



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL MEETING**

New City Hall – Sacramento
915 I Street
Council Chambers, Room 1103, 1st Floor
Sacramento, CA 95814
November 5, 2015

PANEL MEMBERS

Barry Broad
Chair

Janice Roberts
Vice-Chair

Gloria Bell
Member

Sonia Fernandez
Member

Leslie McBride
Ex-Officio Member

Edward Rendon
Member

Sam Rodriguez
Member

Executive Staff

Stewart Knox
Executive Director

Maureen Reilly
General Counsel

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I. PUBLIC PANEL MEETING CALL TO ORDER

Chairman Broad called the meeting to order at 9:36 a.m.

II. ROLL CALL

Present

Gloria Bell
Barry Broad
Sonia Fernandez
Leslie McBride
Edward Rendon
Sam Rodriguez

Absent

Janice Roberts

Executive Staff Present

Stewart Knox, Executive Director
Maureen Reilly, General Counsel

III. AGENDA

Chairman Broad asked for a motion to approve the Agenda.

ACTION: Ms. Bell moved and Ms. McBride seconded the motion that the Panel approve the Agenda.

Motion carried, 6 - 0.

IV. MINUTES

ACTION: Ms. McBride moved and Mr. Rendon seconded the motion that the Panel approve the Minutes from the September 25, 2015 meeting.

Motion carried, 6 - 0.

V. REPORT OF THE EXECUTIVE DIRECTOR

Stewart Knox, Executive Director said, good morning panel members, applicants, and stakeholders. Following the last Panel meeting in September, we have another large panel meeting today with approximately \$12.5M in projects with an additional \$1.1M in Delegation Orders, totaling just over \$13.5M. I will also give you an update on the Fiscal Year (FY) 2015/16 funds as well.

Today we have a mix of single employer and multiple employer projects. Regional Office Managers Diana Torres, Creighton Chan, and Willie Atkinson are here today to present those proposals.

Regarding the budget for Alternative Fuels in partnership with the California Energy Commission, we started off this year with \$2.8M. Should the Panel approve all of today's projects, we will have approximately \$488,000 remaining for this FY. The \$2M of drought funding has been completely encumbered and we were not allocated additional funds for the new FY.

In regards to CORE funding for the FY 2015/16, to date, the Panel will consider an additional \$12.3M in projects with another \$1.1M by Delegation Order. Should the Panel approve all the projects today, the Employment Training Panel (ETP) will have approximately \$41.8M for the remainder of the FY. You may have heard some discussion that funding may not be available after January, this information is not accurate.

Under the Delegation Order, all project proposals will be capped at \$100,000 to be approved by the Executive Director on a continuous flow basis, and as of today we have approved 22 projects totaling over \$1.1M for this month.

For the FY 2015/16 program funding, to date, we have approximately 490 projects submitted in the first and second round, with a value of over \$90M. The Panel has already approved just under \$49M. In looking at December's Panel packet, we will have another \$12M, so by the end of the year, we would put out almost \$16M, which is a record for the Panel.

In regards to the FY 2015/16 Fund Status Report, the results are about \$4M more than we anticipated coming into the fund this year. What we have done is to allocate the monies to the prior year liabilities keeping the fund at \$90.6M going into this year. This is about \$3.5M more than we've had in the prior liabilities. Since we brought the values down, projects continue to do better each year. They are performing at 80 to 85 percent; it used to be 50 to 65 percent in the previous years. As I mentioned at the previous meeting, for the FY, we are looking very good. Our allocations are at \$76.2M approved through appropriations, and we have about \$22M in the reserve funds. If we have to take \$6M out of that, the balance will drop down to \$16M for the remaining for FY 2015/16. We will monitor this closely since the appropriations are higher than last year to make sure each year we are not dipping to the funds at a high rate, and when the economy lapses, that we still have funding to smoothly ease off, rather than have a drastic cut.

Regarding applications for contracts that are still in the regional offices: Single Employer Contract requests are at \$38M; \$28M in allocations. Multiple Employer Contract (MECs)

requests are at about \$7.3M in demand; \$3.1M in allocations. Small Business has \$2.7M in demand; \$5M in allocations. Critical Proposals are at \$1.2M in demand; \$3.1M in allocations. Apprenticeships are at \$3.6M in demand; \$3.4M in allocations. Overall demand is approximately \$52.8M.

Regarding the number of projects remaining in the regional offices today: Single Employers 100, MECs 10, Small Business 65, Critical Proposals 3, Apprenticeships 2; total of 180. AAU by category: Single Employers 65, MECs 21, Small Business 57, Critical Proposals 0, Apprenticeships 16; total of 159. Total number of projects left: 339. The Panel has already funded 151 projects to date with a total remaining at 409. We are currently working very quickly to get those projects out of AAU and out into the regional offices. We have pushed out 60% of the projects, but as you know, they come in as quickly as they go out. We are only receiving about 15 to 16 projects per month; that number has dropped off quite a bit.

In terms of the Individuals With Disability (IWD) program that we have discussed last month, Maureen Reilly, General Counsel, will discuss more of that later today. We have met with several stakeholders and partner agencies about this program to discuss how we can serve people with disabilities and individuals with barriers to employment. We look forward to some of the projects coming forward with those components in the future.

Regarding legislative update, SB 342 was enrolled and presented to the Governor on September 3, 2015. Under existing law, the California Workforce Investment Board (CWIB) is responsible for assisting the Governor in the development, oversight, and continuous improvement of California’s workforce investment system. Existing law requires the board to assist the Governor in targeting resources to specified industry sectors and providing guidance to ensure that services reflect the needs of those sectors.

SB 342 would additionally require the CWIB to assist the Governor in helping individuals with barriers to employment achieve economic security and upward mobility by implementing policies that encourage the attainment of marketable skills relevant to current labor market trends. On October 5, 2015, SB 342 was approved by the Governor and chaptered by the Secretary of State; Chapter 507, Statutes of 2015. Currently, we are not looking at any additional bills.

VI. MOTION TO ADOPT CONSENT CALENDAR PROJECTS

Mr. Knox asked for a motion to adopt Consent Calendar Items #1 through #9.

Able Disabled Advocacy, Inc.....	\$199,748
ASC Process Systems, Inc.....	\$178,416
Asian Neighborhood Design, Inc.....	\$193,620
General Mills Operations, LLC.....	\$155,104
Grossmont-Cuyamaca Community College District.....	\$90,000
La Reina, Inc.....	\$145,728
Los Angeles Community College District.....	\$70,707
Managed Career Solutions, Inc.....	\$199,000
Riverside County Economic Development Agency.....	\$75,362

ACTION: Ms. McBride moved and Ms. Bell seconded the approval of Consent Calendar Items #1 through #9

Motion carried, 6 – 0.

VII. REQUEST MOTION TO DELEGATE IN EVENT OF LOSS OF QUORUM

Mr. Knox asked for a motion for the Panel to delegate authority to the Executive Director to approve Proposals and other action items on the Agenda in consultation with the Panel Chair or Vice Chair.

ACTION: Ms. McBride moved and Ms. Fernandez seconded the approval to delegate authority to the Executive Director in event of loss of quorum.

Motion carried, 6 – 0.

Mr. Broad said, I want to take a moment to mention a few things. I received a copy of a press release put out by the Training Refund Group that encourages employers to apply for funding by January 2016 because we are running out of money. I assume that this was just an honest mistake. However, given the history of the last few years, there's sort of a cautionary tale there. We don't want to get into the "run to the bank" mentality of goals based on the theory that we are running out of money, when we are clearly not running out of funds. There is plenty of funding, there's over \$30M that will be allocated before the end of the FY. I would caution folks to be careful about what they say because sometimes words have consequences.

VIII. REPORT OF THE GENERAL COUNSEL

No More Barriers

Maureen Reilly, General Counsel, said I'm going to speak on the **No More Barriers** program that we launched effective October 1, 2015. This is a program within a program. We are following our Job Creation program as far as offering incentives to employers who commit to hire and train individuals with disabilities, and we are also offering training funds for related training. By that, I mean recruitment efforts, HR staff training on Section 503 Compliance, or the company's own personalized program to reach out to the community. We are active with this and we are encouraging companies that have this type of program, whether it's a Section 503 Compliance, related to federal contracting, or just an ongoing program for diversity to step forward. We will do whatever we need to do in the contract to not identify these trainees by name, Social Security number, but just in the sense that they are included in the contract. Our training funds are available for this purpose, and we are going to be able to add courses to Exhibit B: Menu Curriculum per your own existing training programs in this regard.

Companies that have outreach programs and training for veterans are also eligible for this type of contract. If you don't have that attribute identified in any of your contracts, we can add it by modification or amendment, and request additional funding if necessary. We are encouraging employers to step forward, especially the larger companies that typically have

these types of programs. Again we are not asking you to set up the program, we are asking you to just work with us in regards to an existing program.

New or Active Contractors

ETP can add a **No More Barriers** Job Number to your contract. We can do it on the record here, or follow up with a modification. If more funding is needed and you are already in the contract, we can follow up with an amendment. **No More Barriers** is an attribute of the Job Number. It is not per trainee or tagged to training.

Critical Proposal Status

The aspect of this program means that when a proposal comes to us with five individuals to be considered for **No More Barriers**, you will be processed at the top of the heap as a Critical Proposal with the highest funding priority, in terms of ETP staff workload. We do not have a trainee count; we do not have a minimum. We are expecting some of these Job Numbers or groups to be small: 5 or 10 people. Sometimes we have veterans, and our overall objective reflects the Federal Workforce Investment and Opportunity Act (WIOA) that supports the Governor's Office of Business and Economic Development (GO-Biz) policies.

No More Barriers Training Topics

If you have a training topic or have a training topic in development, that includes training, how to recruit, how to hire, or how to retain individuals with disabilities, those are the key words coming out of the Section 503 Compliance for the federal contractors; we can add that to the Exhibit B: Menu Curriculum. In other words training and support functions, such as HR training, IT training that will make your website more user-friendly for someone who is visually impaired, and sensitivity training for hiring individuals with disability.

Job Creation with No More Barriers

If you are hiring individuals with disabilities, you get all the same incentives as we give for Job Creation. You will receive the new hire rate, which is \$20 per hour. You will also receive the new hire wage, not SET, a High Unemployment modification, no Substantial Contribution, no turnover rate penalty, up to 260 hours per-trainee, and literacy and job readiness at 50%. Temporary to permanent positions are ok, as well as productive laboratory. This applies only to Single Employer Contracts. As we launch this new program, we are just going to work with single employer contractors; this may be extended to Multiple Employer Contractors (MECs) in the future.

You can also have a **No More Barriers** component without Job Creation. You can just go to standard training with an existing Job Number. Without the Job Creation, you will not receive the incentives. You will still get your priority status if you are in the development stages. Everything else follows the Job Number that your individuals with disability are going to be enrolled in, or we can include the trainees in an existing Job Number.

Dispelling Myths

In talking to some employers that are getting ready to come before the Panel today, we've found out that there is a concern that funding allocation is locked into a Job Number for veterans with individuals with disabilities. There are concerns that the funding won't be movable or shifted in or out of that specific Job Number. We are here to say that you have the option to shift funds between Job Numbers, just as they do for any other non-focused

trainee population. Again the **No More Barriers** is an attribute, and we are not tagging it per individual. We are also going to say that if performance is poor, and if you do have a dedicated Job Number, Job Creation **No More Barriers**, and you don't recruit to the extent like you thought you were going to, you will be held harmless on performance for that contract, and it is the same for the veteran component.

Confidentiality

We can set up a new Job Number with the **No More Barriers** attribute without tagging individual's names or Social Security numbers. In this case, it would be impossible to tell if the trainees, who are taking **No More Barriers** courses, such as sensitivity training, webmaster courses, recruiting and outreach training, have a disability or not. We will work with employers, and ask them to simply report to us, at the end of the contract, how many persons were included in training, regardless if it's a separate Job Number. There will not be any disability tag, not at enrollment or online tracking, not on invoicing, or at data entry, or in any other regard, and we will work this out with the companies based on your own HR protocols as they exist today.

Just in general, most people here know that we do hold any nonpublic personal information in the highest confidence and the IWD status is also confidential. It is not tagged in any way in our system and in general to ensure confidentiality. All trainee data is encrypted at transmission as you do your uploads to our ETP online system. It is stored in a secured ETP database, password protected, need to know access and all of the state of California and security standards in place.

Follow Employer's Program

Again, we are following the employer's program. The employers are the ones who will document any diversity types of statuses or IWD status. There is an Office Management Budget (OMB) form CC-305 online that will allow people to self-certify whether or not they have a disability. We will accept the employer's statement reported to us as to whether or not any trainees or individuals have disabilities. We anticipate having a successful program and I am open to answer any questions from Panel members.

IX. APPRENTICESHIP PRESENTATION

Peter Cooper, Assistant Director, said good morning. My presentation this morning will be fairly quick. November 2 - 8, 2015 is National Apprenticeship Week and President Obama has proclaimed it as such. This is the first time we've had a National Apprenticeship Week and there are activities and events going on across California. President Obama has done quite a bit to support apprenticeships, including grants of \$175M and other initiatives. I have included a letter of support from Governor Brown, which he issued earlier this week for National Apprenticeship Week. I will say a few words from that, and then I'll get into the statistics of our program.

Governor Brown writes, for more than 75 years, formal state registered apprenticeship training programs have been in an integral part of California's effort to promote a highly trained workforce. The state's apprenticeship system brings together industry, labor, education and government to increase career opportunities for Californians while meeting employer's needs for skilled workers.

Apprenticeship programs provide on-the-job training and technical instruction in which the apprentice learns by doing and earns while learning. Today there are 62,000 apprentices statewide in California being trained in more than 800 occupations, and just a side note, the Division of Apprenticeship sent me some information earlier today, indicating that we have the largest apprenticeship program in the country; the next largest is about 30,000.

Governor Brown writes, given the significance of apprenticeship to the state's workforce development system, it is essential that the apprenticeship model continue to adapt along with changes in our economy. The budget that was put in place this past year directs funding to expand existing apprenticeship programs and create new programs in non-traditional fields and emerging industries to meet unmet labor demands.

Governor Brown said, I urge Californians to recognize the value of registered apprenticeship to the economic well-being of our state, its workers and its employers. I also encourage all California employers to explore the potential of apprenticeship as a means to grow their businesses to meet their needs for skilled personnel and offer opportunities for their employees to advance in their careers.

We have strong support nationally, and on the state level and as you know, we have a program that supports classroom instruction as part of our apprenticeship program. I wanted to share with you some interesting data that we just got back regarding our program.

Should the Panel approve all the projects today, our totals would be 83 in contracts totaling over \$35M. The average amount is \$423,040 and 94% are JATC's. The most important figure here is that we are serving over 20,000 trainees. Based on our Contract Analysis, these programs are largely in the construction sector and we are making efforts to reach out to new sectors as well, including machining and tooling, a/c and refrigeration, and butchers. We are working with our state partners to figure out how we can expand this model to other sectors.

In looking at the ETP Apprenticeship Program, the number of trainees is shown by county in the shaded areas on the map. The largest uptake is in the Los Angeles County as well as the East Bay and South Bay. We have reached almost the entire state of California. There are some rural regions in the far north east part of the state that don't have apprenticeship trainees there yet. I think this reflects the apprenticeship system as a whole and I think the program is doing a good job of reaching the whole state.

Regarding the number of demographics of trainees, the statistics shows that over half of the participants are Hispanic or Latino, 50.3%, White 33.6%, Black 4.8% and Other Race 11.4%. The Apprenticeship Program participants are male, 99%. This is one of the areas that our partners with Division of Apprenticeship Standards (DAS), community colleges, labor agencies, trade unions, and employers are trying to change, so that there are more females who are involved in the apprenticeship training. If you look at the age breakdown, the bulk is in the 26-34 year old age range; 45%, under 25 years old 18%, 35-44 years old 21%, and over 44 years old 16%. As the apprenticeship expand, you will see younger people using apprenticeship programs, as they often do in Germany, Switzerland, and other industrialized countries that have strong broad, apprenticeship programs.

The Apprenticeship Program is going strong at ETP and we are engaged with our partners. The economy is doing better. The Governor has included \$15M for new and alternative apprenticeship programs in the most recent budget. We are working with them to figure out how our funding and program can dovetail with the college's and Department of Labor (DOL) initiatives. Going back on the slides that I showed you earlier, it indicated that \$175M has gone out from the DOL, \$19M of those has come to California. The ETP, myself, and Mr. Knox are working together to figure out how we can report those efforts to expand this great model. That concludes my presentation. I wanted to share the data with you and let you know that there is a lot of energy in this area and we have a lot of support.

Mr. Broad said, thank you.

X. REVIEW AND ACTION ON PROPOSALS

Single Employer Proposals

AHMC Greater El Monte Community Hospital LP dba Greater El Monte Community Hospital

Diana Torres, Manager of the San Diego Regional Office, presented a Proposal for AHMC Greater El Monte Community Hospital LP dba Greater El Monte Community Hospital (AHMC El Monte or Hospital) in the amount of \$363,880. AHMC El Monte is a 117-bed, full care acute hospital, accredited by the Joint Commission on Accreditation of Healthcare Organizations. This will be AHMC El Monte's third ETP Agreement

AHMC El Monte is a repeat contractor with payment earned in excess of \$250,000 at its facility within the last five years. Training in the proposal differs from and expands on training delivered in previous projects.

Ms. Torres introduced Eric Radagio, Director of Education in Nursing Informatics, Medical Surgical Telemetry Director.

Ms. Fernandez said, in your last agreement, you completed 70%, and prior to that, it was 100%. You are requesting for more funding. How are you going to utilize the funding and how is this contract going to be different from the previous contract? Mr. Radagio said, when we came in March 2013 for our initial project, we hired more people for our facility and we were impacted by the effect of the Affordable Care Act (ACA). Fewer patients were admitted to the hospital, and we were not able to afford any of the training for our staff. The numbers of patients and staff were decreased, and because of this, we were not able to meet our budget and provide the needed training. On the second project, more patients came in because of the implementation of the ACA. The traffic of patients increased, and we were able to deliver training to the staff. In regards to the ACA, there were plenty of requirements for us to meet. There were changes in volume-based purchasing indicators, there were a lot of requirements in order to be reimbursed, and we were required to provide excellent patient care. We were also required to meet quality outcome measures in order for us to provide quality care for our patients. We struggled in the beginning, but later on, we were able to cope. For this upcoming project, there are more requirements by the government in regards to providing services to our community. They have added Prevention of Hospital-Acquired

Infection. We need to be able to train our staff in order to comply with those requirements. In addition the OSHA requires us to promote employee safety. They are asking us to provide training for Lift Equipment and Meaningful Use Stage 2. We need to train our staff in order for us to provide quality care to our patients.

Ms. Fernandez asked, do you have the support of the leadership within your organization so that you can overcome any barriers you may encounter, and be able to continue the training? Mr. Radagio said, yes. As a matter of fact, this year, we hired 12 new graduates. We intend to hire additional new graduate nurses in the upcoming years. We have job openings, but we don't have any experienced nurses applying for the positions. Most of our applicants are coming out of the new graduate program. We are committed to hiring more nurses in our facility. Ms. Fernandez said thank you.

Mr. Broad said, I don't see the Lifting Training in the curriculum. It must be included in a different category because I happen to listen to the series in National Public Radio (NPR) about injuries of nurses in hospitals and the report is bad. It is bad story for the industry; there are a lot of debilitating injuries that are happening to the nurses who are being required to lift patients. There isn't adequate lifting training that is available for the employees. I think our money would be well spent because some of the injuries sustained by the employees are career-ending.

Mr. Rodriguez asked, is the request similar to the previous contract or is it different? Ms. Torres said, the difference is in the training. Mr. Radagio touched on the trainings that are required by the government, although they are going to be the same skills, they have new graduate nurses, so those skills have to be taught in the didactic. Mr. Radagio said, yes, that is correct.

ACTION: Ms. McBride moved and Mr. Rendon seconded the approval of the proposal for AHMC Greater El Monte Community Hospital LP dba Greater El Monte Community Hospital in the amount of \$363,880.

Motion carried, 6 – 0.

Northrop Grumman Systems Corporation

Ms. Torres presented a Proposal for Northrop Grumman Systems Corporation (NGSC) in the amount of \$899,940. This proposal has been designated a Critical Proposal by the Governor's Office of Business and Economic Development (GO-Biz) based on NGSC's planned business expansion and commitment to adding jobs in California. The Company has designated its Palmdale facility as a Manufacturing Center of Excellence, one of only two in the nation; and its San Diego facility as an Engineering Center of Excellence, one of three in the nation.

Ms. Torres introduced Orville Dothage III, Sector Manager, Julianna Kirby, Chief Operating Officer, Training Funding Partners.

Ms. Fernandez asked, what plans do you have in place to hire additional veterans? Mr. Dothage said, we have ongoing programs at Antelope Valley College. First, for the mechanic

individual on the floor, in one semester, a person can be qualified for an interview, get hired, and come in as a trainee. Second, we put together a proposal with Antelope Valley College that went to the Governor's office, and they were selected for the stem baccalaureate program, which will kick off in the fall of 2016. We will grow some of our own engineers locally in aerospace manufacturing technology. Third, Antelope Valley College can't meet our need for growth, so they're not going to be able to produce enough of a pool. We are currently working with the city of Palmdale, Antelope Valley College, and the Workforce Investment Board (WIB), and they will hire not only disabled individuals and veterans, but also work on the population. We plan on adding more classes at different campuses. Ms. Fernandez said, thank you.

ACTION: Mr. Rendon moved and Mr. Rodriguez seconded the approval of the proposal for Northrop Grumman Systems Corporation in the amount of \$899,940.

Motion carried, 6 – 0.

90210 Desert Resorts Management Co., LLC

Ms. Torres presented a Proposal for 90210 Desert Resorts Management Co., LLC (Desert Resorts Management) in the amount of \$425,575. This will be the fourth training project funded by ETP. The prior ETP Agreements were held by LQR Property LLC. The name change to Desert Resorts Management occurred as a result of corporate restructuring and was not a change in ownership.

Ms. Torres introduced Danyse Jensen, Director of Human Resources, and Jay Kriske, Manager.

Ms. Bell asked, how do you recruit your staff? Do they come in as a temporary hire and become a permanent employee? Ms. Jensen said, no. By the end of the year, we hope to bring in a department that has been outsourced since 2009 when the economy crashed. We love that component of the contract in order to be able to start training those individuals. By the end of the year, we will be able to bring in 80-90 employees

Ms. Bell asked, so none of your employees are temporary hire to permanent? What is your probationary period for your employees? Ms. Jensen said, there is a 90-day introductory period. However, we treat them as employees from day one. Ms. Bell asked when do they qualify for medical benefits? Ms. Jensen said, they qualify after 90 days.

Ms. Torres asked, in this particular proposal, will you have any temporary hire to permanent employees in the Job Creation Number? Ms. Jensen said, it will be very small. We are anticipating 70 to 80 positions.

Mr. Broad said, this temporary hire to permanent employment is going to come up again today. I just want to understand this correctly. The 70 to 80 people who are currently outsourced right now, who is their temporary employer? Ms. Jensen said, their current employer right now is another organization. Mr. Broad asked, is it a temporary employer agency? Mr. Kriske said, it is an employment company that provides staffing for the

hospitality industry. Mr. Broad asked, are these trainees already working at your facility? Ms. Jensen said, they are already working.

Mr. Broad asked, the general question I want to ask here is, who is doing the temporary hire to permanent and how long will they be in a temporary position; what is the timeframe? Mr. Kriske said, what we're moving away from is a permanent scenario. In 2009, we outsourced the entire housekeeping department. We want to bring it all in house. In our market, there is a window, from January 1 to Easter, where you are running at peak level of 40% higher than normal. In that window, our intent is to have everyone be our team members. It's a question as to whether the employment market will be able to bear it.

Mr. Broad asked, so is this a one-time situation? Ms. Jensen said, yes. Mr. Broad asked, on the average, how long will they be employed as a temporary hire before they become a permanent employee? Ms. Jensen said, 30 to 60 days. Mr. Broad said, thank you.

Ms. Fernandez asked, when someone is in a temporary to permanent position, once the employee is converted to permanent status, is there an additional waiting period for benefits? Secondly, for those who receive training on the lower skill wages, what types of opportunity do they have to move up? Mr. Kriske said, part of our strategy with the training, when you have a resort that is spread out over 8 miles, and have all the diverse businesses we have, usually 80% of the time might be busy and 20% might be a little slower period. This time will be used as cross training, so we can put people into other positions that might not be there home department, give them the chance to grow and earn more money. There's a chance than an individual can be promoted internally. It's a big strategy to cross train in multiple lines of expertise.

Ms. Bell said, I'm not sure if I heard it correctly. So I want to ask this, a temporary employee starts off day one and in approximately 30 to 60 days, they are converted to full time? Do they have to wait an additional 30 to 60 days before they can qualify for benefits, or is that original temporary time bridged over? Ms. Jensen said yes, it's included.

Mr. Rodriguez asked, is your training focused on guest services and sales? Ms. Jensen said, quite a bit of our training is guest services, continuous improvement, and job skills. We do have some new technology that will benefit our guests in the long run. That is the type of skill set that we will have to train our team members on, different programming. Mr. Rodriguez asked, what is the number of employees dedicated for that function? Ms. Jensen said, all of our team members. Every individual that works at our resort is a salesperson. They have contact with the guest, and they need to be able to communicate properly with them and provide that type of service. The front office sales teams have more interaction and they require more advanced training. As far as we're concerned, we need to provide that skill set to all of our team members.

Mr. Rodriguez asked, currently, what is the size of your workforce? Ms. Jensen said, currently, we have about 1250 team members. Mr. Rodriguez asked, what is the percentage in terms of the ETP training? Ms. Jensen said, we have 900 trainees who are eligible for this contract. Mr. Rodriguez asked, including training in housekeeping? Ms. Torres said, you have 582 of which 85 are under Job Creation.

Mr. Rodriguez asked, what percentages of the trainees are classified as temporary? Ms. Jansen said, 85%. Mr. Broad said, what we typically see here is that companies hire their employees directly to come work for them. So this is a one –time event and you are bringing the outsourced employee back in the house, which is a good thing. Mr. Kriske said, yes, that is correct.

ACTION: Ms. Fernandez moved and Mr. Rendon seconded the approval of the proposal for 90210 Desert Resorts Management Co., LLC in the amount of \$425,575

Motion carried, 6 – 0.

Western Digital Corporation

Ms. Torres presented a Proposal for Western Digital Corporation (WDC) in the amount of \$583,920. WDC designs, manufactures and sells high-performance hard disks, solid-state drives, and other consumer electronics. WDC is a repeat contractor with payment earned in excess of \$250,000 and with former Substantial Contributions at the 15% and 30% levels, at the Irvine and Fremont facilities, within the past five years. Accordingly, reimbursement for trainees at the Job Number 1 facilities (Irvine and Fremont) will be reduced by 50% to reflect the company's \$132,480 Substantial Contribution to the cost of training.

Ms. Torres introduced Susan Hagg, Director, Leadership and Organizational Development.

ACTION: Mr. Rendon moved and Ms. Bell seconded the approval of the proposal for Western Digital Corporation in the amount of \$583,920.

Motion carried, 6 – 0.

Headway Technologies, Inc.

Creighton Chan, Manager of the Foster City Regional Office, presented a Proposal for Headway Technologies, Inc. (Headway) in the amount of \$580,629. Headway designs and manufactures recording heads for high-performance hard drives used in laptops, portable computers, and computer servers. This is headway's fourth ETP Agreement in the previous five-year period.

Mr. Chan introduced Louie Berry, Training Manager and Belva Biagas, Employees Relations Manager.

Ms. Bell asked, regarding the temporary to permanent employment, it states here in the Panel packet that you have a small group; what do you consider a small group? Mr. Berry said, 30. Ms. Bell asked, how long is the waiting period before you convert them to permanent full time position? Mr. Berry said, it takes a year. Ms. Bell asked, after that one year waiting period, is there an additional waiting period? Mr. Berry said, no, there is no additional probationary period. Ms. Bell asked, when are the employees eligible for healthcare? Mr. Berry said, they are eligible for healthcare after 90 days. Ms. Bell asked, is that under Headway or through the temporary agency? Mr. Berry said, we do not use a temporary agency. All the employees are directly employed with Headway.

Mr. Broad asked, when does the temporary employee begin the training? Mr. Berry said, we start the training immediately. When we hire an employee, we take them into our factory and work them in a clean room environment; we take them inside the green room. All our training is one-on-one; it's a complicated process. We train them to understand the importance of what we are doing by following the cleaner protocol. The training takes some time. Once they are trained, then they can start producing our product in the manufacturing line. Over a year period, they build more skill sets through training. We don't train them on one thing; we train them on multiple items. The training is time consuming.

Mr. Broad said, with regards to the temporary employees, are they receiving training through ETP funding, or is it through the temporary agency? Mr. Berry said, we employ all the individuals directly. Mr. Broad asked, who are considered temporary to permanent hire? Mr. Berry said, what we do is hire them for a probationary period for a year. Mr. Broad said, so there isn't a temporary agency scenario at all. Mr. Berry said, yes, that is correct.

Mr. Chan said, it's confusing on the narrative because they reference to a temporary agency, which we understood it to be, but now we are finding out that that is not the case.

Mr. Broad asked, from day one, are all your trainees employed with Headway, not a subcontractor or a temporary agency? Mr. Berry said, yes, that is correct. Mr. Broad said, we have an error on the description in the Panel packet.

ACTION: Ms. Bell moved and Mr. Rendon seconded the approval of the proposal for Headway Technologies, Inc. in the amount of \$580,629.

Motion carried, 6 – 0.

Lockheed Martin Space Systems Company, a Division of Lockheed Martin Corporation

Mr. Chan presented a Proposal for Lockheed Martin Space Systems Company, a Division of Lockheed Martin Corporation (LM Space Systems) in the amount of \$749,232. LM Space Systems is one of five major divisions of Lockheed Martin Corporation.

LM Space Systems has participated in two previous Agreements, one project within the last five years. The Company is not subject to a Substantial Contribution since the earned funds were not in excess of \$250,000 within the last five years.

Mr. Chan introduced Craig Burchell, Talent Development and Organizational Capability.

Mr. Rodriguez said, I'm not familiar with the Marquis Group. Mr. Burchell said, Marquis Group is a vendor that we utilized to put the contract together and manage the funding. Mr. Rodriguez asked, do they have an experience in California? Mr. Burchell said, they have been on past contracts for California, and they have access to our LMS system.

Mr. Chan said, the Marquis Group was initially involved with the previous Lockheed contract five projects ago. They no longer have an office here in California, but they're operating out of Texas. They have been involved with all the projects with Lockheed Martin, and we are recommending it.

Mr. Rodriguez asked, how is the Marquis Group going to function without an office, are they going to oversee the administrative portion of the contract virtually, or will they have someone on site? Mr. Burchell said, they will do it virtually, and travel out to the facility. Mr. Rodriguez said thank you.

Ms. Fernandez said, this is a great proposal and you have done a great job. As a veteran myself, I appreciate the initiative you have internally. I wish you good luck and I make a motion to approve.

ACTION: Ms. Fernandez moved and Ms. McBride seconded the approval of the proposal for Lockheed Martin Space Systems Company, a Division of Lockheed Martin Corporation in the amount of \$749,232.

Motion carried, 6 – 0.

Maxim Integrated Products, Inc.

Mr. Chan presented a Proposal for Maxim Integrated, Inc. (Maxim) in the amount of \$731,538. Maxim designs, develops, manufactures, and markets a range of linear and mixed-signal integrated circuits, commonly referred to as analog circuits.

Mr. Chan introduced Susana Meisenhelder, Program Manager Human Resources, Denise Wooldridge, Senior LMS Representative, and Lee Edenfield, ADP.

Ms. Bell asked, is this your first contract proposal? Ms. Meisenhelder said, yes, that's correct. Ms. Bell asked, how did you hear about us? Ms. Meisenhelder said, we have been looking at the ETP website for a couple of years. This is something that we have put together since February 2015. We are now in a position where we can put together a proposal.

Ms. Bell said, congratulations on your first contract. I see that you have the resources behind you. First contracts can be a little challenging. Please reach out to us if you need additional help, so you can be successful. Ms. Meisenhelder said, yes. Mr. Chan and Mr. Atkinson have been very helpful throughout the whole process. Thank you very much.

Ms. Fernandez asked, do you have the full support of your leadership? If so, please explain. Ms. Meisenhelder said, yes. For this specific initiative, our executive sponsors and the vice president of our human resources, Steve Yamasaki, are fully aware that we are here today. We have a lot of processes in place to make sure that everything goes smoothly.

Ms. Fernandez said, like my colleague Ms. Bell said, we have a great staff and resources within ETP, utilize them, and I wish you good luck.

ACTION: Ms. Fernandez moved and Ms. Bell seconded the approval of the proposal for Maxim Integrated, Inc. in the amount of \$731,538.

Motion carried, 6 – 0.

Milestone Technologies Inc.

Willie Atkinson, Manager of the Sacramento Regional Office, presented a Proposal for Milestone Technologies Inc. (Milestone) in the amount of \$444,800. Milestone was founded in 1997 in Fremont and offers strategic information (IT) solution services to businesses worldwide.

The Panel has established a higher reimbursement rate and other incentives for training California veterans. Milestone has committed to hiring five Veterans (Job Number 3). In recent years, Milestone has become the employer of choice for veterans in the local area. Milestone continually receives referrals from community organizations seeking placement for Veterans and hires Veterans on a continual basis.

Mr. Atkinson introduced Shauna Jones, Operations Managers, Sam Roy, Training Manager, and Audrey Taylor, Chabin Concepts.

Ms. Bell asked, are the 251 contact center agents located at a call center? Ms. Jones said, it is a technology support center. Ms. Bell asked, is that open 24 hours, seven days a week? Ms. Jones said, yes, it is open 24 hours a day, seven days a week. Ms. Bell asked, so anytime we call the one of the 251 agents, one of them will answer our call? Ms. Jones said, yes, that is correct.

Ms. Bell asked, is this your first contract? Ms. Jones said, yes this is our first contract. Ms. Bell asked, how did you find out about us? Ms. Jones said, the best way to support that going forward is that we have a floor member training department involved that supports the administrative tasks. I was a former trainer for the ETP grant. Ms. Bell said, so you are familiar with the ETP process based on your past history. This will be Milestone's first contract, be sure to reach out to us because we want you to be successful. Ms. Jones said, absolutely. Thank you.

ACTION: Ms. Bell moved and Mr. Rendon seconded the approval of the proposal for Milestone Technologies Inc. in the amount of \$444,800.

Motion carried, 6 – 0.

Siemens Industry, Inc.

Mr. Atkinson presented a Proposal for Siemens Industry, Inc. (Siemens) in the amount of \$599,760. Siemens is a subsidiary of Siemens AG, a global technology powerhouse that has stood for engineering excellence, innovation, quality, and reliability for more than 165 years.

Trainees in Job Number 2 and Job Number 3 come under Panel guidelines for “temporary-to-permanent” employment. Siemens plans to retain these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training. These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. However, the retention and

post-retention wage requirements cannot be satisfied until after they have been hired by Siemens. Until then, Siemens will not receive progress payments.

Mr. Atkinson introduced Christine Laster, Human Resources Manager, Mark Bennett, Vice President of Operations, and Mike Snead, Consultant, Sierra Consulting.

Mr. Broad asked, please describe the temporary to permanent employment process. Is this your general practice with all employees, and how long are they temporary employees before they become full time permanent employees? Mr. Bennett said, it is our general practice were most all of our labor employees come in as temporary employees. The reason for that is we have demanding quality requirements, specifically in the area of welding and assembly tasks. The product lifecycle for a single vehicle is measured in months, not days, so to get through a couple of cycles of a production process, it takes several months to get that experience for the employee, and understand that they are qualified and fit for long-term employment at Siemens. The typical duration would be 6 to 12 months as a temporary employee, before converted to a full-time permanent position. We strive to convert to full-time employees to the extent that we see our ability to sustain those full-time employees over the long-term. We have a very complex planning cycle. Our sales cycle is measured in years, and we have labor forecasts looking out with good position for 2 to 3 years. Beyond that, we still have additional forecasts, but they are obviously cloudier and there are more variables. We can support the long-term conversion of those employees to full-time permanent.

Mr. Broad asked, when you hire an individual, do you let them know that they are employed temporary and will you notify them when their employment ends? Ms. Laster said, when we work with our agency, which is on staff, the candidates are actually told that their training can take anywhere from 6 to 12 months, depending on the business needs and the location where they are actually going to be working.

Mr. Broad asked, will the training exceed 12 months? This is a sensitive area for us because of the temporary to permanent employment that's going on in the American workplace, which is for employers to figure out a new and ingenious ways not to take responsibility for their own employees. Instead of people getting promoted, if they hang around long enough to get converted to permanent employee of the company, which is where traditionally, in the real world, that's where you begin starting day one. Generally, new employees become permanent within 30 to 60 days, it very quick. This is a long haul. Although I get the reason why.

Mr. Broad asked, what is your turnover rate? What is the percentage of employees that get terminated before 12 months? Ms. Laster said, we have a very low turnover rate at Siemens; it is less than 3%. When we look at the temporary to permanent employment with Siemens, we look at that very seriously because we want to be able to sustain their employment for many years. With that said, we also recognize that we are not eligible for this funding until we actually convert them to full-time permanent position, but we will not convert them to full-time permanent just to get funded. We are going to convert them because we have long-term sustainability for them.

Mr. Broad asked, if the turnover rate is very low, I hate to ask you to be candid. What are you getting out of this? Is it cheaper benefits and lower wage? Mr. Bennett said first of all, it costs us more to have a temporary employee than a permanent employee, and it's by several dollars in our welder classification because of the higher worker's compensation cost, and with the assembly level, it's about a wash, so there is no financial benefit to that. The benefit is, in the long-term, if we bring on the wrong employee and we have to deal with that issue, in the longer term it's more expensive and challenging for us.

Mr. Broad said, so basically it's a bigger challenge for you to terminate someone who is your employee than to terminate someone who is an employee of the temporary agency? Mr. Bennett said, of course it is. Mr. Broad asked, so is that the main reason why you do temporary to permanent employment? Mr. Bennett said, we really want to have that loyalty in our full-time workforce at Siemens. When you are a Siemens employee, we are going to do everything in our power to retain you for the long-term. Mr. Broad asked, what is your average years of employment? Ms. Laster said, we have 10 to 15 years in the shop, they don't leave us.

Ms. Bell asked, do you use multiple staffing agencies or do you only use one staffing agency? Mr. Bennett said, we use one dedicated staffing agency. We actually had to work very hard within Siemens to get that. We have a national program which uses multiple agencies, and we felt that that did not serve our needs to reach into the Sacramento market effectively. We have one dedicated agency for that purpose.

Ms. Bell asked, are you utilizing Superior Group? Mr. Bennett said yes. Mr. Broad asked, when you say they're dedicated, do they exist elsewhere other than at your facility? Mr. Bennett said, yes. Ms. Laster said, we have people dedicated to Siemens facility on site, and they also have a team behind them that is off-site.

Mr. Broad said, since the employee is performing heavy duty manufacturing, there is a significant risk of injury. If they are injured at the workplace, how is the case handled? Ms. Laster said, the employment agency deals with that issue, but we work side-by-side with our environmental protection, health management and safety (EHNS) on-site. The first step is to get them the medical treatment they need, and then we notify the person on site; this is your employee, let's work on this together.

Mr. Broad said, we don't have a policy on this matter. I'm not comfortable with this; but I'm not going to vote against it since we don't have a policy in place. I would really prefer if you were to commit that they would be in a permanent position before they receive the training, but that is not a requirement; we don't have that policy in place. I would like the staff to look at this, and we need to come up with a policy. I think from my point of view, you want the worker to be committed to Siemens, but the worker doesn't exactly feel that Siemens is really committed to them until a certain point. The employee is still disposable. Psychologically, in a way, they know that the temporary position is not the real thing. The real thing is working for Siemens. The employee is hoping for this really good employment. I am also aware, the beneficiary contracts awarded by the taxpayers to build a rolling stock for public agencies, the taxpayers are providing income to the company, and we are paying to train your workers, which is a subsidy to your bottom line. They are receiving this training even though they have already worked for the company for a long time, without a commitment from the

company to them. That is asking the taxpayers to do a lot. It's a lot that we're doing and that's the part I find disturbing, and I think that we need to have a policy in place that deals with this issue. I'm not sure what the answer is, but it seems that there is a moral problem here. I'm not criticizing your company, I wish it was different. I understand your point of view and why you're doing it this way. It may be in your own best interest. I'm not sure if it is in the best interest of these workers, looking at it from their perspective.

Mr. Broad asked, on the average, how long would an employee have worked there at your facility? Mr. Bennett said, the incumbent worker have been there an average of 10 years.

Mr. Broad asked, of the temporary employees, how long have they been at your facility? Mr. Bennett said, most of them have been there a relatively short period of time. As we mentioned earlier, we look at our work load continually. We are actually coming out of a low ebb in our work floor. We are in the project business, and by its nature it has its clear ups and down. We are coming out of a low, heading for a new high rapidly. We are at the lowest ebb of our contract labor force. We have 60 contractors today and we are immediately converting contractors who have critical skills as soon as we are in the uptake. We are converting those contractor employees to full-time employees. We invest heavily in this folks. When we start up a new product line in several areas, the employees with critical skills become the benefactors of the technology transfer. We bring workers, engineers, and welders from Europe, and our lead factory to train these folks. They become the experts. We commit heavily to them

Mr. Broad said, Lockheed and Boeing don't do temporary to permanent employment when they start an F 35 project, and an F 35 is more sophisticated than a piece of rolling stock. Mr. Bennett said, sure it is. Mr. Broad said, they can commit to those people on the first day. We may just have to agree to disagree about this as a tool, and there is a question that we have to answer. We have some policy responsibility here, which is, what is our policy? Do we favor this sort of thing? We clearly don't favor temporary to permanent employment. It's something that we have made an accommodation to, but it's an uncomfortable accommodation, because the whole purpose of our training is to provide secure jobs for people, not insecure jobs. So when you tell me that when they complete your training, there is still a period of time before they would be converted to a permanent position.

Mr. Bennett said, clearly anyone who has completed the training, gets hired as a full-time employee, and complete the retention is eligible for any ETP funding. Mr. Broad said, that is correct, but if they do the training, and they stay for 90 days, you can still be past the 90 days to six months later before they become permanent employees. That doesn't work for me. You should at least commit, if somebody gets this training, and is retained for 90 days, that they are permanent then. Why would they have to wait another six months?

Mr. Bennett said, to our point earlier, it can take that long to become qualified welders, it can take a us a month just to get them through a qualification process before we can even put them on the floor to weld. Mr. Broad asked, after they're done with our training, is there any additional training that needs to take place? Mr. Bennett said, that would be the big part of your training which will not be eligible for reimbursement until after the retention period. Now we enter into a process of the productive laboratory. Then we ask, are they good employees, are they effective, and do we want them as a long-term Siemens employee?

Mr. Broad said, so when an individual gets hired, they start receiving training, but it isn't our training. Is there some training that comes before our training, or is the training we are doing the very first thing they do? Mr. Bennett said that's a very first thing they do. Mr. Broad said, I see. So this is the very first thing they do. Some of them will do well and some others won't. Whoever does well is retained for 90 days, and thereafter, is there an additional training module? How many months do they keep training before they are ready? Does it vary? Mr. Bennett said, in general, it varies. With welders, for example, they get pretested before they even become a contractor. They come to our education center and it can take days or weeks before they complete their certification. Then they would proceed to the floor and productive laboratory for more training. Again, that could take a week or two. Also there are other trainings that come as a matter of course. So right now, if the forklift driver needs to work with a crane, the required training, that goes on throughout the year, for the new skill requires a specific training from time to time. There are other courses of training that would occur.

Mr. Atkinson said, when we develop the curriculum, we don't develop that as to say this is ETP's curriculum and this is the company's curriculum. We build the curriculum based on the training that occupation is going to receive altogether. Then based on how many hours, that's what they are going to look for reimbursement.

Mr. Broad said, in this case, is there a set of separate federal funding? Mr. Bennett said, no there is no federal funding? Mr. Broad said, I thought there's another apprenticeship? Mr. Bennett said, there is no other funding from any other source. Mr. Broad said, I was under the impression that there was. Mr. Bennett said, no sir.

Ms. Fernandez asked, what determines the amount of time an employee spends on training? Is it the individual, or is it the job that they're going to be performing? What determines how long someone is in that timeframe? Six to twelve months is a long period. How do you distinguish, and how do you select people to be in those different categories? Mr. Bennett said, we are implementing a 30, 60, and a 90 day review period for contractors to make sure our managers are paying attention to these employees, and understanding how well they are or are not doing. Because we are going to hiring so many, on your 60 or 90 anniversary date, we anticipate a quarterly review. Everyone who is passed at least 90 days, by that point, would be considered, and it will be based on performance. Ms. Fernandez said, so it's the individual, not the job. Mr. Bennett said, no.

Mr. Broad said I want to apologize. I was getting confused with the \$5M grant that Los Rios Community College District received in which people get that training which is sort of an apprenticeship. But that's even before they are working for the temporary agency. Mr. Bennett said, yes. Our only involvement in that was to support their grant writing activity. We are industry partners to say, if you train qualified welders, we will be happy to hire them.

Mr. Broad said, when you recruit for new employees, specifically employees through the temporary agency, do they respond to an advertisement in the paper to go to work for Siemens, or are these people signing up through, Manpower, or Kelly Services? Ms. Laster said, we actually have been working on this for about a year and a half. We are working with Superior Group, they are our partner. We visit the local community colleges and look at the students that are currently enrolled in classes. We're getting them engaged, and we're telling

them about the long-term jobs at Siemens. We are working with Systems Engineering and Technical Assistance (SETA). They are creating a curriculum to help build the pipeline of welders to come into Siemens, so they're not just answering an advertisement.

Mr. Bennett said, the advertising is branded with the Siemens name. Ms. Laster said, last month, on Highway 50, there's a billboard advertisement recruiting welders for Siemens, so it's not just answering advertising in the newspaper. Superior Groups is our sole-source of recruitment for these positions.

Ms. Bell asked, are there employees that are there for 18 to 24 months? Is there a line that's drawn that you cannot have a temporary worker over two years? What is the maximum that you can be a temporary worker? Ms. Laster said, in some areas of our organization, you can be hired and assigned for a specific project. In Mark Bennett's world, that's different. We are actually working with our management, so if they're not going to be successful after the 12 month period, we will end their assignment.

Ms. Bell asked, what's the maximum that you can be a temporary employee? Mr. Bennett said, our policy is to convert them within 12 months. Ms. Bell asked, so no one will go beyond 12 months? Mr. Bennett said, there's never been anybody over 12 months. Our policy going forward that we hope to strictly enforce is nobody will be a contractor longer than 12 months

Ms. Fernandez asked, during that temporary period, are the employees qualified for benefits, and if so who is paying for that? Ms. Laster said, Superior Group offers benefits to their employees after 60 days on assignment, including six paid holidays.

Mr. Broad asked, does that include health insurance for the employee and family? Ms. Bennett said, the family insurance is paid for by the employee. Mr. Broad asked, the dependent is paid for by the employee, but they pay for the employee? When they convert to permanent employment, do you offer full family healthcare? Ms. Laster said, yes we do, and they are eligible on the first day. Mr. Broad said, it will cost you the same, that's not so good for the worker.

Mr. Bennett said, when I gave you that cost, the same is included in the benefit costs, all up, all in. Mr. Broad said, but now you have to pay Superior Group, and when they become your permanent employee, you no longer have to pay Superior Group anymore, so you get that savings back.

Mr. Rodriguez said, operationally, after 60 days, the employee is eligible to receive benefits from Superior Group. Siemens has a brand, it's an international company. You are leaders, in particular in renewables, and you employ engineers. The employee, in terms of identification, when they are working at a Siemens facility, do they have dual identification? Is it Superior Group and Siemens? Ms. Laster said, the employees are issued a Siemens badge.

Mr. Broad said, I'm looking around for something here that we can get you to agree to. Will you agree to convert the 242 employees to permanent position by nine months? If I can get my way, we will change our policy; we are not going to do this for people beyond 60 days.

You can also understand where we are coming from. You're not a mom-and-pop startup business; you're a large sophisticated company. I would like to move this thing back, can you commit to three months?

Mr. Bennett said, I have a counterproposal. As we look at that 242 number, there is actually one problem with that number, and I think we were misunderstood a bit when we were dealing with this with your staff. That 242 is the total number of contractors to come on board, but the actual conversion is 150 that are planned today. What we would propose is reducing the job funding by 40%. Mr. Broad asked, were the 242 employees going to do the training? Mr. Bennett said, the 242 will be trained, but not under the ETP funding. Mr. Broad said, we are expecting 150 of the 242 to make it. Mr. Bennett said, I expect them to be converted by the end of the contract period. We will still have those other 95 contractors on board, which may have come on board in the last six months or 90 days, or whatever, that may be converted at some time after this contract period.

Mr. Broad said, let's reduce that to 150 employees, I will agree to that. I still would like them to get converted earlier than a year. Can you give me a timeframe? Mr. Bennett said, I honestly don't think we have the authority to make that commitment to you here today. I would love to make that commitment to you, but I don't have the authority.

Mr. Broad said, can you make a commitment that nobody is employed temporary past a year? Mr. Bennett said, yes I would be happy to give you that commitment. Mr. Broad said, I want the staff to review this policy, and I want us to come up with something that deals with the question, what is considered temporary and still qualify for funding. I am not comfortable with this general approach, and I will say that you guys have been very good nature about responding to the questions; you've been fair and candid. It would be nice for us to hear that these employees can get converted to permanent employee by six or seven months

Ms. Bell said, with that said, can you get back to us to see if that's a possibility? Mr. Bennett said we certainly can investigate that.

ACTION: Mr. Rodriguez moved and Ms. McBride seconded the approval of the proposal for Siemens Industry, Inc. in the amount of \$599,760.

Motion carried, 6 – 0.

Mr. Broad said, I would like the staff to come back to us and bring back some recommendations, and let's come up with a policy where we don't have an issue.

Multiple Employer Proposals

TriWest Healthcare Alliance Corp.

Withdrawn

Brand Consulting Group, LLC dba Brand College

Ms. Torres presented a Proposal for Brand Consulting Group, LLC dba Brand College (Brand College) in the amount of \$889,630. This will be the fifth Agreement between ETP and Brand College. Founded in 2004, Brand College is a training agency that provides information technology (IT) courses designed to help IT professionals and businesses succeed in today's technology-driven environment.

Ms. Torres introduced Debbie Ruiz, Director.

Mr. Broad said, the cost of the training indicated here is relatively high; is it because it's advanced technology training? There are a lot of hours on this training. Ms. Ruiz said, that is correct. We offer classroom medical training. Our instructors and all the equipment that we have is the reason why we ask for that higher advance technology rate. They are high-end classes networking with Cisco, Microsoft, LAN and WAN Specialist, and Linux. The pay rate is higher for the people that we are retraining.

Mr. Broad said, in looking at your menu curriculum for your Advanced Technology, Exhibit B is showing 8 to 200 hours. There is a big difference between 8 to 200 hours. Ms. Ruiz said that is correct. Mr. Broad asked, do the hours on the training in bullet points vary? Is there a fixed number of hours for each class; are they strung together?

Ms. Ruiz said, our programs and classes within the programs are modules. We can customize the class to meet each company's needs. So for example, the Certified Multiplatform Network Specialist (CMNS), the training consists of 12 modules. An individual can come in from a company and say that we want to be retained in only eight of those modules. If we have enough people enrolled, then we can customize that for just the specific amount of hours. Some of our classes can go up to 1000 hours. It really is by modules. That is how we try to customize it by company's needs.

Mr. Broad said, I see. That make sense; I understand.

There were no further questions from the Panel.

ACTION: Ms. Bell moved and Mr. Rendon seconded the approval of the proposal for Brand Consulting Group, LLC dba Brand College in the amount of \$889,630.

Motion carried, 6 – 0.

Kern Community College District

Ms. Torres presented a Proposal for Kern Community College District (KCCD) in the amount of \$948,372. Headquartered in Bakersfield, KCCD strives to provide outstanding educational programs and services responsive to its diverse students and communities. KCCD includes Bakersfield College, Cerro Coso College, and Porterville College. This will be the tenth Agreement between ETP and KCCD.

Ms. Torres introduced Dave Teasdale, Director.

ACTION: Mr. Rodriguez moved and Ms. Bell seconded the approval of the proposal for Kern Community College District in the amount of \$948,372.

Motion carried, 6 – 0.

Laborers Training and Retraining Trust Fund For Solution California

Ms. Torres presented a Proposal for Laborers Training and Retraining Trust Fund For Solution California (SoCal Laborers) in the amount of \$490,565. Founded in 1970, SoCal Laborers funds training for three separate Apprenticeship Programs, two of which will participate in this proposal: 1) Laborer Southern California Joint Apprenticeship Committee (JAC) and 2) Southern California Laborers Landscape and irrigation Fitters Joint Apprenticeship Committee. SoCal Laborers Cement Masons JAC is participating in the active ETP Agreement (ET13-0909); however, is not scheduled for this proposal.

Ms. Torres introduced Martin Delacruz, Executive Assistant, and Jan Borunda, Consultant.

Mr. Rodriguez said, I'm intrigued on this part of the project details. It is showing a particular trend in skills training, I will just read it. "To meet the employer demand, new courses have been added to Southern California Laborers Commercial Skills training to ensure trainees are provided with the latest in technology and new skill sets. Topics added to the curriculum include Laser Transit and Building Level, Plasma Arc and Oxy-Acetylene Cutting, and Treated Wood Waste Awareness." Can you share a little bit about what that is all about?

Mr. Delacruz said, as part of our welding program, some of the Plasma Arc and Oxy-Acetylene Cutting is generally for rebar demolition. To cut a rebar, they would have to use a torch to make sure that it's safe; they have to break the concrete off properly.

Mr. Rodriguez asked, is that project on the public sector or is it private? Mr. Delacruz said, it's mostly public sector. Mr. Rodriguez asked, are these big companies. Mr. Delacruz said, the companies are Flatiron, Skanska, and Granite. They are very big companies that help out the veterans and help the communities that they're working with. They do local hires; they won't just bring in people from Arizona.

Mr. Rendon said, as a Teamster and Labor Representative, I applaud your work and also like the emphasis on the veteran recruitment. I would like to make a motion to approve.

ACTION: Mr. Rendon moved and Mr. Rodriguez seconded the approval of the Proposal for Laborers Training and Retraining Trust Fund For Solution California in the amount of \$490,565.

Motion carried, 6 – 0.

Lomita Chamber of Commerce

Ms. Torres presented a Proposal for Lomita Chamber of Commerce (Lomita Chamber) in the amount of \$464,500. Established in 1946, Lomita Chamber is a non-profit voluntary membership organization, serving the local business community, which is predominantly

entrepreneurs and small businesses, with a mix of large corporations such as McDonalds, Taco Bell, Wells Fargo Bank, Albertsons' Supermarket and 99 Cents Store. Lomita Chamber's membership is comprised of approximately 5,000 businesses.

Ms. Torres introduced Veronica Farinet, Presidents, and Cathy Araraki, Executive Director, Deborah Imonti, Consultant, DLI Associates.

ACTION: Ms. Bell moved and Mr. Rendon seconded the approval of the proposal for Lomita Chamber of Commerce in the amount of \$464,500.

Motion carried, 6 0.

Los Angeles Community College District

Ms. Torres presented a Proposal for Los Angeles Community College District (LACCD) in the amount of \$949,240. Founded in 1969, LACCD oversees nine community colleges throughout the Los Angeles region. It is the largest district in the nation, providing administrative support for its colleges in academic enrollment, contract education, community services and workforce and economic development.

Ms. Torres introduced Felicito Cajayon, Vice Chancellor and Debora Imonti, Consultant, DLI Association

ACTION: Mr. Rendon moved and Ms. Fernandez seconded the approval of the proposal for Los Angeles Community College District in the amount of \$949,240.

Motion carried, 6 – 0.

Riverside Community College District Office of Economic Development

Ms. Torres presented a Proposal for Riverside Community College District Office of Economic Development (Riverside CCD) in the amount of \$949,908. This is the third Agreement within the last five years between the ETP and Riverside CCD.

Ms. Torres introduced Robert Grajeda, Director, Customized Training Solutions.

ACTION: Ms. McBride moved and Ms. Fernandez seconded the approval of the proposal for Riverside Community College District Office of Economic Development in the amount of \$949,908.

Motion carried, 6 – 0.

Joint Apprenticeship Committee for Operating Engineers for the 46 Northern Counties in California

Mr. Atkinson presented a Proposal for Joint Apprenticeship Committee for Operating Engineers for the 46 Northern Counties in California in the amount of \$948,210.

Mr. Atkinson introduced Karrie Cutter, Executive Secretary, and Tammy Castillo, Director of Apprenticeship.

Mr. Barry asked are you located here in Northern California? Ms. Castillo said, yes. We are in Sloughouse.

Ms. Fernandez said, I think this is a great proposal and you have a great track record. I would like to make a motion to approve.

ACTION: Ms. Fernandez moved and Mr. Rendon seconded the approval of the proposal for Joint Apprenticeship Committee for Operating Engineers for the 46 Northern Counties in California in the amount of \$948,210.

Motion carried, 6 – 0.

XI. PUBLIC COMMENTS

There were no public comments.

XII. MEETING ADJOURNMENT

Mr. Broad adjourned the meeting at 12:38 p.m.