



PLANNING COMMITTEE MEETING

Wednesday, August 28, 2013

7:30 a.m.

Merrimack Valley Workforce Investment Board

Lawrence, MA 01843

Members Present: Peter Matthews, Robert Leblanc, Mike Munday, Ron Contrado

Members Absent: Juan Yepez

Staff Present: Rafael Abislaiman, Arthur Chilingirian, Corina Ruiz

I. Approval of Minutes of July 9, 2013

A quorum being present Peter Matthews called the meeting to order at 7:45 a.m. and called for a motion on the minutes of the July 9, 2013 meeting.

Motion by Ron Contrado, seconded by Mike Munday, to approve the minutes of the July 9, 2013 Planning Committee meeting as submitted. Motion passed.

II. Update on the Commonwealth UI Online computer-based and phone-based systems

Arthur Chilingirian said that on July 1st the State went to a new computer based system that is currently only in English. The new system's purpose is to have fewer customers visit Career Centers to do their UI applications and instead used computers at home or in libraries to do so. The system unfortunately has had many glitches and the State has 80 employees still trying to figure out what the issues with the new system are.

We have seen a decrease in the number of people that visit the center. The State continuously says that the system is working wonderfully yet if you read the newspaper it says the system is not working as it should. We are currently working with the State because we don't want to go backwards; we no longer want UI walk-ins. The problem is that the new system is only in English; therefore, our limited English speaking customers cannot get through the system unless they have somebody at home working with them. Our staff can only navigate the system with the customers and cannot do it for them.

Customers have had many issues, from no payments, trade petitions being delayed 8 weeks, people waiting 10 weeks for checks. The State has a long way to go to get the glitches resolved. Chili said he met with Alice Sweeny, who's head of DCS and Michelle Amante, who heads the Department responsible for UI on-line, to see if they would allow the State UI staff to meet with

customers, not to do one on one claims because he doesn't want to go backwards but to resolve small issues. If they give us that ability, we will be able to resolve a lot of short term issues; I believe we will be getting that. We used to do serve more than 1,000 people in the Lawrence and Haverhill Centers per month and we are now down to 400 who come to the Center to use the telephone or the computer for UI on-line. Some customers are having a hard time with the UI On-line telephone system and wait hours to be helped.

Chili explained the case of a young man who he sat with and waited on the phone for six hours. I had him write an incident report since he was not able to get through the system and had to leave because he was hungry after waiting so many hours. Once a customer gets through the system after waiting they are transferred to the overpayment unit and then it just hangs up on you. Chili said he called the State to tell them what happened and they said that the wait is only 30 minutes. But the system is not customer friendly. The call center hired about 100 people and they are still sending people to the unemployment office (WVWCC) when they can't help them out. I am not an unemployment office and we are trying to get that message straight. Chili said that it is getting better and people who are able to get through the system can do it but there are a lot of people who are having a hard time.

Chili said that there are people whose checks are being held and in the thirty years that he'd been here, he's never seen so many people in tears, breaking down. Chili hopes that in FY'14 we will have Spanish in the system and they are also working on Portuguese. We will know more in the next couple of weeks. The State is also bringing new staff in to the Career Center and Chili is afraid a lot of his staff will be applying for those jobs because they are higher grades. All WVWCC staffs have been trained so they can easily help a customer navigate through the system.

Mike Munday said that it sounds like they didn't data test the system before launching it and that they should have launched it in a small center first. Rafael said that he had recommended a pilot program at the Hurley Building in Boston to the State. But, Rafael said, instead Boston made an early decision to countermand their own order and continue to serve people face to face. They sat down with customers and helped them do things on the computers and their customer service numbers did not go down.

Chili said that the sad part is when customers come in to the center and they cannot help them; they see the Career Center as a poor service area and they will not come back for other services. Rafael said that the State says that only 10% of the people are having problems with the system but that is still thousands of people Statewide. Chili said that customers are getting letters saying they owe money and Rafael added that everything is automated so people might get a letter saying they are eligible for an extension and the next day they get a letter saying they owe the system money. Some extension notices are for periods that occurred months ago. Chili said that has instructed his staff to help the customers as much as they can.

III. Update on a Career Center site RFP

Rafael said that we must RFP our Lawrence site because our current lease at Heritage Place comes up at the end of December. We may move closer to downtown or stay at our current site at lower cost. The Career Center next door is slated to cost about \$350,000 a year next year. Our hope is to reduce the size and the cost. The Mayor had some interest in moving us down town to help

revitalize it. Rafael continued by saying that staff don't share that opinion. They think we have fewer clients because fewer people who don't live in Lawrence are willing to go down town.

We will create an RFP where we recognize the advantages of this site but which opens the door to other sites closer to the center of the city. Rafael asked if anyone from the Planning Committee wants to be part of the search team. As currently written, we hope to have three Board members, and three staff - Chili or a VWCC staff, Rafael or a WIB staff and a State staff member who may also be a board member. But things are up to the Mayor. We figure the build out will take at least two months if we go to another site and we would need to make a decision by mid or late October.

Mike Munday asked when the lease was up and Rafael said December 31, 2013. We have already notified the landlord that we may be leaving and that there will be an RFP. If we stay here we would aim for a 20% reduction in space. Currently the VWCC space is 18,000 square feet. In the RFP draft, we put the need for 14,000 square feet. There is a possibility that the WIB office would give up their space and move in with the Career Center. We would like to get the RFP draft to the Mayor's office this week for their review. Chili said that we are currently in a great location and that everyone who visits loves the space.

Mike asked if we have to go out with an RFP for the lease. Rafael said we do have to put out an RFP. Ron Contrado said that maybe we can get the same amount of space and reduce the cost by 20%. Bob Leblanc said that if we move to down town Lawrence, clients from Methuen will not go. Chili said that clients from North Andover and Andover won't either. He has already seen a drop in clients since he closed the Haverhill office. We do have a space in Haverhill but for UI online only; and we have two staff. Ron volunteered to be in the search committee. Peter Matthews asked if we have to go with the lowest bidder when we RFP. Rafael said that we don't have to. Chili said that we will put out an RFP with our expectations and then we put our cost separately. If you chose a winner that it is not the lowest bidder, you have to have a good justification. Mike asked if our lease right now has an extension provision. Rafael said that our lease was written for five years with a three year extension and the RFP occurred in 2000 so the lease started in 2001. There have already been a couple of extensions Chili said that the main reason we want to do an RFP is because the way the lease was written if we stay here past December 31, 2013, the cost would increase.

Rafael said that the Haverhill site is located in Northern Essex Community College in a small footprint and the understanding has always been that we would get a larger one. The college is debating where to put us but it looks like we will be going into the bookstore which is located inside the Student Union Building, with 2,300 sq feet. We spoke to them a couple of days ago and they want to put the Veterans service office in there as well but we don't think that will work because of the space requirements. The CFO would like to have us pay but Lane Glenn wants us there and has directed them to get us into a space with or without cost. In the conversation the CFO said he wanted us to pay \$20.00 a sq foot but then he also said they could charge us nothing.

Bob said the is volatile but a very good guy. Rafael said we are hoping to offer the college \$7.00 sq feet for 2,300 sq feet with utilities included. The college offered that we keep the space we currently have for UI online and then we will give you the other space with the VETs. But Career

Center staff think that would be more expensive for us because you need supervision and support staffing in two locations.

Chili said we always have always had a VET rep in Haverhill; we service the second highest of numbers of veterans in the State and place the second highest number of veterans. Rafael added that the placements are at the highest hourly wage. Bob said that is a story we should tell.

Chili said that 2,300 sq feet is not enough because he needs a break room, storage area and 6-7 staff. Rafael said that even if we go in to the bookstore it may be temporary because they want us to go into a new building with another office that's called Opportunity Works. The college has some responsibility to fill out that space and would like for us to move there. Chili said that there is a possibility that the move can be made by November 1, 2013.

IV. Draft city of Lawrence CEO/MVWIB Agreement Options

Rafael said he has prepared a draft CEO Agreement and that he will offer the Mayor three versions of it. One will have us separating staffing from the City over the next three years. That addresses the State's desire to remove WIBs from municipal employment and our desire not to be integrated us into the City's fiscal systems. We offer a separation in order to retain our own fiscal system which has been working very well for more than ten years and in order to be in closer compliance to the State's wishes. The Career Center would also be RFP'd so that most of it's staff would no longer be municipal employees.

The downside to that scenario is that non-vested employees would lose the opportunity to collect State/municipal retirement. The City may not be willing to do that for various reasons. They include that the retirement system is a pay as you go system. There wouldn't be people contributing to the retirement system anymore but the City would still be liable for the former retirees. The public retirement system would need to pay people who were vested before the break.

That would be the most extreme of the three scenarios Rafael envisions submitting within the next week or so. The second scenario has us maintaining the current municipal employee status but offering the City only liability for WIA. The WIB 501(c)3 would become liable and administrator of record for all non-WIA funding. All of the new employees to be hired by the WIB would be non-municipal employees so the City wouldn't incur retirement liability for them. We would also try to separate non-personnel procurement and disbursements and non-WIA programs from the City. The third scenario would keep things roughly the way they are right now. The retirement overhead is not addressed but it's a system that keeps most employees happy, that is unless Lawrence and the State's retirement system fails. We have talked about this in the past but if you have any suggestions or see anything that needs to be addressed please let me know. Bob said he likes the second option. Rafael said that any option also has to be approved by the mayor.

V. Update on new Career Center Charter Agreement

Rafael said we are working on a new charter agreement that will aim at having more tools to help us oversee the Career Center. In this time of tremendous dislocation and funding cuts we want to be as helpful as possible to Chili and his staff in getting prompt feedback on the way things are going. Bob asked if we have performance evaluations and Chili said no, that he is working on it.

VI. Update on Annual Plan

Rafael said the State initially questioned our budget and we responded to their questions and they have approved our budget. We explained to them that although our WIA training percentage was lower than what they requested when you factor in the fact that we have a lot of TRADE money, and other non-WIA programs like EPA and CEC, we are well over the minimum training amount (30% minimum while we are at 37%). We will inform the full Board at the Annual meeting in October.

VII. Update on the Summer Youth Employment Program

Rafael said we will spend all but about \$15,000 of our summer youth money and the remaining will be rolled over to a year round youth employment program. We had a slow start because the State waited for the last moment to tell us that we were going to get the funding that we ultimately got and because, for some unknown reasons many kids showed up once or twice and then never returned. We might have to reserve a higher percentage of youth employment slots next year. They would be for youth who have proved themselves diligent and hard working in our other programs. Right now we dedicate about 30 of the 230 slots to those kids and maybe next year we should increase that number. Bob said that those kids who have gone through another program successfully should have the inside track for selection; summer youth employment is a work program and not welfare. Rafael said we have to be careful how we do it because in many of the programs we have for youth, the desired final outcome goal is college enrollment or hiring in unsubsidized jobs. Subsidized jobs do not count as a positive outcome. We have had a lot of positive feedback from employers about the summer youth kids. Peter said that we want to help those who want to be helped.

VIII. Other Business

There was no other business.

IX. Adjourn

Having no further business Bob LeBlanc made a motion to adjourn the meeting. Ron Contrado seconded the motion and the meeting was adjourned.

Respectfully submitted,

Corina Ruiz

Recorder