sure this is it. The Bangor area combines economic and workforce development. I see the potential to do some harm here. I'd like to be in agreement with the Governor but I'm not sure I do agree. We should move a little slower and make sure we do it right.
- Susan Corbett (Axiom): I don't see this working; the local and regional chambers have trouble taking this on. I'm concerned about how well the rural chambers will do this; they have limited funds and staff and no background in this.
- Steve Pound (Cianbro and LWIB Board Chair): I'm worried about how they'll deliver services.
- Steve Pound (Cianbro and LWIB Board Chair): Who has control of the money? I'm concerned that there's equity in allocating resources.
- Gail Senese (Maine Department of Education Adult Education): I hope the chambers will work with businesses, but we need to include education for training new and dislocated workers. The businesses have to understand –where's the opportunity for the other Commissioners to have input?
- Mel Arsenault (Jobs for Maine's Graduates, for Craig Larrabee): It would be helpful if you put together "job descriptions" for the chambers. And the funding will still come in by formula?
- Steve Pound (Cianbro and LWIB Board Chair): If an area doesn't use all of its funding, are the unspent funds reallocated to other areas?
- Steve Pound (Cianbro and LWIB Board Chair): If businesses had local input to education, we would better utilize the resources. Our job is to graduate the people in education to provide a workforce.

- Carolyn Lockwood (Maine Department of Labor Bureau of Rehabilitation Services): The Governor may have trouble making a decision unless the Chamber tasks are well defined.
  - Barbara Woodlee (Maine Community College System): Community College completion rates in health care programs are 100%. Completion rates in the occupational programs, such as precision manufacturing, are very strong. The liberal arts programs less so. When we look at return on investment, it's how quickly our graduates make money and pay taxes. We want a system that has long term success, not just short term job acquisition.
  - Rick Parent (LWIB CLEO from Knox County): Ours is the best LWIB in the state. Very professional. Concerned. I think this new system will be fragmented.
  - Mike Bourret (LWIB Director, Coastal Counties Workforce, Inc.): It looks like a single state delivery system with local authority in name only. No one is talking to me as an LWIB director. There hasn't been collaboration. The LWIBs are being demonized. My experience is that most local chambers didn't respond to our RFPs. They've had difficulty fulfilling contract obligations. I'm not seeing savings. BES will have to add more staff.
  - Fred Webber (SWIB Chair): Why did the LWIBs refuse to meet with the Governor?
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- Mike Bourret (LWIB Director, Coastal Counties): The meeting was rescheduled and we couldn't make the new date and we told the Governor. We're still waiting for a new date.
  - Lydia Sy (Manpower): I can't see this wiblet structure. Do you see the service providers staying the same?
  - Ed McKersie (Pro Search): It sounds like some of the concern is that this is new. What research have you done on this? Best practices?
  - Mike Bourret (LWIB Director, Coastal Counties): Isn't Vermont a single state WIB?
  - Susan Corbett (Axiom): Have we considered having an LWIB director speak at one of our meetings?
  - Steve Pound (Cianbro and LWIB Board Chair): The meeting with the Governor was scheduled for a day when three of the four LWIBs were holding their quarterly meetings.
  - Scott Good (Cresendo Consulting): I endorse integrating economic development with what's happening. We have to transfer the good work and knowledge of the

LWIBs to this new structure, provide a framework for business participation, develop policies and procedures for how to participate, and develop metrics to gauge success.

- Joanna Russell (LWIB Director, Tri County Workforce Investment Board): Is the state going to remain a service provider? There may be a conflict with its new role.
- Ryan Pelletier (LWIB Director Aroostook/Washington): We don't have a regional chamber in Aroostook County. I hope you involve us in the areas where we already do economic and workforce development.
- Ryan Pelletier (LWIB Director Aroostook/Washington): I don't think much thought has been given to the needs of the rural areas.
- Chip Roche (NewFab): Are we as the SWIB being consulted now?
- William Burney (US Department of Housing and Urban Development): John Butera said that 48,000 people are out of work. It would help to know what they look like—male, female, their backgrounds.
- Representative Amy Volk (District 127): This is exciting. Very supportive. My biggest concern is the culture change in the LWIBs as we work together on this new model and go forward with the Governor's vision. We have to make sure the workers receive the highest benefit. I have concerns about the rural areas—it may not always be the chambers, but it could be economic development. I'd like to see the resources where they're needed.
- Gerard Salvo (CEI): Appreciate the time you spent today with the Maine State Workforce Board explaining the new structure and format. I think change is good and as witnessed in some of the feedback, change can be difficult. This will be a real opportunity for the Chambers to step up to the plate and they should welcome the opportunity.
- Wayne Holmquist (Entrepreneur) : I personally think you're on the right track working with the Regional and Local Chambers:
  - a. The closer to the job creators one gets the more effective, I believe.
  - b. I've owned businesses in many areas of Maine and always had contact with the local Chambers, yet never before being approached to serve on this committee or heard of the local WIB or in fact the CareerCenters.
  - c. As chairman of our town's Revitalization Committee, I asked all the local businesses at this month's luncheon if they had ever worked with the local WIB or Career Center and not one hand was raised. After explaining what I knew about same, the question was "What kind of outreach do these folks have if none of the local employers even know they exist?" Yet I believe most are Chamber members and interested in

economic development, broadening the local tax base of the community, job creation, and a employee source.

d. I believe it will help rural Maine more than current system, absorb more job searchers, the business owners will feel your on the right track also and began participating in the process. The local and regional chambers certainly know the local market well and aggressively pursue every opportunity to help in their areas of Maine.

END OF COMMENTS

Next on the agenda was a Program Policy Committee update by Peter Paré. Peter noted that the meeting 100% attendance, and there was lots of good energy and conversation. Peter said two issues of interest were Temporary Assistance to Needy Families (TANF) training requirements/available funds and Tax Increment Financing (TIFs) as community training funds. The committee wants to hear more from Liz Ray about TANF, and from Deb Neuman about TIFs at the next meeting.

Last on the agenda was Representative Peter Johnson, who presented a draft bill from the education committee regarding Rapid Response Workforce Training at the Community Colleges. Rep Johnson said it was a good example of the kind of legislation that is needed to address capacity issues in the education system. He noted that this system is like a battleship that can be turned, but it is tough work to do so.

The meeting was adjourned at 11:30  
Next SWIB meeting is March 3, 2012

Respectfully submitted by Peaches Bass and Garret Oswald.