

**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL MEETING**

Holiday Inn on the Bay
1355 North Harbor Drive
San Diego, CA 92101
March 27, 2003

PANEL MEMBERS

Marsha Kwalwasser
Chairperson

Aram Hodess
Vice Chair

Barry Broad
Member

Joan Dean
Member

Tyrone Freeman
Member

Robert Lennox
Member

Tom Rankin
Member

Executive Staff

Peter McNamee
Executive Director

Steve Suchil
Assistant Executive Director

Pamela Haynes
Assistant Executive Director

Peter DeMauro
General Counsel

Ada Carrillo
Chief of Staff

**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL MEETING**

Holiday Inn on the Bay
Pacific A Ballroom
1355 North Harbor Drive
San Diego, California 92101
March 27, 2003

I. PUBLIC PANEL MEETING CALL TO ORDER

Aram Hodess, Co-Chair, called the public Panel meeting to order at 9:30 a.m. He recommended moving the presentation of contracts forward on the Agenda because of an anticipated quorum problem later that day.

II. ROLL CALL

Members Present

Aram Hodess, Vice Chairperson
Barry Broad
Joan Dean
Robert Lennox
Tom Rankin

Member Absent

Marsha Kwalwasser, Chairperson
Tyrone Freeman

Executive Staff Present

Peter McNamee, Executive Director
Pam Haynes, Assistant Executive Director
Peter DeMauro, General Counsel
Ada Carrillo, Chief of Staff

III. REPORTS OF THE CHAIRPERSON/PANEL MEMBERS

Tom Rankin, Chairperson for the Legislative Subcommittee, reported on upcoming Budget hearings. Subcommittee 3 of the Senate Budget Committee Subcommittee 3 will meet on April 3, 2003, and Subcommittee 4 of the Assembly Budget Committee will meet on April 22, 2003.

Mr. Rankin stated there are four bills pending in the Legislature that directly pertain to ETP: AB 1061 (Firebaugh), AB 1551 (Kehoe), AB 1667 (Kehoe), and SB 817

(Ducheny). He recommended opposing AB 1061 unless it is amended. The intent of the bill, according to the Author's staff and the sponsor of the bill, the Latino Business Association Institute (LBAI), is to increase the number of direct, single employer, small business contracts, especially those that are subcontractors for aerospace and defense prime contractors. Mr. Rankin stated there are problems with AB 1061. First, the implication of this bill is that ETP does not serve small businesses, which is not accurate since 67 percent of all businesses served had 100 or fewer workers, and 36 percent of all ETP training dollars expended last year went to these businesses. Small businesses are served primarily through multiple employer contracts, which have been shown to be the most efficient method. From this standpoint, the bill is not necessary. Second, this bill is not specifically limited to aerospace or defense small business subcontractors, if this is its intent. Third, AB 1061's goal of 25 percent direct single employer contracts would be costly for ETP to implement and would require use of substantial employee resources, especially in light of the proposed budget, which is predicated on an \$8.5 million reduction in ETP funding in FY 2003-2004. Fourth, the bill would remove the Panel's discretion for wage waivers in high unemployment areas (HUA). And, fifth, the provisions defining HUAs are redundant.

Mr. Rankin said AB 1551, AB 1667, and SB 817 need to be watched as they are considered "spot bills" and may be amended.

ACTION: Mr. Rankin moved the Panel adopt the Budget and Legislative Report, which recommends opposing AB 1061 (Firebaugh) and watching AB 1551 (Kehoe), AB 1667 (Kehoe), and SB 817 (Ducheny); and authorize the Executive Director to write a letter opposing AB 1061 to Legislators. Mr. Broad seconded.

Motion carried, 5 – 0.

IV. APPROVAL OF AGENDA

ACTION: Mr. Rankin moved and Ms. Dean seconded the Panel approve the Agenda as revised.

Motion carried, 5 – 0.

V. APPROVAL OF MINUTES

ACTION: Mr. Rankin moved and Mr. Broad seconded the Panel approve the Minutes of February 27, 2003.

Motion carried, 5 - 0.

VI. APPROVAL OF PROJECTS OF LESS THAN \$100,000

ACTION: Mr. Broad moved and Mr. Rankin seconded the Panel approve adopting those proposals that are less than \$100,000 including the Small Business Pilot Projects (SBPP). The following projects were approved:

Atlas Pacific Engineering Company, Incorporated	\$53,248
California Pro-Specs, Incorporated DBA Production Specialties	\$89,600
El Camino Community College District (Amendment)	\$23,443
Hilmar Cheese Company (Amendment)	\$832
Keiser Corporation	\$72,800
ID8 Media, Incorporated	\$54,000
Adcon Technical Institute, Incorporated	\$88,960
B & K Electric Wholesale, Incorporated	\$77,160
Rantec Power Systems Incorporated	\$60,840
California Chassis, Incorporated	\$53,360
Pacific Marine Sheet Metal Corporation d.b.a. Southwest Fabricators	\$83,200
Owens Design, Incorporated (SBPP)	\$9,360

Motion carried, 5 – 0.

VII. AGREEMENTS AND AMENDMENTS

Communities In Schools of South Bay, Incorporated

Ron Tagami, Manager of ETP's North Hollywood field office, presented a One-Step Agreement for Communities in Schools of South Bay, Inc., in the amount of \$105,484 to train 69 individuals in Computer Skills. The Contractor is requesting a wage waiver to the ETP minimum wage of \$11.92 for 39 trainees that are from areas where the unemployment rates are at least 25 percent higher than the State unemployment rate. These individuals lack the essential skills to improve their employment opportunities. The lowest wage to be earned by these trainees is \$9 per hour. The wages for these trainees will be raised by 7 percent at the end of the retention period.

Mr. Tagami introduced Shirley Allen, Executive Director. Mr. Hodess questioned the computer training. Ms. Allan stated the computer training offered by Communities in Schools is given in a customized format and is delivered in a much shorter timeframe. Trainees need the short-term training to get jobs rapidly. They cannot afford the long-term training program given at the Community Colleges. Mr. Hodess requested ETP staff to monitor this training program to ensure that those receiving bookkeeping training are employed as bookkeepers. Ms. Carrillo stated that in order

for payment to be considered earned, staff verifies that trainees are being placed in the occupations for which they were trained.

ACTION: Mr. Rankin moved and Mr. Lennox seconded the Panel approve the One-Step Agreement as presented.

Motion carried, 5 – 0.

Los Angeles County Electrical Training Trust

Mr. Tagami presented a One-Step Agreement for Los Angeles County Electrical Training Trust in the amount of \$159,730 to retrain 200 frontline workers in Commercial and Computer Skills. This training project has the support of The International Brotherhood of Electrical Workers/AFL-CIO Local 11.

Mr. Tagami introduced Byron Cummins, Director. There were no questions from the Panel.

ACTION: Mr. Lennox moved and Mr. Rankin seconded the Panel approve the One-Step Agreement as presented.

Motion carried, 5 – 0.

UAW Labor Employment and Training Corporation

Mr. Tagami presented a Proposed Agreement for UAW Labor Employment and Training Corporation (UAW LETC) in the amount of \$447,256 to train 406 retrainees in Advanced Technology Computer Skills and 40 retrainees in Make-Up and Hair Styling Skills. The curriculum was developed by the UAW LETC, four unions, and the Contract Services Administration Trust Fund (CSATF), which consists of industry employers and is administered by a board of directors appointed by the Alliance of Motion Picture & Television Producers. The Contractor is requesting Advanced Technology reimbursement of \$20 per hour for all Computer Skills training.

Mr. Tagami stated that staff has been unable to determine specifically how the jobs of makeup artists and hair stylists are changing and what skills trainees will be performing differently following training. The Contractor is requesting to include payroll companies as eligible participating employers in this project.

Staff recommended denial of the training for make-up artists, hair stylists, and the use of payroll companies. Staff recommended that the Panel: (1) approve the use of a single Certification Statement from the CSATF along with a list of member employers to show employer demand for this proposal, on the condition that completed, Certification Statements signed by each participating employer would be submitted prior to the start of training for each company's workers, (2) approve the Proposed Agreement, if funding is available and the project meets the Panel priorities, and (3) delegate to the Executive Director the authority to approve the

Final Agreement contingent upon the submission of all required documentation, including letters from the Workforce Investment Board and local elected officials authorizing the UAW LETC to contract with ETP as a Grant Recipient.

Mr. Tagami introduced Robert Nelson, UAW LETC President, CEO, and Gavin Kuhn, Executive Director, CSATF. Mr. Broad questioned if the terms under which a payroll company operates as the employer of record are set out in a collective bargaining agreement. Mr. Kuhn replied payroll companies are signatories to the Agreement. Mr. Broad stated that the motion picture industry is unique and wanted assurance that the Panel would not be setting a precedent by allowing the use of payroll companies. Mr. DeMauro stated language could be added to the Contract specific to the entertainment industry allowing the use of payroll companies that are signatories to the Agreement.

Mr. Rankin questioned the exception of ETP training for Make-Up Artists and Hair Stylists. Mr. Tagami stated staff recommended eliminating the Make-Up and Hair Styling Skills training from the curriculum because the Contractor had not provided sufficient information to support the proposed training would be for new skills and not training for standard cosmetology skills. Mr. Nelson described the new high technology involved in applying enhancement devices and appliances that completely change appearances.

ACTION: Mr. Rankin moved and Mr. Lennox seconded the Panel approve the Proposed Agreement including Make-Up Artists and Hair Stylists, with the contingency that (1) payroll companies be signatories to the Agreement and they are included in the Collective Bargaining Agreements, (2) a single Certification Statement from the CSATF along with a list of member employers showing employer demand for this proposal, on the condition that completed, Certification Statements signed by each participating employer be submitted prior to the start of training for each company's workers, (3) delegate to the Executive Director the authority to approve the Final Agreement contingent upon the submission of all required documentation, including letters from the Workforce Investment Board and local elected officials authorizing the UAW LETC to contract with ETP as a Grant Recipient, and (4) the Panel recognizes that the motion picture industry is unique and the Panel is not constituting a precedent by allowing the use of payroll companies in this Agreement.

Motion carried, 5 – 0.

Community Career Development, Incorporated

Diana Torres, Manager of ETP's San Diego field office, presented a One-Step Agreement for Community Career Development, Inc., in the amount of \$145,440. Community Career Development, Inc. (CCD), is a non-profit, community-based

organization established to work with government, business and the community to train its clients for employment. The Federal Communications Commission (FCC) mandated that all broadcast and media companies transition to digital services. CCD stated that, with the FCC mandate, the need for better-trained operators, engineers, technicians and customer service representatives has increased dramatically. Los Angeles broadcast and medial employers have begun upgrades, but cannot find comprehensive training programs that comply with FCC standards for their employees. CCD proposes to train 80 incumbent workers in Advanced Technology, Digital and High Definition Skills.

The in-kind contribution from participating employers is estimated at \$84,210.

CCD stated that 70 of the trainees will be provided mandatory, paid training but training provided to 10 trainees from participating employers with fewer than 10 employees will be voluntary, non-compensatory training.

Ms. Torres introduced Ebony Shakoora-Akbar, Business Development Director. Mr. Hodess questioned voluntary training. He stated training that is required to upgrade workers' skills to comply with an FCC mandate is considered mandatory training and trainees should be compensated while attending training. Mr. DeMauro stated the Department of Industrial Relations criteria for voluntary vs. mandatory training is for all companies regardless of size.

ACTION: Mr. Hodess moved the Panel approve the One-Step Agreement with all employees being recognized as receiving mandatory training and the training hours for all are compensated. Mr. Rankin seconded.

Motion carried, 5 – 0.

Rands Systems, Incorporated

Ms. Torres presented a One-Step Agreement for Rands Systems, Inc., in the amount of \$1,364,946. Rands Systems provides customized job-specific manufacturing technology training for businesses that manufacture products and parts requiring process manufacturing. Rands proposes to train 150 new hires and 202 retrainees in Manufacturing Skills and Advanced Technology. To demonstrate a quantifiable commitment to training, all participating employers will make a contribution to training-related costs not covered by ETP funding totaling \$991,950.

Ms. Torres introduced Robert Rapkin, President, and Dennis Jones. Mr. Broad questioned wage increases for retrainees. Mr. Rankin questioned the amount of health benefits applied to meet wage levels. Mr. Rapkin replied in some cases health benefits amount to as little as \$.25 per hour and in other cases as much as \$1 per hour. Mr. Hodess questioned training for machinists, for which there is an existing apprenticeship program. Mr. Rapkin stated the apprenticeship program takes a longer period of training time and includes specific and complicated skills

acquisition. He stated Rands is training “to the task.” He stated Rands does not compete with apprenticeship programs but does refer people to those programs. Mr. Hodess stated that portions of the machinist training proposed in this Agreement appear to duplicate components of an apprenticeship program. Mr. Rapkin stated that some of the occupations listed on the training plan, on the surface, do appear to be apprenticeship occupations. He stated, to clear up any misunderstanding, Rands will remove any apprenticeable occupation from this Agreement. Mr. Hodess would also like to see a guaranteed wage increase following training.

ACTION: Mr. Broad moved the Panel approve the One-Step Agreement contingent upon trainees receiving at least a 5 percent wage increase at completion of employment retention (this increase would be exclusive of a cost of living increase).

Motion carried, 5 – 0.

Teichert, Inc.

Charles Rufo, Manager of ETP’s Sacramento field office, presented a One-Step Agreement for Teichert, Inc., in the amount of \$718,900 to retrain 700 workers. Teichert, Inc., is organized into two major operational divisions: Teichert Materials and Teichert Construction. Teichert plans to implement an enterprise resource planning system to link all parts of the company into a single integrated database. Cement Masons Local 400, Machinists and Mechanics Lodge No. 2181, Operating Engineers Local Union No. 3, Construction and General Laborers’ Local 185, and General Teamsters Local No. 439 support Teichert’s training initiative.

Mr. Rufo introduced John Cassidy, Tax Manager, and Donald Grady, Change Management Project Manager. There were no questions from the Panel. Mr. Hodess requested all contracts that include on-site training and the employer claims in-kind contribution credit for wages paid during training include the statement, “trainees will not produce products or services during training.”

ACTION: Mr. Broad moved and Ms. Dean seconded the Panel approve the One-Step Agreement, which will include the statement “trainees will not produce products or services during training.”

Motion carried, 5 – 0.

Calpine Operating Services Company, Incorporated

Mr. Rufo presented a One-Step Agreement for Calpine Operating Services Company, Incorporated, in the amount of \$234,000 to retrain 320 employees in Commercial Skills, Computer Skills, and Management Skills. Calpine has begun a \$15 billion construction project, which includes building five new California power plants. Calpine officials state that without ETP funding there would be less training

done in California because of budget constraints. Calpine is requesting a waiver of the ETP 200-hour training limit for 20 trainees in Job 3 who will be trained to operate the five new plants currently under construction.

Mr. Rufo introduced Doug Williamson, Vice President (represented by John Cole, Director of Employee Training & Development), and Sue Middleton, CMMS Training Specialist. Mr. Rankin questioned the percentage of managers and supervisors being trained. Mr. Cole replied that this is the first management-training program Calpine has started. Calpine has promoted several employees recently and the Company is planning an intense management-training program. Mr. Rankin and Mr. Hodess had concerns regarding job occupations appearing to be apprenticeable, i.e., Plant Operators and Plant Maintenance. Mr. Cole replied that he is not aware of an apprenticeship program for power plant personnel. Mr. Hodess requested the Contractor return to the Panel next month after further researching apprenticeship programs and a guarantee for a better completion rate on this training project.

Dey, L.P.

Mr. Rufo presented a One-Step Agreement for Dey, L.P., in the amount of 932,710 to retrain 694 employees in Business Skills, Computer Skills, Continuous Improvement, Literacy Skills, Management Skills, and Manufacturing Skills. Dey is a manufacturer and distributor, producing and distributing prescription medications to California, nationwide, and worldwide customers. With the purchase of new computer software, process changes, and technological advancement, Dey needs to implement new skills training. As manufacturing lines become more technical with machines and computer systems measuring and maintaining quality, inspectors need to learn the new operating systems. Leaders at all management levels must manage technological and process changes, measure results, and improve staff's abilities.

Mr. Rufo introduced Pamela Marrs, Executive Vice President & CFO, and Jason Moehring, Senior Management Development Specialist. There were no questions from the Panel.

ACTION: Mr. Rankin moved and Mr. Lennox seconded the Panel approve the One-Step Agreement.

Motion carried, 5 – 0.

The Boeing Company, Airlift & Tanker Programs (presented out of order)

Mr. Tagami presented a One-Step Agreement for The Boeing Company, Airlift & Tanker Programs in the amount of \$2,366,000. The Boeing Company proposes to train 2,150 workers in Continuous Improvement in order to maintain the C-17 military aircraft production facility in Long Beach as a high performance workplace. The

United Automobile, Aerospace, Agriculture Implement Workers of America, UAW Local 148 supports this training project.

Mr. Tagami introduced Ed Schaniel, Director of Employee Involvement. There were no questions from the Panel. Mr. Hodess requested adding to the contract the phrase “trainees will not produce products or services during training.” Mr. Schaniel agreed.

ACTION: Mr. Broad moved and Ms. Dean seconded the Panel approve the One-Step Agreement adding the phrase “trainees will not produce products or services during training” to the Agreement.

Motion carried, 5 – 0.

Intel Corporation

Intel Corporation was withdrawn from consideration at this month’s Panel meeting.

Sun Microsystems, Inc.

Creighton Chan, Manager of ETP’s San Mateo field office, presented a One-Step Agreement for Sun Microsystems, Inc. (Sun), in the amount of \$3,950,100. Sun is a major producer of computer workstations, servers, networking system software, storage technologies and applications, and services for network computing environments. Sun must invest heavily in research and development, initiate business process improvements and new manufacturing technologies, and implement a retraining program focusing on frontline workers in order to remain competitive. Sun proposes to train 6,300 employees in Continuous Improvement, Manufacturing Skills, Computer Skills, and Business Skills.

Mr. Chan introduced Majuana Martin, Global Business Operations Manager, and Phillip Herrera, Herrera & Company. There were no questions from the Panel. Mr. Hodess requested adding the statement “trainees will not produce products or services during training.”

ACTION: Mr. Rankin moved and Mr. Lennox seconded the Panel approve the One-Step Agreement adding the phrase “trainees will not produce products or services during training” to the Agreement.

Motion carried, 5 – 0.

California Commerce Bank

Mr. Tagami presented a One-Step Agreement for California Commerce Bank in the amount of \$224,900 to retrain 173 employees in Continuous Improvement, Management, Business, and Computer Skills.

Mr. Tagami introduced Dennis Campos, Senior Vice President. There were no questions from the Panel. Mr. Hodess requested adding the statement “trainees will not produce products or services during training.” Mr. Campos agreed.

ACTION: Ms. Dean moved and Mr. Lennox seconded the Panel approve the One-Step Agreement adding the phrase “trainees will not produce products or services during training” to the Agreement.

Motion carried, 5 – 0.

Northrop Grumman Corporation

Mr. Tagami presented a One-Step Agreement for Northrop Grumman Corporation in the amount of \$904,800 to retrain 1,700 employee of the Company’s Air Combat Systems (ACS) group. ACS is the principal subcontractor to Boeing on the F/A-18 program, which is a fighter/ground attack aircraft, principally used by the U.S. Navy on aircraft carriers.

Mr. Tagami introduced Michael Lawler, Manager of Contracts and Pricing, and Ian MacAllister, Manager, Lean Integration. There were no questions from the Panel. Mr. Hodess requested adding the statement “trainees will not produce products or services during training.” Mr. Lawler agreed.

ACTION: Mr. Lennox moved and Ms. Dean seconded the Panel approve the One-Step Agreement adding the phrase “trainees will not produce products or services during training” to the Agreement.

Motion carried, 5 – 0.

One Health Plan of California, Incorporated

Mr. Tagami presented a One-Step Agreement for One Health Plan of California, Inc., in the amount of \$698,984 to retrain 367 employees. One Health Plan conducts medical management services to insurance companies in California.

Mr. Tagami introduced Ernie Pero, Vice President. Mr. Rankin asked how many people in California are covered by One Health Plan. Mr. Pero answered over 60,000. Mr. Hodess requested adding the statement “trainees will not produce products or services during training.” Mr. Pero agreed.

ACTION: Mr. Rankin moved and Mr. Lennox seconded the Panel approve the One-Step Agreement adding the phrase “trainees will not produce products or services during training” to the Agreement

Motion carried, 5 – 0.

Gen-Probe, Incorporated

Ms. Torres presented a One-Step Agreement for Gen-Probe Incorporated in the amount of \$313,120. The estimated in-kind contribution is \$369,841. Gen-Probe develops, manufactures, and markets nucleic acid testing products used for the clinical diagnosis of diseases and screening of donated human blood. According to Gen-Probe, the customers are in constant competition with each other to increase their share of the diagnostic testing market by using the newest and most reliable testing devices available. Gen-Probe must demonstrate to its customers that its products are designed and manufactured using the latest technologies. Gen-Probe anticipates introducing several technologically advanced products over the next two years. These product developments are specifically designed to address the needs of its customers and increase Gen-Probe's market share. To meet Company-wide goals, Gen-Probe has developed a comprehensive training plan to train 468 employees located in San Diego.

Ms. Torres introduced Robin Vedova, Vice President of Administration and Signatory to the Agreement, and Roy Burchill, Director, Human Resources. There were no questions from the Panel. Mr. Hodess requested adding the statement "trainees will not produce products or services during training." Ms. Vedova agreed.

ACTION: Mr. Lennox moved and Ms. Dean seconded the Panel approve the One-Step Agreement adding the phrase "trainees will not produce products or services during training" to the Agreement

Motion carried, 5 – 0.

Loews Coronado Bay Resort

Ms. Torres presented a One-Step Agreement for Loews Coronado Bay Resort in the amount of \$108,160. The estimated in-kind contribution is \$112,188. Loews Coronado Bay Resort is a 440-room resort, convention/conference hotel with over 65,000 square feet of functional meeting and conference room space that competes national and internationally for customers. This is the second Agreement between Loews Coronado Bay Resort (Loews) and ETP. In the first Agreement, Loews began its transition to a high performance workplace by providing front-line staff with team problem solving processes and guest service skills. The ETP training boosted the careers of many employees through internal promotions as a direct result of the training. Since this Agreement, the hospitality industry and the resort have undergone significant changes. The tourist industry in California has taken a major blow since September 11, 2001. Out-of-State tourism in 2002 was down significantly from 2001. The current economic and security changes in the country require that the hotel restructure how it runs its business. Today, the needs of the guests and business travelers have changed significantly since the prior Agreement. Given that Loews Coronado Bay Resort is located on an island and next to several military bases, employees must work even harder to continue to attract new

business, make guests feel safe, and maintain a high level of hospitality standards. Loews proposes to train 190 workers in Literacy Skills, Business Skills, Continuous Improvement, Computer Skills, and Management Skills.

Ms. Torres introduced Kathleen Cochran, General Manager. Mr. Rankin questioned service charges. Ms. Cochran replied banquet workers earn approximately 13.5 percent in service charges, which increase their hourly wage rate to an average of \$19 - \$22 per hour. Mr. Hodess approved the project with the inclusion that 13.5 percent of the banquet service charge be reimbursable to the banquet servers. Ms. Cochran agreed.

ACTION: Mr. Hodess moved and Ms. Dean seconded the Panel approve the One-Step Agreement including a provision that 13.5 percent banquet service charges be reimbursed to the banquet employees.

Motion carried, 5 – 0.

Strategic Hotel Capital, The Ritz-Carlton, Laguna Niguel

Ms. Torres presented a One-Step Agreement for Strategic Hotel Capital, The Ritz-Carlton, Laguna Niguel, in the amount of \$545,940. The employer in-kind contribution is estimated at \$805,000. Since September 11, tourism has diminished and the hotel has suffered from fewer guests and a decrease in revenues. The Company must increase customer satisfaction, increase efficiency and productivity of its workers, streamline processes, and develop new and improved standards of excellence to regain and maintain its five-star rating. To meet its objectives, the Ritz-Carlton proposes to train 526 employees in Business and Management Skills. The Ritz-Carlton is using mandatory service charges for one of the occupational groups in the training plan.

Ms. Torres introduced John Dravinski, General Manager and Signatory to the Agreement, and Christoph Hilscher, Director of Training. Mr. Rankin questioned the service charges. Mr. Dravinski stated The Ritz-Carlton's service charge is similar to Loews. Mr. Rankin asked if the Ritz-Carlton would agree to the same requirement of Loews regarding banquet service charges. Mr. Dravinski agreed. Mr. Hodess requested adding the statement "trainees will not produce products or services during training." Mr. Dravinski agreed

ACTION: Mr. Rankin moved and Mr. Lennox seconded the Panel approve the One-Step Agreement including a provision that banquet service charges be reimbursed to the banquet employees and a provision that trainees will not produce products or services during training.

Motion carried, 5 – 0.

VIII. REPORT OF THE EXECUTIVE DIRECTOR

Mr. McNamee reported on the Governor's tour of the New United Motors Manufacturing Incorporated (NUMMI) plant in Fremont. The site visit was a collaborative effort between NUMMI, California Manufacturers Technology Association, and ETP. Aram Hodess and Tom Rankin represented the ETP. He stated the workers in the plant had a favorable reaction to the visit.

IX. REPORT OF THE GENERAL COUNSEL

Mr. DeMauro had no report.

X. APPRENTICESHIP POLICY

Mr. Hodess stated, because further clarification was needed on apprenticeship issues, that Mr. McNamee, Mr. DeMauro, Ms. Haynes, and he met with Chuck Cake, Director of Industrial Relations, and staff, as well as Henry Nunn, Director of the Division of Apprenticeship Standards (DAS), and staff. Mr. Hodess stated discussions would be ongoing as to how staff can obtain more consistent information when ETP receives a contract that may include some apprenticeable training. The DAS will provide a staff person that ETP can contact direct who would have the information ETP requires.

Mr. McNamee reported ETP's budget would be presented at a Senate Subcommittee Budget Hearing on April 3, at the Capitol, and an Assembly Subcommittee Budget Hearing on April 22.

XI. PUBLIC COMMENT

John Clair, General Manager, High Sierra Plastics, spoke on this company's successful ETP training program. He spoke in favor of using payroll service companies under special circumstances.

XII. EXECUTIVE SESSION

There was no Executive Session at this month's Panel meeting.

XIII. ADJOURN

There being no further business and no objection, the meeting was adjourned at 11:30 a.m.