



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL MEETING**

California Environmental Protection Agency

1001 "I" Street

Sierra Hearing Room, 2nd Floor

Sacramento, CA 95814

June 24, 2011

PANEL MEMBERS

Barry Broad
Acting Chair

Sonia Fernandez
Member

Barton Florence
Member

Janine Montoya
Member

Edward Rendon
Member

Janice Roberts
Acting Vice-Chair

Sam Rodriguez
Member

Michael Webb
Member

Executive Staff

Brian McMahon
Executive Director

Maureen Reilly
General Counsel

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I. PUBLIC PANEL MEETING CALL TO ORDER

Janice Roberts, Acting Vice Chair, called the meeting to order at 9:40 a.m.

II. ROLL CALL

Present

Barry Broad (arrived after initial roll call)
Sonia Fernandez
Janine Montoya
Edward Rendon
Janice Roberts
Sam Rodriguez
Michael Webb

Absent

Bart Florence

Executive Staff Present

Brian McMahon, Executive Director
Maureen Reilly, General Counsel

III. AGENDA

ACTION: Mr. Rodriguez moved and Mr. Rendon seconded the motion that the Panel approve the Agenda.

Motion carried, 6 – 0.

IV. MINUTES

ACTION: Ms. Montoya moved and Mr. Webb seconded the motion that the Panel approve the Minutes from the May 26, 2011 Panel meeting.

Motion carried, 6 – 0.

V. REPORT OF THE EXECUTIVE DIRECTOR

Brian McMahon, Executive Director, welcomed all of the applicants and stakeholders and said there is a full agenda that includes projects under the Healthcare Initiative, Job Creation, and

multiple employer agreements. Due to the late arrival of ETP's funding this year, we have had to compress the development phase of these projects. He said not only does this stress our staff, but it also puts pressure on our applicants in submitting materials to the development analysts. He thanked all of the applicants for working with the analysts to get these projects to the Panel today. We were able to get all of the projects that were ready to come to the Panel in front of the Panel for hearing, so we are very pleased with that. He thanked the staff and said they put in a terrific effort in getting those developed.

Mr. McMahon said in addition to the Panel Packet binder, the Panel has been provided handouts of the Fund Status Report, a Funding Priority Recommendations Memorandum for FY 2011-12, and a Legislative Report. Relative to the projects that we handled this year, I wanted to give the Panel a sense as to the volume and nature of encumbrances that we were able to approve during the course of the year. He said the numbers he would provide; reflect the projects that will be before the Panel today. In the new category of Job Creation, these proposals typically involve a nine-month window; three months before the project is approved by the Panel and six months after that for the applicants to commit to hiring workers. Under the Job Creation category, the Panel approved 38 proposals totaling almost \$8 million to train 3,200 new employees. Critical Proposals are typically projects that come to the Panel through our partnership with the Governor's Office of Economic Development. Five Critical Proposals were approved totaling almost \$900,000 to train 657 workers. In the Multiple Employer category funded by core program dollars, 59 projects were approved totaling about \$16.5 million projected to train 14,000 trainees. Under the AB 118 category, the Alternative Fuel New Vehicle Technology Program, through a partnership with the California Energy Commission, 10 projects were approved totaling about \$3.6 million to train approximately 3,700 workers. Among those projects is Tesla, which has a Job Creation component projected to include over 500 workers over the course of the next six months.

Mr. McMahon said under the Delegation Order for small businesses with 100 or fewer employees to date, 91 of those projects have been approved under the Delegation Order structure, totaling \$3 million and projected to train 2,900 workers. Under the Healthcare Initiative, after today's meeting we will have approved 56 projects with capped demand at \$12.7 million estimated to train over 11,000 trainees, both incumbent healthcare workers and new-hire nurses. From the existing pipeline, 57 proposals were approved, totaling \$6.2 million to train 7,500 workers. In total, the Panel approved 316 projects during the FY, totaling slightly over \$51 million, and training a total of 43,900 workers. During a period of diminished resources, the program will have had significant impact.

At the last Panel meeting, Mr. McMahon reviewed the Fund Status Report in detail. At that meeting it was mentioned that the revenue figure was adjusted from \$42 million to \$52 million, based on the numbers received from EDD as to revenue collected in the Employment Training Fund. The number through May reflects about 98% of all of the revenue that tends to come into the program during the course of the FY. However, EDD has informed us that there are some adjustments that are still occurring on the July through May revenue. The June figures have not yet been finalized, and it is expected the estimate of \$52 million will not increase and will likely be adjusted downward, but not enough to impact any of the commitments made. With this adjusted revenue figure after today's meeting, we will be able to encumber funds to meet the demand for projects in all of the categories that we were funding this year, as well as converting projects that came in under the Workforce Investment Act WIA 15% Discretionary Healthcare

Initiative, and moving those to core program funds, which will have a significant impact on the necessary reductions for healthcare projects.

In ETP's 2011-12 FY budget, there has not been an attempt to reduce ETP's appropriation below the figure that was contained in the Governor's budget as introduced in January 2011. The Legislature and the Governor still need to agree on a final budget for the FY, but optimistically we are hoping that it does not impact the appropriation to our program. It is estimated that revenues in the 2011-12 FY will be fairly close to where we finish this year, perhaps trending slightly upward.

Based on those revenue projections, the following are some recommendations for prioritizing projects next year. In Healthcare Initiative proposals, there is over \$12.7 million in demand and approximately \$7.7 million in WIA 15% funds available. Because of that, we have been informing applicants that they will receive an across-the-board reduction based on the final level of demand in the projects. Eleven for-profit healthcare facilities that came in under the Healthcare Initiative have converted to core program dollars because revenues tracked above what was expected. This has the impact of reducing what is needed for the healthcare projects by approximately \$2.5 million. We were once considering a 30% reduction across-the-board in healthcare proposals, but are now expecting approximately a 12% reduction. Projects that have active proposals from last year's initiative, will still receive an additional 15% reduction.

Mr. Rodriguez asked for the ratio of 15% WIA funds versus the core program Healthcare Initiative. Mr. McMahon said the WIA Healthcare Initiative is approximately \$2.5 million and the core program will likely encumber about \$9 million.

Mr. McMahon said the project dollar amounts included in the Panel Packets do not reflect the across-the-board reduction; however, when Rosa Hernandez and David Guzman present those projects, they will provide the reduced amounts. In the Alternative and Renewable Fuel and Vehicle Technology Program AB 118, after today's meeting, the Panel will have approved ten proposals totaling approximately \$3.7 million in projects in the current year. We expect to have approximately \$4.5 million available under this initiative in the next FY. Those funds must be re-appropriated to our program; and that does not occur in the Budget Act so we must go through a technical process to make those funds available for spending, which typically takes about 90 days after the budget is approved. He said it is likely that the first group of projects under that AB 118 initiative will not arrive until November.

Mr. McMahon said that fortunately, there are no bills listed in the Legislative Report that impact ETP in a significant way. He said that SB 776, while not directly impactful of ETP, will have a large impact on the public workforce system. That measure would mandate that local Workforce Investment Board's allocate certain percentages of their funding toward actual training that will incrementally increase over a period of years. The bill is controversial and one to watch and will next be considered by the Assembly Appropriations Committee.

Mr. Broad arrived at 9:43 a.m. and chaired the remainder of the meeting.

VI. MOTION TO DELEGATE IN EVENT OF LOSS OF QUORUM

Mr. McMahon asked for a motion to delegate in event of loss of quorum, authorizing the Executive Director in conjunction with the Panel Chair or Vice Chair, to approve projects.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded the motion to delegate in event of loss of quorum.

Motion carried, 7 – 0.

VII. MOTION TO ADOPT CONSENT CALENDAR PROJECTS/ACTION

Mr. McMahon asked for a motion to adopt Consent Calendar Items #1 through #11.

Calgren Renewable Fuels, LLC	\$28,652
Feather River Hospital	\$38,556
Glendale Adventist Medical Center	\$79,200
InterMotive, Inc.	\$33,280
Mounting Systems, Inc.	\$61,200
OnCore Manufacturing LLC	\$15,300
Orange County Hispanic Chamber of Commerce	\$99,841
Santa Rosa Memorial Hospital	\$87,912
St. Helena Hospital	\$38,880
Ukiah Adventist Hospital dba Ukiah Valley Medical Center	\$37,548
White Memorial Medical Center	\$79,200

ACTION: Mr. Rendon moved and Ms. Roberts seconded approval of Consent Calendar Items #1 through #11.

Motion carried, 7 – 0.

Mr. McMahon thanked the Panel members for their dedication and participation in the Panel meetings in the last FY. He said they all have very busy schedules and we very much appreciate the time they dedicate to the program. He also thanked all ETP staff and said it was a challenging year since there were multiple funding sources with different requirements, requiring different actions through the chain of development and program administration. He thanked the staff at the regional offices for all of their work on these proposals, and the fiscal unit that handles the complexity of invoicing and other issues.

RECOMMENDATION OF FUNDING PRIORITIES 2011-12

Mr. McMahon said that in September 2010, staff received the revenue estimates from the Employment Development Department (EDD) that showed that ETP’s revenue would be at essentially the lowest level ever. He said that put ETP in a position of allocating a Panel meeting to strategic planning, and staff brought a set of recommendations to the Panel at that meeting, in hopes of achieving the greatest impact from the diminished funds that we had during the course of the year. In those recommendations, the Panel approved four categories of projects that they would invest in during the course of the year: 1) Small Business Proposals; 2) Multiple Employer Contracts; 3) Job Creation Proposals; and 4) Critical Proposals. Retraining for larger single-employers was not a category that ETP funded with core program dollars. This year, because of a number of factors, we are proposing to return more to a typical operation.

Mr. McMahon said some of the recommendations are based on assumptions that ETP's budget will remain principally intact, and that revenues will continue to track at the same levels of the current year perhaps with a slight upward tick. He said we are also seeing some reductions in operating costs that will be reflected in our ability to approve more projects during the 2011-12 FY. This is largely due to the fact that there is no pipeline of holdover projects that we had earlier this year and prior year liabilities. The financial obligation that we have to existing contracts will likely decline by approximately 40% from where it is at this year. He said alternative funds will help us meet some of the project demand. Based on those factors, in terms of project caps, we are recommending that the Panel continue to cap project size, but we are increasing those caps. We are proposing at this point, that single-employer retraining agreements be capped at \$500,000 for priority industries, which is a category that did not get funded last year. In projects that include Small Business, Healthcare Initiatives, or Job Creation, we are proposing that single-employer agreements for non-priority industries be capped at \$400,000; Job Creation proposals increase from \$300,000 this year up to \$600,000 next year; and Critical Proposals increase from \$300,000 to \$750,000 in FY 2011-12. On a case-by-case basis, the Panel would have the ability to move caps for particular projects upward. For MECs, we are proposing to increase from \$400,000 this year to \$750,000 next year. In Small Business proposals, we propose to keep those at \$50,000, which would be funded under the delegation process used this year. We are also proposing to begin funding Fast Track projects again next year, and Ms. Reilly will provide an overview of the Fast Track Projects in her upcoming presentation.

Mr. McMahon said we are proposing to open the application cycle in early July, likely on July 8 or 11, as staff is working on programming and streamlining of screens in ETP's pre-application process before we begin receiving applications. We will keep the application cycle open as long as we have available funding measured against demand. Considering the projected funding availability next year, we will most likely hear proposals into the first quarter of 2012. Regarding Substantial Contribution (SC) for repeat contractors, we are proposing to return to the levels authorized in our regulations, a 15% to 30% SC the first time it is applied to an applicant, and for a second application within a five-year period, we would require a 30% to 50% SC. Mr. McMahon said in order to qualify for a SC reduction the applicant would be required to have drawn down on \$250,000 or more, at a specific facility over the last five-year period. He said the Panel has the ability to exercise discretion in reducing that SC on a case-by-case basis.

Mr. McMahon said in terms of applying a SC next year, projects will move to the capped amount and then the SC will be deducted from that figure for proposals. He said for Multiple-Employer Contractors (MECs), we are proposing to the Panel that we retain the standard used this year in requiring that applicants, in the application phase, identify participating employers that equate to about 80% of demand for the total award. In terms of support costs for MECs, we are proposing that we return to the existing standard, which is up to 8% for retraining MECs and up to 12% for new-hires. He emphasized that this would not be automatic and that applicants would still be required to justify that level of support costs. The Budget Act outlines \$1 million in WIA 15% funds, which is the source of funds used for the Healthcare Initiative this year. Since this amount was significantly reduced, ETP's funding will be capped at \$1 million. Staff will make recommendations to the Panel as to how we allocate the \$1 million in WIA 15% funds. It is not an amount large enough to require an RFP process, so he expects that staff will make recommendations to the Panel as to how that \$1 million might be augmented into

high-performing contractors under the current Healthcare Initiative. In the Alternative and Renewable Fuel and Vehicle Technology Program AB 118, there will be approximately \$4.5 million available and we will begin accepting applications under that program in early July. We will adhere to the existing guidelines in the AB 118 program which has a target cap of \$500,000 for single-employer contractors and \$750,000 for multiple-employer contractors. Based on a case-by-case analysis, and in conjunction with the California Energy Commission, those awards could be higher. He said staff will continue to work closely with the California Energy Commission in terms of curriculum review during the course of the year on all of those proposals.

Mr. McMahon said, at this time I would like to bring the recommendations to the Panel for vote unless there are questions from the Panel. Mr. Broad asked if the recommendations could be changed in the middle of the year if there was a fiscal need. Mr. McMahon said yes, if we experience an increase in revenue or a significant reduction, staff will return to the Panel with recommendations.

ACTION: Ms. Fernandez moved and Mr. Rodriguez seconded the approval of the Funding Priority Recommendations Fiscal Year 2011-12, as outlined in the Panel Memorandum.

Motion carried, 6 – 0 (Mr. Rendon Absent for Vote)

Mr. McMahon said all of the non-profit healthcare applicants that are present today, have contracts available for their signature. He said staff is operating under a very aggressive timeline with EDD to get those encumbered amounts recorded into the JTA system. He stressed the importance of not leaving the meeting without signing those contracts and said this also applies to AB 118 contractors that are present.

Mr. Rodriguez asked how much time is involved in entering the information into the JTA system. Mr. Guzman said loading the information from ETP takes approximately an hour to an hour and a half, but it must then be transmitted to EDD to get the contracts and entries into the JTA system. He said it is an administrative task that may take several days. Mr. McMahon added that a complicating factor is that in order for EDD to be willing to accept that data, they require an executed agreement. Mr. Rodriguez asked if the signed agreement must be a delivered hard copy. Mr. McMahon said yes, which is why it is so important to obtain the signatures today.

Mr. Rodriguez asked if EDD has provided ETP with a six-month forecast for the next FY. Mr. McMahon said staff typically receives EDD's official estimate normally in August, and it is released in September. He said that is the number that the Department of Finance and ETP use for forecasting, so all of the recommendations made today were based on where we are at so far this year. EDD is using a new system called ACES that collects all of the taxes they are responsible for. The ACES system is being refined and more accurate revenue updates will hopefully be available on a quarterly basis as we move through the 2011-12 FY, so that we can provide the Panel with a greater level of certainty as to where we are at from a funding standpoint.

X. REPORT OF GENERAL COUNSEL

Maureen Reilly, General Counsel, directed the Panel to two tabs included in the Panel Packet entitled Delegation Order and New Delegation. Ms. Reilly first referred to the Delegation Order

tab, which are the projects that were approved by the delegation process. There were 12 projects approved on June 6, and another 16 projects approved on June 19. She said this was part of a push to get as many of the small business projects through using the delegation process as possible, before the end of the FY. The calendars reflect the delegated authority from the Panel to the Executive Director in consultation with the Panel chair. The actual Delegation Order behind this process was enacted in August 2009 delegating authority up to \$75,000. Staff is proposing under the New Delegation tab, to rescind the existing order delegating authority capped at \$75,000. That \$75,000 cap was used for both the Small Business Program and the Fast Track Program. We are requesting that the Panel rescind that delegation and in its place, adopt two separate delegation orders. One would be tailored to the Small Business program, capping the amount of funds at \$50,000. In the proposed Fast Track Program, we are asking to move from the \$75,000 cap up to \$100,000, which is the statutory limit under the delegation of authority from the Panel to the Executive Director.

Ms. Reilly addressed the reasons why staff believes there is a need to distinguish one program from the other. She said the Small Business program began after statutory changes eight years ago. The program was piloted and the delegation process reflects the fact that the program was capped at \$50,000 from its inception. Some of the small business projects began at the \$75,000 range, but we found that is not the optimum amount for small business, especially on the first time small business. We are recommending returning to the original program plan capping it at \$50,000, which we believe will promote success for these businesses that otherwise can get over-extended. She said the purpose of the Fast Track program is to reach large companies that have small projects, so any standard-size business might have just-in-time training or some smaller training component that they want to move on quickly. The whole point of Small Business and Fast Track is really to go on a Fast Track and it is somewhat a streamlined process of development in going forward. The delegation process at \$100,000 recognizes that these are larger companies that have a small program that they need to get going immediately, and it also recognizes the fact that this allows staff to review these in consultation with the Chair, and move them along on a flow basis. Otherwise, if we skip a Panel meeting from time-to-time, it causes a large number of projects to accumulate. This way, with Fast Track projects capped at \$100,000, which we believe is the most realistic dollar amount, we can move them forward on a flow basis. She said if a small business project were to come in with a project that warranted going above \$50,000, they could jump onto the Fast Track. For a business to qualify as a small business for the \$50,000 program it must include 100 or fewer employees; otherwise, it could move into the Fast Track program. She said that other than changing the dollar amount and bifurcating the two separate programs, the delegation order process is the same.

Mr. Rodriguez asked if this is essentially streamlining the process. Ms. Reilly said yes, we are streamlining the process for the larger companies that would have an optimum funding amount of \$100,000 or less and maintaining the Small Business original program parameters. Mr. Rodriguez asked if there could be from 15 to 20 projects per delegation order of \$100,000 or less, which would be equal to almost \$500,000. Ms. Reilly said what we see now, is actually not Fast Track because part of the Panel's decision last October 2010 was to impose some funding limitations due to the shortfall in revenue collection. At that time, we discontinued Fast Track and now we want to bring it back, but we want to bring it back stronger. Mr. McMahon said historically, there are typically not more than two-or-three Fast Track proposals at a Panel meeting, and it is not a high percentage of funding. Ms. Reilly said even though Small Business

proposals are capped at \$50,000, experience has shown that they tend to be nearer to the \$30,000 range and as low as \$8,000 because of the size of the companies. Ms. Reilly asked the Panel for a motion to approve the two new Delegation Orders and rescind the current Delegation Order.

ACTION: Ms. Roberts moved and Mr. Rodriguez seconded the approval of rescinding the existing Delegation Order and approving two new Delegation Orders. 1) Small Business Program Delegation Order, capped at \$50,000; and 2) the Fast Track Program Delegation Order, capped at \$100,000.

Motion carried, 7 – 0.

XI. REVIEW AND ACTION ON PROPOSALS

Single Employer Proposals

Country Villa Service Corp. dba Country Villa Health Service

Rosa Hernandez, Manager of the Sacramento Regional Office, presented a Proposal for Country Villa Service Corp. dba Country Villa Health Service (Country Villa), in the amount of \$249,840. Country Villa owns, operates and manages over 50 healthcare centers throughout California. Its services include complex medical care, rehabilitation, sub-acute care, skilled nursing, Alzheimer's, long-term skilled nursing care, and assisted living care centers.

Ms. Hernandez introduced Cindy Pavelka, Director of Education and Training Services.

Ms. Roberts asked about their prior ETP contract. Ms. Pavelka said they acquired that contract when they purchased buildings from Northern California Healthcare Management. She said they were half-way through the ETP contract when they acquired the buildings, which prevented them from possibly training many of their staff that could have qualified for training. Ms. Roberts asked with a total of 50 facilities, and their plan to train 350 employees, how they plan to administer it internally. Ms. Pavelka said all of the trainings are through her department, they have an internal tracking system, and a monthly educational calendar, and that she is responsible to ensure there are qualified trainers. Ms. Roberts said it has been her experience in heading multiple trainings across California, that it is very difficult to obtain rosters if you are not actually doing the training yourself.

Mr. Rodriguez asked for the top two critical locations that need extensive training from their 50 facilities. Ms. Pavelka said their critical training need is currently in the Los Angeles area. Mr. Rodriguez asked if that training is for current incumbent workers. Ms. Pavelka said yes, and it also includes new graduates. Mr. Rodriguez asked how many new graduates are expected. Ms. Pavelka said they expect approximately two graduates per building, which is approximately a total of 100 new graduates. She said they are working on internal growth opportunities so there are more ladders for advancement and hope it will decrease their turnover.

Mr. Broad said the cost of training is very reasonable in this proposal and there is much training taking place.

ACTION: Mr. Rendon moved and Ms. Roberts seconded approval of the Proposal for Country Villa in the amount of \$249,840.

Motion carried, 7 – 0.

Southern California Permanente Medical Group, Inc.

Ms. Hernandez presented a Job Creation Proposal for Southern California Permanente Medical Group, Inc. (SCPMG), in the amount of \$299,880. SCPMG is the for-profit arm of Kaiser Permanente, health care provider.

Ms. Hernandez introduced Zeth Ajemian, Workforce Development Director; Barbara Blake, State Secretary of UNAC/UHCP; and Steve Duscha, Consultant.

Ms. Roberts asked why a Substantial Contribution is not applied since this proposal includes incumbent training. Mr. Duscha said the incumbent training is being done under a separate contract that was approved earlier this year. Mr. Ajemian said he referenced incumbent training in his presentation, but this is specific to the expansion of new-hires. Mr. McMahon said under the terms of the job creation proposals, employees hired up to three months prior to this approval date would be eligible trainees under the project.

Mr. Rodriguez said he is familiar with the Northern California non-profit model and asked if this is the for-profit arm of Kaiser Southern California. Mr. Ajemian said yes, that is correct. Mr. Rodriguez said he understood there have been some market changes in Orange County, and asked if this is part of Kaiser's response to those changes. He asked if this is an immediate need they are having now. Mr. Ajemian said they are responding to immediate needs. They are opening a specialty center in San Diego that includes an outpatient surgery center, which is a medical office building that opened late last year and is opening in several phases. It currently has 200 employees and will grow to 600 employees by the end of the year.

ACTION: Mr. Rodriguez moved and Ms. Fernandez seconded approval of the Job Creation Proposal for SCPMG in the amount of \$299,880.

Motion carried, 7 – 0.

Dole Packaged Foods, LLC

Ms. Hernandez presented a Job Creation Proposal for Dole Packaged Foods, LLC (Dole), in the amount of \$270,000. Dole is a worldwide producer of fruits and vegetables. The company produces over 300 products which include fresh fruits, fresh vegetables, a variety of fruit and vegetable packaged products, and salad products. Dole products are sold to food service distributors, grocery stores and club stores, both in the United States and abroad.

Ms. Hernandez introduced Larry King, Human Resources Director.

Mr. Broad asked if the facilities are union-owned. Mr. King said no, they are not. Mr. Broad asked about the Israeli processing line. Mr. King said it is a fresh defrost process which was acquired from Israeli inventors.

Ms. Montoya said this proposal has a high average cost-per-trainee. Mr. King said the equipment they use is technical. He said they can hire people at the wages provided, but it takes a fair amount of training to get these employees up to speed and on the line. He said since it is a mass production facility, they are trying to hire individuals. He said they make their own containers and have implemented an SAP tracking and inventory system, which helps them manage their manufacturing business. This also requires training because work orders are initiated and closed on the line and it is a computer-based system. Ms. Montoya asked if their equipment is new. Mr. King said it is all proprietary equipment and it is new. Mr. McMahon said that under the Job Creation project concept, we recognize that these are new jobs, and as part of the training associated with new employees, that typically involves more hours. He said that relative to the retraining projects we see with manufacturing applicants, that yes, this is a high number of hours for new jobs. Mr. Broad said they are offering fairly high wage levels for entry-level food processing positions.

ACTION: Mr. Rodriguez moved and Ms. Fernandez seconded approval of the Job Creation Proposal for Dole in the amount of \$270,000.

Motion carried, 7 – 0.

Multiple-Employer Contractor Proposals

Gnomon Inc. dba Gnomon School of Visual Arts

Ms. Hernandez presented a Proposal for Gnomon Inc. dba Gnomon School of Visual Arts (Gnomon), in the amount of \$361,050. Gnomon is a private, for-profit training and educational center specializing in high-end computer graphics for the entertainment industry. Participating employers will include representatives from all facets of the entertainment industry, which also includes those companies whose primary clients are entertainment production companies.

Ms. Hernandez introduced Kristin Bierschbach, School Director.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Montoya seconded approval of the Proposal for Gnomon in the amount of \$361,050.

Motion carried, 7 – 0.

IBEW Local 40-NECA Training Trust Fund

Ms. Hernandez presented a Proposal for IBEW Local 40-NECA Training Trust Fund (IBEW Local 40), in the amount of \$115,330. IBEW Local 40 supports pre-apprentice and journey-level training for electrical workers employed by the motion picture studios and electrical construction contractors working at the studios. The IBEW Local 40 is a joint effort of the International Brotherhood of Electrical Workers Local 40 and the National Electrical Contractors Association (NECA), governed by a Board of Trustees that oversees a 5-year apprenticeship program, and serves 450 journey-level electricians and approximately 35 employers.

Ms. Hernandez introduced John Davis, Training Director.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the Proposal for IBEW Local 40 in the amount of \$115,330.

Motion carried, 7 – 0.

J & R Film Co., Inc. dba Moviola Digital Arts Institute

Ms. Hernandez presented a Proposal for J & R Film Co., Inc. dba Moviola Digital Arts Institute, (Moviola), in the amount of \$399,310. Moviola is a private, for-profit, training and educational center that began as a “one-stop shopping” location for film editors, providing a full range of services for film and video production. As the entertainment industry continued its move towards computer-based technology, Moviola opened its Digital Arts Institute in September 1998, a state-of-the-art facility engineered to merge the latest advances in digital projection and sound design with the latest hardware and software technology.

Ms. Hernandez introduced Johnathon Amayo, Director of Production/Education.

Mr. Rodriguez asked if the company was founded nine years ago and if this is their sixth ETP proposal. Mr. Amayo said no, the company itself was founded in 1924 and they invented the Moviola, an editing system. The school began about 35 years ago, and they have had a contract with ETP now for about six years.

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of the Proposal for Moviola the amount of \$399,310.

Motion carried, 7 – 0.

Hitchcock & Holcombe, Inc. dba Continental Training Center

Ms. Hernandez presented a Proposal for Hitchcock & Holcombe, Inc. dba Continental Training Center (Hitchcock and Holcombe), in the amount of \$399,350. Hitchcock and Holcombe is a privately-owned, for-profit training agency that provides computer related training to corporations, non-profit organizations, and other clients.

Ms. Hernandez introduced Steve Hitchcock, CEO and Darin Holcombe, CFO.

Mr. Rodriguez asked about the wage modification. Ms. Hernandez said the wage modification applies to Job #5, which is 25% below the state average hourly wage, down to \$19.21 as a SET priority industry. She said the SET wage is \$25.61 and the 25% reduction amounts to \$19.21.

ACTION: Ms. Montoya moved and Ms. Roberts seconded approval of the Proposal for Hitchcock and Holcombe in the amount of \$399,350.

Motion carried, 7 – 0.

Northern California Teamsters Apprenticeship Training & Education Trust Fund

Ms. Hernandez presented a Proposal for Northern California Teamsters Apprenticeship Training & Education Trust Fund (NCTAT), in the amount of \$136,160. NCTAT is a joint labor-management trust, established in 1989, under the terms of the labor agreement between the Heavy, Highway, Building and Construction Teamsters Committee for Northern California, and the Associated General Contractors of California, the Association of Engineering & Construction Employers, and the Engineering and Utility Contractors Association.

Ms. Hernandez introduced Troy Ohlhausen, Executive Director.

Ms. Roberts inquired about their prior performance rate and asked what has changed to indicate they will do better this time. Mr. Ohlhausen said when they had applied previously, the bottom fell out of the construction industry and they had a difficult time. He said it has been reported that due to the new regulations from Homeland Security and new drug testing regulations from the Department of Transportation, that the transportation industry will experience a driver shortage of 200,000 to 300,000 positions. He said they are confident this time in the number of people they are proposing to train and the training is vital in this industry. Ms. Roberts asked if processes are now in place to earn the maximum amount. Mr. Ohlhausen said they have been in contact with all of their employers and Teamster unions, and have looked at market trends. He said you will no longer see the same influx of people into the driving industries because they cannot meet the requirements. Homeland Security now requires a complete background check which was not required until about three years ago. In March 2011, Heavy Trucking Magazine reported that they have conducted a study, and employers have reported across the nation that there is going to be a shortage of drivers in 2012. Ms. Roberts asked if the Department of Transportation conducts random drug testing as part of their requirements. Ms. Ohlhausen said yes, but the requirements have changed and not many people are meeting those requirements.

ACTION: Ms. Fernandez moved and Ms. Montoya seconded approval of the Proposal for NCTAT in the amount of \$136,160.

Motion carried, 7 – 0.

California Labor Federation, AFL-CIO

David Guzman, Chief of Operations, presented a New-Hire Proposal for California Labor Federation, AFL-CIO (CalFED), in the amount of \$399,447. CalFED is an umbrella organization comprised of 1,200 unions, representing 2.1 million union members in manufacturing, retail, construction, hospitality, the public sector, healthcare, entertainment and other industries in California.

Mr. Guzman introduced Tim Rainey, Executive Director; Jan Borunda, Project Coordinator; and Debra Chaplan, Director of Special Programs representing the State Building and Construction Trades Council of California.

Mr. Rodriguez asked if the roofers in Silicon Valley have a pre-apprenticeship program. Mr. Rainey said the Santa Clara Building Trades Council and the Silicon Valley Labor Council have

been working with the roofers to develop a pipeline for folks in the community and in disadvantaged communities around the Silicon Valley to enter the trades to become apprentices, so they developed this pre-apprenticeship training program. They began with a group of 15 trainees using Workforce Investment Act funds from the local Workforce Investment Board of San Jose. He said ten of the fifteen trainees were placed in an apprenticeship. He said it is a small part of this project, but they hope to expand to bring in more apprentices. He said there is a demand for apprentices, but what is missing in many parts of the state, is a pipeline to allow people from the community to get into the trade. Mr. Rodriguez asked which unions that roofers follow under. Ms. Chaplan said roofers and water proofers are under the Local 95, which is part of the national roofers. Mr. Rodriguez asked for the approximate number of union members. Ms. Chaplan said the membership of that particular Local is about 450. Mr. Rodriguez asked if those are the types of workers that can potentially be involved in the installation of photo voltaic panels. Ms. Chaplan said no, not the panels, but there are new roofing materials that are photo voltaic, so they will be involved in learning installation of those products. She said the panels are typically installed by electricians.

Mr. Broad asked how they plan to structure this proposal to earn all of the funds since they struggled with prior performance due to the recession. Ms. Chaplan said they are requesting much less funding than previously and they were able to move much of the demand over to the CEWTP program. She said they are beginning to hear more optimism among their unions that jobs are coming, it is anticipated that many projects will be available in August in Los Angeles, and there are only limited unions in Los Angeles. Mr. Rainey said many new hospitals, particularly in the Bay Area, are requiring building retrofits and new utility scale energy in the Central Valley down to Imperial Valley. Ms. Chaplan said that many solar and wind projects are beginning to happen also.

Ms. Roberts asked for clarification about moving funds in their prior proposal to the CEWTP program. Ms. Chaplan said they did not actually move funds, but moved some participants into the CEWTP projects. Mr. Broad said that basically they did not draw on ETP's dollars. Ms. Chaplan said those participants had less need for retention hours. Mr. Rainey said they also had to spend it quickly since it was recovery act money for the most part. Ms. Roberts asked regarding the contract that was not very successful, if that contract also included a retention modification. Ms. Chaplan answered yes. Ms. Roberts pointed out that it states in the ETP 130 that "trainees cannot satisfy the retention requirement" but you received a retention modification on your prior contract. Ms. Chaplan said yes, but in this economy it is difficult in the construction industry to meet the retention requirement.

Mr. Broad said a recent Teamster graduate obtained a job, received training, and then was laid off since there was no work available, and returned to community college. He said a large billion dollar project will begin soon at Lawrence Livermore Laboratory and opportunities are opening up. He said in the construction projects, the bottom fell out and people had nothing. Ms. Roberts said there are multiple individuals that are trained all over the pipeline with ETP dollars, but there is no work to be had, and we continue to fund training but they are not working. She questioned why they continue investing money in the pipeline. Ms. Chaplan said the pipeline will unfreeze at some point, there are many projects in the works, and the banks are not lending right now. Mr. McMahon said this project amount is 40% less than the prior similar agreement, so essentially we are pushing this down below the level of performance. He said the likelihood of stronger performance is greater just as a function of that. Mr. Rodriguez said

several years ago they stopped training during a recessionary period. They then experienced an economic spike and had to recruit workers from the outside because they didn't have the semi-skilled workers. Ms. Roberts said three years from now, the company is going to need to retrain the same people that were trained five years ago because they won't be working. Mr. Rainey said there is increased competition for work, and those workers that receive training now will be more competitive for those jobs, and the contractors will be more competitive to bid on the jobs. He said many are anxious about their skills getting rusty, so they return for further training. He believes their contractors and the economy will grow faster as a result of continued training and that it is a good investment.

Ms. Fernandez was supportive of continued training and said it is a good time to train in the green skill set because it gives those workers that had not been working an additional skill set with which to sell themselves. She asked if there is a dire need to train roofers and water proofers to create a new workforce and if there is a high turnover or high retirement rate. She asked why they have selected this group in particular, to offer a pre-apprenticeship that leads into an apprenticeship program. Ms. Chaplan said they selected that particular group because they had a 98% placement track record, which was a starting point. Mr. Rainey said this is a way for the building trades to work with the organizations and workforce boards to help establish that pipeline to meet those requirements not only in the Bay Area, but in other parts of CA. He said retirement is real; at some point folks will retire, some sooner rather than later.

ACTION: Ms. Fernandez moved and Mr. Rendon seconded approval of the New-Hire Proposal for CalFED in the amount of \$399,447.

Motion carried, 7 – 0.

Plumbing Industry Apprenticeship dba the Loyd E. Williams Pipe Trades Training Center

Mr. Guzman presented a Proposal for Plumbing Industry Apprenticeship dba the Loyd E. Williams Pipe Trades Training Center (Pipe Trades JATC), in the amount of \$394,645. Pipe Trades JATC was founded in 1941 with only one classroom and a welding shop. Today, its training center is a modern, 100,000 square-foot facility located in San Jose which serves 1,500 pipe trades union members in Santa Clara and San Benito counties. This Training Center has 48 classrooms for both apprentice and journey-level training offered to all the trades involved in commercial, industrial, and residential plumbing.

Mr. Guzman introduced Carl Cimino, Director and Jan Borunda, Project Coordinator representing the California Labor Federation.

There were no questions from the Panel.

ACTION: Ms. Fernandez moved and Mr. Rendon seconded approval of the Proposal for Pipe Trades JATC in the amount of \$394,645.

Motion carried, 7 – 0.

Sheet Metal Workers' Local 104 and Bay Area Industry Fund

Mr. Guzman presented a Proposal for Sheet Metal Workers' Local 104 and Bay Area Industry Fund (Sheet Metal Bay Area JATC or Trust), in the amount of \$398,100. The Sheet Metal Bay

Area JATC will hold the contract on behalf of its 5,000 represented members and will extend training to mariners working in the closely-allied shipbuilding industry, represented by the Andrew Furuseth School of Seamanship. Sheet Metal Bay Area JATC was formed with participating construction companies, pursuant to a collective bargaining agreement. The Trust now funds six training centers which serve 17 counties in Northern California.

Mr. Guzman introduced Francis Cuneo, Training Coordinator; Keith Dias, Training Coordinator; and Jan Borunda, Project Coordinator representing the California Labor Federation.

Ms. Roberts was concerned about funding close to the same dollar amount as in their prior contract since they did not perform well. She said she does not see any indication of the economy improving soon so she asked what they plan to do differently this time around. Mr. Cuneo said he has seen the frustration in people about needing jobs. The economic downturn was very real for them in the residential market, primarily because of the financing problems, so the economic downturn was real. He said that in their previous ETP contract, they provided most of the training they had projected, but they accounted for it through other means due to retention difficulties. Since they were having difficulty meeting the minimum hours for retention, they moved some participants into CEWTP funding in order to continue the training. Thus they were able to complete most of the training projected, although it was not completed under the ETP program. He said they recently had to cut some of their journey-person upgrade training. They carefully evaluated who was going to get the training, how it would help them get jobs, and how they could get a higher percentage completing training. Ms. Roberts said if you have trained everyone, why is it difficult to get those individuals back into the workforce. Mr. Cuneo said additional training while someone is out of work, if it is the right type of training, can be very effective. He said many years ago when he was out of work he received additional training that led to a welding certification, which helped him obtain a job, and that he has been working in ever since; it was key to his career. He said he was mulling around for a while but when the opportunity presented itself he was ready, and that is the difference it makes to these people.

Mr. Cuneo said they are also seeing many changes in their industry and the JATC industry has been targeted by the CA Public Utilities Commission as one of the major industries to save energy in. There are many changes occurring with the new requirements from the California Energy Code, and their members require upgrade training for those new requirements. He said there are also some changes in the maritime industry that members must address. Mr. Broad said that in the maritime industry, port volumes have greatly increased since the first of the year, and the longshoremen are back to work. He said in the maritime portion of this proposal, there will not be a problem with people obtaining work as there is plenty of work right now.

Mr. Rodriguez asked how many members are under the Sheet Metal Workers Union in CA and if that number has decreased in the last ten years. Mr. Cuneo said there are approximately 10,000 members within their own Local, and membership has decreased by about 5,000 largely due to the economy. Mr. Rodriguez asked for the percentage of members that are unemployed. Mr. Diaz said approximately 30% are unemployed. He said they placed five employees from the training center in the BIM industry, computer-aided drafting, which is at the very frontline of the construction industry. Mr. Rodriguez asked if some of their workers are moving from traditional sheet metal work to computer modeling. Mr. Diaz said yes, that is correct.

ACTION: Ms. Fernandez moved and Mr. Rodriguez seconded approval of the Proposal for Sheet Metal Bay Area JATC or Trust in the amount of \$398,100.

Motion carried, 7 – 0.

South Orange County Regional Chamber of Commerce, Inc.

Mr. Guzman presented a Proposal for South Orange County Regional Chamber of Commerce, Inc. (SOCRCC), in the amount of \$229,632. SOCRCC is a non-profit member organization comprised of approximately 550 business owners, corporate representatives, community leaders, and individual members representing various professions.

Mr. Guzman introduced Barbara Thomas, Management Consultant and AK Thakore, President of Saisoft.

Mr. Rodriguez asked if there is a north Orange County Chamber. Ms. Thomas said no, they are a regional chamber that covers the entire South Orange county area, but they also have independent chambers that serve the independent cities. He said their focus is on advocacy, business attraction and retention, networking, and meeting the needs of very small companies.

ACTION: Ms. Roberts moved and Mr. Rodriguez seconded approval of the Proposal for SOCRCC in the amount of \$229,632.

Motion carried, 7 – 0.

Healthcare Initiative Proposals

Mr. Broad said that since the Healthcare Initiative Proposals are all substantially alike, he would like to consider all of them together in one vote unless the Panel has any questions on a particular project.

Mr. Broad said a number of the Healthcare Initiative Proposals have very high fees being charged to the employers, which is a serious issue. He said the fees are not only for administrative services, but also for development services. He said he wanted to take action now on this issue, with the consent of the Panel. He said ETP's statute authorizes the use of ETP funds only for training, and not for development. He said any funds that go toward development come from the shareholders or the owners and it does not come from ETP; it is illegal for the money to come from ETP. He said there are people making a great deal of money today from development fees.

Mr. Broad proposed requiring that in the Healthcare Initiative contracts for the projects approved today, projects under the Consent Calendar, and for Healthcare Initiative projects that were approved at the last two meetings that have not yet been funded, requiring a statement be obtained from the employer that no ETP funds will be used for development fees or paid to a third-party. He said the Panel will direct ETP staff to send a notice with suggested language they will include to the employers for the projects approved. He is going to direct ETP staff to examine this issue to determine what we need to do to ensure that no ETP funds go towards development fees. He said if he discovers that anyone that does this type of work is getting

money out of ETP funds, then he will ask ETP staff to explore the possibility of de-barring them from further contracting services with the Panel. He said the administrative fees, which individuals are receiving on top of development fees, get paid out of ETP funds, so we want to ensure there is no double-dipping.

Mr. Rodriguez suggested that in the spirit of governance in transparency, that contractors must submit a copy of their contractual agreement with their outside consultant as part of their proposal. Mr. Broad agreed, and said that is a good idea to state it in the proposal. Ms. Reilly said that from time-to-time staff has asked to review administrative subcontracts and that sometimes they do include development costs. She said staff has reviewed them to ensure that ETP funds are not used for development, but there is a fine line. She said the requirement can be easily stated correctly in the sub-agreement. Mr. Rodriguez said he was requesting a requirement, in the spirit of the governance in transparency, that they submit a copy of their contractual agreement with their outside consultant. Ms. Roberts said if you are working with a contractor and you are an employer, you have a right to negotiate with a third-party.

Mr. Broad asked the Panel to consider all of the Healthcare Initiative Proposals in one motion, Tabs #24 - #38, if there were no questions on any of the projects. There were no questions from the Panel.

Mr. Guzman said he will identify each Healthcare Initiative Proposal by the funding source, since some of the proposals are using federal WIA 15% funds and the other will be funded under the core program. He said if there has been a funding adjustment to these proposals, he will mention the amount of the reduction.

<u>Tab #24:</u>	AHMC Anaheim Regional Medical Center LP	\$199,440
<u>Funding Source:</u>	Core Program Funds	
<u>Reductions:</u>	No Reduction	
<u>Tab #25:</u>	AHMC Greater El Monte Community Hospital LP	\$169,060
<u>Funding Source:</u>	Core Program Funds	
<u>Reductions:</u>	Amount Provided Reflects a \$30,020 Reduction Due to a Substantial Contribution	
<u>Tab #26:</u>	Central California Foundation for Health dba Delano Regional Medical Center	\$183,600
<u>Funding Source:</u>	Workforce Investment Act Funds	
<u>Reductions:</u>	12% Across-the-Board Reduction Additional WIA 15% Reduction	
<u>Tab #27:</u>	Community Hospital of the Monterey Peninsula	\$186,912
<u>Funding Source:</u>	Workforce Investment Act Funds	
<u>Reductions:</u>	12% Across-the-Board Reduction Additional WIA 15% Reduction	
<u>Tab #28:</u>	Eisenhower Medical Center	\$218,700
<u>Funding Source:</u>	Workforce Investment Act Funds	
<u>Reductions:</u>	12% Across-the-Board Reduction	

<u>Tab #29:</u>	Memorial Health Services Corporation	\$298,368
<u>Funding Source:</u>	Workforce Investment Act Funds	
<u>Reductions:</u>	12% Across-the-Board Reduction Additional WIA 15% Reduction	
<u>Tab #30:</u>	Mission Hospital Regional Medical Center	\$176,472
<u>Funding Source:</u>	Workforce Investment Act Funds	
<u>Reductions:</u>	12% Across-the-Board Reduction Additional WIA 15% Reduction	
<u>Tab #31:</u>	NorthBay Healthcare Group	\$201,096
<u>Funding Source:</u>	Workforce Investment Act Funds	
<u>Reductions:</u>	12% Across-the-Board Reduction Additional WIA 15% Reduction	
<u>Tab #32:</u>	Parkview Community Hospital Medical Center	\$218,088
<u>Funding Source:</u>	Workforce Investment Act Funds	
<u>Reductions:</u>	Additional WIA 15% Reduction	
<u>Tab #33:</u>	Pomona Valley Hospital Medical Center	\$219,592
<u>Funding Source:</u>	Workforce Investment Act Funds	
<u>Reductions:</u>	12% Across-the-Board Reduction Additional WIA 15% Reduction	
<u>Tab #34:</u>	Riverside Healthcare Systems LP, dba Riverside Community Hospital	\$249,912
<u>Funding Source:</u>	Core Program Funds	
<u>Reductions:</u>	Reduction Represents a Substantial Contribution that was not Calculated	
<u>Tab #35:</u>	Scripps Health	\$349,398
<u>Funding Source:</u>	Workforce Investment Act Funds	
<u>Reductions:</u>	12% Across-the-Board Reduction Additional WIA 15% Reduction	
<u>Tab #36:</u>	Success Healthcare 1, LLC dba Silver Lake Medical Center	\$249,480
<u>Funding Source:</u>	Core Program Funds	
<u>Reductions:</u>	No Reduction	
<u>Tab #37:</u>	Temple Hospital Corporation dba Temple Community Hospital	\$248,400
<u>Funding Source:</u>	Core Program Funds	
<u>Reductions:</u>	No Reduction	
<u>Tab #38:</u>	Vibra Healthcare LLC	\$392,106
<u>Funding Source:</u>	Core Program Funds	
<u>Reductions:</u>	No Reduction	

Mr. Rodriguez departed the meeting at 12:05 p.m. and was not present for the remainder of votes.

Mr. Broad asked why some of the Healthcare Initiative proposals are funded with WIA 15% funds and some are funded with core funds. He asked how the allocation occurred and if it was a choice made by the applicants or if staff assisted them. Mr. Guzman said only in a sense that the core program funds cannot be used for the non-profit organizations; so the non-profit organizations are the ones that will be funded from WIA 15% funds. He said the core program proposals that are for-profit entities lend themselves to the core program. Mr. McMahon said that with that shift, we have reduced the percentage reduction for the remaining non-profits that continued to use WIA15% funds. He said the revised dollar amounts will be posted on ETP's website as an Addendum to the Panel Packet.

ACTION: Ms. Fernandez moved and Mr. Rendon seconded approval of all of the Healthcare Initiative Proposals, Tabs #24 through #38, in the amounts as listed above.

Motion carried, 6 – 0.

AB 118 Proposals

Mr. McMahon said the last three tabs for the AB118 Proposals were not included in the Panel Packet because staff had not finished the curriculum review with the California Energy Commission. He said the ETP-130s for the three AB 118 Proposals were included in the green folder distributed to the Panel.

El Camino Community College District, Center for Applied Competitive Technologies (CACT)

Ms. Hernandez presented an AB 118 Proposal for El Camino Community College District, Center for Applied Competitive Technologies (CACT), (El Camino CACT), in the amount of \$747,460. El Camino CACT is a two-year community college offering academic and vocational education programs. The district established the Center for Applied Competitive Technologies to advance California's economic growth and global competitiveness through education, training, and services that contribute to continuous workforce development, technology deployment, and business development. El Camino CACT provides customized training workshops, and technical assistance to employers.

Ms. Hernandez introduced Jose Anaya, Dean of the Community Advancement & Business Training Center and Deborah Imonti, ETP Training Coordinator.

Ms. Roberts said they have been very successful in their prior ETP contracts. Mr. Anaya said there is a training need, especially within the municipalities, since they do not have training dollars available and they are embracing new technologies. Ms. Roberts said most of these companies are government entities because those are the only people that can afford green technology training at this time.

ACTION: Ms. Fernandez moved and Mr. Webb seconded approval of the AB 118 Proposal for El Camino CACT in the amount of \$747,460.

Motion carried, 6 – 0.

Santa Monica Chamber of Commerce

Ms. Hernandez presented an AB 118 Proposal for Santa Monica Chamber of Commerce (SM Chamber), in the amount of \$149,129. SM Chamber advocates and represents business interests and issues affecting the community. It provides the environment to help members prosper and succeed through a proactive working partnership with all levels of government and community organizations to achieve a healthy local economy and quality of life.

Ms. Hernandez introduced Laurel Rosen, President/CEO.

There were no questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. Roberts seconded approval of the AB 118 Proposal for SM Chamber in the amount of \$149,129.

Motion carried, 6 – 0.

Shasta-Tehama-Trinity Joint Community College District

Ms. Hernandez presented an AB 118 Proposal for Shasta-Tehama-Trinity Joint Community College District (Shasta College District), in the amount of \$208,900. The college district specializes in workforce training.

Ms. Hernandez introduced Suzanne Clark, Project Director.

Mr. Broad asked ETP staff to confirm whether there is an apprenticeship program in the training area which would likely be a machinist program, which is a concern since ETP cannot fund a proposal where there is a competing apprenticeship program. Ms. Clark said a machinist program would not be a competing program. Mr. Broad said it would be a competing program, since a machinist program would train auto mechanics. Ms. Clark said she would research whether there is a machinists program. Mr. Broad said if there is a machinist program in Sacramento, the Panel cannot fund that portion of the proposal. Ms. Clark said there is not an apprenticeship program in Shasta-Tehama-Trinity. Mr. Broad pointed out that part of this proposal includes Sacramento trainees. Ms. Clark was unsure whether there was an apprenticeship program in Sacramento. Mr. Broad said if you discover there is an apprenticeship program in Sacramento, then you would be unable to train people from Sacramento.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the AB 118 Proposal for Shasta College District in the amount of \$208,900.

Motion carried, 6 – 0.

XII. PUBLIC COMMENTS

There were no public comments.

Mr. McMahon said staff will begin receiving applications in early July and it is expected that the first Panel meeting in the new FY will be held at the end of September if the State Budget is in place.

XIII. PUBLIC MEETING ADJOURNS

ACTION: Ms. Roberts moved and Ms. Montoya seconded meeting adjournment at 12:41 p.m.

Motion carried, 6 – 0.