



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL MEETING**
California Environmental Protection Agency
1001 I Street
Sierra Hearing Room – 2nd Floor
Sacramento, CA 95814
June 26, 2015

PANEL MEMBERS

Barry Broad
Chair

Janice Roberts
Vice-Chair

Gloria Bell
Member

Sonia Fernandez
Member

Leslie McBride
Ex-Officio Member

Edward Rendon
Member

Sam Rodriguez
Member

Executive Staff

Stewart Knox
Executive Director

Maureen Reilly
General Counsel

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Teleconference Location, Panel Member Ed Rendon Attending:
Omni La Costa Hotel
2100 Costa Del Mar Road
Carlsbad, CA 92009

I. PUBLIC PANEL MEETING CALL TO ORDER

Janice Roberts, Acting Chair, called the meeting to order at 9:38 a.m.

II. ROLL CALL

Present

Gloria Bell
Sonia Fernandez
Leslie McBride
Ed Rendon (via teleconference and text message)
Janice Roberts

Absent

Barry Broad
Sam Rodriguez

Executive Staff Present

Stewart Knox, Executive Director
Maureen Reilly, General Counsel

III. AGENDA

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

Motion carried, 5 - 0.

IV. MINUTES

ACTION: Ms. McBride moved and Ms. Bell seconded the motion that the Panel approve the Minutes from the May 21, 2015 meeting.

Motion carried, 5 - 0 carried.

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

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

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

Motion carried, 5 – 0.

VI. REPORT OF THE EXECUTIVE DIRECTOR

Stewart Knox, Executive Director said, as Ms. Roberts noted, we apologize for any delays. We wanted to move forward with this meeting, and typically we're almost out of money by June. This meeting is a little bit rare, but we need to encumber the funds. Thank you for all your participation. We will get a chance to listen to all the proposals as usual. The Panel won't take action until 11 a.m. Again, we are doing this as a slate and the reason for doing that is to make sure that we have Mr. Rendon's participation via teleconference. He has already reviewed the documents, again, we're just following the rules of order.

Following the Panel meeting in May, we have a little bit larger Panel meeting this month, about \$5.5M with another \$712,000 in Delegation Orders before you. I will also give you an update on the pool of funds coming forward this Fiscal Year (FY) 2015/16 and where we are to date.

Today we have a mix of Single Employers and Multiple Employers Projects. Regional Office Managers Diana Torres, Gregg Griffin, Creighton Chan, and Willie Atkinson are here today to present the Proposals.

Regarding the budget for Alternative Fuel, as you know, we had \$3M available this FY. After today, we will have about \$1.6M remaining. On the RESPOND project, our Assistant Director, Peter Cooper, will give us an update on the drought funding. After today's meeting, we have one change, but we will have zero dollars left in the RESPOND funding. This is good news; the \$2M is out in the communities and Mr. Cooper will give us an update on that matter.

Regarding CORE funding, to date, the Panel has committed over \$82M to over 399 projects with 58 amendments this year. This is one of the largest releases we've had in the last 10 years. The staff and Panel have been working very hard to get the money out.

To date, the Panel will consider an additional \$5.1M in proposals with another \$712,000 approved by Delegation Order. Should the Panel approve all the projects today, we will have zero dollars remaining in this year's fiscal allocation, which is exactly what we needed to do to encumber those funds.

Under Delegation Order, Small Business was reduced to \$50,000, and other proposals were capped at \$100,000 to be approved by the Executive Director on a continuous flow basis, and as of today we have 14 projects totaling over \$712,000.

For the FY 2015/16 program funding, we have approximately 334 project applications submitted in the first round on April 1, 2015, and the second round on May 1, 2015, with a value of over \$58M. We are right on track in terms of moving the money out. Financially we look very strong. That leaves us over \$30M left in funding moving forward.

Regarding the Fund Status Report, Mr. Knox said, basically what you're seeing before you is what we have discussed in the past. We will have a discussion about the fund status, possibly in our August or September meeting. Currently, the report shows the zeroing out of the encumbered funds for this year. Everything will be encumbered. What we've done is added more dollars to the prior contract liabilities going into the next FY, for the \$27M. We still anticipate allowing extra dollars moving into the next FY. So we're standing with \$90.5M in release, which is what the Panel approved back in March 2015. We'll stand with that until we get our figures assured up.

Potential funding of applications and demands by contracts are still in the regional offices. Single Employer Contracts requests are \$35M; the Panel has approved \$45M for that allocation, and we have about \$35 currently in demand. Multiple Employer Contracts requests are about \$12M in demand; \$20M in allocations. Small Businesses have \$3.3M in demand; \$6.5M in allocations. Critical Proposals is at \$1.4M in demand and we have about \$8M in allocations. Apprenticeships are at \$6.5M in demand with over \$12M in allocations. We're looking very strong. I don't see any issues there.

Regarding the number of projects remaining in the regional offices today: Single Employers 44, MECS 16, Small Business 48, Critical Proposals 4, and Apprenticeships 6; total of 118. AAU by category: Single Employer Contracts 99; MECs 17; Small Business 79; Critical Proposal 2, and Apprenticeship 19; total of 216. Almost half of all the projects are getting pushed out to the regional offices, so if you haven't been contacted by our staff, I'm sure you will be hearing from them shortly.

VII. MOTION TO ADOPT CONSENT CALENDAR PROJECTS

Ms. Roberts asked for a motion to adopt Consent Calendar Items #1 through #6.

CPH Hospital Management, LLC dba Coast Plaza Hospital	\$150,336
Matsuda's by Green Acres, LLC	\$109,206
Nor-Cal Beverage Co., Inc.	\$135,900
Simpson Strong-Tie Company, Inc.	\$161,250
Tiger Lines, LLC	\$150,480
Westech College	\$374,465

ACTION Ms. McBride moved and Ms. Bell seconded the approval of Consent Calendar Items #1 through #6.

Mr. Rendon voted aye via teleconference and text message.

Motion carried, 5 – 0.

VIII. REPORT OF GENERAL COUNSEL

Maureen Reilly, General Counsel had nothing to report.

IX. UPDATE OF RAPID EMPLOYMENT STRATEGIES PILOT ON NATURAL DISASTERS (RESPOND)

Peter Cooper, Assistant Director, said first of all, we are very excited about this training program. It is reaching a lot of communities that need the support, both workers and employers, and we have used all of the \$2M in this FY which is very good. I will go ahead and go over my presentation and hand it over to Marla Uliana, who will talk a little bit about what the community colleges are doing. As you all know we are entering the fourth year of a severe drought. The drought has cost more than half a million acres to be fallowed and thousands of farm jobs to disappear. This drought has had a huge impact on workers.

A University of California, Davis, study from May shows that more than 18,000 full time, part-time, and seasonal jobs have been lost. 2014 agriculture employment statistics show overall growth in the agriculture sector despite the drought, so this is really a situation of opportunity lost. Coastal and Sacramento Valley regions showed agricultural job increases. We know that some communities are really taking the brunt of this, like Tulare, which has seen severe water shortages and high unemployment.

Before you is the chronology of ETP's response to the drought. In January of 2014, Governor Brown declared a state of emergency. In April 2014, ETP received \$2M from the omnibus drought legislation which appropriated \$2M from the general fund. In May, ETP's Drought Committee held a public meeting to discuss strategies on administering and using the \$2M. In June 2014, ETP implemented a new training, "Rapid Employment Strategy Pilot on Natural Disasters" (RESPOND), to guide a strategic and timely use of these funds. A lot of our policy does follow the direction of that. During the past year, we spent the entire \$2M. We will continue to monitor and be involved with these projects to their completion to make sure that they are successful.

In regards to ETP's response to drought, the drought legislation directs that the funds be used to provide flexible training related services to workers and employers in localities designated by the Governor for drought or disaster relief. What we have done is divided the \$2M drought general funds into two categories. The first half will go into an inter-agency agreement with the community college Chancellor's office. This piggybacks on the agriculture sector navigator system and the training program they already have placed in the Central Valley. The other half will go towards the more traditional ETP contracting model and

system. We will continue to have some core funds available that we can use to help the agricultural industry with projects that are related to the drought as.

One of the goals of RESPOND has been to focus resources on targeted regions, and do this as quickly as possible. Just a side note, there were quite a few goals tied to these funds; we've done a good job of meeting those goals. One of the goals was to get the dollars spent in the FY, and as you can see we really hit on most of the goals that are tied to the general funds. The other goal is to try and assist with transition to sustainable practices, and as you know we are now entering the fourth year of drought. It has become more obvious that this is how the state's economy is going to have to function, being more cognizant of water use. We think that the sustainability of this program is really important and something that can be able built upon.

The drought general fund under RESPOND is different than our Core Funds. The drought fund provides flexible training support in communities; it's really more focused on geographical areas that are impacted by the drought. It can also be used to support public sector employers and entities including colleges, cities, counties, water municipal districts, but not our typical training suppliers that we have under the core program.

We have developed two tracks for the drought general fund under RESPOND to target the impacted regions. Track 1 targets the 24 impacted counties designated by the Governor's office which are Siskiyou, Modoc, Lassen, Tehama, Glenn, Butte, Sierra, Lake, Colusa, Sutter, Yuba, Yolo, Amador, San Joaquin, Stanislaus, Santa Cruz, Merced, Madera, San Benito, Fresno, Monterey, Kings, Tulare, and Kern. Track 2 targets community colleges focused on the Tulare Lake Basin and the San Joaquin Valley. The 24 counties mentioned are in studies from the California Department of Food and Agriculture which designated them as the most severely impacted by the drought back in the spring of 2014. This is based on the unemployment rate in the county, as well as economic activity and the agricultural sector. If we were to get more funds for these programs, we will obviously look at the new list of impacted counties as the drought has spread throughout the state of California, and not just 24 counties.

Mr. Cooper said, Track 1 is really focused on the \$1M fund that is going through our typical ETP contracts. They're handled in an expedited fashion as Critical Proposal; they have to be within the region of the 24 counties. Support costs are higher, up to 20%; reimbursement rates can go up to \$26 per hour. The one thing that I wanted to highlight here is the retention model. We provide the opportunity for a portfolio model so that 70% of the funds can be earned after it's documented that training has taken place, and then the remaining 30% after placement. This is one of the recommendations coming out of the drought committee that convened earlier to guide our policy implementation.

Five contracts have been funded under Track 1. We have spent all of the \$1M on this track. The Cal Poly Corporation \$234,240, in San Luis Obispo; they are really the pre-eminent training program for irrigation technology in the State. We are very happy to partner with them. The other contracts are: Kern Community College District \$233,220, Sacramento Area Regional Technology Alliance \$287,000, Butte-Glenn Community College \$117,520 and Local Government Commission (LGC) \$127,880. LGC, I just want to highlight this one, I think it's very interesting because they are a non-profit membership organization with the

cities and counties. They are able to really serve the public sector in dealing with things like environmental planning and urban planning that is really needed to affect urban consumption.

Occupations that are included within the five contracts that have been funded under Track 1 are irrigation specialist, crop specialist, farmworker, environmental conservation engineer, landscape architect, production worker, urban planner, and water treatment specialists.

As far as Track 2, there are 6 community colleges that are in the Tulare Lake Basin: Modesto Junior College, Merced College, Fresno City College, Reedley College, College of the Sequoia's, and West Hills College of Coalinga. They're a part of the agricultural sector navigators; at this point I will hand it over to Marla Uliana who is administering this project on behalf of the Community College Chancellor's Office and Yosemite CCD. Ms. Uliana will discuss the program that they're working on together with ETP.

Marla Uliana, Director, Workforce Development

Ms. Uliana said, good morning Panel. I want to thank you for this funding source. This has allowed the community college to do some training for people that we normally would not reach out to or wouldn't collect in the normal classes that we offer. All of the trainings that we are doing have been vetted. They're career technical education programs so most of them have been embedded by employers, and it's what the employers need. As Mr. Cooper showed you on the slides earlier, the colleges go from Modesto all the way down to West Hills College of Coalinga. It's a very large geographical area and we came together originally under the direction of the sector navigator for the agriculture industry to put these chains together.

The programs that we are focused on are logistic and warehousing, irrigation technology, water treatment operation, food safety, industrial maintenance, manufacturing production technician, and qualified applicators license; and again, each one of the colleges chose trainings that were in demand in their local area. The certificates that are coming out of these trainings are party or industry-recognized certificates. Some are state certifications like the Qualified Applicator's License and Certified Agriculture Irrigation Specialists. The other items on the list like MSSC-Certified Logistics Associate, MSSC-Certified Logistics Technician, MSSC-Certified Production Technician, they all fall in the manufacturing skills standard counsel certificate and nationally recognized certificates in logistics and production manufacturing industries. Then we have the wastewater treatment plant operators - grades I & II, Hazard Analysis and Critical Control Points (HACCP), OSHA 10, and CPR/First Aid; these are the industry recognized certificates. There are also some college recognized certificates that industries local to those colleges have accepted as prospective employees that have certain levels of skills such as Merced College's Customer Service Academy; but the colleges are all doing college certificates whether or not they are industry recognized.

To give you a summary of where we are at today, we went through a series of meetings to put these programs together. We submitted our applications last year and got started in January. All the colleges started their first training, and most of the colleges are finishing up their training. Other colleges are in the beginning stage of their second training or have already started their second training. Some of the colleges are doing two separate trainings. For instance, Modesto is doing their first training, irrigation specialist, and that is still ongoing,

and now they are on their second training which is logistic warehousing. The logistics and distribution industry is rapidly growing Stanislaus County; that is why we chose that industry.

Currently, we have a couple of programs that are open, and we have partnered with the community to recruit students. We had a meeting a few weeks ago with some of our community partners, and Mr. Cooper was there. We had a discussion on how we're working with our community; all the colleges are working with the local Workforce Invest Board Agencies (WIB). In the Southern part of the region, it's called Proteus, everybody is working with the WIB Agencies, and there are Central Valley Opportunity Centers. Some of the colleges are working with their local food banks and churches for referrals. The local farm bureau, the state rehabilitation offices, different initiatives, the local initiatives, learned-earned reading. There are things that we don't do Modesto, but on some campuses, they have that connection. We are working with our community and we are getting our referrals from them, and some of our referrals are from college recruitment in the community. And these agencies also help us with the job placement. Some of the churches have job programs, the WIB agencies of course, and the CBOC's helping us with the job services, for all those who qualify for WIA. Again, I want to say thank you. This has been a really good project. It has brought all the colleges together, working together under one mindset and reaching out to this special population that we normally wouldn't target.

Miss Bell asked, are the trainings conducted during the day or evening? Ms. Uliana said, the trainings are done at different times, some of the trainings are done during the day, some are during the evening, and some of them are on the weekends. It's a mixed training, so if there are individuals that are working, they can fit training into their schedule. Another point that I didn't mention, we had a student, who resides in Stanislaus County and wanted to attend the training that's offered in Merced County; this training offers flexibility. Ms. Bell asked, are there any trainings offered on-site? Ms. Uliana said, they are not all offered in the college campus. Some of the trainings or pieces of the training are done at different sites in the community. For example, in Modesto, some of the components of our logistics program are in Patterson. We have a partnership with Patterson Joint Unified School District and the Stanislaus County Office of Education; we have those two sites that we use. Ms. Bell asked, are the trainings offered in English or Spanish? Ms. Uliana said, we don't offer Spanish classes at the moment. It is all done in English. Each of the programs had a vessel or ESL component to it, and what we have found is that we didn't need it. At the College of Sequoias, if a student came into an orientation and they didn't have the literacy skills or level to take the training, they were referred to a vessel or ESL. Every one of the colleges consistently said that they did that. However, the College of Sequoias is in the process of a program modification plan. One of the things that they are doing is strengthening their vessel program to target an ESL population, even if it's just a vessel or means to get to a point to attend some of the trainings.

Ms. Bell said, I just find it interesting, the irrigation and logistics, it's usually Spanish. Ms. Uliana said, it is interesting. We have an instructor in Modesto who wrote a Spanish training manual and textbook for solar installation. We are running that program right now, and we are finishing it up tomorrow. When I attended the orientation, I was going to use the instructor as an interpreter for me, but every one of them spoke fluent English. That's why we have found that we haven't had that need. Ms. Bell asked, are you looking, there's a possibility that there is a client based there? Ms. Uliana said, yes we are. We are working

through our CVOC's, that's how we recruited for the solar training program. A couple of the colleges have mentioned that they are working with their "El Concilio". So we are working with their agencies.

Mr. Cooper said, this is an issue that we have been working on. I have been working on this personally for the last couple of months. The California Office of Planning and Research (OPR) has an ombudsman that works with the farmworker community. I've been meeting with them on a regular basis to see how our program can address the needs of the Spanish-speaking populations in the Central Valley. One of the inputs was doing the brochure in Spanish. We are distributing them both at the local level through the community colleges and their networks, as well as with an advocacy coalition at the State level where I'm working with groups like California Rural Legal Assistance Foundation, with *La Cooperativa*, and with a number of others. The funds are limited, and the time period is limited, that's our challenge. We have the \$1M, and what would be wonderful, and I think we might have this opportunity in the future, would be to use this as an example to build it out so that we can take this model, expand it in the coming years if the drought goes on, and have a much more robust ESL vessel component at the front end, so that somebody who is learning English as a second language can get to the proficiency level so that they can take these technical classes in English, because the tests, the industry recognized certifications are administered in English. We can really create that pathway. That's the long-term vision and goal. I'm hoping that we can get more funding for the program. In the meantime we're figuring out what we can learn in working with those advocacy groups and in the communities.

Ms. Bell said, thank you, Mr. Cooper.

Ms. Fernandez said, what I would like to see, if we get that additional funding, is maybe reconvene our subcommittee, because there were initiatives and proposals that were made as a subcommittee that have not been addressed because they were other priorities. I would like to, hopefully, come together again and address some of those ideas and proposals that we made because I think that we can do a lot more good in the actual groups that we haven't reached yet. Mr. Cooper said, certainly.

Ms. Roberts said, Marla, I actually worked in Modesto for many years. I worked for a large manufacturing plant and worked with Pedro Menendez. All these certifications are great and working for a manufacturing plant, that's exactly what we're looking for. One thing I noticed, you didn't mention forklift certifications or even truck driver certification. Companies are always targeting those two big areas, I don't know if you're looking into that. Ms. Uliana said, in the warehouse and distribution training, the forklift certification is actually provided by the company. We are unable to certify. We do offer a lift truck safety and training course, so when they go to an employer and apply for a job, the employer knows that they have had the training and they can be certified. Ms. Roberts said, that is something we look for because we do hire a lot of people in the warehouse. Even though we know that we have to certify them on our own regulations, having that already prefaced, it makes a good story for them to go in with. And I don't know about truck drivers, we're really in need of over the road drivers, I don't know if you looking into that as well. Ms. Uliana said, that is something Mr. Menendez, my supervisor, and I have been talking about. Right now in Modesto there are a lot of truck driving companies and schools. West Coast College does have a truck driving school and

that was one that I thought they were going to change and use their truck driving as their second training; but so far they haven't mentioned if they are looking at that.

Ms. Roberts said, I know we have a relationship with Modesto community college and we do have a big waste water facility and big solar fields, if there are interested on a field trip, you can definitely contact the manager there, it's a Frito-Lay plant.

Ms. Fernandez asked, do you help with job placement? Ms. Uliana said, I'll speak for Modesto. We do job development with our technical education students, and these students for us, fall into that. It's not necessarily a deliberate job placement program, we partner with our WIB's for this project to do that. At Modesto, we do have somebody, when we get job leads, we look at all of our candidates that we have trained in the past or who are in training currently, and we'll then give those job leads. Sometimes we have employers come on campus and do recruitment specifically for the technical education students. Ms. Fernandez asked, what is the salary that someone should be making, dollar wise, once they complete the training, how does it benefit them? Ms. Uliana said, it depends on the training background. I do not have all those specific salaries, but a lift truck operator, going to a company like Amazon that opened in Patterson last year, would probably start at around \$14 an hour. A wastewater treatment operator would be making, of course, much more than that, somewhere in the \$40,000 to \$50,000 a year. It just depends on what the training is. Ms. Fernandez said, thank you.

Ms. Bell asked, in your opinion, is this training more manufacturing related than agriculture? Ms. Uliana said, I would say it's probably almost 50-50. Ms. Bell said, but the agriculture worker speaks Spanish, I'm a little confused here. It seems like it's more on the manufacturing side, and I can understand the English language students for to the agricultural side; and on the picture on the brochure, it seems more on the agricultural side.

Mr. Cooper said, one of the directions that we got from the committee on drought was, not only to focus the training geographically, but also to try to find a training that leads to a job. The criteria for somebody coming in and receiving this free training through the colleges, one of the criteria was not what sector you are in. It's an "if you have been impacted by the drought" situation. They self-certify, so we do have a mixture between maybe half from the agricultural sector and maybe 15% or 20% from the service sector; some manufacturing and then some that decline to state on their application forms. We actually asked them to write down their current or former employer, and I've been looking at those. Also we consider the language that they speak at home. We have a real mix depending on the community college. Ms. Bell said, thank you. It sounds like it's an opportunity, like you mentioned earlier.

Ms. Roberts said, Ms. Uliana and Mr. Cooper, thank you very much. This is very enlightening, that we have a great relationship with the community college. Thank you for really implementing this program.

X. REVIEW AND ACTIONS ON PROPOSALS

Single Employer Proposals

(Mr. Rendon confirmed that he was still on the teleconference call prior to the presentation of Proposals.)

Costa Mesa Healthcare, Inc. dba Newport Sub-Acute Healthcare Center

Greg Griffin, Manager of the North Hollywood Regional Office, presented a Proposal for Costa Mesa Healthcare, Inc. dba Newport Sub-Acute Healthcare Center (Newport or Center) in the amount of \$191,520. Newport is an assisted-living facility that specializes in providing skilled nursing care and rehabilitation for the elderly. The Center is located in Costa Mesa.

Mr. Griffin introduced Colene Oates, RN, Director of Nursing.

ACTION: Ms. McBride moved and Ms. Fernandez seconded the approval of the Proposal for Costa Mesa Healthcare, Inc. dba Newport Sub-Acute Healthcare Center in the amount of \$191,520.

Mr. Rendon voted aye via teleconference call and text message.

Motion carried, 5 – 0.

Meggitt (North Hollywood), Inc.

Mr. Griffin said, Meggitt (North Hollywood), Inc., Tab #8, has been withdrawn for consideration next month. There were changes and adjustments in their corporate structure in terms of leadership and they would like to take some time to reconsider. They will come back in July.

Quinn Group, Inc.

Mr. Griffin presented a Proposal for Quinn Group, Inc. in the amount of \$224,098. This will be the fourth Agreement between ETP and Quinn Group, Inc. (Quinn). The Company provides manufacturing, repair, and rental services for heavy construction equipment, and specializes in component rebuild.

Mr. Griffin introduced Michael Lande, Director of Human Resources.

Ms. Roberts said, I have a few concerns, and it's mostly about performance. I know that this was addressed in the Panel packet. You have a lot of job classifications in the packet, and it's quite extensive. What will you do differently to get your success rate up higher than the previous contract? Mr. Lande said, we've built a new manufacturing facility which is 250,000 square feet, and that caused the delay and we weren't able to train all of employees on the last contract. Now that that's fully functional, of course, with the growing construction industry, we would be able to hit that target. Also, the fact that the threshold has been moved down from 24 hours to 8 hours, we feel very confident that we can make that number.

There were no further questions from the Panel.

ACTION: Ms. Bell moved and Ms. McBride seconded the approval of the Proposal for Quinn Group, Inc. in the amount of \$224,098.

Mr. Rendon voted aye via teleconference call and text message.

Motion carried, 5 – 0.

BAE Systems San Diego Ship Repair, Inc.

Diana Torres, Manager of the San Diego Regional Office presented a Proposal for BAE Systems San Diego Ship Repair, Inc. (BAE-SDSR) in the amount of \$834,160. BAE-SDSR is designated as a Critical Proposal (CP) by the Governor's Office of Business and Economic Development (Go-Biz). The requested funding is for FY 2015/16, therefore the funding is within the new CP caps coming for next FY. This Agreement will start after July 1, 2015.

Ms. Torres introduced Bob Koerber, Vice President and General Manager, Jessica Alvarez, Training Manager, and Thomas Bright, Bright Training Systems.

Ms. Fernandez asked, have there been any efforts made, since you're in the San Diego area to hire veterans? Mr. Koerber said, yes. In fact, I was on a panel just this past week with the Economic Development Council. We had three mayors present and that was one of the topics; we do recruit those individuals. They come to us for the lab experience, they know the ship port systems, so it doesn't take as long to get them up to speed to support the industry; it's a win-win; we very heavily recruit the veterans. Ms. Fernandez said fantastic.

Mr. Koerber said, we talked about hiring 200 people. As of Monday, I am currently at 1683, by April, I need to have 3000 employees. That's confirmed work for the poor. It's not work that we're bidding on, it's already confirmed. It's a significant increase in the number of the personnel.

Ms. Roberts asked Ms. Torres, on the critical proposal on substantial contribution, I just want to make sure, is this a precedent on any critical proposal? Ms. Torres said, no, not at all, this is within your purview and you've done this multiple times, with the justification that you feel is adequate. Ms. Roberts said, if for some reason they should come back again, and it's another critical proposal, how would we address that? Ms. Torres we can handle it all over again.

ACTION: Ms. Fernandez moved and Ms. McBride seconded the approval of the proposal for BAE Systems San Diego Ship Repair, Inc. in the amount of \$834,160.

Mr. Rendon voted aye via teleconference call and text message.

Motion carried, 5 – 0.

Rambus Inc.

Creighton Chan, Manager of the Foster City Regional Office, presented a Proposal for Rambus Inc. in the amount of \$177,480. Rambus Inc. is an Intellectual Property (IP) company. Their business model is to discover and patent new and faster ways to communicate in the semiconductor world and license their IP to companies that fabricate semiconductor chips.

Mr. Chan introduced Nichole Gise, Human Resource Program Manager, Yvonne Saucedo, Human Resource Senior Director, and Rob Campbell, ADP.

There were no questions from the Panel.

ACTION: Ms. Bell moved and Ms. McBride seconded the approval of the Proposal for Rambus Inc. in the amount of \$177,480.

Mr. Rendon voted aye via teleconference call and text message.

Motion carried, 5 – 0.

SavaSenior Care Administrative Services, LLC

Mr. Chan presented a Proposal for SavaSenior Care Administrative Services, LLC (SSC) in the amount of \$422,928. SSC operates nursing and assisted living facilities that provide long-term and short-term care. Through facilities located in Carmichael, Newport Beach, Oakland, Pittsburgh, San Jose, and Tarzana, the Company provides skilled nursing care including physical, occupational and speech therapies; wound care; hospice care; rehabilitation; and Alzheimer's and Dementia services. SSC will be the lead employer and contract holder to coordinate the implementation and administration of training; however, it is not included in the proposed training plan. All participating facilities, including SSC, are owned by Holdco, LLC, the parent company.

Under SET, an employer is not required to demonstrate out-of-state competition. Trainees must earn at least the statewide average hourly wage at the end of the retention period. However for trainees employed in a priority industry, the Panel may modify SET wage up to 25% below the statewide average hourly wage. SSC is not requesting wage modification.

Mr. Chan introduced Rachelle Melecaio, Senior Director of Learning and Talent Development and Rob Campbell, ADP.

Ms. Roberts asked, do you have any CNA's at your facility? I don't see CNA's on the job trainee list; will they be training under this program? Ms. Melecaio said, we will be training CNA's through this program as appropriate per the requirements of the program. That's our direct and indirect care staff, to include our nurses, and rehabilitation therapists as well. I just want to make sure that we are staying to the requirements and standards that are specified by ETP. With all due respect, this is our first time so we are definitely stepping into this trying to make sure that we are directing this to the staff that needs to receive the training in order to deliver those care services.

Ms. Roberts said, in looking at wages, you seem to pay a higher wage, and usually when we look at CNA's, their wages are a little lower. We just want to make sure that you meet that requirement.

ACTION: Ms. McBride moved and Ms. Bell seconded the approval of the Proposal for SavaSenior Care Administrative Services, LLC (SSC) in the amount of \$422,928.

Mr. Rendon voted aye via teleconference call and text message.

Motion carried, 5 – 0.

ICON Aircraft, Inc.

Willie Atkinson, Manager of the Sacramento Regional Office presented a Proposal for ICON Aircraft, Inc. (ICON Aircraft) in the amount of \$315,540. This proposal for ICON Aircraft is designated a "Critical Proposal", as defined in Title 22, California Code of Regulations (CCR) 4402.2, by the Governor's Office of Business and Economic Development (Go-Biz). ICON Aircraft has already hired 105 trainees out of the 222.

Mr. Atkinson introduced Paul King, Director of Talent Acquisition, Tina Rulo, Human Resources Consultant, and Rocio Leo, Training Manager, CMTC.

Ms. Bell asked, will you be moving your operations from Tehachapi to Vacaville? Mr. King said, yes. Ms. Bell asked, how many people will you be relocating? Mr. King said, about 85 people will be relocating north of Vacaville from our Los Angeles and Tehachapi office. Ms. Bell asked, of the people that are staying behind, are you offering placement programs? Mr. King said, everybody was offered the opportunity to come to Vacaville. Some have chosen to stay in Tehachapi and Los Angeles for personal reasons. It's a big move, but they all have been offered retention packages to stay until we make this move.

Ms. Roberts said, I'm really excited that you're hiring 222 people up here in Northern California. Do you have a game plan going forward on how you're going to get the remaining 117 trainees? Mr. King said, our location is close to Travis Air Force Base and the opportunity is there. We've already attended job fairs and made some hires out of Travis AFB, where folks are accustomed to working with and maintaining aircrafts. One of our primary target is to hire veterans coming out of the Air Force. It's really looking at other employee bases in the area where we can bring people in and provide them training so they can work on the aircraft, build the planes and develop job skills around composite, painting, and general assembly.

Ms. McBride said, I encourage the Panel members to go online and visit their website, iconaircraft.com and watch the videos.

ACTION: Ms. Fernandez moved and Ms. McBride seconded the approval of the proposal for ICON Aircraft, Inc. in the amount of \$315,540.

Mr. Rendon voted aye via teleconference call and text message.

Motion carried, 5 – 0.

Sparta Consulting, Inc. dba KPIT Technologies

Mr. Atkinson presented a Proposal for Sparta Consulting, Inc. dba KPIT Technologies in the amount of \$195,672. Sparta Consulting, Inc. was founded in 2007 in Folsom. The Company provides Information Technology (IT) services that focus on the installation of Enterprise Resource Planning (ERP) systems using Systems, Applications and Products in Data Processing (SAP) software.

Mr. Atkinson introduced Mike Snead, Sierra Consulting and Ajay Sharma, Vice President of Operations.

ACTION: Ms. Fernandez moved and Ms. Bell seconded the approval of the proposal for Sparta Consulting, Inc. dba KPIT Technologies in the amount of \$195,672.

Mr. Rendon voted aye via teleconference call and text message.

Motion carried, 5 – 0.

Villara Corporation

Mr. Atkinson presented a Proposal for Villara Corporation (Villara) in the amount of \$219,360. Villara, formally Beutler Corporation, founded in 1947 and located in McClellan, is an HVAC contracting and sheet metal fabricating company. The Company provides renovation and construction services for residential and commercial customers. In addition, Villara provides structured wiring, security systems, home theaters, central vacuums, plumbing, electrical, solar, and fire protection.

This is Villara's third agreement; 16% of the funds were earned under the first Agreement. Under the new Agreement, their current active agreement, we right-sized them to what they earned. The reason they're coming forward today is because they have earned 100%; all trainees will be in complete retention before the start of the new Agreement.

Mr. Atkinson introduced Scott Sahota, Vice President of Construction and Lynn Hosokawa, Human Resources Director.

Mr. Sahota said, our first Agreement was unsuccessful, I understand the repercussions and we understand the concern on your part. I will not let that happen again. I am currently working with Lynn Hosokawa, Human Resource Director, and am personally running and overseeing the program, so the need is there; the desire to do the training is there, we have written all the manuals in preparation for this.

Ms. Roberts said, regarding your performance, the amount you had requested was very small; \$12,000, \$29,000. Now you're looking for 20 times more than that, you have a high turnover rate, it's within our numbers but it's close to 20%. You don't have anybody working on this outside of your company other than your HR person who will be tracking your progress. It is a big story, you have low wages so you have to manage all your job

classification; it may not be an easy as you may think. I'm just giving you some counsel on this because it is going to be a little bit more dynamic than you may think. If you need help or come across any obstacles, contact ETP staff immediately so that they can help you out through some of this because it is a little bit more than you may think that you can manage, especially with the amount of new hires that you have, your retention numbers and lower wages. Again, with the low wages, you have to meet the minimum standards when they come on board and I would assume that some of those would move up to the higher wages once they get established because you do have some that pay in \$14-\$15 range as well.

There were no further questions from the Panel.

ACTION: Ms. McBride moved and Ms. Bell seconded the approval of the Proposal for Villara Corporation in the amount of \$219,360.

Mr. Rendon voted aye via teleconference call and text message.

Motion carried, 5 – 0.

Multiple Employer Contracts

Jewish Vocational Service of Los Angeles

Mr. Griffin presented a Proposal for Jewish Vocational Service of Los Angeles (JVS) in the amount of \$649,830. This will be the fourth ETP Agreement for JVS. Under the last Agreement (ET13-0241), approximately 395 trainees received training and job placement with 100% performance. This project will give trainees skill sets to JVS's BankWorks and HealthWorks training programs as well as their newest program, ApartmentWorks.

Mr. Griffin introduced Jay Soloway, Director of Training and Education.

There were no questions from the Panel.

ACTION: Ms. Fernandez moved and Ms. Bell seconded the approval of the proposal for Jewish Vocational Service of Los Angeles (JVS) in the amount of \$649,830.

Mr. Rendon voted aye via teleconference call and text message.

Motion carried, 5 – 0.

San Diego Electrical Training Trust

Ms. Torres presented a Proposal for San Diego Electrical Training Trust in the amount of \$356,362. The Trust is governed by a Board of Trustees comprised of for labor and for management representatives, and is a joint effort in the International Brotherhood of Electrical Workers (IBEW) Local 569 and the International Electrical Contractors Association (NECA).

Ms. Torres introduced Patrick Knighton, Training Director and Jan Borunda, Workforce and Economic Development Program of the California labor Federation.

There were no questions from the Panel.

ACTION: Ms. McBride moved and Bell seconded the approval of the proposal for San Diego Electrical Training Trust in the amount of three and \$356,302.

Mr. Rendon voted aye via teleconference call and text message.

Motion carried, 5 – 0.

Butte-Glenn Community College District

Mr. Atkinson presented a Proposal for Butte-Glenn Community College District (Butte-Glenn College) in the amount of \$117,660. Butte-Glenn College provides academic instruction leading to a two-year degree or transfer to a four-year college.

In this proposal, Butte Glenn College is collaborating with the Center for International Trade Development (CITD), which is a branch of the community college system. The employers participating in this proposal will be located in the county declared as severely impacted by the drought by the Governor's office and the California Department of Food and Agriculture.

Mr. Atkinson said, Feather River College originally held the agreement. The signatory who was with Feather River College no longer worked with the company. What we have done is we made Butte-Glenn College the signatory. Basically everything that we had approved in the past for the Feather River College Agreement is the same work but under Butte-Glenn College. However if you look at Job #5, we had \$140 that was left in the appropriation; it only indicates one trainee, and the cost of the training is \$110, and the support cost is 3%, this is only a placeholder. Butte-Glenn College will not enroll in this. This was the only way to get rid of the remaining \$140 and bring the balance down to zero.

Maureen Reilly, General Counsel said, Butte-Glenn College will be holding the contract. Of course this is all the general fund money which is why it has to be expended this FY and that is the end of \$2M general fund appropriation for the RESPOND program. Mr. Atkinson said, yes, that is correct.

Mr. Atkinson introduced Brian Boyer, Project Manager.

There were no questions from the Panel.

ACTION: Ms. McBride moved and Ms. Fernandez seconded the approval of the proposal for Butte-Glenn Community College the amount of \$117,660.

Mr. Rendon voted aye via teleconference call and text message.

Motion carried, 5 – 0.

Sacramento Area Regional Technology Alliance

Mr. Atkinson presented a Proposal for Sacramento Area Regional Technology Alliance (SARTA) in the amount of \$368,280. SARTA is a non-profit, membership-based organization, established to foster economic and entrepreneurial growth in the Sacramento region. This proposal will be funded under the AB 118 Training Program created in the FY 2009/10. The AB 118 Program is administered by ETP in partnership with the California Energy Commission (CEC).

Mr. Atkinson introduced Howard Bubb, CEO, SARTA and Mike Snead, Sierra Consulting.

There were no questions from the Panel.

ACTION: Ms. Bell moved and Ms. McBride seconded the approval of the proposal for Sacramento Area Regional Technology Alliance in the amount of \$368,280.

Mr. Rendon voted aye via teleconference call and text message.

Motion carried, 5 – 0.

XI. PUBLIC COMMENTS

Ms. Roberts said, this is the first time we've run through the whole year on our program. Usually by June, we've run out of our funds and everybody is on vacation. We usually don't have a June meeting, but this is great. Thank you to all the ETP staff for making this happen. The staff has done a great job making sure that everyone got through the pipelines.

XII. MEETING ADJOURNMENT

Ms. Bell moved and Ms. McBride seconded meeting adjournment at 11:10am.