



**PLANNING/CAREER CENTER COMMITTEE MEETING
Minutes**

Tuesday, September 20, 2016

8:00 a.m.

439 South Union Street

Lawrence, MA 01843

Members Present: Juan Yepez, Chairman
Ron Contrado, Dennis DiZoglio, Mike Munday Abel Vargas, Bob Westcott

Members Absent: Rosalin Acosta, Andrew Herlihy

Staff Present: Rafael Abislaiman, Susan Almono, Mary Kivell

Others: Amy Weatherbee

I. Approval of Minutes of July 19, 2016

A quorum being present, Juan Yepez called the meeting to order at 8:10 a.m. Juan then called for a motion on the minutes of the July 19, 2016 meeting.

Motion by Mike Munday, seconded by Bob Westcott, to approve the minutes of the July 19, 2016 meeting as submitted. Motion passed.

II. Performance Summary as of August 31, 2016

Rafael Abislaiman reported that performance numbers are self-evident and mentioned that the number of 759 for Employers Served indicates 108% of plan. He said that we are looking into this number. The state reporting system, MOSES, was recently revamped with update classes offered this past summer. The new way of tracking and inputting data may have caused a calculation error. We would expect that the number would be one sixth of plan as of August 31, 2016.

Rafael continued stating that there are still unresolved issues related to state employee lay-offs. The state had budget cuts and several DCS positions have been defunded but the employees are still here. DCS has indicated that there is a possibility that they will obtain more money to cover their staffing until January 1, 2017. The number of staff that will be laid off could go up if the state doesn't come up with additional funding. Starting at the end of

October, a delta for state employee salary and overhead will start to build and accumulate to about \$400K by June 30th. Juan wondered when we may know on the funding and Rafael said that resolution has been pushed back several times with the latest one being till January. The State requires lay-off approval at several levels. Rafael said that the local controversy focusses on who gets laid off with the State preferring to keep the senior staff and municipal staff arguing that we don't want as many DCS Chiefs as Indians. There are seven people in question, more if additional funds aren't available. Locally, we incurred a 12% budget cut in formula funding but we have been able to attain grant money to help offset that reduction and more.

Bob Westcott questioned the Dislocated Worker number at 103% and Amy Weatherbee said that we inflated the number when we included Polartec employees in the Dislocated Worker category. Rafael said that Polartec staff told Chili and him that the company was essentially a sole proprietorship held by a family. When the only family member interested in keeping our local Polartec going passed away in an airplane accident, the rest of the family decided to divest itself of the site and to move the operation to Tennessee. Amy said that they are keeping administrative staff and that they have another site in Hudson, MA.

III. Budget Update as of August 19, 2016

Rafael said that with the exception of the state employees we are pretty much on track. He explained that the Personnel Costs includes the Summer Youth wages, fringe and stipends. We had over 275 youth this summer who earned \$10 per hour. Bob Westcott questioned non personnel costs and Rafael said that past year accruals drive that number up. Ron Contrado asked what equipment we rent and Rafael said copiers and phones.

Rafael continued stating that we began paying the holdover overage for rent beginning in July which will be covered by an abeyance on license payments at the new site.

IV. FY'16 Performance Summary and Career Center Activities Report

Career Center Director Amy Weatherbee said that she had prepared a chart that focused on the Business Services Representative (BSR). She explained that there are four BSRs whose workloads are determined by territory (Newburyport/Amesbury, Groveland/Boxford area, Greater Haverhill, and Lawrence/Methuen). Amy said that Plan numbers are generated by the board. Mike Munday wondered if the number of repeat employers served is actually 423 or if they are repeats that are counted every time. Amy said that the career center provides a number of different services. Amy said that the Employer Recruitment number is slightly inflated as UPS is doing recruitment exclusively at ValleyWorks.

Amy continued stating that under other activities at the career center, Business Education and Grant Opportunities were multi-agency events. There was one in February 2016 in Amesbury attended by thirty-three (33) companies and another in Lawrence in May 2016 attended by fourteen (14). We are looking to bump it up to more than four (4) events going forward. We have representatives from MOBD and OSHA and invite the businesses to come.

Abel Vargas mentioned that Stop and Shop in North Reading is having difficulty recruiting employees. They have full time jobs that pay \$12.50 and hire part-time at \$10 - \$11 per hour. Folks who don't live close to the store have problems commuting to work for those wages. They also have truck driver openings at Pea Pod, their delivery service.

Amy reported that at recent job fairs a number of businesses that confirmed didn't show up. They pay a fee to participate and she said that the Career Center doesn't cash their check until after the event. But she is rethinking that approach in light of those who commit but don't show up. Business Recruitments (Demand 2.0).

The Career Center did recruitments for Raytheon over five days. These consisted of 11 sessions where 114 customers were screened for positions with 103 submitting resumes. The RMV recruitment saw 33 customers screened and 22 submitting resumes. Bob Westcott questioned whether we are doing a human resource function and could we set up a price list for this. Abel said that the value added is for the citizens of Lawrence and sometimes the screening process pushes people out. Mike Munday said that 50% of Raytheon's business is US government and 50% is foreign governments.

Amy said that the BSRs also supported the Youth Program in Haverhill and Lawrence Job Shadow days.

Rafael said that Brian Norris of NAMC has generated manufacturing contacts. We have also had a long relationship with Raytheon. Susan Almono said that this was good information on the different efforts and the variety of things the career center does. Rafael wondered if the geographic approach is the best model. Some regions do it by industry sector. Amy said that we have a diverse region that if a BSR had a relationship in another geographic sector they maintain it. Rafael also said a star BSR is retiring and we will be looking for a new person to fill that slot. He said that two (2) BSRs are municipal employees and two (2) are state employees. Only three other regions have that dynamic. The state BSRs don't report to Amy but to Boston. Locally it's argued that the majority of employer contacts are achieved by municipal employees. Objective data driven measures are needed. Amy said that the four (4) BSRs meet weekly and work together on recruitment and job fairs.

Rafael said that there are performance goals for every career center staff member. He's mentioned to DCS that the best way of resolving performance controversies is to have more objective negotiated measures between State and local staff. He asked Eddie Bartkiewicz to attend today's meeting but he called this morning and said he couldn't make it. The problem with our dual employee career center system are tensions between the regions and state that are sometimes aggravated by personalities. The idea staff integration (staff crossed trained to do what others do) came up three years ago and we came up with a detailed plan but State union issues derailed it. That may happen again.

Amy said that she hoped to highlight positive career center activities going forward regardless of who accomplished them.

V. Site RFP & WOIA Update

Rafael Abislaiman said that he has the draft career center RFP pretty much complete but he needs to meet with the Mayor first and then will bring it to the committee. Rafael requested that anyone who would be bidding on the RFP please leave the room and Amy Weatherbee left, thanking members for the opportunity to report on the career center and hoping to be highlighting different career center activities at future meetings.

Rafael referenced the License Premium Cost Recovery Agreement between the MVWIB and the city and mentioned that the city and Mayor have been very generous trying to do what is fair. The City volunteered to pay holdover costs and additional moving costs if our move is done in phases.

Juan Yopez asked if the WIB had hired an attorney to look over the agreement and said that the city attorney is the same attorney who drafted the document. Rafael said that we need to consider that there is a partnership between the WIB and the CEO, who appoints members to the board and is our partner under WIOA. The Planning Committee could attempt to amend. Juan said that no one is opposed to the plan but he has some questions on language. One is why it states license rather than lease. Abel said that is a technicality as a lease over a certain number of years would have to go before the city council for approval. Juan said that he feels that from the standpoint of the tenant a lease offers more protection. He said that he wanted to bring it up for discussion. Abel said that in the event the WIB and the career center move in different phases because the city doesn't have the space ready, the City would pay the difference. It is also covering 100% of holdover fees.

Juan also questioned the process for direct reimbursement from the city for any and all payments incurred over and above \$93,696.00. He also suggested #3 in the draft agreement be eliminated. He also recommended changing the wording of #8 to state that once the space is 100% ready for permanent occupancy the city's obligation to pay the holdover fee stops. He said that he is not an attorney and is not trying to stall but wants to ensure that the Board recommends improvements. Mike Munday said that the language needs to be clearer. Bob Westcott also agreed.

Rafael explained that licensing is a term we should keep. The board is the legislative entity under WIA and WIOA and including the city council in WIOA processes will diminish the MVWIB. We budgeted for a required move and allocated \$93,696 to move to the RFP winner in downtown Lawrence. We had to move because the current landlord was not the lowest bidder. We also only have \$1m set aside to cover vacation, sick leave, and unemployment in the event of a wholesale layoff. The City has a fiscal liability for any costs above that number and we are City of Lawrence employees who may result in much higher costs.

Abel said that the city has a debt service of \$8m which the City Council has already been approved and budgeted to buy and rehab the building. The lease payments will help offset some of those costs. The city is charging \$11.92 per square foot for rent, lower than the lowest bid received in response to the RFP.

Juan said that he is just trying to protect the Planning Committee and city from any potential issues and is not here to prevent it going forward. He feels that an attorney needs to see our side and that the agreement should stipulate a 45-day prior to move notice of availability and completion. Juan wondered what date we are targeting and Abel said December 1st. Rafael said that we will also need to RFP for a phone system and Juan said that would take time.

Rafael also said that date is questionable due to construction dynamics. The Mayor is using the December 1st date to maintain a sense of urgency. Abel explained that all parties meet weekly and try to be fair and comprehensive. There may be some discrepancies but we've put a plan together for better service to users and to help the city as well.

Rafael said that all staff are municipal employees and we have created fiscal liabilities for the city. The city will now get some financial benefit (\$240,000 per year) from its role.

There was discussion on the cost of hiring an attorney. Rafael said that we have a board member who is a real estate attorney and perhaps she could take a look at the document to get her perspective or someone else pro-bono. Juan state that, if no pro-bono attorney is available, we'll contract one to look at but not spend lots of cash.

Motion by Bob Westcott, seconded by Ron Contrado, to direct Rafael and Juan to meet with Atty. Wendy Estrella to cover the interests of both parties and to shore up the language vs. changing the terms of the holdover portion and to be clear on when lease payments start if there is a two phase maximum. Otherwise a private attorney will be contracted. Motion passed unanimously.

Rafael then said that related to the Career Center RFP, he we will include an indemnification clause in case a new bidder is successful and wants to move the career center to another site within four years. Juan said that we need to look at how to protect ourselves and the City.

VI. Other Business

Bob Westcott said that he has been asked to speak in Methuen this Saturday regarding the opiate addiction crisis and wondered if the WIB had any points he should bring up. Rafael said that one thing he knows is that many employers do drug testing for jobs and that is someone tests positive it disqualifies them. Bob said he thinks that if someone has overcome their addiction problem they should be able to put themselves forward without reserve. Members of the committee wished him good luck with his presentation.

VII. Adjourn

Having no further business Bob Westcott made a motion to adjourn the meeting seconded by Mike Munday, and the meeting was adjourned.

Respectfully submitted,

Mary Kivell,

Recorder