

STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL MEETING
California Environmental Protection Agency
1001 "I" Street
Sacramento, California 95814
November 9, 2007

PANEL MEMBERS

Barry Broad
Acting Chair

Barton Florence
Member

Bob Giroux
Member

Scott Gordon
Member

Edward Rendon
Member

Janice Roberts
Acting Vice-Chair

Johnathan St. John
Member

Executive Staff

Ada Carrillo
Acting Executive Director

Maureen Reilly
General Counsel

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I. PUBLIC PANEL MEETING CALL TO ORDER

Barry Broad, Acting Chairperson, called the public Panel meeting to order at 9:40 a.m.

II. ROLL CALL

Members Present

Barry Broad
Barton Florence
Edward Rendon
Janice Roberts

Members Absent

Bob Giroux
Scott Gordon
Johnathan St. John

Executive Staff Present

Ada Carrillo, Acting Executive Director
Maureen Reilly, General Counsel

III. APPROVAL OF AGENDA

ACTION: Ms. Roberts moved and Mr. Rendon seconded the Panel approve the Agenda.

Motion carried, 4 – 0.

IV. APPROVAL OF MINUTES

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the Panel Minutes of September 28, 2007.

Motion carried, 4 – 0.

Mr. Broad announced the appointment of Brian McMahon as the new Executive Director of ETP stating that he comes from the training community, and has worked with ETP and been involved in workforce development issues for many years giving him experience in this area.

V. REPORT OF THE ACTING EXECUTIVE DIRECTOR

Ada Carrillo, Acting Executive Director, stated that ETP is delighted to welcome Mr. McMahon since ETP has had the pleasure of working with him for over a decade in many capacities.

Ms. Carrillo reported that the Governor has signed AB194, the Budget Act Clean-Up Bill, on October 11, 2007, which augments our current year budget by \$10 million to \$56.3 million representing more than a five percent increase from the prior year appropriation.

Ms. Carrillo referred to the Fund Status Report in the Panel Packet showing that if the Panel approved all the projects in the November packet there would be close to \$27 million remaining for the rest of this Fiscal Year. Ms. Carrillo concluded that staff efforts are focused on exhausting all available funds for this Fiscal Year by April 2008.

Next, Ms. Carrillo mentioned that staff has began the process of preparing for the FY 08-09 budget. She said next year the budget outlook is worrisome with projected revenue shortfalls of about \$10 billion. Ms. Carrillo asked Mr. Broad if he would like to re-activate the Legislative Sub-Committee to lead our budget/legislative efforts. Mr. Broad, Ms. Roberts and Mr. Rendon agreed that they were willing to continue with that job.

Ms. Carrillo informed the Panel that staff has submitted a Legislative proposal for consideration by the Administration to increase the Special Employment Training (SET) cap from 10 percent to 20 percent of available program money. Construction, healthcare, and technology, all priority industries, are funded within the category of SET. This will benefit the Panel's priorities for funding.

Ms. Carrillo went over future meeting sites with the Panel. She suggested the March 2008 meeting be held in Fresno because ETP hasn't been able to cover that area for quite a few years. She asked the Panel if this would be a hardship on them. The Panel Members discussed and approved travel to Fresno.

Ms. Carrillo discussed the new look of the ETP 130 proposals with the Panel Members. She said Mr. Creighton would explain the changes when he began introducing the projects. She also informed the Panel that staff had revised the ETP Agreement documents, in an effort to make them more user-friendly. She said the new documents are published on the ETP website and will be implemented with proposals approved at this meeting.

Request Motion to Delegate in Event of Loss of Quorum

Ms. Carrillo asked for a motion to delegate to the Executive Director the authority to approve projects, in consultation with the Panel Chair or Vice Chair, if a quorum does not exist.

ACTION: Mr. Florence moved and Ms. Roberts seconded the Panel delegate to the Acting Executive Director the authority to approve projects for which a quorum does not exist in consultation with the Panel Chair or Vice Chair.

Motion carried, 4 – 0.

Request Motion to Adopt Consent Calendar Projects/Action

Ms. Carrillo asked for a motion to adopt Consent Calendar Items #1 through #17.

Balkan Manufacturing, Inc.	\$53,196
California Council for Excellence	\$89,790
Campbell Soup Company.....	\$129,600
Denmac Industries.....	\$50,050
DKB Resources, Inc.	\$4,680
Front Office Staff, Inc.	\$46,800
Gerl's Screenprinting, LLC	\$7,826
Goglanian Bakeries, Inc.	\$49,680
Malmberg Engineering, Inc.	\$58,240
Network Hardware Resale, Inc.	\$48,600
New Technology Training Institute (Amendment).....	\$75,240
Nu Visions Manufacturing, LLC dba Veritek Manufacturing Services.....	\$246,240
Precision Swiss Products, Inc. (Amendment).....	\$227,500
Renesas Technology America, Inc.	\$159,840
Sequoia Group LLC.....	\$49,500
Surveyors Services Company	\$46,800
Veolia Transportation Services.....	\$13,200

ACTION: Ms. Roberts moved and Mr. Florence seconded approval of Consent Calendar Items #1 through #17.

Motion carried, 4 – 0.

VI. REPORT OF THE GENERAL COUNSEL

Maureen Reilly, General Counsel, mentioned the “new look” to ETP Agreements. She pointed out that if the public wanted to see samples of the new formats of the single and multiple employer contracts they could find them by link in the Contractors Guide in the ETP website.

She also reminded the interested public about the public hearing taking place at the ETP headquarters building that afternoon, concerning the proposed actions for Title 22, California Code of Regulations concerning Substantial Contributions.

She informed the public that if they could not attend either hearing, they could submit comments in writing to ETP by the November 19, 2007 deadline. If anyone wishes to view the Rulemaking Files for prior regulatory actions, she said, those are in ETP's headquarters office and can be made available upon request.

Ms. Reilly explained that this is a flexible process, and changes can still be made to the proposed amendments. She said all of the comments received from the public will be taken back to the Panel. Staff will summarize the comments and suggest a response. The Panel will respond as they deem appropriate. Any revisions resulting from public comments will be re-noticed for a 15-day comment period before the Rulemaking File is closed and submitted to the Office of Administrative Law.

VII. ECONOMIC OUTLOOK OF THE SACRAMENTO REGION

Kim Smith, Assistant Director, introduced Bob Burris from the Sacramento Area Commerce and Trade Organization (SACTO) and J. D. Stack from the Sacramento Area Regional Technology Alliance (SARTA). Mr. Burris is an Urban Economist and is experienced in applied economics, economic development, and real estate analysis. He is involved with external marketing and company recruitment for the six-county Sacramento region.

Mr. Stack leads the tech-focused non-profit corporation (SARTA) established in 2001 to support entrepreneurial programs and companies in Butte, El Dorado, Nevada, Placer, Sacramento, Solano, Sutter, Yolo and Yuba Counties. Mr. Stack has vast experience in economic development.

Mr. Burris began by stating that SACTO has been in existence for about 32 years, as a non-profit organization supported by over 500 member companies in the Sacramento region. They've helped to create over 100,000 jobs within several hundred companies.

They made a commitment in the last few years to redirect their recruitment and marketing efforts toward companies that create the greatest economic impact by paying above-average wages, even if they do not make the largest geographic footprint. That created a focal point for Sacramento in the area of technology, life sciences, and renewable energies. Their goal, because of the high cost of living in California, is to recruit companies that pay sufficient wages to maintain the high quality of life that exists in this region.

Mr. Burris reported that 70 percent of the jobs SACTO has helped create in the last few years have been in that high value, high technology area. He said their biggest opportunity now is in the area of clean technology and renewal industries.

On a recent visit to Germany, he met with five of the largest renewal energy companies. He said two of them now have national headquarters in the Sacramento region. SACTO is hoping to have two additional companies in this area within the next couple of years.

Mr. Burris said ETP has become very important to SACTO in recruiting high-value companies because the technology is demanding more workforce training and education. He then introduced J.D. Stack of SARTA to talk more about entrepreneurial activities in the Sacramento region.

Mr. Stack commented on a study that began three years ago in this region, funded by the California Energy Commission and SMUD, titled "Clean Energy in the Capital Corridor Making the Region a Green Powerhouse." The purpose of that study was to focus on economic development efforts targeted on clean energy. The study determined that this region has a critical mass of companies to grow a significant sector in clean energy. That study identified 29 clean technology firms in this region.

As a result of that study, he said, SARTA formed a new program called Clean Start to assist early-stage, entrepreneurial companies that have innovations in clean energy. This program conducted a business plan competition last year called Power-Up that offered cash prizes to the top three clean energy companies. Its purpose was to draw out energy innovators and it worked well, with 20 entrepreneurial teams competing. Each team was matched with an experienced business mentor to help them further develop their business plan.

Parallel with Clean Start he said, SARTA became involved in "Partner for Prosperity," to develop an overall business plan for the Sacramento region. He said this was an unprecedented economic development planning process, with a lot of public outreach throughout the multi-county region.

As a result of that process, SARTA has focused on four goals: 1) education of our workforce, 2) general business development, 3) civic infrastructure, and 4) develop a new sector for clean energy.

Also, Mr. Stack said, SARTA is working with the Department of Labor on a workforce development plan in the green energy business sector. They now have a viable private and public coalition. Overall, he said, SARTA is seeing some demonstrable results from these efforts. There were only 29 clean energy firms in the region two years ago; now that number is over 70, including the headquarters of multi-national clean energy companies. These companies want to be in California because it's a huge market. They want to be in Sacramento because it's the state capitol, close to policymakers, program managers and funding managers. Also, local universities and colleges have been expanding both educational and research programs in this section.

Through the Partnership for Prosperity program, SARTA conducted a series of roundtable discussions with clean energy technology executives to find out what is working for them and what challenges they are facing. The executives said workforce development is crucial to growing their companies. Some companies need highly skilled staff like engineers, and others said they needed skilled managers. In particular, solar installation companies need people to install innovative solar systems.

In conclusion, Mr. Stack said that SARTA and SACTO are going to develop a training plan in 2008 to address these training needs. They believe that this strategy will significantly enhance their success of transforming the Sacramento region and California into a nationally recognized center for clean energy.

Mr. Broad asked if they have partnered with the Port of Sacramento, on the issue of whether expansion efforts are environmentally sound. Mr. Burris answered that they have worked with the Port, which has become very entrepreneurial in developing the land and utilizing the facilities they already have. In particular, he said, the Port intends to work with German companies that may relocate facilities or headquarters in this clean energy region, not only in manufacturing their products but in utilizing their expertise in other operations. Mr. Stack added that that one of the green technology companies coming to this region is a bio-fuels company that is located at the Port of Sacramento.

Mr. Broad asked if there were any other questions. There being none, he thanked Mr. Burris and Mr. Stack for their reports.

VIII. REVIEW AND ACTION ON AGREEMENTS AND AMENDMENTS

Single Employer Contractors

Euromarket Designs, Inc. dba Crate and Barrel

Creighton Chan, Manager of the ETP San Francisco Bay Area Regional Office, presented a funding proposal for Euromarket Designs, Inc. dba Crate and Barrel in the amount of \$230,850. He commented on the changes in format of the Panel Memo (ETP 130) which he thought eliminated redundancy making it easier to read and understand.

Crate and Barrel specializes in housewares, indoor and outdoor furniture, and home accessories. It sells products at its retail store, via mail-order, and the Internet. It also has a catalog company, "The Land of Nod," specializing in children's furniture and accessories. In 2007, the company opened "CB2" stores to focus on the young adult market.

The company is requesting funding to train employees at three distribution centers in Hayward, City of Industry, and Tracy to increase efficiency by maintaining a high level of customer service.

Mr. Chan introduced Ms. Casey McClung, Human Resource Manager for Crate & Barrel.

Ms. McClung stated that when the company began in 1962 there wasn't a lot of competition, but within the last 15 years competition has increased considerably, forcing them to maintain a competitive edge. The best way to do that is to increase levels of service in all areas.

Ms. Roberts asked if they had anyone helping them with the administration. Ms. McClung answered stating that their Human Resources Department is growing by one or two people to accommodate this need.

ACTION: Mr. Florence moved and Ms. Roberts seconded approval of the funding proposal for Euromarket Designs, Inc. dba Crate and Barrel in the amount of \$230,850.

Motion carried, 4 – 0.

Allan Company

Dolores Kendrick, Manager of the ETP North Hollywood Regional Office, presented a funding proposal for Allan Company in the amount of \$336,000. The company is a broker, packer and exporter of recovered fiber, aluminum, plastics, non-ferrous metals and glass, both domestically and overseas.

Ms. Kendrick introduced Kara Bouton, Real Estate Manager and Donna Bartlett, CEO of Spectra Consulting.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Florence seconded approval of the funding proposal for Allan Company in the amount of \$336,000.

Motion carried, 4 – 0.

Flowserve Corporation

Ms. Kendrick presented a funding proposal for Flowserve Corporation in the amount of \$464,400. Flowserve manufactures or assembles a variety of pumps for use by major oil companies around the world.

Ms. Kendrick introduced Carlos Garcia, President; Jama Meyer, General Manager; Armando Fierro, Treasurer of United Steel Workers District 12; and Dave Nagy of Bolero Associates.

Ms. Meyer stated that Flowserve has recently expanded into China and India and find they need to reduce costs of manufacturing. They hope to develop a high performance workforce and that is capable of continuous improvement that will help them streamline processes that will allow them to remain competitive.

There were no questions from the Panel.

ACTION: Mr. Florence moved and Mr. Rendon seconded approval of the funding proposal for Flowserve in the amount of \$464,400.

Motion carried, 4 – 0.

Pactiv Corporation

Ms. Kendrick presented a funding proposal for Pactiv Corporation in the amount of \$491,814 stating that this will be their sixth Agreement, but their first multi-facility training project to be funded by ETP. They manufacture specialty packaging products such as carry out containers, school lunch containers, and “Hefty” brand products.

Pactiv Corporation is not subject to a Substantial Contribution because none of the six facilities included in this proposal had earnings in excess of \$250,000, under the prior Agreements.

Ms. Kendrick introduced Mike Aldrich, Director and Lisa Cosset, Human Resource Manager.

Mr. Aldrich stated that this is the first time they’ve done multiple facilities based on improved corporate oversight and additional staff resources. He introduced Lisa Cosset, their new Human Resources Manager.

Ms. Roberts was concerned about the low 15 percent completion rates on their four prior Agreements. She wondered if this project would be successful. Mr. Aldrich answered that those projects were done on a location basis with no corporate oversight; therefore they’ve hired Lisa as the in-state coordinator and retained the services of the IM Group to insure proper handling.

ACTION: Ms. Roberts moved and Mr. Florence seconded approval of the funding proposal for Pactiv Corporation in the amount of \$491,814.

Motion carried, 4 – 0.

Multiple Employer Contract (presented out-of-order)

West Covina Chamber of Commerce

Ms. Kendrick presented a funding proposal for West Covina Chamber of Commerce in the amount of \$400,990. This training will help member companies to keep up with increased competition and new technologies.

Ms. Kendrick introduced Gary Lawson, Executive Director.

Mr. Broad questioned the number of trainees completed and the funding amount earned in the prior project. He wondered if the Chamber had over-estimated their training plan and if the Panel approved more hours than necessary. Ms. Carrillo stated ETP staff has remedied any over-estimates in the proposed project by recommending a lower amount of funding in the initial stages of training.

ACTION: Mr. Rendon moved and Mr. Florence seconded approval of the funding proposal for West Covina Chamber of Commerce in the amount of \$400,990.

Motion carried, 4 – 0.

Single Employer Contracts

Dart Container Corporation of California (Amendment)

Diana Torres, Manager of the ETP San Diego Regional Office, presented an amendment for a second phase of funding for the Dart Container Corporation of California in the amount of \$345,600. She said they are eligible for funding as a manufacturer and are training towards an adaptation to a high performance workplace.

Ms. Torres introduced Rachel Miyada, Human Resources Manager.

Ms. Roberts questioned their current contract performance showing that they are planned to train 768 trainees, but have only completed training for 348 trainees. Ms. Torres answered that 350 have actually completed retention. She said many more have completed the training although the data has not yet been entered.

Mr. Broad stated that if the company is running out of money, it appears everyone is going to complete the training.

ACTION: Mr. Florence moved and Ms. Roberts seconded approval of the amendment for Dart Container Corporation of California in the amount of \$345,600.

Motion carried, 4 – 0.

Disneyland Resort, a Division of Walt Disney Company

Ms. Torres presented a funding proposal for Disneyland Resort, a Division of Walt Disney Company for the amount of \$1,080,000. This proposal represents trainees belonging to 14 unions (16 locals). One union representing 26 trainees is still in discussions with company management. These trainees will not be able to start training until ETP receives the union letter indicating support.

The turnover rate is 22 percent. Of the total population at Disney, the workers that are going to be trained only represent four percent of the employment population, so the company is requesting a waiver of the turnover penalty.

Mr. Broad asked if the 22 percent turnover rate applies to the job classifications being trained. The Disney representative said the turnover rate for those being trained is only about five percent.

Ms. Torres introduced Dan Cabral, Engineering Services Training and Safety Manager. Mr. Cabral spoke about expansion plans for the Disney Resort and the need for new staff and training in new technologies for their incumbent staff.

Ms. Roberts asked if the 22 percent turnover rate only included staff that was not full-time. Mr. Cabral said that the seasonal workers are not included.

Ms. Roberts was concerned that, since this is a large proposal and Disney did not perform well on their prior project, would they have an internal infrastructure to support the administration of training. Mr. Cabral said that they have a dedicated staff person who is familiar with ETP and the software required to run the attendance tracking.

Ms. Torres stated that they would be reviewing the company's system so they can track training delivery.

ACTION: Ms. Roberts moved and Mr. Florence seconded approval of the funding proposal for Disneyland Resort, A Division of Walt Disney Company in the amount of \$1,080,000.

Motion carried, 4 – 0.

Illumina, Inc.

Ms. Torres presented a funding proposal for Illumina, Inc. for the amount of \$864,000. This is a priority industry expanding into a molecular medical device market that is requesting the advanced technology rate of \$26 per hour.

Ms. Torres introduced Richard Davis, Jr., Ph.D., Director of Quality and Regulatory Affairs and Mirna Lopez, Ph.D., Senior Quality Engineer.

Mr. Davis gave a summary of the company's history and growth and how their manufactured medical tools and integrated systems benefit research worldwide.

Ms. Roberts was concerned about the size of the contract and no administrators. Mr. Davis said they recently hired a director of training for their group who will be working on this contract along with the HR department.

ACTION: Ms. Roberts moved and Mr. Florence seconded approval of the funding proposal for Illumina, Inc. in the amount of \$864,000.

Motion carried, 4 – 0.

Pacific Bell Directory

Ms. Torres presented a funding proposal for Pacific Bell Directory for the amount of \$748,440. This is only the second project for the Directory at these particular facilities, even though it would be a third project if training at AT&T were included. Since this is only the second project, she explained, there is no Substantial Contribution. The Directory proposes to train 660 retrainees, 88 of whom work in high-unemployment areas.

Ms. Torres introduced Curt Crandall, Senior Manager of Training and Organizational Development. With him was Julianna Kirby of Training Funding Partners, a consultant to the Directory.

Mr. Broad asked Ms. Torres why, since the Directory is a division of AT&T, they are considered a separate employer for Substantial Contribution purposes. Ms. Torres answered that the Substantial Contribution only applies facility-by-facility.

Mr. Broad said AT&T has been approved for more than \$3 million dollars in ETP training funds, and questioned why the Panel should add another \$748,440. This company will have \$3,748,440 worth of training being funded at the same time. Even though the Substantial Contribution applies by facility, this is one of the largest companies in California, and he thought ETP had already funded a lot of training where this employer was not required to make a Substantial Contribution. Mr. Broad said that if anyone has a question as to why ETP needs to amend the Substantial Contribution regulation, this is the answer. It's too hard to justify why the company should not contribute a substantial cost of training, he said.

Mr. Crandall said the Directory is a subsidiary of AT&T, publishing telephone directories in print and on-line. Their business segment operates independently, he said, and this would only be their second project in partnership with ETP. He announced that 720 employees will complete their retention period within the next 30 days, for a completion of 90 percent, under their first project.

Mr. Crandall explained that the Directory is offering a new product called "1-800 Yellow Pages" that will provide free directory service to consumers, paid for by advertisers. The purpose of the proposed training project is to launch this service.

Ms. Roberts said she agreed with Mr. Broad concerning Substantial Contribution because AT&T has been benefiting from ETP funding with multi-million dollar contracts. AT&T has been benefitting quite dramatically, she said. Ms. Roberts also observed that AT&T is currently under contract with ETP for almost \$3 million in funding, which would run concurrently with the Directory project.

Ms. Roberts asked Mr. Crandall if the people being trained in the first Directory contract, which ends in February, are going to be trained in the proposed project. Mr. Crandall said that many of the same individuals would be trained due to changes in the industry, the upgrading based on their acquisition of Bell South, and keeping up with new technology.

Mr. Broad stated that he would like to put this proposal over and have the Directory sit down with ETP staff to further discuss their training needs, given their relationship with AT&T, and especially given the fact that ETP would be funding training for the same people at the Directory. It sounds like ETP has become the permanent funding source for their training, he said. It's problematic with the basic ETP program.

Mr. Broad asked Mr. Crandall to "go back to the drawing board" with staff and try to make the proposal more consistent with ETP policy.

Ms. Roberts agreed, given her questions on the AT&T funding and the concurrent contract. She wanted to take a step back and take the time to examine this issue.

Ms. Carrillo said that they would meet with the applicant and try to bring the project back at the December meeting.

ACTION: No action was taken on the Pacific Bell Directory funding proposal, as Mr. Broad asked the company to address the concerns noted and return to the December Panel Meeting.

Prospect Medical Holdings, Inc.

Ms. Torres presented a funding proposal for Prospect Medical Holdings, Inc. for the amount of \$407,400. Prospect Medical Holdings, Inc. is a management service organization that provides management services to affiliated healthcare providers.

Their turnover rate for the previous year was 37 percent. However, they can report a constant decline in their turnover rate from 57 percent in 2004 and 48 percent in 2005. An indication that their turnover rate will continue to decline, Prospect reports that their turnover rate as of January 2007 to the present is 24 percent.

Company representatives agree that if funding is approved, and if the company does not reduce its turnover rate to 20 percent by the end of the ETP agreement, it will forfeit the last 25 percent payment.

Ms. Torres introduced Yonnie Moss, Director of Claims.

Mr. Broad asked Ms. Moss to explain the relationship of acquisitions and the turnover rate. Ms. Moss explained that the way they grow their organization is through acquisitions. The turnover seen is a result of that and consolidating their workforce to one location.

Ms. Roberts asked if they planned some acquisitions in the near future. Ms. Moss said that for the rest of this fiscal year, no, but they recently had two this year.

Ms. Roberts was impressed that they had two this year and was still able to maintain a 24 percent turnover rate. Ms. Moss said that they acquired organizations that were 30 miles away so they left those staff in place.

ACTION: Mr. Rendon moved and Ms. Roberts seconded approval of the funding proposal for Prospect Medical Holdings, Inc. in the amount of \$407,400.

Motion carried, 4 – 0.

Quest Diagnostics Nichols Institute

Ms. Torres presented a funding proposal for Quest Diagnostics Nichols Institute for the amount of \$579,280. This is their second project with ETP within the last five years. This

company identifies new tests at the academic research level, converts them into clinically useful procedures, and makes them available to patients and physicians worldwide.

Ms. Torres introduced Marianne Weinell, Director of Quality.

There were no questions from the Panel.

ACTION: Mr. Broad moved and Mr. Florence seconded approval of the funding proposal for Quest Diagnostics Nichols Institute in the amount of \$579,280.

Motion carried, 4 – 0.

Ampac Fine Chemicals, LLC

Ruby Cohen, Manager of the ETP Sacramento Regional Office presented a funding proposal for Ampac Fine Chemicals, LLC in the amount of \$334,512. They are engaged in custom and contract manufacturing of active ingredients for pharmaceutical and biotechnology companies.

Ms. Cohen introduced Jeff Robinson, Executive Director of Quality & Regulatory Affairs; Danica Johnson, Training Coordinator; and Dave Brewer, Chief Steward.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the funding proposal for Ampac Fine Chemicals, LLC in the amount of \$334,512.

Motion carried, 4 – 0.

Pacific Coast Companies, Inc.

Ms. Cohen presented a funding proposal for Pacific Coast Companies, Inc. in the amount of \$472,500. Pacific Coast Companies is a manufacturer and supplier of building materials and provides business services and support to the family of companies of the parent corporation, Pacific Coast Building Products.

Ms. Cohen introduced Darren Morris, Executive Vice President.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the funding proposal for Pacific Coast Companies, Inc. in the amount of \$472,500.

Motion carried, 4 – 0.

Quad Knopf, Inc.

Ms. Cohen presented a funding proposal for Quad Knopf, Inc. in the amount of \$481,500. Quad Knopf, Inc. is an engineering, planning and construction management firm with locations in California and Nevada.

Ms. Cohen introduced Beth Rumery, Director of Organizational and Employee Development.

There were no questions from the Panel.

ACTION: Mr. Florence moved and Mr. Rendon seconded approval of the funding proposal for Quad Knopf, Inc. in the amount of \$481,500.

Motion carried, 4 – 0.

United Facilities, Inc.

Ms. Cohen presented a funding proposal for United Facilities, Inc. in the amount of \$266,220. They provide services and warehousing, custom packaging, assembly, fulfillment, e-commerce, purchasing and transportation and performance management for its customers.

Ms. Cohen introduced Renna Bliss, Human Resource Manager.

Ms. Bliss summarized how customers are demanding they use this new WMS system that will be different than the system presently used and staff will need to be trained to use it.

Mr. Broad stated that they are basically training the same people but it's a totally different curriculum. He noted that their existing contract for \$73,000 is expiring.

Ms. Roberts asked if United Facilities, Inc. would lose any employees through implementation of their own WMS system. Ms. Bliss agreed stating that there would probably be additional staff hired throughout California.

ACTION: Ms. Roberts moved and Mr. Florence seconded approval of the funding proposal for United Facilities, Inc. in the amount of \$266,220.

Motion carried, 4 – 0.

Special Employment Training (SET)

AHMC Healthcare, Inc. dba Monterey Park Hospital

Ms. Kendrick presented a funding proposal for AHMC Healthcare, Inc. dba Monterey Park Hospital in the amount of \$277,488 to train 82 Registered Nurses in the skills necessary to become a high performance workplace. Monterey Park Hospital is a 101-bed acute care hospital.

Ms. Kendrick introduced Hilda Aquino, Director of Education.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the funding proposal for AHMC Healthcare, Inc. dba Monterey Park Hospital in the amount of \$277,488.

Motion carried, 4 – 0.

Southern California Permanente Medical Group

Ms. Kendrick presented a funding proposal for the Southern California Permanente Medical Group (SCPMG), which is a for-profit arm of Kaiser Permanente, healthcare provider, in the amount of \$900,900. This is their fifth project with ETP but only their second within the last five years. They currently serve more than 3 million members provide care for approximately 3600 physicians at 11 hospitals and 130 medical offices.

Ms. Kendrick recommended a waiver of the Panel's cap on SET projects at \$500,000 because of the high number of employees requiring training. This funding would provide adequate training to a significant number of registered nurses, technicians, and support staff in hard-to-fill healthcare positions.

Ms. Kendrick introduced Terry Bream, RN, M.N., Manager of SCPMG Nursing Administration; Barbara Blake, RN, State Secretary of United Nurses Associations of California/Union of Health Care Professionals; and Steve Duscha, Strategic Partnership.

There were no questions from the Panel.

ACTION: Mr. Florence moved and Ms. Roberts seconded approval of the funding proposal for Southern California Permanente Medical Group in the amount of \$900,900.

Motion carried, 4 – 0.

Mountain View Child Care Inc., DBA Totally Kids

Ms. Torres presented a funding proposal for Mountain View Child Care Inc., DBA Totally Kids in the amount of \$499,392. Totally Kids[®] is a Specialty Healthcare, pediatric sub-acute facility and school; Circlebrook, is an intermediate care facility for developmentally disabled children; and KidShip is a pediatric day health and daycare center.

Ms. Torres introduced Larry Meissner, Director of Human Resources and Corporate Services.

Mr. Meissner summarized the difficulties their staff faces every day in taking care of disabled children, and what is needed to assist in this effort. He explained that the special technologies they use require special training, even for nurses just out of school.

Mr. Broad asked if their source of funding is from insurance or largely governmental. Mr. Meissner answered that 85-90 percent of their funding is from MediCal and their nurses are reimbursed at Skilled Nursing rates, but the care is close to acute ICU care.

Ms. Roberts questioned the staff concerning the nine percent Manager/Supervisor training in a Special Employment Training contract where all workers must be frontline workers. Ms. Torres explained that she would go back and look at that; there are not supposed to be any managers or supervisors unless they just have that title and are really frontline workers. If that was the case, then that should have been zero.

Mr. Meissner explained that the managers and supervisors are “charge nurses”, staff who is out on the floor who have some responsibility for the floor or are in charge of the facility, but are typically RNs who are working with kids and the rest of the staff.

Ms. Torres said in that case, the proper number of Manager/Supervisor staff is zero.

ACTION: Mr. Rendon moved and Ms. Roberts seconded approval of the funding proposal for Mountain View Child Care Inc., DBA Totally Kids in the amount of \$499,392.

Motion carried, 4 – 0.

MedAmerica Billing Services, Inc.

Ms. Cohen presented a funding proposal for MedAmerica Billing Services, Inc. (MBSI) in the amount of \$322,320. MBSI provides coding and billing services for the healthcare industry including custom electronic submission of claims, auditing, accounts receivable management, physician coding and documentation education, and custom data analysis and reporting services. They will be opening a new facility and need to provide their Modesto employees with additional training.

Ms. Cohen introduced Stephanie Montanez, Senior Human Resource Manager.

There were no questions from the Panel.

ACTION: Mr. Rendon moved and Ms. Roberts seconded approval of the funding proposal for MedAmerica Billing Services, Inc. in the amount of \$322,320.

Motion carried, 4 – 0.

Multiple Employer Contractors

Bay Area Video Coalition

Mr. Chan presented a funding proposal for the Bay Area Video Coalition in the amount of \$352,107 to fund a pilot program to train at risk youth and ex-offenders for jobs in video, web, and multimedia production.

Mr. Chan introduced Kiyoshi Ken Ikeda, Executive Director and Dov Golodner, Workforce Development Programs.

Ms. Roberts asked if there were any problems with participating employers hiring ex-offenders. She asked if they understand that the trainee may be technically trained, but also that the youth may be an ex-offender. Mr. Ikeda responded this was the reason they are seeking 35 percent for the non-profit, incidental placement rate. The non-profit field is a significant economy within itself and is a valid employment for an entry level job.

ACTION: Ms. Roberts moved and Mr. Florence seconded approval of the funding proposal for Bay Area Video Coalition in the amount of \$352,107.

Motion carried, 4 – 0.

Chaffey Community College District

Ms. Torres presented a funding proposal for Chaffey Community College District in the amount of \$200,605. They are a two-year public community college with satellite campuses in the cities of Fontana and Chino. Their core group of employers is primarily small to medium size manufacturing companies that face out-of-state competition, Frontline workers with no managers or supervisors, and includes a curriculum for some entry-level pre-apprenticeship training skills.

Ms. Torres introduced Kathleen Dutton, Director of Economic Development and Community Education.

There were no questions from the Panel.

ACTION: Ms. Florence moved and Mr. Rendon seconded approval of the funding proposal for Chaffey Community College District in the amount of \$200,605.

Motion carried, 4 – 0.

Franklin Career College

Ms. Torres presented a funding proposal for Franklin Career College in the amount of \$550,500. Franklin is eligible to provide ETP training as a repeat, public training agency at two training centers in Ontario and Norwalk. This training is designed to provide trainees with the knowledge, skills, and abilities to perform the duties of LVN.

Ms. Torres introduced Rose Hernandez, Chief Operating Officer.

There were no questions from the Panel.

ACTION: Mr. Florence moved and Mr. Rendon seconded approval of the funding proposal for Franklin Career College in the amount of \$550,500.

Motion carried, 4 – 0.

IX. PUBLIC COMMENT

There was no public comment.

X. ADJOURNMENT

ACTION: Ms. Roberts moved and Mr. Florence seconded adjournment of the meeting at 12:30 p.m.

Motion carried, 4 – 0.