



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL**
California Environmental Protection Agency
1001 I Street
Coastal Hearing Room, 2nd Floor
Sacramento, CA 95814
December 16, 2016

PANEL MEMBERS

Barry Broad
Chair

Janice Roberts
Vice-Chair

Gloria Bell
Member

Sonia Fernandez
Member

Will Koch
Ex-Officio Member

Gretchen Newsom
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

Barry Broad
Diane Banchemo (on behalf of Will Koch, Go-Biz)
Sonia Fernandez
Gretchen Newsom
Janice Roberts

Absent

Gloria Bell
Edward Rendon
Sam Rodriguez

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. Roberts moved and Ms. Newsom seconded the motion that the Panel approve the Agenda.

Motion carried, 5 - 0.

IV. MINUTES

ACTION: Ms. Newsom moved and Ms. Roberts seconded the motion that the Panel approve the Minutes from the October 28, 2016 meeting.

Motion carried, 5 – 0.

V. REPORT OF THE EXECUTIVE DIRECTOR

Stewart Knox, Executive Director, said, welcome and good morning Panel members, applicants, and stakeholders. Following the Panel meeting in October, we have a larger Panel meeting today with approximately \$12.2M in projects with another \$1.2M in Delegation Order for a total of just over \$13.4M.

Today we have a mix of Single Employer and Multiple Employer Projects. Diana Torres, San Diego Regional Office Manager, Anna Nastari, Foster City Regional Office Manager, and Willie Atkinson, Sacramento Regional Office Manager, are here today to present the Proposals.

Regarding the Budget for Alternative Fuels and Vehicle Technology Program, \$2M was approved through an Interagency Agreement in partnership with the California Energy Commission. We have approved two Proposals in the last few months for over \$900,000; approximately \$1M remaining for the year.

In regards to Core Funds for FY 2016/17, today the Panel will consider \$12.2M in projects with an additional \$1.2M approved by Delegation Order. Should the Panel approve all the projects today, ETP will have approximately \$30M for the remainder of the FY 2016/17.

Under Delegation Order, all project proposals are capped at \$100,000 to be approved by the Executive Director on a continuous flow basis, and as of today, 22 projects were approved totaling over \$1.2M.

For FY 2016/17 program funding to date, we have approximately 549 projects submitted, with a value of just over \$100M. If all the projects are approved today, the Panel will have approved 259 projects with a value of over \$63M in proposals. Financially we are in good shape for the remainder of the FY.

In regards to the FY 2016/17 Fund Status Report, we have a few items that will take place this year; implementation of the Employment Training Management System (ETMS), and the relocation of our San Diego and Sacramento Regional Office.

Regarding applications for contracts that are remaining in the Regional Offices: Single Employer Contract requests are at \$27M; \$9M in allocation. Multiple Employer Contract (MEC) requests are at \$10M; \$9.5M in allocations. Small Business has \$3M in demand; \$2.9M in allocations. Critical Proposals are at \$870,000 in demand; \$6.4M in allocations. Apprenticeships are at \$2.5M in demand; \$1.2M in allocations. Overall demand is approximately \$65M.

Regarding the number of projects remaining in the Regional Offices: Single Employers 93, MECs 27, Small Business 99, Critical Proposals 2, and Apprenticeships; total of 231. AAU by category: Single Employers 26, MECs 6, Small Business 24, Critical Proposals 0, and Apprenticeships 3; total of 59. 90% of the projects have been assigned to the Regional Office at this point.

Regarding legislation, there isn't anything new to report this month.

Mr. Knox gave an update on the Employment Training Management System (ETMS). He said, we are making more enhancements on the Multiple Employer Contract system. We will wait until those enhancements take place before we preview with the stakeholders and contractors. We are looking at probably late January, before those changes take place. At that time, we will hold a forum.

VI. MOTION TO ADOPT CONSENT CALENDAR PROJECTS

Mr. Knox asked for a motion to adopt Consent Calendar Items #1 through #10.

Alhambra Hospital Medical Center L.P.....	\$60,240
California Association of Pest Control Advisers.....	\$102,596
California Plumbing & Mechanical Contractors Association.....	\$198,816
College of Sequoias.....	\$152,876
Hathaway Dinwiddie Construction Company.....	\$172,044
Hyperloop Technologies, Inc. dba Hyperloop One.....	\$239,540
NIACC-Avitech Technologies Inc.....	\$104,800
Northern California Construction Training Inc.....	\$211,392
Perrin Bernard Supowitz, Inc. dba Individual FoodService.....	\$151,680
Syntrol Plumbing, Heating & Air, Inc.....	\$195,990

ACTION: Ms. Newsom moved and Ms. Roberts seconded approval of Consent Calendar Items #1 through #10.

Motion carried, 5 – 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. Roberts moved and Ms. Newsom seconded the approval to delegate authority to the Executive Director in event of loss of quorum.

Motion carried, 5 – 0.

Mr. Broad recalled that a decade ago, Jack Stewart, former president of California Manufacturers Technology Association, came before the Panel. He brought up the issue on what happens to kids who are entering into the workforce, but are not bound for a four-year college: are we preparing them for jobs that they can do?

However, Mr. Broad said, due to budget cuts, we’ve seen vocational education eliminated. His comments convinced me that this was an issue of transcendent significance in our society. College education has been widely available since the end of the World War II in American society, but these cuts send a message to our youth that if you don’t go to college, there’s something wrong with you. This is a wrongful thinking, for us to make them feel that way.

Our General Counsel is going to present a new pilot program: Career Work Experience for At-Risk Youth. As well, newly-elected City of Sacramento Mayor Darrell Steinberg will be presenting an initiative that will give a choice of career path to students, other than college. The new pilot will be considered by the Panel for action.

VIII. REPORT OF THE GENERAL COUNSEL

Maureen Reilly, General Counsel presented the new pilot. Today, she said, the Panel will consider adopting a new program: Career Work Experience for At-Risk Youth (CWE). This action would support an education/workforce initiative to be implemented by the City of Sacramento under Mayor Darrell Steinberg, in cooperation with the Sacramento Employment and Training Agency (SETA), a joint-powers agency of the City and County.

As Mr. Broad mentioned, Mayor Steinberg will be speaking on an initiative that will provide vocational skills training to high school students in neighborhoods impacted by poverty, or crime and related issues. With this in mind, the ETP pilot program will be funded as Special Employment Training for Multiple Barriers (SET/MB).

CWE is distinct from the existing Ex-Offender/ At-Risk Youth program approved by the Panel in March 2008, in part because it will reach trainees as young as age 16. The goal of training is to assist students and other youth in a population that tends to have delayed entry into the job market. The trainees may still be students in the 11th or 12th grade, although they may also have dropped out of school, or graduated without employable skills.

CWE is authorized only for a Multiple Employer Contractor (MEC), and Trainees under age 18 would be required to obtain a State of California work permit issued by the Department of Education (DOE) through the high school, consistent with Education Code requirements. Training will take place during the summer months between the junior and senior year of high school, and part-time throughout the school year.

The Panel had no questions.

XI. Mayor Darrell Steinberg

Mayor Steinberg said, in government, there is a tendency to be cautious, and understandably so. I would like to thank Mr. Knox, Mr. Broad, Mr. Meyer, Ms. Reilly and all the members of the Panel for their commitment to this set of issues, and for working with us closely over the last several months to make this pilot a reality.

This is my third day on the job; two nights ago, I stood before the people of the City of Sacramento and made a citywide commitment to connecting public education to our modern workforce. I can't think of a better action item to launch during my first week in office.

Previously, I served as President of State Senate, and I was appointed to lead the Career Pathways Trust. The idea was to redesign high schools to ensure that students have access to both high-level curriculum, and real workforce experience. College and career are not mutually exclusive; everyone should have the opportunity to go to college, but we also need

to recognize that there should be real opportunities for those who don't go straight to a four-year college. The state has invested \$500M, and that money is at work here.

I laid out an ambitious proposal that within four years, we would commit to assure that at least half of Sacramento high school juniors and seniors have access to year-round paid work-experience in neighborhoods where children are underserved. I'm here before you today, to ask you to join me in lighting that initial spark to help connect our At-Risk Youth to paid work and learn opportunities to serve our community.

Fundamentally, remediation is vital, and preventing dropouts, unemployment and under-employment is important for At-Risk Youth. We can never lessen our commitment to those who are 18 to 24 years old, or who have dropped out of school, and don't have a clear pathway. If we move our workforce development upstream, as early as high school, age 16 to 17, we can prevent setbacks that so many kids have to deal with. We can prevent failure, and prepare our youth at an early age to understand employers' expectations.

The proposed program is designed to provide 500 students in Sacramento with two months of training, during the summer months between their junior and senior years. With the resources and employer-base that we have in Sacramento, approximately 350 students would be guaranteed internship placement for at least 10 hours a week in their senior year. That job experience will help those students know better what they want to do when they graduate high school, and may eventually lead to full-time employment.

During my time as Senate President, I took a Senate Delegation to Switzerland; we have a lot to learn from the European model. Their kids have the ability to shift back and forth between college and career pathways. They have a robust connection between their private and public industries. The industries actually help write some of the curriculum in high school. Culturally, in this country, that's not the way we do it.

Here, public education is separate from the employment training system, which is separate from the business community. I'm not saying that we need to be like Switzerland, but the idea of connecting our high school students, with modern workforce, creates pathways with workforce experience, which puts money in the pockets of kids.

Mayor Steinberg then introduced industry representatives in the audience from: SETA, Sacramento Central Labor Council, Sacramento-Sierra Building Trades Council, IBEW Apprenticeship Program, Kaiser Permanente, North State Building Industry Association, Sacramento Metro Chamber Foundation, and Sacramento Municipal Utilities District.

Mr. Broad said, Sacramento is an ideal place to launch the pilot because it brings together State, City, and County government in one location. I'm happy to go with the Mayor, and find employers who are willing to commit to hiring these students. The link that's always been most difficult in this issue is you have to have an employer that's willing to make a commitment to a kid - and maybe a troubled kid - that there is a job, a paid job waiting for you, if you stay in school, and dedicate yourself to do this training. Employees are reticent to do that in this society.

Each one of the 500 students will have to be retained by the employers for a retention period required by law in order to qualify for reimbursement of training costs; that's what makes this program different. Finding an employer willing to make a commitment to these students will be challenging.

Mayor Steinberg said, we know that the ETP funds are for private sector, but we want to engage our public sector in this campaign as well. John Brauer, California Labor Federation, will work very closely with our school districts.

Panel member Jan Roberts spoke next. She said, together with PepsiCo, Kraft, and Gallo, ETP has approached many high schools in the Central Valley, and tried to recruit them. But we had a difficult time, because the kids couldn't pass the drug test, or meet other minimum qualifications. Many of the students and young adults have challenging barriers; we want these people to come into our workforce; they just won't qualify because of drug abuse and other barriers. We're talking about lifetime careers that pay well, and there is room for advancement. We want to bring the students in; we want fresh ideas in our companies.

Mayor Steinberg said, this is really an important point. This project, both what we're doing here today, and what I want to do citywide with the paid internship, is a way for us to have a broader conversation and an agenda that links public education and the workforce.

Panel Member Sonia Fernandez said, I just want to commend you and all of your partners on this program. I was one of those kids that had no clear pathway to college. I learned vocational training through the Marine Corps; they provided me with the skills that I need to be able to contribute to a job, which ultimately led me to two college degrees. It's really important to have these types of programs, because they do make a difference. Most of us don't have the example that can lead us to college or a career, so this is vital, especially where you have a lot of immigrants, and a lot of people that don't know what's going to come next when they finish school, or don't have anyone encouraging them. I am really proud and excited to see this before the Panel.

Panel member Gretchen Newsom also spoke. She said, I'm excited to see this new pilot program before the Panel. I want to commend you on engaging the different employers that can have a big impact in our community through a program like this; well done.

Mr. Broad said, I would like to make a motion that we approve the concept and guidelines of the program. In the next several months, we will have to present a formal proposal that we can vote on to appropriate the money for this project.

ACTION: Mr. Broad moved and Ms. Roberts seconded approval to adopt the pilot program, Career Work Experience for At-Risk Youth.

Motion carried, 5 – 0.

X. REVIEW AND ACTION ON PROPOSALS

Consent Calendar

Sherwin-Williams Company

Diana Torres, Manager of the San Diego Regional Office, presented a Proposal for Sherwin Williams Company (Sherwin-Williams) in the amount of \$204,768. Sherwin-Williams launched in 1866 with the development of ready-mixed paint. Headquartered in Ohio, the Company remains tightly vertically integrated, although it has grown to include many divisions for development, manufacturing and distribution.

Ms. Torres said, there is a correction on Page 6 of 6; the development fee is \$14,333.

Ms. Torres introduced Andrew Bernat, Tax Counsel, and Megan Bagley, ADP.

Ms. Roberts said, I'm glad that you are taking advantage of the other programs through Go-Biz.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the proposal for Sherwin Williams Company in the amount of \$204,768.

Motion carried, 5 – 0.

Single Employer Proposals

AHMC Garfield Medical Center, LP dba Garfield Medical Center

Ms. Torres presented a Proposal for AHMC Garfield Medical Center, LP dba Garfield Medical Center (Garfield Medical) in the amount of \$561,650. Garfield Medical, located in Monterey Park, is a 210-bed acute care facility that has been serving the needs of the San Gabriel Valley since 1933. Garfield Medical is a for-profit hospital accredited by The Joint Commission for specialized medical services. The Hospital is eligible for ETP funding under Special Employment Training (SET) for frontline workers, and qualifies for priority industry reimbursement as a healthcare employer.

Ms. Torres introduced Karen Lee, Nurse Director.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Newsom seconded approval of the proposal for AHMC Garfield Medical Center, LP dba Garfield Medical Center in the amount of \$561,650.

Motion carried, 5 – 0.

Edmunds.com, Inc.

Ms. Torres presented a Proposal for Edmunds.com, Inc. (Edmunds.com) in the amount of \$409,600. Founded in 1966, Edmunds.com is a technology company that developed and operates an online automotive information website (www.edmunds.com) to assist customers with car pricing, car reviews, and other research tools. Edmunds.com is a comprehensive platform that provides customers with instant, upfront pricing information for cars and trucks for sale at more than 10,000 dealer franchises featured on the website.

Ms. Torres introduced Evvy Mankowitz, Treasurer and Accounting, and Lance Wilcox, Curriculum Manager.

Ms. Roberts asked, who will be looking over the day-to-day administration portion of this proposal? I want to see you succeed; do you have anybody else internally that will be helping you with this project? Mr. Wilcox said I'm the developer of the curriculum for Edmunds.com. We have a six person training team, and we will be maintaining our training records, in addition to delivering the training.

Ms. Robert said, that's what I wanted to hear, and I'm glad to hear that you have the experience behind you to support this contract. This is a great proposal.

ACTION: Ms. Roberts moved and Ms. Newsom seconded the approval of the proposal for Edmunds.com, Inc. in the amount of \$409,600.

Motion carried, 5 – 0.

HOB Entertainment, LLC

Ms. Torres presented a Proposal for HOB Entertainment, LLC (House of Blues) in the amount of \$394,870. Founded in 1992, House of Blues is a live entertainment and restaurant company. The House of Blues grew out of founder Isaac Tigrett's love for the unique American art form known as "the Blues." House of Blues is home to live music, original folk art, and delta-inspired cuisine. The Company's venues combine restaurant, nightclub and private-event services. House of Blues has two venues located in California (Anaheim and San Diego), with an additional 9 locations nationwide. The Company's headquarters is located in Los Angeles. Training will include employees from all three locations.

Ms. Torres introduced Shawn Imitates Dog, Vice President, Human Resources.

Ms. Newsom said, I commend you on the veteran initiative that you are undertaking. The project detail says: "Training in this proposal will focus on implementing Workday, a cloud-based enterprise software that unifies a wide range of nature functionality into a single system". It seems like the true benefit is to your company, House of Blues, rather than to the worker receiving the training. I'd like you to elaborate a little more on how this will benefit the worker, as opposed to just making sure that they are implementing a new HR system for you.

Mr. Dog said, Workday is not only an HR system that stores all the staff data. There's a lot of data reporting functions that allows our managers to cut down time when requesting for

reports from HR, payroll, or finance to help run their business. A lot of the operations, financing, budgeting, and other tools can help them access the data at their fingertips, versus putting in a request.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the proposal for HOB Entertainment, LLC in the amount of \$394,870.

Motion carried, 5 – 0.

Lancaster Hospital Corporation dba Palmdale Regional Medical Center

Ms. Torres presented a Proposal for Lancaster Hospital Corporation dba Palmdale Regional Medical Center (PRMC) in the amount of \$465,700. Founded in 1970, PRMC is a 157-bed acute care hospital owned and operated by Universal Health Services (UHS). This will be PRMC's third ETP Agreement within the last five years.

Ms. Torres introduced Christine Williams, MSN, Nurse Educator.

Ms. Roberts said, you have a good performance record.

ACTION: Ms. Roberts moved and Ms. Newsom seconded approval of the proposal for Lancaster Hospital Corporation dba Palmdale Regional Medical Center in the amount of \$465,700.

Motion carried, 5 – 0.

Live Nation Worldwide, Inc.

Ms. Torres presented a Proposal for Live Nation Worldwide, Inc. (LNW) in the amount of \$270,000. Founded in 2010 and headquartered in Beverly Hills, LNW, a subsidiary of Live Nation Entertainment, Inc., is the leader in live entertainment and E-Commerce. As an event management company, LNW operates venues worldwide and is responsible for concert promotions for various artists. Training in this proposal will take place at 10 LNW locations (2 in Beverly Hills, 3 in Hollywood, 1 in San Diego and 4 in San Francisco). This will be LNW's second ETP Agreement.

Ms. Torres introduced Liz Dyer, Director of Organization and Talent Development.

Ms. Roberts asked, is LNW affiliated with House of Blues? Ms. Dyer said, House of Blues is a subsidiary of LNW, but we function separately.

Mr. Broad said, I just want to make sure that we are not funding multiple trainings for the same company. Ms. Torres said, I made sure that they are not using the same representative for the presentation; they are completely separate.

Ms. Fernandez asked, what level of commitment do you have from your leadership in order to obtain a higher performance rate on this proposal; have you made any changes? Ms. Dyer said, we have a new leadership team, and we have a huge amount of leadership support.

Ms. Roberts asked, will you be conducting the training in one location, or are you doing all the training in five locations? Ms. Dyer said, all locations listed.

Ms. Roberts asked, will you be appointing a person that will be in charge of the project? Ms. Dyer said, we have a training network.

There were no further questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the proposal for live nation worldwide, Inc. in the amount of \$270,000.

Motion carried, 5 – 0.

Yahoo! Inc.

Ms. Torres presented a Proposal for Yahoo! Inc. (Yahoo) in the amount of \$744,976. Yahoo is a global Internet brand that has changed the way people communicate, access, share and create information. This will be Yahoo's fourth ETP Agreement within the last five years.

Ms. Torres introduced Linda Blank, Senior Manager, Global Operations, and Michael Hyatt-Evenson, Senior Director.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the proposal for Yahoo! Inc. in the amount of \$744,976.

Motion carried, 5 – 0.

AHMC Anaheim Regional Medical Center, LP

Ms. Torres presented a Proposal for AHMC Anaheim Regional Medical Center, LP (Anaheim Regional) in the amount of \$314,080. Anaheim Regional was acquired by AHMC Healthcare, Inc. in 2004 along with six hospitals to form the current AHMC Corporation. AHMC Healthcare has six hospitals in Southern California (cities of Anaheim, Whittier, San Gabriel Valley, Garfield, Monterey and El Monte). Each hospital operates autonomously. This proposal is only for Anaheim Regional. This is the fourth ETP Agreement between AHMC and ETP; the fourth in the last five years.

Ms. Torres introduced Lee Passow, RN, MSN.

Ms. Newsom said, your sister hospital, AHMC Garfield Medical Center, is represented by SEIU. I noted that you're not represented by any labor union. Ms. Passow said, we are in Orange County, and we're operating separately from them.

Ms. Newsom said, the significant decrease in the amount that you pay your RNs is disappointing.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the proposal for AHMC Anaheim Regional Medical Center, LP in the amount of \$314,080.

Motion carried, 5 – 0.

Altman Specialty Plants, Inc.

Ms. Torres presented a Proposal for Altman Specialty Plants, Inc. (Altman) in the amount of \$300,754. Founded in 1975 and headquartered in San Diego, Altman is a wholesale nursery. The Company provides a broad assortment of plants, flowers, shrubs, and other botanical products to retail nurseries, home and garden centers, and other stores throughout the southwest and western U.S. Altman operates growing centers in Vista, Salinas, and Perris which will participate in training.

During the August Panel meeting, the Panel was concerned about overtime compensation for those occupations that are considered Agricultural occupations (Production Staff). Altman states that it complies with current law in compensating its non-exempt employees for the hours they work. Specifically, certain agricultural employees (for example those who work in the fields) work under Industrial Welfare Commission (IWC) Wage Order No. 14. These employees are paid overtime for work in excess of 10 hours in a workday or 60 hours in a work week. Other agricultural employees performing different tasks such as preparing products for market (for example those employees who load trucks for delivery) work under Wage Order No. 13. Those employees are paid overtime for work in excess of 8 hours in a work day and 40 hours in a work week.

Mr. Broad said. I believe that statement is only true for the remaining days of December 2016. The new state law requires that agricultural workers have to be paid overtime consistent with the way everybody is paid, which is after eight hours a day, 40 hours a week.

Mr. Prows, General Counsel and V.P. of Human Resources, said, it's a phased-in approach, and it will eventually get to that point. Mr. Broad said, I just want to make sure that we're clear on that matter. Ms. Torres said, Altman has stated that they will go by what the law requires.

Ms. Fernandez asked, were the trainees that were removed from the previous proposal a part of the previous agreement? Mr. Prows said, yes; they might have received training from the previous agreement, and some of them might receive training for this current proposal, but it wouldn't be reimbursed.

Ms. Fernandez asked, is there a career pathway for the 243 trainees to promote to a higher wage, even though we're not reimbursing for their training? Mr. Prows said, yes; those are entry level production jobs. They have the opportunity to advance and promote all the way up to lead supervisors. We have many long-term employees that have moved up. Ms. Fernandez said, thank you.

Ms. Newsom asked, pertaining to the new overtime rules and regulations that will eventually go into effect, what is your course of plan? Mr. Prows said, the phase-in starts in January 2019. Ms. Newsom said, the phase-in starts in January 2019, and it's finalized in 2022.

What is your plan; what will be your pay structure? Mr. Prows said, we'll pay them according to the hours that they worked; according to their work schedule. If they work 60 hours in a week in 2019, they will receive five hours of overtime, and as that phases down to 40 hours in a workweek, we will pay them accordingly.

Ms. Newsom asked, will you pay them above and beyond what's required by law? Mr. Prows said, at this point, we're not; but we treat them fairly, we pay overtime as warranted to get our work accomplished.

Ms. Robert said, I do appreciate you coming back and making all the adjustments. I know that you were bombarded with multiple questions from the previous Panel meeting. We appreciate you coming back, and removing those employees that were not eligible. Mr. Prows said, thank you.

ACTION: Ms. Roberts moved and Mr. Broad seconded approval of the proposal for Altman Specialty Plants, Inc. in the amount of \$300,754.

Motion carried, 3 – 1 – 1

(Roll Call Vote: Barry Broad – yes; Diane Banchemo – yes; Sonia Fernandez – abstain; Gretchen Newsom – no; Janice Roberts – yes)

HUB International Insurance Services Inc.

Ms. Torres presented a Proposal for HUB International Insurance Services Inc. (HUB) in the amount of \$295,310. Founded in 1998, HUB is a full-service insurance brokerage company that provides commercial insurance, personal insurance, employee benefits insurance and individual life, disability and Medicare insurance services for direct consumers and businesses. The Company also provides risk consulting and compensation consulting services to small and large employers. HUB's "niche" is the mid-sized employer business segment of the marketplace.

Ms. Torres introduced Kathy Quintana, Chief Operating Officer.

Ms. Roberts asked, who are some of your competitors in the market? Ms. Quintana, said Marsh, A One, Leavitt, Lockton, those are part of the top 10. We're about the 8th largest broker in the U.S.

There were no further questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Proposal for HUB International Insurance Services Inc. in the amount of \$295,310.

Motion carried, 5 – 0.

Thales Avionics, Inc.

Ms. Torres presented a Proposal for Thales Avionics, Inc. (Thales Avionics) in the amount of \$269,000. Founded in 2009, Thales Avionics is a manufacturer of interactive in-flight entertainment (IFE) and connectivity systems for the airline industry such as Airbus and Boeing. The Company's brand, InFlyt Experience is installed in a variety of aircraft such as those operated by Airbus and Boeing. Thales Avionics offers a wide range of cabin systems designed to make flying a more enjoyable experience for passengers and crew before, during, and after flight. It delivers comprehensive solutions customized for each aircraft.

Ms. Torres introduced Capucine Deghaye, Director.

Ms. Fernandez asked, have you considered adding a veteran component to your organization? Ms. Deghaye said, we currently don't have that, but it's something that we are looking into. Ms. Fernandez said, thank you.

There were no further questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Newsom seconded approval of the proposal for Thales Avionics, Inc. in the amount of \$269,000.

Motion carried, 5 – 0.

UHS Corona, Inc. dba Corona Regional Medical Center

Ms. Torres presented a Proposal for UHS Corona, Inc. dba Corona Regional Medical Center (Corona Regional) in the amount of \$347,004. Corona Regional is owned by Universal Health Services, Inc. (UHS). UHS is a healthcare management company that operates behavioral health facilities, acute care hospitals, and ambulatory surgery and radiation centers nationwide. UHS owns and operates five Southern California hospitals in the cities of Corona, Palmdale, Murrieta, Wildomar, and Temecula. Each hospital operates autonomously.

Ms. Torres introduce Mitchell Winnik, COO, and Tracy Kasten, Director of Education.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the Proposal for UHS Corona, Inc. dba Corona Regional Medical Center in the amount of \$347,004.

Motion carried, 5 – 0.

Mass Precision, Inc.

Anna Nastari, Manager of the Foster City Regional Office, presented a Proposal for Mass Precision, Inc. (Mass Precision) in the amount of \$345,170. Founded in 1984, Mass Precision provides custom manufacturing of enclosures, racks, shelves, hardware components, electronic chassis, frames, fabrications and electro-mechanical assemblies built to customer specifications. The Company also provides a full range of services including: design and engineering, precision machining, painting and metal finishing, as well as a system of logistics to control complex component procurement.

Ms. Nastari introduced Will Jones, CFO and Michael Chissel, Training Coordinator.

Ms. Roberts said, thank you for your passion around your employees, I think that's a great trait to have.

ACTION: Ms. Roberts moved and Ms. Newsom seconded approval of the proposal for Mass Precision, Inc. in the amount of \$345,170.

Motion carried, 5 – 0.

Samsung Semiconductor, Inc.

Ms. Nastari presented a Proposal for Samsung Semiconductor, Inc. (SSI) in the amount of \$339,024. SSI a subsidiary of Samsung Electronics Co. Ltd. headquartered in San Jose, develops new technology for Device Solutions through its Research and Development (R&D) Labs with input from its Sales and Marketing teams.

Ms. Nastari introduced Ricardo Samaniego, Tax Director.

Ms. Roberts asked, what happened to your previous agreement? Mr. Samaniego said, back then, it was like herding cats. Most of our employees are engineers; highly educated, but it's difficult to manage them. We ended up hiring somebody to help with the administrative portion, and we finally got it figured out. So we're starting anew; we know that we have the support of management, and we're moving forward.

Ms. Roberts asked, I know that this proposal was right-sized, but do you have anybody else helping you with the administrative portion of this proposal? Mr. Samaniego said, we started late on our previous contract, and we had some turnover with our two HR departments. We figured out the process, and educated our engineers as they came in. As part of their new hire orientation package, they are trained on how to fill out their training hours; it's part of the requirement. We now have an individual who is dedicated to this training portion.

Ms. Fernandez asked, what is the level of commitment from your leadership in order to ensure the success of this agreement? Mr. Samaniego said, our engineers understand the importance of training, and we have the support of our management. From the last quarter, we had the highest training hours performed, but they were not recorded, and we can't bill for training hours that are not recorded.

Ms. Fernandez asked, is there an increase on the training hours for the engineers? Mr. Samaniego said, yes; and two-thirds of the training are for the engineers.

Mr. Broad said, we want you to earn all the money, but it sounds like your engineers are resistant to training. Mr. Samaniego said, two-thirds of our engineers have PhD's; it's a different problem set. I'm willing to put myself on the line; I'm an ambassador for the state of California. I believe that training is important, and we are training our engineers to keep track of their training hours. We have the management's full support on this, and we are confident that we can complete this training.

Ms. Roberts asked, do you have an LMS? Mr. Samaniego said, we are moving away from paper statements; we are now using identification badges to track our training.

Ms. Roberts said, the next time you come before the Panel, bring the right people with you; and I would suggest that you pre-fill out the rosters ahead of time, so all the engineers have to do is sign their paperwork. We love to see companies like yours come before the Panel. If you need help, please contact our staff. Mr. Samaniego said, the staff of ETP has been very helpful.

ACTION: Ms. Roberts moved and Mr. Broad seconded approval of the proposal for Samsung Semiconductor, Inc. in the amount of \$339,024.

Motion carried, 5 – 0.

Space Systems/Loral, LLC

Ms. Nastari presented a Proposal for Space Systems/Loral, LLC (SSL) in the amount of \$470,000. SSL is a subsidiary of SSL MDA Holdings. SSL designs, manufactures, and tests sophisticated communication satellites, payloads, and subsystems at their facility in Palo Alto. This will be the third ETP Agreement between ETP and SSL.

Ms. Nastari introduced Karen Groseclose, Manager Quality System, and Brian Kosinski, VP of Mission Assurance.

Ms. Roberts said, you did a great job on your last contract.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the proposal for Space Systems/Loral, LLC in the amount of \$470,000.

Motion carried, 5 – 0.

Viavi Solutions, Inc.

Ms. Nastari presented a Proposal for Viavi Solutions, Inc. (Viavi) in the amount of \$363,450. Viavi manufactures optical technologies and network & service enablement products. The Company helps service providers and IT organizations optimize and maintain many of the world's largest and most complex networks. The Company's Optical Security and Performance (OSP) segment concerns the management of light.

Ms. Nastari introduced Petra Nagel, Senior Vice President of Human Resources, and Kathy Stafford, Human Resources Director.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Newsom seconded approval of the proposal for Viavi Solutions, Inc. in the amount of \$363,450.

Motion carried, 5 – 0.

A. Teichert & Son, Inc.

Willie Atkinson, Manager of the Sacramento Regional Office, presented a Proposal for A. Teichert & Son, Inc. (Teichert) in the amount of \$355,680. Founded in 1887 and headquartered in Sacramento, Teichert is a construction company that builds infrastructure such as freeways, commercial and industrial site work, parks, and airports. Services include grading, asphalt paving, concrete curbs and sidewalks, underground pipelines and joint utility installations. Additionally, Teichert produces construction materials such as aggregate rocks, sand, gravel, asphaltic concrete and ready-mixed concrete. Teichert has facilities in Alameda, El Dorado, Fresno, Nevada, Placer, Sacramento, San Joaquin, Sutter, Yolo and Yuba counties, all of which will participate in the training proposal.

Mr. Atkinson introduced Mark Ingram, VP Strategic Services, and Steve Duscha, Consultant.

Ms. Newsom said, it states in your proposal that up to \$7.00 per hour maybe used to meet the Post-Retention Wage; that seems high. Can you please elaborate further? Mr. Ingram said, we are proud of the fact that we pay high wages, and maintain a very robust health insurance; it comes with a cost.

There were no further questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of the proposal for A. Teichert & Son, Inc. in the amount of \$355,680.

Motion carried, 5 – 0.

CIGNA Health and Life Insurance Company

Mr. Atkinson presented a Proposal for CIGNA Health and Life Insurance Company (CIGNA) in the amount of \$304,500. Founded in 1982, CIGNA is a global health service company dedicated to helping people improve their health, well-being and sense of security.

Mr. Atkinson introduced Terry Hansen, Consultant, and Pam Riley, Business Manager.

There were no questions from the Panel.

ACTION: Ms. Roberts moved, and Ms. Newsom seconded approval of the proposal for CIGNA Health and Life Insurance Company in the amount of \$304,500.

Motion carried, 5 – 0.

DNC Parks & Resorts at Tenaya, Inc. dba Tenaya Lodge at Yosemite

Mr. Atkinson presented a Proposal for DNC Parks & Resorts at Tenaya, Inc. dba Tenaya Lodge at Yosemite (Tenaya Lodge) in the amount of \$390,000. Founded in 1990, Tenaya Lodge is a year round destination resort located two miles from the Yosemite National Park. Tenaya Lodge is one of the largest employers in Mariposa County with 302 rooms, cottages, restaurants, fitness center and spa treatment rooms. The Resort has two other lodges in the Sequoia National Park and Kings Canyon National. The fourth location is the Tenaya Fresno Office with 15 sales and marketing employees. The Company provides hospitality services to guests from all over the world that visit the national parks. All four locations will participate in training.

Mr. Atkinson introduced Wendy Burke, Director of Human Resources, and Steven Benson, Training Consultant.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the proposal for DNC Parks & Resorts at Tenaya, Inc. dba Tenaya Lodge at Yosemite in the amount of \$390,000.

Motion carried, 5 – 0.

JLS Environmental Services, Inc.

Mr. Atkinson presented a Proposal for JLS Environmental Services, Inc. (JLS) in the amount of \$248,180. Founded in 2002 and located in Loomis, JLS is a full restoration contractor that provides remediation, destructive testing, concrete preparation, construction and restoration, and energy retrofitting services for residential, commercial, and civic properties. Training under this proposal will provide training for the Loomis location and their satellite location in Madera.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Newsom seconded approval of the proposal for JLS Environmental Services, Inc. in the amount of \$248,180.

Motion carried, 5 – 0.

Pacific Coast Companies, Inc.

Mr. Atkinson presented a Proposal for Pacific Coast Companies, Inc. (Pacific Coast) in the amount of \$749,264. Founded in 1953 and headquartered in Rancho Cordova, Pacific Coast provides business services and support to a “family” of closely affiliated companies. Services include accounting and internal audit, environmental consulting, human resources, finance,

information technology, marketing & advertising, risk management, legal services, tax and treasury management.

Mr. Atkinson introduced Dale Waldschmitt, Chief Financial Officer.

There were no questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of the proposal for Pacific Coast Companies, Inc. in the amount of \$749,264.

Motion carried, 5 – 0.

The Dow Chemical Company

Mr. Atkinson presented a Proposal for The Dow Chemical Company (Dow) in the amount of \$296,800. Founded in 1897 and headquartered in Midland, MI, Dow manufactures and sells chemicals and plastics used by the agricultural and pest control industries. Dow also produces food, pharmaceuticals, paints, packaging, and personal care products. This will be Dow's sixth ETP Agreement, the second in the past five years. Dow has California facilities in Pittsburg, Torrance, Tracy, Rancho Cucamonga, San Diego, and Contra Costa. Only the Contra Costa facility will participate in training.

Mr. Atkinson introduced Ivan Elizondo, Site Training Coordinator.

Ms. Roberts asked, do you have any experience working with ETP? Mr. Elizondo said, I'm new to the department. Ms. Roberts said, please ask our staff if you need help; we want you to succeed.

There were no further comments or questions from the Panel.

ACTION: Ms. Newsom moved and Ms. Roberts seconded approval of the proposal for The Dow Chemical Company in the amount of \$296,800.

Motion carried, 5 – 0.

Multiple Employer Proposals

Laborers Training and Retraining Trust Fund for Southern California

Ms. Torres presented a Proposal for Laborers Training and Retraining Trust Fund for Southern California (SoCal Laborers) in the amount of \$538,505. Founded in 1970, SoCal Laborers funds training for three separate Apprenticeship Programs, two of which will participate in this proposal: 1) Laborers Southern California JAC and 2) Southern California Laborers Landscape and Irrigation Fitters JAC. SoCal Laborers serves eight Southern California Locals (89, 220, 300, 585, 652, 783, 1309, and 1184) in 12 counties.

Ms. Torres introduced Martin dela Cruz, Marketing and Special Operations Managers, and Jan Borunda, Consultant.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Newsom seconded approval of the proposal for Laborers Training and Retraining Trust Fund for Southern California in the amount of \$538,505.

Motion carried, 5 – 0.

Southwest Carpenters Training Fund

Ms. Torres presented a Proposal for Southwest Carpenters Training Fund (SWCTF) in the amount of \$949,310. SWCTF provides multi-site training for Journeymen and Apprentices in various carpentry fields throughout Southern California and five other states (Arizona, Nevada, Utah, New Mexico and Colorado).

Ms. Torres introduced Jamie Robison, Educational Services Coordinator.

Ms. Roberts asked, is this your first application? Ms. Robison said, no; we had one prior to this; this is our second application. The first one had a steep learning curve, but we managed to make it through.

There were no further questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of the proposal for Southwest Carpenters Training Fund in the amount of \$949,310.

Motion carried, 5 – 0.

Joint Apprenticeship and Training Committee of the Plumbing and Pipe Fitting Industry of San Mateo County

Ms. Nastari presented a Proposal for Joint Apprenticeship and Training Committee of the Plumbing and Pipe Fitting Industry of San Mateo County (Plumbers JATC San Mateo) in the amount of \$409,176. For over 100 years, Plumbers JATC San Mateo have provided qualified workers in the plumbing, pipefitting and HVAC (heating, ventilation and air-conditioning) trades throughout San Mateo County. This will be the second ETP Agreement for Plumbers JATC San Mateo.

Ms. Nastari introduced Bob Kay, Training Director, and Jan Borunda, Consultant.

ACTION: Ms. Roberts moved and Ms. Newsom seconded approval of the proposal for Joint Apprenticeship and Training Committee of the Plumbing and Pipe Fitting Industry of San Mateo County in the amount of \$409,176.

Motion carried, 5 – 0.

California Tooling and Machining Apprenticeship Association

Mr. Atkinson presented a Proposal for California Tooling and Machining Apprenticeship Association (CTMAA) in the amount of \$86,086. CTMAA began operations 23 years ago as a chapter of the National Tooling & Machining Association. In 2008, CTMAA formed as a stand-alone trade association, doing business in California as a non-profit corporation headquartered in Petaluma. The Company's primary function is to train the next generation of machinists in California. This is the second ETP Agreement with CTMAA.

Mr. Atkinson said, there's a correction on Page 1 of 6; this proposal does not have Union participation.

Mr. Broad said, so this is a non-Union apprenticeship program. Dick Herman, Secretary of Board, said that is correct.

Ms. Roberts asked, you are requesting for a small amount. Mr. Herman said, this is a machinist apprenticeship program, and I think some of the Panel members are aware. It's an extra ordinary intense program, and finding people with skills and capabilities is difficult to do. I'm delighted to hear about the new pilot program that the Panel approved earlier. Our biggest challenge is finding young individuals who are motivated.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the proposal for California Tooling and Machining Apprenticeship Association in the amount of \$86,086.

Motion carried, 5 – 0.

Central Valley Mother Lode Plumbers, Pipe & Refrigeration Fitters Joint Apprenticeship Training Committee

Mr. Atkinson presented a Proposal for Central Valley Mother Lode Plumbers, Pipe & Refrigeration Fitters Joint Apprenticeship Training Committee (Central Valley JATC) in the amount of \$208,820. Central Valley JATC was established in 1955. In 1997, Local 492 (Stockton) and Local 437 (Modesto) merged with it to create the Plumbers, Pipe and Refrigeration Fitters Local Union 442. The JATC is funded by signatory employers pursuant to collective bargaining. As usual, the JATC consists of equal representatives from labor and employers.

Mr. Atkinson introduced Greg Vincelet, Training Coordinator, and Kelly Greer.

Ms. Roberts said, it states in the proposal that your performance rate is 35%; can you please clarify? Ms. Greer said, yes; but after our final billing, it will be 75%. Mr. Broad asked, are you earning money for trainees who dropped out? Mr. Vincelet said, that is our retention number. We are from Modesto, and that area hasn't taken off. Our apprentices are having a difficult time meeting the retention; we've extended the contract to meet the retention.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the proposal for Central Valley Mother Lode Plumbers, Pipe & Refrigeration Fitters Joint Apprenticeship Training Committee (Central Valley JATC) in the amount of \$208,820.

Motion carried, 5 – 0.

XI. PUBLIC COMMENTS

There were no public comments.

XII. MEETING ADJOURNMENT

Mr. Broad adjourned the meeting at 12:33 PM.