

TO: WIB

DATE: 7/13/06

FROM: WIB Staff

For Action

For Information

For Discussion

SUBJECT: Funding Request to Employment Development Dept (EDD)

PROPOSED MOTION(S): Information only.

DISCUSSION: The Department of Workforce Investment has recently submitted a request to the State for additional WIA funding to address the expansion of Quebecor World, Merced, of 200 jobs from March to December 2006. The request is for \$250,000, and it will be used to serve 40 individuals. The expansion is in an area of high wage, high growth economic development opportunity for Merced County.

Quebecor is investing \$100,000,000 in new equipment in Merced, and expanding its workforce by 200 employees. Dept of Workforce Investment is helping with the hiring and funding on-the-job trainings for Ink Jet Operators at \$14.97 per hour, Stackers at \$9.47 per hour, Material Handlers at \$10.97 per hour and General Workers at \$9.19–9.49 per hour.

To date, Workforce Investment has been working with Quebecor to handle the first phase of a six-phase expansion. WI has been able to accomplish three short-term upgrade On-the-Job-Trainings (OJTs), 15 new hire OJTs and 11 direct hires. Unfortunately, because of limited funding, WI has had to pass up OJTs for 6 Material Handlers and 15 General Workers. The money requested will allow for these kinds of additional OJTs. The request to EDD emphasized that securing the funding quickly is of vital importance, and that timing is critical as the employer is moving ahead and is hiring and training as the new equipment and lines are being installed.

ATTACHMENT (S): N/A