



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL MEETING**
California Environmental Protection Agency
Coastal Hearing Room, 2nd Floor
1001 "I" Street
Sacramento, CA 95814
October 23, 2009

PANEL MEMBERS

Barry Broad
Acting Chair

Greg Campbell
Member

Barton Florence
Member

Scott Gordon
Member

Eloisa Klementich
Member

Janine Montoya
Member

Edward Rendon
Member

Janice Roberts
Acting Vice-Chair

Executive Staff

Brian McMahon
Executive Director

Maureen Reilly
General Counsel

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I. PUBLIC PANEL MEETING CALL TO ORDER

Barry Broad, Chairman, called the public Panel meeting to order at 9:47 a.m.

II. ROLL CALL

Members Present

Barry Broad
Greg Campbell (arrived after initial roll call at 11:05 a.m.)
Karnig Kazarian (arrived after initial roll call at 9:52 a.m.)
Janine Montoya
Edward Rendon

Members Absent

Barton Florence
Scott Gordon
Janice Roberts

Executive Staff Present

Brian McMahon, Executive Director
Maureen Reilly, General Counsel

Mr. Broad said without a quorum present, we would move to the Report of the Executive Director, and then return to the items that required a vote.

III. REPORT OF THE EXECUTIVE DIRECTOR

Brian McMahon, Executive Director, welcomed everyone to the meeting and thanked the applicants present, for their patience demonstrated over the month in bringing their project to the Panel. He thanked the upcoming presenters for taking time from their busy schedules to speak to the Panel about trends in California's emerging green economy.

Mr. McMahon said the ETP budget is the most critical issue currently facing the program. He reminded the Panel that in FY 2009-10 - as mentioned at the September Panel meeting - updated estimates for revenue collection to the Employment Training Fund now show a decline of approximately \$17.6 million. He said this reduces total collections to \$67.1 million, which is down from as high as approximately \$83 million as recently as FY 2007-08. As a result, in ETP's regular program, even using incremental encumbrance, the Panel will only have approximately \$19 million in total contract value for the entire fiscal year. Due to the limited funding availability, at its September 25 Panel meeting, the Panel approved a motion to reduce \$21 million in the projects presented that day, and to also reduce the amount requested, across-the-board by 50%.

Mr. McMahon said all projects presented today requesting greater than \$75,000, should also be reduced by 50%. The amounts requested in the ETP 130s, do not yet reflect the 50% reduction. After this reduction, the Panel will have approximately \$1.3 million to allocate between Small Business Projects and Critical Proposals. Using incremental encumbrance, this will result in approximately \$1.5 million in contract value for critical proposals and approximately \$1.6 million for Small Business.

Mr. McMahon said there is currently close to \$1.2 million in Small Business projects currently scheduled for approval under the delegation process.

Beyond the reservation of funds for Small Businesses and Critical Proposals, all monies available for the remainder of this fiscal year will be fully encumbered at the end of today's meeting. All projects remaining in stages of development, projects that have been assigned to regional offices, and those that are still in the application pipeline, will be contacted by ETP staff with the goal - whenever possible - of matching their training needs with a multiple-employer contractor. He said applicants that choose to go forward with a request for single-employer funding will be moved to the front of the line, when ETP begins development of projects for funding that ETP will hopefully receive in the next FY.

Mr. McMahon provided a brief update on the status of the alternative funding sources that are available to ETP this year. As described at the September Panel meeting, these new programs will target training that promotes new job creation, supports the green economy, and upgrades incumbent nurse skills. More specifically, ETP and the California Energy Commission have entered into a partnership to develop and administer a new Clean Energy Workforce Training Program that provides ETP with \$5 million in Federal ARRA funds for training in a range of green skills and sectors. He said as the result of the partnership with the Energy Commission, ETP will also receive \$5 million in FY 2009-10 to support the Alternative and Renewable Fuel and Vehicle Technology Program, which was established by AB 118 in 2007. Guidelines for the Clean Energy Workforce Training Program and the non-profit Nursing Skills Program, as approved by the Panel, have been posted on ETP's website along with directions for applying for these funds. He said it is expected that many proposals under the nursing initiative will be brought to the Panel at the December 10 meeting and a very significant portion of those funds will be encumbered at that meeting. Prior to the Panel's review of these projects, they will also be vetted and screened by the Energy

Commission. Staff expects to bring more projects under the Clean Energy Workforce Training Program, to the Panel at its February meeting.

As mentioned at the last Panel meeting, staff is still in the process of making a determination as to additional WIA 15% discretionary funds that would be allocated to ETP during the current fiscal year. It appears that these funds would need to be closely linked with the Workforce Investment Act eligibility criteria and it is likely that a program structured using those dollars would be targeted to new-hire types of multiple-employer contracting.

At the August Panel meeting, staff discussed the Panel's upcoming meeting schedule. The Panel will meet every other month, as will be posted on the ETP website.

Mr. McMahon said a Legislative Update Memo was distributed among Panel members, on bills that impact ETP directly or indirectly, or affect other workforce issues.

Mr. McMahon gave the Panel an update on the staff's efforts of the New United Motor Manufacturing, Incorporated (NUMMI) project. At the September Panel meeting, a significant portion of the agenda was dedicated to a discussion of the NUMMI project and the Panel's response to expected invoicing for up to \$2 million in training delivered from December 2008 through August 27, 2009. After the discussion at the meeting with representatives of NUMMI and CMTA, the Panel directed staff to evaluate the compliance status of the project as well as to initiate a process to determine further the extent and timeline under which NUMMI officials were aware of a pending closure announcement. As next steps, ETP has an onsite project monitoring session scheduled for November 5 during which staff will conduct interviews with trainees, and review training records. ETP has also sent a letter to Kunihiro Ogura, President and Chief Executive Officer of NUMMI, seeking further details on his knowledge of the pending closure announcement. He said the letter is included in today's handout materials to the Panel. As well, he said, staff has begun discussions with NUMMI regarding an onsite meeting with Panel Chair Barry Broad and ETP executive staff, at NUMMI, with Mr. Ogura and other officials.

Mr. McMahon said in regards to ETP moving forward through the remainder of the fiscal year over the next few months, ETP will focus on fairly extensive monitoring and technical support to over 800 currently active projects totaling close to \$170 million. One of the primary goals in monitoring will be to help contractors achieve an optimal level of reimbursement. Staff will also finalize Interagency Agreements, guidelines, trainee agreements, and development of monitoring and reporting procedures for all alternative funding source programs. Staff will aggressively work to bring as many of these projects to the Panel as possible during the course of the fiscal year. Staff also intends to develop a more comprehensive strategic approach for securing the highest level of funding possible through the Legislative Budget process for fiscal year 2010-11. He said staff will look for input and engagement from partners and stakeholder relative to that process. Staff will continue efforts to identify and implement program improvements, and will look to both internally-generated suggestions for improvement as well as external suggestions.

Mr. McMahon said that with the absence of a quorum, the request for a motion to delegate and a motion to adopt the consent calendar will be delayed.

IV. REPORT OF THE GENERAL COUNSEL

Maureen Reilly, General Counsel, reported that during the month one delegation order project was approved, and is included in the Panel Packet.

Ms. Reilly referred to the Memorandum in the Panel Packet entitled Contractor Relocation Regulation. She said staff recommends amendment of Title 22, California Code of Regulations (CCR) Section 4446.5, Contractor Relocation, so that it will also apply to multiple-employer contracts (MECs).

Ms. Reilly mentioned NUMMI and its plant closure and the consequent loss of jobs in California. She said training at NUMMI was funded under an MEC. The existing Contractor Relocation regulation provides for a “clawback” or reimbursement of training funds paid to a single-employer when it transfers jobs or facilities at which training occurred out-of-state. She said that the existing regulation does not provide for a “clawback” of funds under similar circumstances when the employer is funded through a MEC.

Ms. Reilly said the proposed amendment if approved, would next go out for public comment as part of the rulemaking process. She said the proposed amendments would subject employers funded through a MEC to the “clawback” and includes language that says “...for training that occurred on or after the date the participating employer knew or should have known that the facility would be moved or job(s) transferred to a location out-of-state. At the Panel’s discretion, the MEC contractor may be reimbursed pro rata for its administrative costs related to said training.” She said it would be up to the MEC contractor, the contract holder, to stay alert and up-to-date in communications with participating employers, so that as soon as a participating employer knows or should know that there is going to be plant closure, transfer, or loss of jobs, the employee stops training.

Ms. Reilly noted that Section 4446.5 is discretionary, in that the Panel can make a case-by-case analysis regarding whether or not, and to what extent, it would impose the “clawback” under circumstances of a particular transfer, closure, or loss of jobs. She said a part of the regulation sets forth mitigating circumstances that the Panel would consider in exercising its discretion. She noted that based on early stakeholder input regarding the proposed amendment, staff made a change to the proposed amendments. A subsection will be added to clarify that for both single-employer and multiple-employer contracts the “clawback” provision pertains to when a contractor ceases business operations at a facility at which training was provided. Currently the regulation refers to transfer of jobs and transfer of facility; the proposed amendment makes it clear that the “clawback” also pertains to facility closures. Ms. Reilly stated that when a quorum is present, staff requests the Panel to consider for approval, the proposed amendment. Staff would then move forward with notice-and-comment stage of rulemaking, and everyone would have an opportunity to comment on the language as published and made available on the ETP website.

Ms. Reilly asked the Panel if there were any questions. There were no questions from the Panel.

Brian McMahon introduced Barbara Halsey, Executive Director of the California Workforce Investment Board (CWIB). He said part of the responsibility of the Board is to administer the activities of the State Green Collar Jobs Council. He said we are very fortunate to have Barbara here today; she is closely involved with the green policy development at the State level.

V. OVERVIEW OF GREEN SECTOR, BARBARA HALSEY, CWIB

Barbara Halsey said it is a pleasure to be with you today, and I hope that I can provide you with a bit of perspective on what we are trying to do at the CWIB with California's Green Workforce Initiative.

Ms. Halsey discussed the CWIB's strategic approach to economic competitiveness and workforce development. In 2007, the CWIB was asked to design a comprehensive workforce strategy for the State. The Workforce Training Act, as it was passed, gave them an opportunity to spend time throughout California talking with economic development professionals, workforce professionals, education partners and business members. Through those discussions, it became apparent that there was a need to have a bigger tent for discussion of workforce development issues. She said as they began to do research about promising practices that were evolving nationwide, they became familiar with the concept of sector strategies as an organizing principle for economic competitiveness and workforce development.

In September 2008, the CWIB adopted sector strategies as its foundation for organizing workforce development efforts. She said they work with the 49 local Workforce Investment Boards, and they understand that the workforce system in California is much larger than just those Workforce Investment Boards. It involves economic development partners, the Panel, education partners; and they wanted a framework that allowed each of those organizations to bring inspiration and collaborative planning to the table. They want to do this to design regional strategies that address the economic trends and workforce needs of particular areas of California.

Ms. Halsey said the Green Collar Jobs Council's mission and vision in the California Green Collar Jobs Act (AB 3018) states "The California Workforce Investment Board shall adopt a Sector Strategy approach in responding to industry sector workforce and economic development needs. This strategy will ensure industry has a qualified workforce and can offer opportunities for employment, training, and career advancement for all Californians. The initial drive of this sector strategy approach will be the California Green Collar Jobs Act of 2008."

Ms. Halsey said Green Collar Jobs Council strategies include: a neutral broker that will guide discovery, investments, direction and accountability; a statewide hub, a national model, and resources for agencies and legislative initiatives. It would include strengthening regional

competitiveness by incentivizing data-driven planning and measurement; ensure the creation/sustainability of a sector strategy by fostering regional partnerships; form strategic alliances with business to understand their green workforce needs; increase education pathways that lead low wage workers to well paying jobs; ensure these entrepreneurs receive training necessary to create/compete in green economy; and promote the use of technology to improve data, bridge systems, and facilitate communication with partners. GCJC's work will be done when collaboration becomes routine, and education and career pathways merge.

Ms. Halsey said the characteristics of State Sector Strategies address the needs of employers, address the needs of workers, bolster regional economic competitiveness, and engage a broader array of key stakeholders. She said common elements of sector strategies across the state are engaging leadership, co-creating core principles, promoting regionalism, strategic use of funding, data-driven decision making, alignment of public resources and strategies, capacity building, promotion and positioning, evaluation and legislation. She said if anyone is interested in reading more about sector strategies, the website that the National Governor's Association has recently posted a page called "www.sectorstrategies.org". She said it offers a wealth of information, a tool kit, and links to research articles that provide the foundation and justification for pursuing a sector strategy methodology.

Ms. Halsey said in the development of California's Green Workforce Initiative, at the Green Collar Jobs Council, they began to identify funding opportunities that were available, and they began linking those funding opportunities together. She said in the Clean Energy Workforce Training Program RFP, among the applications that were submitted, 34 projects have been funded, and there were \$27 million from state organizations leveraged against \$27 million of match, resulting in a \$54 million Clean Energy Workforce Training Program. The second is the Department of Labor State Energy Sector Partnership and Training Grant. That Grant became available from the DOL in late June 2009. The State Board in partnership with the Employment Development Department, submitted in October, a \$6 million request to the Department of Labor to round-out the state energy sector partnership project. Last week, CWIB announced a Regional Industry Cluster of Opportunity Technical Assistance RFP. She said the RFP is being released in collaboration with the Economic Strategy Panel, and CWIB is promoting the use of data-driven resources to design appropriate regional sector strategies and partnerships. She said those applications will be arriving in November, and they hope to be able to fund at least ten regional collaboratives in doing the kind of data-driven work they are looking for.

Ms. Halsey said the characteristics of a sector initiative: 1) focus intensively on an industry within a regional labor market, and multiple employers in the industry, over a sustained period of time; 2) are led by a workforce intermediary with credibility in the industry; 3) create new pathways for low-wage workers to enter into the industry and to progress to good jobs and careers; and 4) achieve systemic changes that are "win-win" for employers, workers, and the community.

In terms of results for workers, a number of studies have been done. One is the Aspen Institute Public Private Ventures study. One of the most telling elements has been total gains in earnings by month. On a random assignment evaluation of 1,014 individuals, data showed

that sector initiative participants earned 18.3 percent, or about \$4,500 more, than members of the control group, over the 24-month study period.

Regarding results for employers, a third party evaluation of sector initiatives in Massachusetts showed a 41% reduction in turnover; a 19% reduction in re-work, customer complaints were reduced by 23%, and companies who said partnerships with other companies were valuable was 100%.

Ms. Halsey said that with systems changes impact, sector initiatives address key problems for an industry's businesses, and the industry's workforce and/or potential workforce. By doing so, they gain leverage to make systems change in the areas of workforce and economic development (including education/training, support services, and business services; public policy; and industry practice). She said benefits to regions include decreased skill and labor gaps; retention, expansion, and attraction of higher wage employers; reduction of poverty and unemployment; increased regional cooperation and collaboration; and more efficient and effective use of public resources.

Ms. Halsey said California's Green Workforce Initiative (developing training, creating partnerships, and developing regional capacity), visually depicts the three funding resources that we are working on right now. She said, how are we going to make sure that we are implementing sector strategies and doing the kind of data-driven planning we need to do throughout the State? The Clean Energy Workforce Training Program was the first launched. She said the CWIB is hopeful they will be favorably reviewed in the DOL competitive application and will receive the \$6 million for the regional project teams under that allocation. She said the first training program will ultimately train 5,600 individuals. She said with the addition of \$6 million, they will be able to achieve the regional coordination and train an additional 1,200 individuals. The third funding opportunity is developing regional capacity with up to 10 regional collaboratives, a new sector initiative development on the regional level. Their intent is to string all of these together with regional action clinics so as to begin documenting best practices, providing the kind of technical support that regions need in order to advance sector initiatives and make sure they are connecting businesses on the ground and understanding what their needs are. She said if we have learned anything in the economic shift seen over the last several months, it is that whether our economy is growing or shrinking, we have to be prepared to meet any challenge the business is facing at the time. So, ultimately it is important to have better engagement with business partners, and doing so on the regional level is a logical way to organize that.

Ms. Halsey said in the evaluation model with sector strategies, they will look at impact on job seekers and workers, the impact on employers, effectiveness of partnerships and what kinds of system changes they have created.

Ms. Halsey said in the work that the Green Collar Jobs Council has done, she is happy that Bonnie Graybill is here to give a presentation to the Panel. She said they have relied very heavily on the Employment Development Department's Labor Market Information Division, and the good work that they have done around the green economy. She said she was looking forward to hearing an update on the survey through their branch.

Ms. Halsey said CWIB has relied heavily on information from the Economic Strategy Panel of Clean Technology and the Green Economy, in the monograph they released in March 2008. In addition to that, the same consultant that assisted on the development of the Clean Technology monograph for the Economic Strategy Panel was also responsible for the development of a nationwide profile of the green economy by state. She said the State Board site, CWIB.ca.gov, has a link to California's profile of the green economy, which provides the 15 screen segments that make up California's green economy at the present time.

Ms. Halsey said we are all challenged to begin working with new and different partners as we approach the challenge of the green economy. She said we are challenged as we look at healthcare occupations, infrastructure development, and as we begin to look at what might happen with our manufacturing segment. The need for all of us to have a better understanding of how we can leverage what the Panel is doing, what the CWIB is doing, what local boards are doing, what our education partners are doing, and what their economic development partners are doing, becomes more and more essential. She said the CWIB looks forward to working with the Panel and understanding that their strategies, when complimentary, strengthen the ability to respond to business and worker needs throughout the State of California.

Ms. Halsey asked if the Panel had any questions. Mr. McMahon said the Panel intends to hold questions for the conclusion of the three presentations.

Mr. McMahon said the next speaker is Bonnie Graybill, Deputy Division Chief for EDD's Labor Market Information Division. Bonnie has had the task of defining green jobs, green economy, green companies, and quantifying the sectors and occupations that will participate most in the green economy.

VI. WORKFORCE TRAINING AND DEVELOPMENT, BONNIE GRAYBILL, LMID

Ms. Graybill said, in order to put this into the context of what LMID and the CWIB are doing to understand the green economy, they have been trying for about a year and a half now, to respond to both state, national, and local information needs. She said they have set up a web page called "Understanding the Green Economy". She said the web page can be accessed from the LMID website, labormarketinfo.edd.ca.gov. She said the web page lists much information, research, legislation, and information about what is going on in California as well as in other states. She said they have been collaborating to expand their knowledge, and they have state, federal, and local partners. She said they have been trying to understand and help to define workforce needs and development, and have worked with entities such as the Energy Commission, Air Resources Board, and the Public Utility Commission (PUC). She said they are surveying California businesses to establish a baseline, and their plan is to publish career research to support workforce development.

Ms. Graybill said LMID came up with a working definition of green after a lot of research. She said approximately 80 studies reviewed had varying definitions of green, and they looked for

the commonality in those definitions. She said the LMID staff came up with a memorable acronym around green. She said part of their survey process is to validate how they are doing. She said there are a few categories that are very broad. Ms. Graybill said green or clean is any activity or service that performs at least one of the following: (G) generating and storing renewable energy; (R) recycling existing materials; (E) energy efficient product manufacturing, distribution, construction, installation, and maintenance; (E) education, compliance and awareness; and (N) natural and sustainable product manufacturing.

Ms. Graybill said Brian McMahon has helped her to understand the importance of sustainable practices. She said their survey focuses on the production of green goods and services. She said that is the supply side of the economy, and a demand side of the economy as well. She said while the LMID definition focuses on the supply side, entities that have adopted sustainable business practices are on the demand side, and they are pressing for increased supply. They have added a note to their definition, recognizing that sustainable business practices are valuable, and they are reviewing sustainable practices such as renewable energy, efficiency, and conservation strategy.

Ms. Graybill said the LMID "Green" definition is very similar to the definition that ETP has adopted for Green/Clean. "Green/Clean", as defined through ETP, is a business practice to conserve the natural environment and resources through processes that reduce or eliminate emissions and/or wastes; processes that conserve energy sources; and/or processes that generate energy. Examples of activity or services: generating, producing, or storing clean energy; recycling existing materials (not including bins for recyclable paper); energy efficient product manufacturing, distribution, construction, installation, and maintenance; natural and sustainable product manufacturing; preventing, reducing, mitigating, cleaning up environmental degradation; and providing education, consulting, policy promotion, accreditation, trading and offsets, compliance and awareness or similar services supporting the above.

Ms. Graybill said the Recovery Act Funding came out early this year, and in the green area it is offering funding for smart grid transmission lines, renewable energy, energy efficiency, and weatherization. She said the strategy is to prepare dislocated workers for re-employment careers in these areas as appropriate. She said the following are some examples of the kinds of industries that fall in those categories. Energy categories include: public and private utilities; power generation plants (electric, hydroelectric, other fuels); power transmission; power distribution; power and communication line construction. Construction categories include: residential, commercial industrial, remodeling, glazing contractors, and roofing contractors. Manufacturing categories include: various sectors – lighting, appliance, motor and generator, storage batteries, motor vehicle, semiconductors; and automatic environmental controls.

Ms. Graybill said they are seeing many unemployed workers who could receive green skills and move into green jobs. Some of the industries that fall in those categories are architects, cost estimators, engineers, planners, vocational education teachers, auto, bus and truck mechanics, biological and chemical technicians, assemblers, carpenters, electricians, plumbers, HVAC, insulation/weatherization.

Ms. Graybill said LMID had a first mailing to 50,000 businesses in May 2009 and the Governor signed a transmittal letter with the survey. They sampled across the economy all industries of all sizes, and in all areas. She said the 50,000 sampling represents about 5.2 million employees in the survey firms. She said they are collecting information on the number of workers in green or clean product manufacturing and/or services, the number of businesses that have adopted green practices, and emerging occupations for further study related to skills and workforce needs. She said they are partnering with community colleges, Air Resources Board, California Energy Commission, California Workforce Investment Board, Economic Strategy Panel, Employment Training Panel, and others.

Ms. Graybill said that over 8,100 employers have responded to their preliminary survey: 11 percent of employers report employees working on green activities; 35 percent of green employees are reported by firms with less than 20 total employees; about 3.7 percent of all California workers are working on green products and services; and 84.7 percent of employers report using at least one green business practice.

Ms. Graybill said they have been working closely with Washington, Oregon and Michigan, who have completed green surveys. She said green definitions vary between states. Washington, which had the lowest percentage of total green employment, focused only on private business and not the public sector. She said the California definition is more comprehensive than some of the other states' definitions, but they all have in common renewable energy, recycling, and energy efficiency. She said in their preliminary survey, California has 3.7% of our employment as green employment. Oregon and Michigan are at 3.0%.

Ms. Graybill referred to a pie chart that shows the distribution of green workers that were reported. She said the largest sector is natural and sustainable product manufacturing at 32%, recycling existing materials at 27%, energy efficient product manufacturing, distribution, construction, installation, and maintenance at 17%; education, compliance, and awareness at 12%, generating and storing renewable energy at 6%, and other at 6%. She said an initial analysis by the Bureau of Labor Statistics identified 62 six-digit NAICS codes as green. In a similar analysis, LMID identified 121 six-digit NAICS codes as green using our definition. Surveyed businesses representing 381 different NAICS codes have reported green employment. She said their unit of analysis is the job, they are not specifically saying that they are going to define green industries; and there are some industries that may be all green. She said green goes across the economy, and the LMID did not want to focus only on specific industries, they want to understand those jobs.

Ms. Graybill said she knows ETP is interested in manufacturing, since many ETP contracts go towards manufacturers and it has been a strong political tier. So, she asked staff to gather information on the green of manufacturing from their survey. She said 688 manufacturing firms have responded, representing 251,400 in employment. She said a weighting had been applied to make sure they are representing 251,400 in employment. It was reported that 33,500 employees that are performing green job tasks. Over 70 percent of those reported employees perform green job tasks more than 50 percent of the time. She

said a question they asked was, if you are a green business and you currently have green workers, how did you prepare the green workers to do this work? She said there is much more that needs to be done, but the percentages are relatively accurate. She said the top method of preparing green workers in on-the-job training.

Ms. Graybill spoke about the current use of sustainable practices such as changing sustainable practices, new skills, barriers, benefits, resources. She said staff identified 34 jobs and based upon all of the literature they reviewed, they believed were changing into emerging green jobs. She said many are currently in the economy already, but changes where there would bring lots of job opportunities. She said they asked businesses to let them know if they have any workers in those green jobs, and provided space on the response form for them to write in other green jobs. She said the 127,800 green employees found, is a "weighted figure"; they did not actually receive a report of that amount. She said an additional 15,600 write-ins were reported under "other green job titles". Top write-ins included janitors and cleaners, sustainability assistants; LEED accredited professionals, mobile heavy equipment mechanics (maintaining electric forklifts); and recyclers (reprocessing on-site materials); She said greater detail will be collected in a subsequent occupational skills survey.

Ms. Graybill said the top ten green jobs reported as a result of the survey are: 1) sustainable farmers and farmworkers, 2) assemblers; 3) recycling center operators; 4) carpenters; 5) hazardous materials removal workers; 6) architects, except landscape; 7) plumbers, pipefitters, and steamfitters; 8) heating and air conditioning technicians and installers; 9) construction managers; and 10) electricians. She also discussed the Occupational Employment Statistics (OES) median wage by training level, not specific to green.

She said next steps will include: completing data collection; analyzing complete data; reviewing findings with key players; preparing summary reports, with regional distinctions as warranted by the data; preparing industry level reports; detailed occupational follow-up surveys and analysis; and reporting on occupational skills and workforce development needs. She said they intend to complete their data collection by Thanksgiving, and are trying very hard to collect this data, but they may not receive 25,000 responses.

Ms. Graybill said she did not bring copies of her presentation, but there is a one-page sheet that lists key facts that was passed out to the Panel, and there are a few extra copies that she would be glad to share with meeting attendees.

VII. CLEAN ENERGY SUMMIT, LARRY RILLERA, CALIFORNIA ENERGY COMMISSION

Larry Rillera said on behalf of Chairman Karen Douglas of the California Energy Commission (CEC), he was pleased to give a presentation at today's meeting. He thanked Brian McMahon for recognizing the investment, cooperation, and participation in the CEC funding agreement with ETP.

Mr. Rillera said the focus of his presentation will cover the clean energy sector, which will include building energy and water use, renewable energy generation, and clean transportation. He said that prior to 2006 the CEC had looked at these various sector issues and set in motion sector responsibilities and sector solutions to address greenhouse gas emissions. He said two-thirds of the scoping plan addresses transportation and energy impacts.

Mr. Rillera said some of the recommended reduction measures counted towards the 2020 target are: light-duty vehicle GHG standards; energy efficiency; renewables portfolio standard (33% by 2020), low carbon fuel standard, regional transportation-related GHG targets; goods movement; recycling and waste (landfill methane capture); million solar roofs; medium/heavy duty vehicles; high speed rail; industrial measures; high global warming gas measures; sustainable forests; oil and gas extraction and transmission; and additional reductions. He said the energy generation is the largest U.S. clean-tech segment, accounting for 59% of total U.S. clean tech VC investment. Energy infrastructure is the fastest growing segment, increasing by \$273M from 2007-2008. He provided an overview of the electricity demand forecast through 2020 in the areas of residential, commercial, industrial, mining and agricultural.

Mr. Rillera said in building energy and water use, 75% of California's residential buildings and 5.25 billion square feet of commercial buildings were built before the 1978 energy efficiency standards, and it is subject to seismic vulnerability. He said with respect to water, 50% of water usage is attributed to urban landscape, 20% to plumbing, and 18% to domestic water use. He said building energy and water efficiency policies are: new construction zero net-energy; deep building retrofit; CA invests nearly \$1 billion per year in energy efficiency measures; 20% reduction of urban water use below 2005 levels by 2020; state administered ARRA funds will invest nearly \$300 million into innovative program models. He said some of the workforce jobs with building energy and water are: building auditor/rater, commissioning agent; specialty contractor; home performance contractor; and cost estimator.

Mr. Rillera said when talking about utility scale renewable energy, they are talking about the regional-interregional interstate system. He said in California, we have a Renewable Portfolio Standard (RPS), and both independently-owned and publicly-owned utility responsibilities to meet these renewable energy goals. He said independently-owned utilities must procure 20% of their electricity from renewable resources by 2010; publicly-owned utilities are directed to develop the same program goals; and Governor, CEC and CPUC have adopted goals of 33% by 2020. A few months ago, the PUC issued a report on the economic feasibility of implementing the renewable portfolio standards, in part based on information that the CEC provided. He said there is an interesting comment letter written by the Attorney General's office on a broader view of implementation for the renewables. He said this comment adds dimension to the discussion to include other workforce areas or sectors that were not included in the PUC report. He said some of the renewable energy barriers include transmission (utilities are taking up to seven to ten years to plan, permit, and construct bulk transmission projects in California); financing and local opposition.

Mr. Rillera said the transmission corridor is under the Renewable Energy Transmission Initiative (RETI), to move renewable generation to the home and to businesses. He said this is a smaller percentage than what we have seen traditionally, due to the higher overhead of the systems, but it is more a regional approach. He said landfill methane gas is a significant focus of AB 118, the alternative transportation and vehicles fuels program, in regard to which the Commission is working with ETP to fund approximately \$5 million. He said it is important to keep the discussion moving regarding renewables and the transformations that are needed. He said utility scale renewable energy workforce needs are transmission lines; distribution infrastructure; generation (solar, wind geothermal); and maintenance. He said with respect to wind, those infrastructure components need to be constructed onsite and have expertise within that area to operate and maintain.

Mr. Rillera said distributed energy is in simple terms: energy for your home, your neighborhood, or for your region. He said it includes the following technologies: solar photovoltaic; solar hot water heater; wind; micro-hydro; or fuel cell. He said SB 1, million solar roofs, 3000 MW goal, combined POU/IOU effort; \$3.2 billion in rebates; solar on 50% of new homes by end of program; solar industry self-sufficient in 10 years; for those developments of 50+ homes, builders must offer PV as option as of 1/1/11. He said the solar hot water program offers a \$300 million program in PG&E, SoCal Gas and SDG&E areas; 200,000 solar hot water heaters; and proposed roll-out in 2010. Distributed renewable energy occupations include: assessor; sales; marketing; designer; technician; and installer.

Mr. Rillera said in clean transportation, the transportation sector is >95% dependent on a single fuel source (petroleum), the State and the Nation is vulnerable to petroleum price and supply disruptions; and transportation is responsible for 40% GHG emissions; public health issues. The State goals of clean transportation are to increase alternative fuels to 20% of on-road transportation fuel use by 2020 and 30% by 2030; increase efficiency of motor vehicles; and reduce per capita vehicles miles traveled (VMT).

Alternative fuels standard is 20% biofuels production by 2010; 40% by 2020; and 75% by 2050. The low carbon fuel standard includes reducing GHG impacts in California's transportation fuels 10% below 2007 levels by 2020. By 2016, vehicles in CA must be 30% more GHG efficient than those sold in 2002. AB 118 allows CEC to fund \$120 million in transportation research, development, and deployment annually for seven years. Clean transportation workforce needs include fuel feedstock production; alternative and renewable fuel production; alternative and renewable fuel transport; idle management technology; high-performance and low-emission vehicle technology; automotive computer systems; and mass transit fleet conversion, servicing, and maintenance.

Mr. Rillera said California is a leader in the clean energy sector. Policies and investments will allow California to continue to lead; an educated and well-trained workforce is critical to attracting clean energy sector investment; and we will not achieve any of our clean energy sector goals unless we develop the workforce.

Mr. Broad asked the Panel if they had any questions. Mr. Kazarian asked if any of the speakers had the latest economic impact numbers, in terms of venture capital, that came into

California as a result of the climate change policies. Ms. Halsey said she believes it was referenced in the profile on the green economy and quoted in the monograph done by the Economic Strategy Panel. She said clean-tech investment reached an all time high in California with more than \$3.4 billion in 2008. In 2008, investment and clean tech was more than 27 times higher than in 1999. From 2007 to 2008, total clean tech investment in the State grew by 78%, a significant number.

Mr. Broad said some of the information is puzzling because if you create the clean energy source in another state, and you have transmission here in California, does that create more jobs than if you actually build the power plant that is a clean power plant here? Are we looking at this on a state-by-state basis, or are we taking into account relaxed matters in other states or countries, especially around importing. For instance, do we count the impact on the environment of importing a bottle of water from Fiji, we manufacture a bottle, ship it to Fiji and then in Fiji they fill the bottle and then they put it on a boat and they ship it to the U.S. Are we counting the AB 32 based on the total embedded cost in a product, or are we talking only about what is done within the State of California? What is the goal? And from that logic, the same question pertains to energy. Are we talking about power plants that are built in other states and then building a transmission line to California? Are we only counting the portion of it that is in California? He said you do not get exactly an honest estimate of its impact on climate change and how much energy is really embedded.

Mr. Rillera said he was unsure of how to respond to Mr. Broad's questions. He said he does not have the expertise to respond; it resides in the CEC. He said he could get follow up with the CEC and get back to the Panel. He said he doesn't want to leave the question open, but at the same time, if ETP is interested, he would like to have his question answered. Mr. Broad said, well I think we are interested in jobs in California and growing the economy in California. The Panel needs to determine, how to distribute training funds, and there are lots of green jobs. He said if you look at one of the other presentations, if you count the garbage industry in the public sector, you could drive up the amount of green jobs substantially, than if you don't. There is that ambiguity. He said the Panel must decide whether when considering funding training, what is driving the most jobs in California. In other words, I do not want to fund a cluster or sector; that in effect, is going to create a tiny number of green jobs while the rest of the sectors are ignored. If a clerical employee is recycling all their paper, that is really green; but it is not the kind of green jobs I think we are thinking of. He said how we get the best bang for our buck is the issue. Mr. Rillera said there is an office in the CEC that is engaged with the Western Region Governor's Association on renewable energy, so it includes the states that are on the Western United States portion of the grid. He was sure that the integrated effort issues are component of their discussion. Mr. Rillera said he had a similar concern regarding the complexity of the studies needed to determine the best renewable energy strategies.

Mr. Rillera said that he could get back to Mr. Broad on his questions, and if Mr. Broad would like a more in-depth discussion, he was sure the CEC would provide assistance. Mr. Broad said he was unsure about the rest of the Panel's opinion on this subject, but it appears that the green job initiatives make sense to everyone, in that they are the direction we should be going, but it is also a bit of a fad. He said when it really comes down to spending money in a

disciplined way over a long period of time he'd like to know that the Panel has a fine-tuned plan. Should the Panel spend money on a new company that does this or that, etc.? He said the Panel is going to have to make hard decisions, because there is not an unlimited amount of federal stimulus funds. He said eventually, even the Federal Government cannot keep printing money to stimulate the economy; it has got to slow down and then we will be back to our regular funding source, which is paid for by employers of the State of California.

Ms. Halsey said, I think you are getting to the crux of the issues that the CWIB was struggling with. In adopting sector strategies and identifying that there is a need to use good data for decision making, and to look at regional economic trends, labor market demands, anecdotal information from businesses in those regions that foretell what is coming, where are developments, to have close connections with county, city, and regional planning offices, all are important. This is a much more thought-provoking discussion than we may have been involved in, in the past, and we must be able to ground decision making with good data and anecdotal evidence. Mr. Broad said he was struggling with this in this way. He said for example, if we are going to spend our training dollars, some things are going to happen anyway, such as transmission lines are going to be built no matter what. He said we are on the same team but we have different statutory mandates. He surmised that it might be helpful to find the green alternative to bio tech. In other words, to try to center a new industry in California which will be an anchor tenant in California, in the way that high tech was, or bio tech as been. He surmised that, for example, it is better for us to look at the manufacturing of fuel cells, or something of that nature as a strategy to grow the economy in California. Ms. Halsey said she believed the challenge is to look at the economic trend information, and the way assets are spread throughout the regional economies in the state while one may focus on bio fuels, that may be to the exclusion of other regions, and other economic assets. She reiterated that she believes in looking at a data-driven approach, with economic trend analysis paired with the labor market information, and then bringing the regional groups together. When we did the clean energy workforce, we required that in each of those applications that there be an employer advisory committee representing regional employers that actually had jobs available, in order to get on-the-ground information and to make sure we are doing the right kind of investment in a timely way, that will result in people getting jobs, because ultimately that is what it's all about. Retaining jobs, skilling people for jobs, and making sure that our businesses have the talent available when they need it. This is a new kind of analysis for us in many ways, and we are talking about a more predictive and more pro-active analysis of economic trends than we have done in the past. She said it is an exciting time, but it is also a little frightening; we want to make sure we are making the right kinds of investment decisions and, again, we think that data-driven foundation is critical.

Ms. Graybill said she believed the question Mr. Broad was asking, was a values question about investments. She said everything that Ms. Halsey and Mr. Rillera said is correct. She said she is not in a position to tell the Panel what to do from a policy standpoint, though what she is hearing is a value determination to invest in training programs or businesses that are local. In essence, that is what Ms. Halsey is saying when talking about a regional sector and local businesses. She noted that investing only in fuel cell manufacturing is problematical; because that manufacturing process is not very green, although it does save energy in the

end; and she noted that the value she is hearing is to look at the type of business and where they do their work, in making investment decisions.

Mr. Broad thanked all three speakers for their presentations. Mr. McMahon said for those interested in today's presentations, there is a green tab on the ETP website where staff will post today's PowerPoint presentations. He thanked all three presenters, and said they did a great job.

Mr. Broad announced there was now a quorum present and said we will return to agenda items that required voting action. He asked that the record reflect that there is now a quorum present.

VIII. MINUTES (voted on out-of-order, once a quorum was established)

Mr. Broad revisited the Minutes for voting and asked if the Panel has had the chance to review the minutes for any changes or corrections. Ms. Montoya noted a correction to the roll call, as she was listed twice. Mr. Broad said staff will make the correction.

ACTION: Mr. Campbell moved and Mr. Rendon seconded approval of the September 25 minutes, with a note to correct the roll call.

Motion carried, 5 – 0.

IX. REQUEST MOTION TO DELEGATE IN EVENT OF LOSS OF QUORUM/ACTION (voted on out-of-order, once a quorum was established)

Mr. Broad requested a motion to delegate in event of loss of quorum/action.

ACTION: Mr. Rendon moved and Mr. Campbell seconded the delegation of authority to the Executive Director in consultation with the Chair or Vice Chair, for all matters under consideration.

Motion carried, 5 – 0.

X. REQUEST MOTION TO ADOPT CONSENT CALENDAR PROJECTS/ACTION (voted on out-of-order, when a quorum was present)

Mr. McMahon asked for a motion to adopt Consent Calendar Items #1 through #26.

A.B. Boyd Co. dba Boyd Corporation	\$21,600
American Technical Molding, Inc. dba Accellent, Inc.	\$73,872
Barksdale, Inc.	\$73,656
Beutler Corporation	\$75,000
Caremark, L.L.C.	\$74,835
Elementis Specialties, Inc.	\$18,900

Golden Sierra Workforce Investment Board	\$75,000
Guntert & Zimmerman, Construction Div., Inc.	\$75,000
Harris Ranch Beef Company	\$41,040
Hixson Metal Finishing	\$73,602
Hughes Circuits Inc.	\$72,000
Improvement Direct	\$75,000
Managed Care Systems, L.P.	\$36,000
Martek Power Incorporated	\$50,562
Mission Bell Mfg. Co., Inc.	\$74,844
Musco Olive Products, Inc. dba Musco Family Olive Company.....	\$58,176
Ossur Americas, Inc.	\$74,520
Parker Hannifin Corporation dba Parker Aerospace.....	\$74,844
Pebble Beach Company	\$75,000
PerkinElmer Holding, Inc. dba PerkinElmer Optoelectronics.....	\$74,844
Quantum Health, Inc. dba Promise Hospital of San Diego	\$75,000
Sacramento Electrical Workers Joint Apprenticeship and Training Trust	\$75,000
Stewart & Jasper Orchards	\$67,500
Terra Universal	\$63,504
Three Sons, Inc. dba American Meat Company	\$53,802
Trim-Lok Inc.	\$73,530

ACTION: Ms. Montoya moved and Mr. Rendon seconded the approval of Consent Calendar Items #1 through #26, with a reduction in the approved amount of proposals that requested funding in excess of \$75,000, with a floor of \$75,000.

Motion carried, 5 – 0.

XI. AMENDMENT OF TITLE 22, CALIFORNIA CODE OF REGULATIONS (CCR) SECTION 4446.5, CONTRACTOR RELOCATION

Mr. Broad said for those not present at the beginning of the meeting, General Counsel Maureen Reilly reviewed a proposed amended regulation that was developed in response to the discussion about the NUMMI situation.

Maureen Reilly said that under current regulation, in a single-employer contract, if the employer closes up shop and leaves the state or substantially changes the nature of the conditions under which the contract was approved, that ETP can clearly request the money back. She said this proposed regulation would essentially extend the existing regulation to multi-employer contracts, or clarify that the existing policy covers that as well. Ms. Reilly pointed out that the Panel has before it, an addition to the proposed amendment, which proposed addition was brought to staff’s attention by a stakeholder, the addition would clarify that the entire regulation applies not only to the transfer of jobs or facilities out of state, but to the closing down of operations in the State. She said staff believed that this was something that merited clarification. She said the version that the Panel would be directing staff to notice, for notice-and-comment rulemaking, is the version with the addition that was given to

the Panel, Subsections (a) through (e). She said this would begin the formal comment process.

Mr. Broad asked Panel members if they had any questions. There were no questions. Mr. Broad also asked if any members of the public wished to comment on the regulation amendment. There were no public comments.

ACTION: Mr. Campbell moved and Mr. Rendon seconded approval of the proposed amendment of Title 22, CCR Section 4446.5, for notice-and-comment rulemaking, as set forth herein, with the additional clarification that the entire regulation applies not only to the transfer of jobs or facilities out-of-state, but to the closing down of operations in the State.

Motion carried, 5 – 0.

XII. AGENDA (voted on out-of-order, once a quorum was established)

ACTION: Mr. Campbell moved and Mr. Rendon seconded approval of the Agenda.

Motion carried, 5 – 0.

XIII. REVIEW AND ACTION ON AGREEMENTS AND AMENDMENTS

Single Employer Contractors

Yahoo! Inc. (presented out-of-order)

Mr. Guzman presented a funding proposal for Yahoo! Inc. (Yahoo), in the amount of \$499,648. Yahoo is a global Internet brand with more than 40 locations worldwide.

Mr. Guzman said because the employees at the Burbank facility had participated in ETP funded projects previously within the last five years, they would normally be subject to a 15% substantial contribution which, based on the Panel's actions, has been increased to a 30% substantial contribution, in the amount of \$147,110.

Mr. Guzman introduced Dana Menaker, Senior Director of Global Enrichment and Training.

Mr. Broad said his family preferred the old Yahoo home page, instead of the new one. Ms. Menaker asked what he did not like about the new Yahoo home page, and said she would then explain why it was changed. Mr. Broad said there is a pop-up that will not allow you go anywhere else without it continuing to pop up. He said it has been a topic of discussion in his family for months. Ms. Menaker said I hope we haven't lost you as a Yahoo customer and consumer. She said that front page services over 30 million people on a monthly basis, so they take feedback very seriously. She said they do a great deal of testing before they launch anything. She said they may still be working out the glitches, but the intention with the new design of the new page was to make it more social. She said if you notice anything

about the new ad campaign, really Yahoo strives to be the center of your online life; and what that means is, when you come to the front page of Yahoo, we want to make it more accessible for you, so you can bring in your Facebook and CNN. She said with regard to the pop-up box, it is a new advertising opportunity for Yahoo, so there is a real conflict between the advertisers, and obviously the content folks. She said staff has heard that feedback, and the pop-up box may be adjusted, but she would bet that the overall look and feel of the new page, because it is trying to become more of a social, and that is how they remain competitive in the marketplace, will not go away. She said she would not be surprised if the pop-up box is adjusted, but again, it also represents additional advertising opportunities, in lieu of others that have been eliminated.

ACTION: Mr. Campbell moved and Mr. Rendon seconded approval of the funding proposal for Yahoo! Inc., reduced by 50 percent of the original amount requested, in the amount of approximately \$249,824.

Motion carried, 5 – 0.

Mr. McMahon said the number that the Panel sees on Page 1 of the ETP 130 in the write-up for total ETP funding is prior to a 50% reduction. Mr. Broad asked if the 50% reduction will apply to all projects. Mr. McMahon agreed, yes.

Chevron Products Company

Ms. Hernandez, Manager of the Sacramento Regional Office, presented a funding proposal for Chevron Products Company (Chevron), in the amount of \$496,800. Chevron produces gasoline, jet and diesel fuel, and other lubricants from more than 240,000 barrels daily of crude oil feed received from around the world.

Ms. Hernandez introduced Dean Van Bockern, Manager of Learning & Development and Greg Anderson, Training Specialist.

There were no questions from the Panel.

ACTION: Mr. Rendon moved and Mr. Kazarian seconded approval of the funding proposal for Chevron, reduced by 50 percent of the original amount requested, in the amount of approximately \$248,400.

Motion carried, 5 – 0.

JB Radiator Specialties, Inc.

Ms. Hernandez presented a funding proposal by JB Radiator Specialties, Inc. (JB Radiator), in the amount of \$151,200. JB Radiator uses state-of-the-art Finite Element Analysis software with the latest metal fabrication manufacturing technology to produce customized heat exchange systems. The products range from components such as sheet metal

radiators, bolted radiators, remote mounted radiators, oil coolers, charge air cooler and after cooler, to fully integrated vehicle cooling packages.

Ms. Hernandez introduced Rick Ellstrom, President and Florentin Alupoie, Quality Manager.

There were no questions from the Panel.

ACTION: Ms. Montoya moved and Mr. Campbell seconded approval of the funding proposal for JB Radiator reduced by 50 percent of the original amount requested, in the amount of approximately \$75,600.

Motion carried, 5 – 0.

Progressive Casualty Insurance Company

Ms. Hernandez presented a funding proposal by Progressive Casualty Insurance Company (Progressive), in the amount of \$163,784. The company offers insurance coverage for autos, recreational vehicles, boats, and motorcycles, as well as various commercial vehicles. The company's primary customers are retail and commercial policy holders, as well as independent agents that write insurance for Progressive.

Ms. Hernandez introduced Kimberly Offord, Training Supervisor.

Mr. Broad asked about the challenges the company faced in their first and second projects as they did not have an impressive completion rate. Ms. Offord said the first projects were difficult from an administrative standpoint. She said they have done much to improve training attendance. She said there are now different processes in place; their scheduling department has new processes where they are checking records to make sure that representatives are attending, and are rescheduling them for training or web-based trainings if they missed them. Mr. Broad asked if she believes the company has made sufficient improvements to allow them to earn above 65%. He said we would like you to earn 100% of the money. Ms. Offord said yes, they would also like to earn 100%.

ACTION: Mr. Rendon moved and Mr. Campbell seconded approval of the funding proposal for Progressive, reduced by 50 percent of the original amount requested, in the amount of approximately \$81,892.

Motion carried, 5 – 0.

Turner Construction Company

Ms. Hernandez presented a funding proposal by Turner Construction Company (Turner), in the amount of \$499,284. Turner provides construction and project management services to a cross-section of industries including, but not limited to, sports, pharmaceuticals, healthcare, retail, telecommunications, and entertainment.

Ms. Hernandez introduced Chad Smith, Assistant Engineer and George Zettel, Director of Training.

There were no questions from the Panel.

ACTION: Mr. Campbell moved and Mr. Rendon seconded approval of the funding proposal for Turner, reduced by 50 percent of the original amount requested, in the amount of approximately \$249,642.

Motion carried, 5 – 0.

Accuray Incorporated

Creighton Chan, Manager of the Foster City Regional Office, presented a funding proposal for Accuray Incorporated (Accuray), in the amount of \$304,200. Accuray began when a professor of neurosurgery and radiation oncology at Stanford University Medical Center developed the CyberKnife® System in 1987. The CyberKnife System is a radiosurgery system that combines image guidance and computer controlled robotics used in the treatment of tumors. Accuray was incorporated in 1990, and the Federal Drug Administration (FDA) approved the CyberKnife System in 1999 to treat head, neck, and upper spine tumors. Since 1999, the FDA has approved another version of the CyberKnife System that allows clinicians to continuously track, detect, and correct for tumors that are affected by respiration, such as those in the lung, liver, and pancreas.

Mr. Chan introduced Jack Boniface, Senior Training Specialist.

There were no questions from the Panel.

ACTION: Mr. Campbell moved and Mr. Rendon seconded approval of the funding proposal for Accuray, reduced by 50 percent of the original amount requested, in the amount of approximately \$152,100.

Motion carried, 5 – 0.

Boston Scientific Corporation

Mr. Chan presented a funding proposal for Boston Scientific Corporation (Boston Scientific), in the amount of \$495,000. Boston Scientific manufactures medical devices such as imaging catheters (coated and uncoated), and micro-delivery stents to treat disease of the human vascular and neurovascular systems.

Mr. Chan introduced Arturo Araiza, Senior Production Training Supervisor.

There were no questions from the Panel.

ACTION: Mr. Campbell moved and Mr. Rendon seconded approval of the funding proposal for Boston Scientific, reduced by 50 percent of the original amount requested, in the amount of approximately \$247,500.

Motion carried, 5 – 0.

Custom House Hotel LP dba Portola Hotel and Spa at Monterey Bay

Mr. Chan presented a funding proposal for Custom House Hotel LP dba Portola Hotel and Spa at Monterey Bay (Portola Hotel and Spa), in the amount of \$185,235. Portola Hotel and Spa offers a complete range of services including: lodging, meeting sites, conference facilities, corporate and private social events, and other activities. The hotel's customers include meeting professionals, event planners, conference and exhibit sponsors, travel agents, and related tourism travel and conference industries.

Mr. Chan introduced Janine Chicourrat, General Manager.

Ms. Montoya said she did not recall seeing a service or tourist industry proposal come before the Panel in the past since she has been a member. She said it is wonderful to see these types of projects as they could bring income into the State with people coming to California to visit. She said it is a great proposal. Ms Chicourrat said the company is obtaining their lead certification in order to help drive new conferences into Monterey and to try to drive more business into California.

ACTION: Ms. Montoya moved and Mr. Rendon seconded approval of the funding proposal for Portola Hotel and Spa, reduced by 50 percent of the original amount requested, in the amount of approximately \$92,618.

Motion carried, 5 – 0.

SuccessFactors, Inc.

Mr. Chan presented a funding proposal for SuccessFactors, Inc. (SuccessFactors), in the amount of \$212,400. SuccessFactors researches, engineers, designs, sells, and supports its proprietary management software products. The products are used to document individual, as well as, company-wide performance standards through multi-functional information gathering, tracking, and reporting systems.

Mr. Chan introduced Rob Adams, Senior Director of Talent and Vicki Bernholz, Chief People Officer.

There were no questions from the Panel.

ACTION: Mr. Rendon moved and Mr. Campbell seconded approval of the funding proposal for SuccessFactors, reduced by 50 percent of the original amount requested, in the amount of approximately \$106,200.

Motion carried, 5 – 0.

The Clorox Company

The Clorox Company proposal was withdrawn from consideration.

Abbott Vascular, Inc.

Diana Torres, Manager of the San Diego Regional Office, presented a funding proposal for Abbott Vascular, Inc. (AV), in the amount of \$499,653. AV researches and manufactures coronary, vessel closure, and endovascular (procedures done through the arteries) products, which are used in treating patients with coronary artery and peripheral vascular disease. AV products include stents and guide wires used in angioplasty and stent implementation. Stents are small devices, inserted into the arteries to keep them open and increase blood flow.

Ms. Torres said this will be the second ETP project for the Temecula facility within the last five years. As such at the September Panel meeting, the substantial contribution in the Memo is for the maximum 30%.

Ms. Torres introduced Fred Rose, Group Leader-Learning.

Mr. Kazarian said the ETP 130 states that company representatives are reporting that future growth and product demand will stay high and asked for an estimate of job creation. Mr. Rose said as far as job creation, they have hired an additional 1,000 employees and have not had any layoffs. He has spoken with their accounting department and there is nothing in the plans for company layoffs. He said they believe their next product will be the first to market, where the stent itself, after it deploys the drug, will dissolve in the body. He said it will be in the development phase for a year and they expect to manufacture the product in two years.

Mr. Broad said this is an excellent proposal and it is commendable that the company has earned 100% of the funds, as that is not seen very often, especially in a first time agreement. Mr. Rose said the company tried to estimate the amount of funds they believed they would need.

ACTION: Mr. Kazarian moved and Mr. Campbell seconded approval of the funding proposal for AV, reduced by 50 percent of the original amount requested, in the amount of approximately \$249,827.

Motion carried, 5 – 0.

CFHS Holdings, Inc. dba Marina Del Rey Hospital

Mr. Guzman presented a funding proposal for CFHS Holdings, Inc. dba Marina Del Rey Hospital (Marina Del Rey Hospital), in the amount of \$300,276. The hospital's services include 24/7 emergency care, medical/surgical, diagnostics imaging, mammography,

ultrasound, nuclear medicine, and numerous outpatient services. The hospital also features two advanced technique clinics: The Marina Spine Center and L.A. Bariatrics.

Mr. Guzman introduced Roland Santos, Chief Nursing Officer.

Mr. Broad said that due to the lack of a quorum, the earlier delegation of authority to take action in the absence of a quorum went into effect.

Brian McMahon, after consulting with the Panel Chair, approved the Marina Del Rey Hospital funding proposal, reduced by 50% of the original amount requested, in the amount of approximately \$150,138.

Lockheed Martin Aeronautics Company

Mr. Guzman presented a funding proposal for Lockheed Martin Aeronautics Company (LM Aero), in the amount of \$352,755. The company's core capabilities are in the design, development, systems integration, production, and sustainment of advanced military aircraft and related technologies: current aircraft programs include the F-35, F-22, and F-16 combat aircraft; C-130 and C-5 airlifters; P-3 and U-2 reconnaissance/surveillance aircraft; major participation in the Japan F-2 program; and Korea T-50 Golden Eagle trainer through strategic international business programs.

Mr. Guzman introduced Jon Gustafson, Workforce Development Learning and Development.

Ms. Montoya asked why the company earned only 60% in their previous proposal. Mr. Gustafson said they had a CATIA, a Computer Aided Three-Dimensional Computer Application, which is a very high-end modeling application for engineering. He said they were in a competitive bid process with multiple vendors and their project requirements were changing at that time, so it delayed both the procurement and the roll-out of the subsequent training.

Brian McMahon, after consulting with the Panel Chair, approved the LM Aero funding proposal, reduced by 50% of the original amount requested, in the amount of approximately \$176,378.

Raytheon Company

Mr. Guzman presented a funding proposal for Raytheon Company (Raytheon), in the amount of \$498,582. Raytheon develops and manufactures defense and commercial electronics for uses in government, space, information technology, technical services, business, aviation, and special mission aircraft.

Mr. Guzman said the company representative had to depart the meeting early today, but Rob Sanger representing CMTA, was present and available to answer any questions.

Mr. Broad said there is a rather extensive explanation of the performance on the prior contracts, so he is satisfied with the explanation why there was poor performance on the prior contract.

Brian McMahon, after consulting with the Panel Chair, approved the Raytheon funding proposal, reduced by 50% of the original amount requested, in the amount of approximately \$249,291.

Ultimate Formulations Inc. dba Best Formulations

Mr. Guzman presented a funding proposal for Ultimate Formulations Inc. dba Best Formulations (UFI), in the amount of \$159,030. UFI is a premier full-scale nutraceutical and pharmaceutical contract manufacturer and private labeler of thousands of branded, high quality nutritional and dietary supplements, including the manufacture of soft gels, tablets, capsules, powders, and dietary teas.

Mr. Guzman introduced Eugene Ung, Director of Marketing.

Mr. Broad asked if the company is primarily in the nutritional supplement business. Mr. Ung said yes, that is correct. Mr. Broad asked if the company has any supplements that are the subject of any recalls. Mr. Ung said they are a very conservative company, have a drug license, and do not work with companies offering compounds they are not comfortable with.

Brian McMahon, after consulting with the Panel Chair, approved the UFI funding proposal, reduced by 50% of the original amount requested, in the amount of approximately \$79,515.

Multiple-Employer Contractors

California Chamber of Commerce

Ms. Hernandez presented a funding proposal for California Chamber of Commerce (CalChamber), in the amount of \$251,295. CalChamber has been working with California businesses for over 100 years as a non-profit voluntary membership organization comprised of over 16,250 members worldwide and 15,000 within California.

Ms. Hernandez introduced Richard Lovisolo, Vice President of Sales.

There were no questions from the Panel.

Brian McMahon, after consulting with the Panel Chair, approved the CalChamber funding proposal, reduced by 50% of the original amount requested, in the amount of approximately \$125,648.

Computer Tutor Business and Technical Institute

Ms. Hernandez presented a funding proposal for Computer Tutor Business and Technical Institute (Computer Tutor), in the amount of \$390,000. Computer Tutor is an educational

institution accredited through Accrediting Commission of Career Schools and Colleges of Technology (ACCSCT). Thus, Computer Tutor is an accredited educational institution, providing training and education to adults. Computer Tutor offers accounting courses, as well as medical and computer technical programs.

Ms. Hernandez introduced George Rawe, Director.

Mr. Broad said he was impressed that the company has done so well in their prior projects.

Brian McMahon, after consulting with the Panel Chair, approved the Computer Tutor funding proposal, reduced by 50% of the original amount requested, in the amount of approximately \$195,000.

California Community College Chancellor's Office

Mr. Guzman presented a funding proposal for California Community College Chancellor's Office (CCCCO), in the amount of \$426,475. Originally part of the California Department of Education, the Community Colleges system grew into a separate State-level agency with its own governing body. Colleges throughout the State provide workforce training, basic skills education, preparation for transfer to four-year institutions, and opportunities for personal enrichment. As the administrative branch of the system, the Chancellor's Office has ten divisions with 159 employees serving a wide-ranging constituency of students, faculty, colleges, businesses, and legislators; it allocates state funding to the colleges and the districts.

Mr. Guzman introduced James Harris, Program Assistant.

Mr. Kazarian inquired about the staff size at Chaffee College for this program. Mr. Harris said he did not know the size of the staff exactly, but Chaffee College is handling the administrative elements. He said he could obtain that information and follow up with the Panel, but was unsure of the size of staff.

Brian McMahon, after consulting with the Panel Chair, approved the CCCCCO funding proposal, reduced by 50% of the original amount requested, in the amount of approximately \$213,238.

California Manufacturing Technology Consulting

Mr. Guzman presented a funding proposal for California Manufacturing Technology Consulting (CMTC), in the amount of \$749,980. CMTC assists small and medium-sized manufacturers in California improve their operational efficiencies and global competitiveness. CMTC provides consulting and training services in the following areas: information technology; lean enterprise; strategic business; quality management; and manufacturing and engineering.

Mr. Guzman introduced Cheryl Slobodian, Director of Operations Support and John Van Buren, Vice President and Chief Financial Officer.

There were no questions from the Panel.

Brian McMahon, after consulting with the Panel Chair, approved the CMTC funding proposal, reduced by 50% of the original amount requested, in the amount of approximately \$374,990.

Computer Institute of Technology dba CIT Nursing College

Mr. Guzman presented a funding proposal for Computer Institute of Technology dba CIT Nursing College (CIT), in the amount of \$185,136. CIT provides job training and placement assistance in the healthcare and technical fields, including programs in nursing, healthcare, computers, and business administration.

Mr. Guzman introduced Rene Agüero, Director.

There were no questions from the Panel.

Brian McMahon, after consulting with the Panel Chair, approved the CIT funding proposal, reduced by 50% of the original amount requested, in the amount of approximately \$92,568.

West Covina Chamber of Commerce

Mr. Guzman presented a funding proposal for West Covina Chamber of Commerce (WCCC), in the amount of \$357,620. WCCC is a membership organization focusing on the economic development of the business community. Members range from small to large businesses in a variety of industries such as manufacturing, financial services, healthcare, insurance, communications, hospitality, printing and publishing, and food processing.

Mr. Guzman introduced Michael Miller, President and Karah Shaw, Professional Development Coordinator.

Mr. McMahon said there are many counties identified as targets of training. He asked about the training delivery format in those locations that are fairly remote to West Covina – is it online training or is it onsite training? Ms. Shaw said they do not have any remote training and that all of their training is done onsite. She said they have a very limited amount of training in other counties that are not in Southern California, and that is at usually larger companies that have facilities outside of those counties.

Brian McMahon, after consulting with the Panel Chair, approved the WCCC funding proposal, reduced by 50% of the original amount requested, in the amount of approximately \$178,810.

Amendments

Franklin Career College

Ms. Torres presented an Amendment for Franklin Career College (Franklin College), in the amount of \$349,009. Franklin College is a public training agency certified under I-Train with a history of providing training and placement services to the public.

Ms. Torres said the company representative was not present today and that she would be happy to answer any questions.

Brian McMahon, after consulting with the Panel Chair, approved the Franklin College funding proposal, reduced by 50% of the original amount requested, in the amount of approximately \$174,505.

Glendale Community College Professional Development Center

Mr. Guzman presented an Amendment for Glendale Community College Professional Development Center (Glendale PDC), in the amount of \$488,240. Glendale PDC provides customized, job-specific training for business and workers through its Professional Development Center.

Mr. Guzman introduced Kimberly Holland, Director and Pamela Welden, Program Manager.

There were no questions from the Panel.

Brian McMahon, after consulting with the Panel Chair, approved the Glendale PDC funding proposal, reduced by 50% of the original amount requested, in the amount of approximately \$244,120.

XIV. PUBLIC COMMENTS

There were no public comments.

XV. ADJOURNMENT

Mr. Rendon moved and Mr. Kazarian seconded adjournment of the meeting at 1:10 p.m.