

**WORKFORCE INVESTMENT BOARD
MINUTES OF JANUARY 26, 2005 MEETING**

Chairman Donald Hooper called a meeting of the Workforce Investment Board to order at 6:20 PM, Wednesday, January 26, 2005, at the Lobster House, Norwood, New York.

Members Present: Jack Backus, Don Brining, Sue Caswell, Paul Catanzarite, Rich Daddario, Bruce Green, Donald Hooper, Linda Manchester, Ron McDougall, Steve Novacich, Joanne Novak, Walt Paul, Ryan Schermerhorn, Mike St. Thomas, Tim Weaver

Members Absent: Genevieve Baxter, Doug Beachard, Lynn Blevins, Ken Garwood, Joseph Kennedy, Mike Noble, Linda Randi, John Tubbs

Others Present: Raymond H. Fountain, Jr., Patrick J. Kelly, Natalie Haggart, Steve House, and Dave Williams, of the Office of Economic Development; Todd Doherty of the NYSDOL; Cory Framm, Watertown Daily Times; and Tom Plastino, Citec.

MINUTES: Moved by Mr. Daddario and seconded by Ms. Caswell, the minutes of the September 29, 2004 meeting were approved unanimously.

CHAIRPERSON'S REPORT: Chairman Hooper commented that the Strategic Planning process is moving along, and would defer comment to Tom Plastino later in the meeting.

Chairman Hooper reported that he recently attended a Youth Council meeting and found it to be very informative, having received additional information on the effect the minimum wage issue has on youth programming. He will comment on this later when the resolution is moved for consideration.

COMMITTEE REPORTS:

Marketing & Quality Assurance Committee: No report.

Youth Committee: Sue Caswell reported that the January 18th Youth Council meeting focused mostly on the minimum wage issue. She reported that Walt Paul had issues with the new credentials. Mr. Paul noted that there were conversations at the meeting regarding the State's Technical Advisories regarding Common Performance Measures, especially the guidelines set for performance measures and how we deliver services. He noted these dialogs would continue. Chairman Hooper noted that this was the first Youth Council meeting he had attended and, as a result, had learned about issues on which he previously was not aware.

Services Committee: No report.

Executive Committee: Chairman Hooper reported that the Executive Committee met on January 14th to review a number of items, including those in the meeting packet. He noted the Strategic Plan was included in the meeting mailing, but the Board would not be acting on it at this point. He encouraged all WIB members to read and absorb the material, and provide feedback on its contents. The Board's present focus is board education, and after that is achieved, they would move on to define/redefine themselves. Committee structure, at this point believed to be "broken" would need to be refocused after the Board has become more educated.

Chairman Hooper reported that Rich Daddario, Linda Manchester, Walt Paul, Patrick Kelly, and Ray Fountain would attend the NAWB Conference, scheduled for March 3-5, 2005. Chairman Hooper stressed that as many members should attend as possible for the educational value the forum provides. He stated his own personal feeling was that members come back recharged, and with new ideas and new approaches.

Chairman Hooper reported that presently there are 2 vacancies on the WIB. Natalie has copies of the Biographical Data Sheets required by the Board of Legislators for Board appointments. Completed sheets should be returned to Natalie.

Chairman Hooper noted that the WIB Executive Committee, at its January 6th meeting, discussed the possibility of utilizing email to forward information (general WIB information, meeting memos, meeting packets, etc.). Those without email capability will continue to receive information via fax and conventional mail.

Education Committee: Linda Manchester reported that the Education Committee met on January 6th to follow up on the concerns/issues the membership expressed at the Strategic Planning sessions. She noted that a matrix had been created, which included an aggressive schedule of events. Ms. Manchester stressed the importance of attending these sessions to bring all members “up to speed.” Sessions are scheduled for 3:30 PM and should last no more than 2 hours. Dates are: February 16, March 9, and March 16. The February 16th session will deal with WIB basics (history, WIB responsibilities, etc.). The latter two will focus primarily on partner agencies. All sessions will end with a Question & Answer period. Videotapes of the sessions will be available for those members unable to attend the live sessions. Ms. Manchester identified the other members of the Committee: Walt Paul, Paul Catanzarite, and Bruce Green.

CONSENT AGENDA:

Resolutions:

- “Modifying Program Year 2003 WIA Budget for St. Lawrence County Office of Economic Development Employment & Training Unit”
- Modifying Program Year 2004 WIA Budget for St. Lawrence County Office of Economic Development Employment & Training Unit” Chairman Hooper noted that these modifications were a result of underestimated costs of computers and associated software; adjusted projections and additional Dislocated Worker supplemental allocation funds. Moved by Mr. St. Thomas and seconded by Mr. Brining, the resolutions passed unanimously.

OLD BUSINESS: None

NEW BUSINESS:

Resolution “Establishing Federal Minimum Wage Guidelines for WIA-Funded Programs:” Chairman Hooper explained that the NYS legislature overrode the Governor's veto of the Empire State Wage Act of 2004 which amended section 652 of the state labor law to establish the new minimum wage increases starting in January of 2005 at \$6.00 per hour, increasing to \$6.75 per hour in 2006, and \$7.15 per hour in 2007 for all covered employees as defined in

section 651 of the state labor law. In Section 651 of this Labor Law, employees are defined and certain exemptions to the minimum wage provisions are detailed - which includes: "employee includes any individual employed or permitted to work by an employer in any occupation, but shall not include any individual who is employed or permitted to work:..... n.) by a federal state or municipal government or political subdivision thereof."

He went on to say that if we are making payments for summer youth employment with federal or county dollars, we do not have to raise our rate above the previous \$5.15/hour minimum wage. We may opt to do so as long as it does not conflict with any local laws that require us to do so. We cannot pay below the federal minimum wage of \$5.15 per hour.

Mr. Novacich moved for adoption of the resolution, seconded by Mr. Catanzarite.

Mr. Brining noted that St. Lawrence County has three programs (Summer Youth – Youth Conservation Corps (YCC); Office for the Aging (OFA); and WIA) whereby customers are on the County payroll and receiving minimum wage. OFA is mandated by the National Council on Aging to pay the higher of the two standards. Youth Bureau/YCC programs are funded by various grants (Sweetwater, Sen. Ray Meier, WIA). At this time it is unknown which standard these funding sources will mandate. Mr. Brining noted that the issue raised with the Board of Legislators on Monday was how to avoid people working side-by-side but getting different wages. Mr. Brining went on to say that it was his opinion that the business of economic development was to try to bring jobs into the County; increased jobs paying far better than minimum wage and felt it was hypocritical to use this loophole to pay below minimum wage. Mr. Brining noted that the Board of Legislators will be considering a similar resolution at its next Board meeting and indicated that he felt the Board would support the higher wage. Mr. Brining commented that Mr. Fountain has always frowned upon a company's hiring of temporary workers, low-paid workers, part time workers and workers without benefits, and for the WIB to try to pay a lower wage was in conflict with the WIB's philosophy.

Chairman Hooper shared a letter from Joanne Sevic, Youth Bureau Director, noting that the letter cites items noted at the Youth Council meeting, and that the Executive Committee lacked this knowledge when it created the resolution. After reviewing Ms. Sevic's letter, he felt it made a good case for utilizing the State's minimum wage standards.

Ms. Caswell noted that many youth service providers do not want to use the Federal minimum wage standard, noting that it lowers productivity and morale of youth.

Mr. Daddario cited his concerns that if this was a financial issue the WIB may need to look closely at the just-approved budgets to see if money can be saved in one area to cover the additional cost of the higher wage, thereby serving the same number of customers at the higher wage.

Mr. McDougall noted his appreciation for all of those who commented. He felt there is no question that the WIB should be utilizing the higher wage. He also noted that the State only changed the rate, not the language of their minimum wage law. The law always excluded government employees, and they are now just learning this.

Mr. Catanzarite noted that he is strongly inclined to use the State minimum wage and does not wish to disadvantage anyone, especially those receiving other services, as long as the increased wage doesn't disallow them from receiving other benefits.

Mr. Paul felt that the new information provided by the Youth Council seems to make quite a difference, and supports the State's minimum wage levels.

Chairman Hooper noted he envisions the pot of monies available is not going to grow, that allocations appear to be decreasing, and programs (e.g. youth programs) give priority to out of school youth, dropouts, etc.

Mr. Catanzarite inquired if the WIB opted to go with the State's minimum wage, would there be a chance to amend the resolution at a later date? Mr. Fountain noted that the WIB has the flexibility to revisit this and other issues at any time.

In response to a question from Mr. McDougall, Mr. Fountain noted that the Summer Youth program employed 350-400 youth 3 years ago, about 250 youth 2 years ago, and 200 youth last year, all reflecting decreased WIA and TANF funding. Allocations for this year's program are unknown at this time, but there has been talk of marginal increases. Program staff can make strong arguments either way: increasing rates would decrease questions from youth and their parents; decreasing rates would serve more youth.

Mr. Brining moved to amend the resolution to show the intent of the WIB to use the higher (New York State) minimum wage rate for WIA-funded programs. The motion to amend was seconded by Mr. McDougall. A show of hands by the WIB members indicated a unanimous approval to amend the resolution. Chairman Hooper again noted that the WIB can review/revisit this resolution at any time. Mr. Fountain read aloud the revision to the resolution. The resolution, as revised, passed unanimously.

STAFF REPORT:

Mr. Fountain reported that members have been provided a summary of the Job Training Improvement Act, which amends the Workforce Investment Act, noting this goes to Subcommittee for mark up on February 9. He encouraged the membership to review the information. Mr. Fountain highlighted some aspects of the State Budget: (1) Strategic Partnership for Upstate Resurgence (SPUR) has a \$100 million allocation in the budget. There are 2 potential problems with this 7-point program (The Governor has taken \$10 million from the WIA discretionary funds to put into this program; and it has yet to be determined if we are considered to be a part of Upstate New York.); (2) Flexible Funding for Family Services (FFFS) is a \$1 billion fund for social service-related programs and may affect Summer Youth, BRIDGE, EDGE, child care and transportation. The funds are merged into silos and the State decides how much to allocate to each county, leaving the counties left to decide whom gets how much.

Mr. Fountain reported that Brian Staples (IDA Chairman) and WIB Chairman Hooper met with representatives of the 4 county colleges/universities and the Wanakena Ranger School on January 25th to discuss economic development marketing initiatives. Education entities will be appointing

individuals to attend economic development visits to Canadian companies. This group plans on meeting again in 4 to 5 months.

Mr. Fountain also noted that after last June's Workforce Summit, there was talk of having a follow up summit. As the original funding is not available, a "pared down" version could be considered. This summit would most likely be held again at SUNY Canton in June.

Mr. Fountain asked Mr. Brining to speak briefly about the County's jail project. Mr. Brining noted that he expects the Board of Legislators to approve a "preferred" site located in Canton for use as a jail. Mr. Brining went on to say that the County would need only about 12 to 17 acres of the 42.5-acre site. The remaining acreage would most likely be gifted to the IDA for use as an industrial park. A brief discussion on the park then ensued.

Mr. Backus inquired about the IDA's loan for BreconRidge. Mr. Kelly explained that the IDA approved a loan to OBPA to construct a 20,000 square foot addition. BreconRidge owns the building it presently occupies. OBPA will be constructing a separate addition to assist BreconRidge in expanding its operation. BreconRidge will be leasing the additional facility from OBPA.

Chairman Hooper then noted that the first step of the education process was an overview of the recertification process. David Williams, One-Stop Manager, provided a handout and reviewed the process. Mr. Williams noted the recertification deadline of April 2005 was considered a "soft" deadline. After Mr. Williams reviewed the process, Ms. Manchester noted that Mr. Williams completed the original certification with little assistance from anyone. Mr. Novacich stated he was uncomfortable with the job being done solely by the partners, and reminded WIB members of their previous conversations regarding Board involvement. While some members felt that recertification should be left for those with knowledge on the subject, other members felt that this would be a good starting point for involvement and education. Mr. Williams noted that the recertification toolkit was a relatively simple read, explaining the process in layman's terms. He also noted that he would like to return at the March meeting with an update and hopefully finish the project by the end of April. Chairman Hooper asked Mr. Daddario, Ms. Novak and Mr. Backus to assist in the recertification application.

EXECUTIVE SESSION: None

Mr. Plastino thanked the WIB members for their assistance in the creation of the WIB's strategic plan, noting he was appreciative of their time commitments.

ADJOURNMENT: On motion of Mr. Daddario and seconded by Mr. Novacich, the meeting adjourned at 8:00 PM.

Approved:

Joanne M. Novak, Esq.