



**STATE OF CALIFORNIA  
EMPLOYMENT TRAINING PANEL MEETING**  
California Environmental Protection Agency  
1001 "I" Street  
Sierra Hearing Room, 2<sup>nd</sup> Floor  
Sacramento, CA 95814  
August 24, 2012

**PANEL MEMBERS**

Barry Broad  
Chair

Carol Farris  
Member

Sonia Fernandez  
Member

Michael Hart  
Member

Janine Montoya  
Member

Edward Rendon  
Member

Janice Roberts  
Acting Vice-Chair

Sam Rodriguez  
Member

**Executive Staff**

Jill McAloon  
Acting Executive Director

Maureen Reilly  
General Counsel

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**I. PUBLIC PANEL MEETING CALL TO ORDER**

Chairman Barry Broad called the meeting to order at 9:30 a.m.

**II. ROLL CALL**

Present

Barry Broad  
Sonia Fernandez  
Michael Hart  
Janine Montoya  
Janice Roberts  
Sam Rodriguez

Absent

Carol Farris  
Edward Rendon

Executive Staff Present

Jill McAloon, Acting Executive Director  
Maureen Reilly, General Counsel

Chairman Broad announced that Brian McMahan has been appointed as Acting Undersecretary of the Labor & Workforce Development Agency. He said it has been a pleasure and an honor to work with Brian these last five years. He said they have developed a very extraordinary working relationship and one that has transcended from a simple working relationship to a personal friendship and he will be missed. We are fortunate since Brian will be in a position where he can somewhat oversee ETP and nurture us along. Chairman Broad welcomed Jill McAloon, Acting Executive Director. Jill has been with the ETP for 24 years and we are fortunate to have someone as our Acting Executive Director with Jill's wealth of experience and talent.

Mr. Rodriguez said when Brian recently called him about his ETP departure, he found a New York Times editorial of the ETP in 1976 and it said how innovative and creative and out-of-the-box the then 37 year old Governor Jerry Brown was in using Unemployment Insurance as a vehicle for job creation and growth. He said Brian is a public servant who dedicates his life and career, and makes commitments, to do what is right in public service. He is a model and we will miss him at the ETP but we will gain with him being at the LWDA. Ms. Roberts said she has worked with Brian for over ten years not only as a Panel member but also in the private sector, and she considers him a friend more than a colleague. She said he is her counsel when she

runs into trouble or issues. He has been a great advocate of the ETP and training in CA and she will truly miss him. She said she wishes him the best; it is a wonderful job opportunity for Brian, and great for the Panel members to have him as our advocate in that role.

Ms. Montoya said Brian made her feel welcome from her start on the Panel and he smoothly transitioned her into this position. She said the ETP is one of the most pleasant departments to work with. She said the other members of the Panel are wonderful and she believes that Brian facilitated that. She said we have a blend of different political views on the Panel, but we get along as friends, and she believes Brian was a catalyst for that, and he will be missed.

Mr. Hart said I also would like to thank you Brian; you have a great way of conveying a complicated matter such as ETP in a simple manner, and I appreciate all the help that you have given me in my early stages of being a Panel member.

Ms. Fernandez said as one of the newest Panel members, she has appreciated Brian's professionalism, advice, and education that he provided for her role on the Panel. She said she would take the things he has taught her through different levels of her life and that she truly appreciates his friendship.

Mr. McMahon said he wanted to reiterate what Chair Broad said earlier, in that ETP is certainly being left in good hands with Jill McAloon as the Acting Executive Director. He said ETP really functions on a team basis and we are very fortunate to have an extremely strong team of senior managers such as Maureen Reilly, David Guzman, Peter Cooper and Diana Torres. All are very experienced and certainly help ETP to make decisions that are well grounded in the program and well balanced decisions. He said he has really enjoyed working with the Panel members over the last few years. He thanked the Panel for their commitment to the program to make it a better program, and to always attend Panel meetings unless there is a critical issue that keeps them away. All of that is very important to maintain the continuity in conducting meetings to get your input on the issues that the program faces, so I certainly thank you for those contributions to the program. He said he wanted to thank Chairman Barry Broad in particular, for the years they have worked together, and he said that his guidance, wisdom and the LA Times test, all of which help ETP maintain a very balanced approach to difficult issues, and I like to think that Barry and I have created a model that demonstrates that a Democrat and a Republican can work together in a spirit of friendship serving the overall public good. He thanked all of the ETP staff who have worked so hard to keep the program relevant, impactful, and adjusting to the changes and the overall economy, adjusting to the funding issues that ETP has had over the last few years, adjusting to the alternative sources of funding we have had, and creating the structures that allow that to be administered.

Mr. McMahon thanked all of the ETP staff for the great job they have done over the last few years. He said that today's presentation by Tim Rainey, the Executive Director of the State Workforce Investment Board, will provide an overview of the State's move toward a Strategic Plan for workforce development. ETP has a role in that process and ETP should not be viewed as a stand-alone workforce development program that has no connection to the overall strategic direction that the State is taking. The ETP links to and integrates into that overall planning process and remains a very important incentive for job creation and job retention in the State. Lastly, as Chair Broad mentioned, he is not going far and he will certainly be doing what he can

to support ETP from the Agency level. He thanked all of the stakeholders who ETP has worked with over the years and who have made their own strong contributions to the program.

### **III. AGENDA**

**ACTION:** Ms. Roberts moved and Mr. Rodriguez seconded the motion that the Panel approve the Agenda.

Motion carried, 6 – 0.

### **IV. MINUTES**

**ACTION:** Ms. Montoya moved and Ms. Roberts seconded the motion that the Panel approve the Minutes from the June 22, 2012 meeting.

Motion carried, 6 – 0.

### **V. REPORT OF THE EXECUTIVE DIRECTOR**

Jill McAloon, Acting Executive Director, assured the Panel and stakeholders that it really will be business as usual during this transition period. She said ETP's management team will continue to provide strong leadership over the program, and staff will continue to ensure that everything runs smoothly to ensure business is as usual. She said she was honored to be able to serve the Panel in this new capacity.

Ms. McAloon said today's meeting includes a standard mix of single and multiple employer projects. She said today's agenda includes presentations by Tim Rainey, Executive Director of CWIB on the State Strategic Investment Plan and Tara Armstrong, who will present ETP's Strategic Plan. ETP is statutorily mandated to update the Plan annually to reflect changing trends and priorities and to indicate how ETP resources will be targeted.

Should the Panel approve all the projects before it today, ETP will have approved projects totaling \$8.6 million. The remaining \$21.7 million in contracting capacity for the remainder of the Fiscal Year (FY) to be allocated between delegation orders and core program projects. Based on the estimates we received from the EDD for revenue in the current year, we are hoping to have approximately \$46 million. That figure is still an estimate, so we will keep the Panel informed as we track that estimate. That figure is what ETP basis its Fund Status Report on, and also the figure we use to guide us in determining the amount of funds available for this year. She said the Fund Status Report will be available on the ETP website later this afternoon. She asked the Panel members to refer to the Fund Status Report and said the top line reflects \$42 million last year and \$43.6 million this year, and that is ETP's appropriation. Funds disencumbered and added to available dollars dropped from \$4.4 million to \$3 million this year. ETP's administration costs are slightly higher this year because last year we were moving out of a freeze and we had vacancies. This year we have \$200,000 identified for the agreement with CWIB for ETP's role in the workforce system to market the program and support development and implementation of California's Workforce Investment Plan. She said to reiterate, Employment Training Fund (ETF) appropriations remain relatively constant this year.

The Report reflects no transfer from ETF to the Department of Industrial Relations or the Department of Social Services. You will notice a decrease in the ETF appropriation to the State Controller this year; last year that was higher because it was based on ETP's share of large database of projects that were in their final stages of implementation. This year we have \$315,000 identified for the new Workforce Services Network (WSN) and that amount is tied to a schedule of milestones and deliverables under the project. There is \$12 million in prior year contract liabilities which is a slight increase over last year. Funds available for operations and project funding dropped from the \$26.5 million to \$24.4 million which results in \$70 million available in project funding for the current year.

At this point we are expecting that our only source of alternative funding will be funds available under AB 118, the Alternative Renewable Fuel and Vehicle Technology program through our partnership with the California Energy Commission. We anticipate \$6.2 million will be available under the program for use this year and we expect that funds will be available in about two and one half months after we complete the spending authorization process.

If revenue projections from EDD increase during the FY, indicating that there could be a reason to recommend a revision funding caps, staff will bring the matter to the Panel for review and approval. The possibility of that revision for funding caps will be mentioned as a notation to the draft Strategic Plan presented later in the meeting.

Ms. McAloon said the Legislative Update Memo handed out to the Panel will also be available on our website. She said there are only two bills with the potential to directly impact the ETP program; SB 1401 (Lieu) and SB 1402 (Lieu). Those bills would push ETP into an integrative planning process around education, training and economic development. SB 1402 is still moving through the Assembly but SB 1401 failed to move out of the Assembly Appropriations Committee, so essentially that is dead at this point.

## **VI. MOTION TO DELEGATE IN EVENT OF LOSS OF QUORUM**

Ms. McAloon 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. Montoya seconded the motion to delegate in event of loss of quorum.

Motion carried, 6 – 0.

## **VII. DELEGATION ORDERS**

Maureen Reilly, General Counsel, said the delegation order process is running very smoothly, and dozens of proposals have moved through in the past couple of months. She referred the Panel to the back of the Panel Packet under Tabs A-F. She said we report these to the Panel, but they all be previously approved. She said there is approximately \$1.86 million total in delegation order proposals which includes Fast Track funding at \$100,000 or less, and that can be any business size, including standard size businesses and small business proposals funded at \$50,000 or less, and that is employers with 100 or fewer employees in CA. She said we are finding the delegation order process to be a very successful program.

## VIII. STATE STRATEGIC INVESTMENT PLAN

Tim Rainey, Executive Director of the California Workforce Investment Board, said he was very happy to be back before the Panel. He said the State Workforce Investment Board is brand new and the appointments will hopefully be announced Monday by the Governor's office. It is a Board comprised of about 47 members and all of the members of that Board are going to be reappointed by the Governor. There are approximately 32 brand new members to the Board. Federal law requires that we have a majority business, which makes it challenging once you put all the folks you want from state government, once you put all the community-based organization folks you want on there, and you get the labor requirement, you have to keep adding business and it adds up to about 47 members give or take.

Mr. Rainey said the first job they were tasked with was to create a State Workforce Investment Plan for the Governor. Federal law requires that the Plan is due to the Department of Labor by September 27. State law also requires a Strategic Plan, a coordinated plan, that links together all of the different components of the workforce system in CA. Since that became law, after Brian McMahon was Director of the State WIB, the intent was to combine all of the different \$4 billion worth of state and federal investments in CA around workforce development and bring it together in an integrated way. He said it is a big challenge and not an easy one. He said the Workforce Investment Act (WIA), Title I money that the State Board has direct policy authority over, is just a small part of the bigger \$4 billion system in the State of CA. The State Strategic Plan due to the Department of Labor is not just focused on that WIA Title I. The State Strategic Plan is not just to focus on that, but really to focus on the bigger Workforce Investment System.

Starting in March 2012, just a couple of months after he began with CWIB, they pulled together a working group of state partners that Brian McMahon was helping to lead. The work group met several times in March and consisted of directors, agency department directors over the different components of this broader \$4 billion workforce system. The Chancellor's office, the Department of Education, the Employment Training Panel, and others. We developed a kind of architecture for the state; what a system should really look like. CA is not a unified economy, it is a bunch of regional economies that each compete globally. So a top down approach did not make sense to us. He said they developed a sector architecture that is regionally based. They also developed shared goals for each of their component systems; and they are working toward outcomes and specific activities in each of the components of the system that are needed to work toward those goals. You cannot have a system really integrate unless you have shared outcomes; it is a very complicated thing to achieve, especially because all of their funding streams have different performance requirements, so the longer term work is to really integrate the performance outcomes.

He said they had some regional focus groups where they took the vision, strategy and goals out to different parts of CA. They received input from local practitioners and leaders who do this all the time. He said they are doing a good job of capturing phenomena that already exists and taking those best practices and making them catch on like wild fire in the State.

Mr. Rainey said the vision is really about two things: a skilled workforce and a vibrant economy. He said the question that always comes up inevitably at State Board meetings is how do you create jobs? He said you can do training and education until you are blue in the face but it does not create jobs. The State WIB understands that it is a difficult economy and that we cannot just

create jobs, but we understand that if you do the skilled workforce piece right, if you are developing skills that are relevant in a regional economy to those companies with sectors that have the best potential for adding lots of good jobs, if you are doing the skills development right, you make those sectors in those regions more globally competitive in many cases. Over time they will be stronger, they will create more jobs, and that is how you get the job creation if you really do workforce development education right in an integrated way. At the end of day, the idea for the goal is to get a shared prosperity. So it is not just a number of new jobs. It is lots of new jobs that pay good wages and get people on pathways to good wages over time that can support families. So this is what we see happening, not just around CA but around the country. Where regional skills alliances are coming together as different partners in a workforce and economic development system, having conversations about what resources are there, looking at labor market information at the same time, understanding where potential job growth is, which sectors are really strong in their communities, whether they have a competitive workforce advantage or a competitive economic advantage, and then industry pathway partnerships are emerging all over the State in each of these regions that are specifically focused on a sector such as manufacturing or healthcare.

The industry/pathways partnerships are emerging around the State of CA. The ideal thing they should be doing, and they often are doing mapping for specific pathways, they are integrating services along that pathway, which is really the important piece to this. Everything springs from the pathway; if the workforce investment system is lined up along a career pathway from underemployment, unemployment, or barriers to employment all the way to a good job, the public system aligns along that pathway to serve a participant going along the road to a good job. Then we are doing the integration that is necessary for meeting what we all expect to be an efficient system that meets the needs of the business and workers. It includes on ramps and off ramps for underprepared students, and then develop other strategies that can help grow the sector.

The Regional Skills Alliances are not focused on the specific sector, but rather they are looking at the region as a whole. Identifying those competitive emerging sectors and regions, aligning coordinating resources at the regional level, and looking for other resources to bring in, blend, and leverage.

Mr. Rainey said the work that they are really doing is not a top down strategy; what the state is saying is that you all should have another layer of the government because we think this works best. All of the local workforce investment boards, community colleges, and adult schools need to implement this new layer of government. It is a realization that it is already happening in many places so they are going to do a lot of technical assistance in other regions where it is not happening, to make this come together. The shared strategy among the list of state partners is to align policy goals, establish success metrics, monitor progress, and to do all these things with the intent of supporting this regional work around sectors happening around the State. So the idea is: we are not imposing, we are facilitating the regional partnerships that come together all over the State of CA. So it is a very regionally driven workforce system, and a strategy around workforce and economic development that is regionally driven.

This is how the plan comes together; industry/pathways partnership focus on specific sectors around the State, regional skills alliances that are supporting those specific sector partnerships, removing policy barriers and administrative barriers, finding resources to make those things

happen. Identify new sectors that are emerging, have potential for growth for good jobs, and aligning education training programs along pathways to make sure people are getting access to those jobs not only over the short-term, but over the long-term. The State WIB is going to do the work with the state working group as a valuable partner. At the state level it's doing the same thing the regional skills alliances are doing: removing administrative and policy barriers to make sure that the regional work is actually happening or facilitating it and not forcing it.

He said there are two new committees to the State WIB; the Green Collar Jobs Council and the Health Workforce Council that will focus the state level on two specific sectors. A third that we will create is advanced manufacturing that will have a focus on what skill standards are recognized nationally around the State.

Mr. Rainey said there are four shared strategy goals:

- 1) Meet the workforce needs of high demand sectors of the state and regional industry economies.
- 2) Increase the number of Californians, including from underrepresented demographic groups, who complete at least one year of postsecondary education with a marketable credential or degree.
- 3) Increase the number of high school students, including those from underrepresented demographic groups, who graduate prepared for postsecondary education and/or a career.
- 4) Measure progress toward goals and use data to support evidence-based policymaking.

## **IX. REVIEW AND ACTION ON PROPOSALS**

### **Single Employer Proposals**

#### **Cox Communications California, LLC dba Cox Communications California**

David Guzman, Chief of Operations, presented a Proposal for Cox Communications California, LLC dba Cox Communications California (CoxCom), in the amount of \$399,750. CoxCom is a multi-service, cable entertainment and broadband services provider in Southern California. The Company serves residential and commercial customers and offers analog and digital video cable television services, local and long-distance telephone services, high-speed Internet, and data and video transport services over its own nationwide IP network.

Mr. Guzman introduced Delvin Diaz, Director of Operations Training and Risk Management.

Ms. Roberts asked about retention and the potential for higher pay. Mr. Diaz said they developed a career development plan for the current employees so as they come on board as new-hires, they are progressing in their career within Cox. As they continue to progress in the company, they receive increased wages and salary.

Mr. Broad asked if their turnover rate of 7% is considered low for their industry. Mr. Diaz said yes, it is low for their industry.



Ms. Fernandez asked if they have targeted any Veterans to hire since they are in San Diego County. Mr. Delvin said he is a former marine and they have a program in place where they will begin recruiting from Camp Pendleton where they are partnering with the individuals on the base to recruit Veterans coming out of the service.

Mr. Rodriguez asked if there are any current plans within the next couple of years to either sell one of their smaller footprints in Northern and Central CA. Mr. Diaz said no, there are no plans to do so at this time. Mr. Rodriguez asked if they wish to sustain or grow. Mr. Diaz said they wish to both sustain and to grow. He said they are looking at consolidating their systems to make them more competitive in the marketplace and have expanded in some of the northern parts of Los Angeles such as Palos Verdes and Santa Barbara.

**ACTION:** Ms. Fernandez moved and Mr. Rodriguez seconded approval of the Proposal for CoxCom in the amount of \$399,750.

Motion carried, 6 – 0.

### **Alhambra Hospital Medical Center L.P.**

Mr. Guzman presented a Proposal for Alhambra Hospital Medical Center L.P. (AHMC), in the amount of \$166,464. AHMC is a full service, 144-bed acute care hospital that is fully accredited by the Joint Commission. AHMC's core services include emergency, intensive/coronary care, definitive observation (telemetry), radiology, laboratory and diagnostic services.

Mr. Guzman introduced Iris Lai, Chief Executive Officer.

Ms. Roberts said their employees are continuing to be trained and asked if their three ETP contracts will include the same employees being trained. Ms. Lai said yes, the majority of the employees will be the same but they have some new members and promotions. Ms. Roberts said although a 15% substantial contribution was applied to this proposal, since this will be their third contract going forward, if they return to the Panel she would like to see an increase in the substantial contribution.

**ACTION:** Ms. Montoya moved and Ms. Roberts seconded approval of the Proposal for AHMC in the amount of \$166,464.

Motion carried, 6 – 0.

### **Yahoo! Inc.**

Mr. Broad said that as the Yahoo! Inc. company representative was not yet present, this proposal would be put over until the company representative arrives.

### **Burr Pilger Mayer, Inc.**

Mr. Guzman presented a Proposal for Burr Pilger Mayer, Inc. (BPM), in the amount of \$321,200. BPM is a full-service accounting and consulting firm providing tax services, business consulting

and wealth management. BPM's clients cover many sectors; technology (semiconductor, software, hardware, Internet/online media), life sciences, financial services, nonprofit and more.

Mr. Guzman introduced Dana Jarvis, Learning & Development Manager.

Mr. Rodriguez asked if the trainees all have college degrees. Ms. Jarvis said approximately 70% of the trainees have college degrees.

Ms. Roberts said that since they have a productive laboratory component to this proposal, we always watch that because they are going to be producing goods and we will be paying them to do that.

**ACTION:** Ms. Roberts moved and Ms. Montoya seconded approval of the Proposal for BPM in the amount of \$321,200.

Motion carried, 6 – 0.

### **Trimble Navigation Limited**

Ms. Hernandez presented a Proposal for Trimble Navigation Limited (Trimble), in the amount of \$283,500. Trimble designs and manufactures precision technology products such as global positioning systems (GPS) and sensory products for various markets including engineering, construction, agriculture, transportation, telecommunications, asset tracking, mapping, utilities, mobile resource management, and government. Product examples include Global Navigation Satellite System receivers, Building Information Modeling systems, GPS receivers for aircraft, and automated steering systems for farm vehicles.

Ms. Hernandez introduced Mary Kay Strangis, Vice President of Human Resources; Shawna Manha, Human Resources Generalist; and Jason Dunton, representing Dunton Consulting.

Mr. Broad asked who is working in Shasta County. Ms. Manha said she works in Shasta County. She said they have a facility of about 85 employees in Shasta County located in Redding CA. It is a full manufacturing factory, the square footage of the facility is about 82,000, and they are considered one of the largest employers in Redding.

Ms. Roberts said this is a great contract, they have a low turnover rate, and it is their first time before the Panel.

Mr. Rodriguez asked what compelled them to come to ETP. Ms. Strangis said they have training initiatives occurring so they sought out ETP to help them implement these initiatives.

**ACTION:** Ms. Roberts moved and Mr. Rodriguez seconded approval of the Proposal for Trimble in the amount of \$283,500.

Motion carried, 6 – 0.

### **Yahoo! Inc. (Presented Out-of-Order)**

Mr. Broad said the company representative arrived for the Yahoo! Inc. proposal; therefore, the Panel brought up the proposal for consideration.

Mr. Guzman presented a Proposal for Yahoo! Inc. (Yahoo), in the amount of \$249,640. Yahoo is a global Internet brand and a premier digital media company.

Mr. Guzman introduced Irene Henderson, Senior Director of Sales Learning & Development.

Mr. Rodriguez said they previously had a Learning Management System (LMS) that did not meet the ETP requirements and asked if they have since fixed that issue. Ms. Henderson said they have moved over to a new system and they are trying to get reporting from it that will match the ETP requirements, so they are trying to fix their internal way of capturing the information and working with IT to get that completed. Mr. Rodriguez asked if it is in a phase to be completed. Ms. Henderson said it is in progress currently and they have created a learning operations team that is focused on addressing that issue.

Ms. Roberts noted that in their prior proposal they only earned 85% of the dollars, but now they are stating they needed more funds. She asked why they did not utilize all of the funds they received in their previous agreement. Ms. Henderson said they have established a new organizational structure where they have a learning operations team that can help them to address some of the issues in that attainment, but the performance development of what they created is helping them to get closer to fulfilling the actual 100% of the contract. She said over the years their attainment has greatly improved, so they were at 85% last year, and hopes to earn 100% this time around.

Ms. Montoya asked why Yahoo was not hiring new people and adding jobs. Ms. Henderson said part of that is due to their relationship with Microsoft; they have moved into a search alliance with Microsoft to enhance the two Internet sites. That forces them to create a brand new workforce because in essence, they are sort of using the Microsoft workforce as a joint venture, so as they continue to do their hiring, they recently had some lay offs, and now have new management. She said Yahoo recently hired CEO Marissa Mayer, who is in for a five-year term to build and re-strategize what Yahoo is doing and take back their share of what they are doing with Microsoft so that they can be the Internet giant that they once were fifteen years ago. Ms. Montoya said that would be nice to see because you say there is growth, but I am not seeing that with your hiring. Ms. Henderson said yes, they are working on that and what is really positive about Marissa Mayer is that she looks at every single hire that comes in through the door and at every application before she signs off on it. She said it is unprecedented for a CEO to look at every single offer on the table but that is the level that she is looking at. She is making sure that people have degrees and relevant experience, so they are revamping their hiring and review process. I would say that she is going to make some big changes of how they look at people they hire to bring us that.

Mr. Rodriguez said there is a strong commitment by the CEO and the new management team to stay in CA and make it work, so we are all cheering for her. Ms. Henderson said thank you, she is committed to a five-year term.

**ACTION:** Ms. Roberts moved and Ms. Montoya seconded approval of the Proposal for Yahoo in the amount of \$249,640.

Motion carried, 6 – 0.

## **John Boyd Enterprises, Inc. dba JB Radiator Specialties, Inc.**

Ms. Hernandez presented a Proposal for John Boyd Enterprises, Inc. dba JB Radiator Specialties, Inc. (JB Radiator), in the amount of \$149,600. JB Radiator is one of the nation's leading manufacturers of cooling system products and is the only original equipment manufacturer of its kind in California. The products range from components such as sheet metal radiators, bolted radiator, remote mounted radiators, oil coolers, charge air cooler and after cooler, to fully integrated vehicle cooling packages.

Ms. Hernandez introduced Florentin Alupoie, Quality Manager.

Mr. Broad said they have earned all of the funds, are hiring, and it looks like an excellent proposal. Ms. Roberts agreed it is a great contract, especially since they earned 100% in their prior proposal.

**ACTION:** Mr. Hart moved and Ms. Fernandez seconded approval of the Proposal for JB Radiator in the amount of \$149,600.

Motion carried, 6 – 0.

## **Multiple Employer Contracts**

### **Chaffey Community College District**

Ms. Hernandez presented a Proposal for Chaffey Community College District (Chaffey), in the amount of \$651,380. Chaffey is a two-year public community college that is accredited by the Western Association of Schools and Colleges. Chaffey serves the Inland Empire, eastern Los Angeles and northern Orange counties, and maintains relationships with manufacturing and logistic industry groups, and consortiums in the areas it serves.

Ms. Hernandez introduced Kathleen Dutton, Director of Economic Development/Community Education and Sandra Sisco, Business Liaison of Economic Development Workforce Training Institute.

Ms. Montoya asked about Job No. 5, SET Entrepreneurial training. She asked if they are training people that are already business owners or potential business owners. Ms. Dutton said it is for business owners already in the business or perhaps struggling with their success, so they can ensure they have adequate support in order to be successful. Ms. Montoya said that was great to hear and she believes there needs to be more of this because the truth is that almost all newly created jobs in the last five years have been with small business and that is an excellent area to expand in.

**ACTION:** Ms. Roberts moved and Ms. Montoya seconded approval of the Proposal for Chaffey in the amount of \$651,380.

Motion carried, 6 – 0.

## **Orange County Electrical Joint Apprenticeship Training Committee**

Ms. Hernandez presented a Proposal for Orange County Electrical Joint Apprenticeship Training Committee (Orange County JATC), in the amount of \$337,552. Orange County JATC administers a training trust between the Orange County Chapter of the National Electrical Contractors Association (NECA) and the International Brotherhood of Electrical Workers (IBEW) Local 441. Its mission is to provide up-to-date industry skills training and secure high-quality job opportunities for its Journeymen and Apprentices. The JATC serves approximately 2,100 local union members. There are 191 signatory employers who contribute to the trust fund.

Ms. Hernandez introduced David Lawhorn, Training Director; Electrical Training Trust for I.B.E.W. Local 441 and NECA Orange County Chapter; and Jan Borunda, Project Coordinator of Workforce & Economic Development.

There were no questions from the Panel.

**ACTION:** Ms. Fernandez moved and Mr. Hart seconded approval of the Proposal for Orange County JATC in the amount of \$337,552.

Motion carried, 6 – 0.

## **Apprentice & Journeymen Training Trust Fund of the Southern California Plumbing & Piping Industry**

Mr. Guzman presented a Proposal for Apprentice & Journeymen Training Trust Fund of the Southern California Plumbing & Piping Industry (P&P Trust), in the amount of \$699,772. P&P Trust is a joint labor-management committee representing the plumbing and pipefitting industry throughout Southern California, a Panel priority. The JATC is responsible for the training of 2,000 apprentices and 12,000 journeymen workers employed in a variety of settings from bungalows to power stations doing new construction and maintenance, air conditioning, heating, refrigeration, and plumbing service work.

Mr. Guzman introduced Mike Hazard, Executive Director and Steve Duscha, representing Duscha Advisories.

Ms. Roberts commended them for hiring Veterans and said that is terrific; the more you can do the better, great job.

**ACTION:** Mr. Hart moved and Ms. Roberts seconded approval of the Proposal for P&P Trust in the amount of \$699,772.

Motion carried, 6 – 0.

## **Brand Consulting Group LLC dba Brand College**

Mr. Guzman presented a Proposal for Brand Consulting Group LLC dba Brand College (Brand College), in the amount of \$599,441. Brand College is a training agency that provides Information Technology (IT) courses designed to help IT professionals and businesses succeed

in today's technology-driven environment. Brand College is dedicated to facilitating the career development of highly qualified professionals trained to design, implement, and maintain information systems.

Mr. Guzman introduced Debbie Ruiz, Director.

Ms. Roberts said they pay high wages which is really great for the individuals entering the workforce and that it was a good contract.

**ACTION:** Ms. Roberts moved and Ms. Fernandez seconded approval of the Proposal for Brand College in the amount of \$599,441.

Motion carried, 6 – 0.

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

Mr. Guzman presented a Proposal for El Camino Community College District, Center for Applied Competitive Technologies (CACT) ((El Camino CACT)), in the amount of \$698,040. El Camino CACT is a two-year community college offering academic and vocational education programs. The district established El Camino CACT to advance California's economic growth through workforce, technology and business development.

Mr. Guzman introduced Jose Anaya, Dean and Deborah Imonti, ETP Training Coordinator.

There were no questions from the Panel.

**ACTION:** Mr. Hart moved and Mr. Rodriguez seconded approval of the Proposal for El Camino CACT in the amount of \$698,040.

Motion carried, 6 – 0.

### **Los Angeles & Orange Counties Air Conditioning and Refrigeration Joint JATC**

Mr. Guzman presented a Proposal for Los Angeles & Orange Counties Air Conditioning and Refrigeration Joint JATC (JJATC), in the amount of \$415,790. JJATC was founded by a consortium of labor and management organizations to provide training for air conditioning and refrigeration technicians. The JJATC administers a training trust fund created through collective bargaining and funded by signatory employers.

Mr. Guzman introduced Rick Hatlen, Director of Training and Steve Duscha, representing Duscha Advisories.

Mr. Hart asked about the OSHA 30 training and said he was unfamiliar with it. Mr. Hatlen said it is related to the safety on a construction site; knowing your environment and general safety with regards to occupational hazards. Mr. Hart said they offer a great post-retention wage for journeymen.

Mr. Rodriguez asked for a sense of their workforce and if it is coming back or stabilizing. Mr. Hatlen said it is stabilized; in years past they have brought in as many as 80 to 100 apprentices over the last couple of years. But due to the economy, that number has decreased but he believes it is stabilized and they are seeing a glimmer that it is starting to move forward.

**ACTION:** Ms. Roberts moved and Mr. Rodriguez seconded approval of the Proposal for JJATC in the amount of \$415,790.

Motion carried, 6 – 0.

### **Workforce Development Corporation dba Southeast Los Angeles County Workforce Investment Board**

Ms. Hernandez presented a Proposal for Workforce Development Corporation dba Southeast Los Angeles County Workforce Investment Board (SELACO WIB), in the amount of \$698,299. SELACO WIB is a nonprofit organization formed pursuant to the federal Workforce Investment Act of 1998. SELACO WIB's main purpose is to provide assistance to jobseekers and local employers. SELACO WIB's Business Services Unit has provided services to approximately 3,500 individuals and over 3,100 businesses over the last five years. SELACO WIB is known for hosting Manufacturing Symposia and Business/Labor roundtables to maintain ongoing strategies and efforts to train California workers.

Ms. Hernandez introduced Larry Lee, Business Services Manager and Kevin Kucera, Organizer/Business Representative of the Machinists Automotive Trades District Lodge No. 190.

Mr. Rodriguez said he sits on the SF Workforce Board and asked why SELACO over the years has been very successful in the area of training. He said they set themselves apart from the other WIBS throughout the State. Mr. Lee said he credits that in part to their executive director who is willing to be in a position of having to take some potential up front losses to create a winning game plan down the road. That is what he has done; cash flow is always incredibly important especially since they are a non-profit entity. He said their executive director sees the long-term value of partnering with ETP and as a result they have done very well. He said it is incredibly important to establish relationships with participating employers, the local unions, and to work closely with your WIB Board to get support.

Mr. Kucera said they have had a wonderful relationship with their WIB SELACO and they work with many of his employers in the Port of Los Angeles and outlying regions. He said they are very appreciative to the ETP staff and the Panel in awarding them the funds needed to do the job that they do.

**ACTION:** Ms. Fernandez moved and Mr. Hart seconded approval of the Proposal for SELACO WIB in the amount of \$698,299.

Motion carried, 6 – 0.

### **Alameda County Workforce Investment Board**

Ms. Hernandez presented a Proposal for Alameda County Workforce Investment Board (ACWIB), in the amount of \$500,829. ACWIB is charged with developing a new Workforce

Development System as mandated by the Federal Workforce Investment Act. The system will offer employment and training, education, and economic development services to job seekers and employers in Alameda County. ACWIB is composed of business, civic, education, labor and other community leaders and is appointed by the Alameda County Board of Supervisors.

Mr. Broad announced that Panel member Sam Rodriguez needs to depart the meeting and he asked to open the roll call for Mr. Rodriguez to have an opportunity to vote on the remaining three proposals.

The roll call was then opened for Sam Rodriguez to vote.

Tab #14

Workforce Development Corporation dba Southeast Los Angeles County Workforce Investment Board

Yes vote by Mr. Rodriguez

Tab #15

Bay Area Video Coalition

Yes vote by Mr. Rodriguez

Tab #16

California Labor Federation, AFL-CIO

Yes vote by Mr. Rodriguez

Ms. Hernandez introduced Marybeth McCarthy, Business Services Coordinator; Tony Castillo, NUMMI Project Manager; and William J. Browne, Director of Client Services representing Manex.

Ms. Roberts said she appreciates this company coming before the Panel for funding today for the first time. We recently had a very successful WIB come before you, so they could probably share some best practices how that works. She said good luck, it looks like a great contract and I know Alameda is in desperate need of the training in that area.

**ACTION:** Mr. Broad moved and Ms. Roberts seconded approval of the Proposal for ACWIB in the amount of \$500,829.

Motion carried, 6 – 0.

### **Bay Area Video Coalition**

Ms. Hernandez presented a Proposal for Bay Area Video Coalition (BAVC), in the amount of \$699,806. BAVC is a non-profit organization that provides vocational advanced technology media training to digital media professional designers, producers, editors, programmers, IT support, and office administrators in industries that have communications needs and/or a web presence. BAVC's participating employers include small and large businesses in priority industries with out-of-state competition ranging from manufacturers, software manufacturers and developers, internet commerce, video post production facilities, publishers, broadcasters, multimedia design firms, construction firms, health care providers, and scientific research labs.



Ms. Hernandez introduced Dov Golodner, Head of Workforce Development and Mindy Aronoff, John Wayne Junior.

There were no questions from the Panel.

**ACTION:** Ms. Roberts moved and Ms. Fernandez seconded approval of the Proposal for BAVC in the amount of \$699,806.

Motion carried, 6 – 0.

### **California Labor Federation, AFL-CIO**

Ms. Hernandez presented a Proposal for California Labor Federation, AFL-CIO (CalFED), in the amount of \$593,511. CalFED is an umbrella organization comprised of 1,200 unions, representing 2.1 million union members in manufacturing, retail, construction, hospitality, the public sector, health care, entertainment and other industries in California.

Ms. Hernandez introduced John Brauer, Workforce and Economic Development Executive Director and Jan Borunda, Project Coordinator.

There were no questions from the Panel.

**ACTION:** Ms. Roberts moved and Mr. Hart seconded approval of the Proposal for CalFED in the amount of \$593,511.

Motion carried, 6 – 0.

## **X. REVIEW AND ACTION ON ETP STRATEGIC PLAN 2012-13**

Tara Armstrong, Manager of ETP's Planning & Research Unit, presented the ETP Strategic Plan 2012-13. She said the Plan is due to the Legislature by June 30 of each year, and it was updated with no major revisions. The Plan incorporates funding priorities that were established at the May 24, 2012 Panel meeting.

In addition to the information on the Panel, the Plan includes an overview of the organization; an economic overview; priority industries; workforce trends; ETP initiatives and alliances; administrative strategies; goals and objectives; and our budget.

The Plan identifies ETP's priority industries which are deemed the most vital to economic health and recovery. They are the focus of our ETP marketing efforts and they receive a higher training reimbursement rate. The priority industries remain the same as last year, and include manufacturing; green technology; allied healthcare; construction; goods movement and transportation logistics; IT services; biotech and life sciences; multimedia/entertainment and agriculture.

The Plan also includes the following workforce trends which include on the job training (OJT); special populations; middle-skills jobs; sector strategies; and partnerships. Strategic initiatives

include alternative funding; healthcare; Alternative and Renewable Fuel and Vehicle Technology Program; green technology; career technical education; apprenticeship training pilot; veterans; and small business. ETP alliances include the apprenticeship training pilot; job creation and retention; revitalizing HUAs; and state and local WIBS.

Ms. Armstrong said administrative strategies include developing ETP's new workforce services network (CWSN), which involves creating our new customized client management system and eliminating our old one; implementing the modernization of ETP's IT infrastructure in accordance with the state mandates; and maximizing our funds to ensure the best use of our ETP resources. To maximize our limited funding, ETP will continue to incrementally encumber training funds; incentivize retraining for newly-hired employees; and implement funding priorities and limitations, including project funding caps which were established at the June 24 Panel meeting. The funding caps were adopted by the Panel based on funding priorities recommended by staff, and the recommendations were based on the projected revenue collection of the Employment Training Tax and other factors. The revenue projections are made by EDD and adjusted in September, after the first quarter of the collections, and then periodically thereafter. It is foreseeable that adjustments in the revenue projection and other factors outlined in the Memo will result in a need to revise our funding caps, and any revisions to caps approved by the Panel would be updated on our ETP website to inform our stakeholder community.

She noted the recommendation to add a notation to the Strategic Plan that the funding caps are subject to revision by ETP based on adjustments to projected revenue collection of the Employment Training Tax, and other factors. The need for flexibility in setting funding caps is an aspect of strategic planning.

Continuing with maximizing funds, she listed the following project caps:

Single Employers (Priority Industry)	CAP \$450,000
Single Employers (Non-Priority Industry)	CAP \$350,000
Job Creation-Retrainee	CAP \$600,000
Combined Single Employer and Job Creation	CAP \$700,000
Critical Proposals	CAP \$750,000
Multiple Employers	CAP \$700,000
Small Business	CAP \$50,000
Fast Track	CAP \$100,000
Annual Employer Limit (All Facilities)	CAP \$1,000,000
Apprenticeship Training	CAP \$300,000

Lowest priorities include for-profit training schools; new-hire truck driver training; new-hire security guard training; retraining for employees of training agencies; and all training in the adult entertainment industry.

Ms. Armstrong noted there are two additional limitations and that there is an error in the Strategic Plan on Page 21 for substantial contribution which will be corrected before it is finalized. It will state the following, "Substantial contribution levels will follow ETP's existing regulatory procedures". The other additional limitation is, "Employer's earning more than \$1

million over the last five years will pay a high earner reduction where new projects were reduced by 50% in lieu of facility-based determination of substantial contribution.”

Ms. Armstrong provided an overview of the six goals and objectives:

- 1) Enhance the visibility of the ETP program through partnerships.
- 2) Target California’s key and emerging industries.
- 3) Continue support for small businesses.
- 4) Support hard-to-serve populations through pilots and initiatives.
- 5) Continue efforts to enhance ETP’s impact on job creation and retention.
- 6) Increase the efficiency and effectiveness of the ETP program.

The proposed action is the approval of the FY 2011-12 Strategic Plan, with direction to staff to incorporate any requested changes and delegation of authority to the Executive Director for final approval, prior to submitting it to the Administration and Legislature.

Ms. Roberts asked about workforce trends for special populations such as an older population or retirees who have a need to return to work due to some sort of financial situation. She said she did not see that in Goal #4, and asked if there is a program to target the older workforce and said she would like to see the elderly included under Goal #4. Ms. Armstrong noted her request and said it would be added to Goal #4.

**ACTION:** Ms. Fernandez moved and Ms. Roberts seconded approval of the FY 2011-12 Strategic Plan, with the addition to Goal #4 referencing the elderly population or retirees who may have a need to return to work.

Motion carried, 5 – 0.

## **XI. PUBLIC COMMENTS**

Steve Duscha, representing Duscha Advisories, said he wished Brian McMahon the best in his new job. He said Brian taught him to talk slow and listen, which is a good trait. He said he has kept ETP strong, defended the program, and has done a great job.

Rob Sanger, representing CMTA, thanked Brian for his leadership. He said he has worked with Brian previously at CMTA and that he has taught him much about leadership and dedication and that he has been great to work with. He congratulated Brian on his new position.

Phil Herrera, representing Herrera & Company, said it has been an honor to work with Brian who has been very open and has given great advice, especially on policy items they handle. He said I want to thank you Brian, I really learned a lot from you and you will be missed; best of luck.

## **XII. PUBLIC MEETING ADJOURNS**

**ACTION:** Ms. Roberts moved and Ms. Montoya seconded meeting adjournment at 11:29 a.m.

Motion carried, 5 – 0.