



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL**
Sacramento City Hall
California Environmental Protection Agency
1001 I Street, Sierra Hearing Room
Sacramento, CA 95814
December 8, 2017

PANEL MEMBERS

Barry Broad
Chair

Janice Roberts
Vice-Chair

Gloria Bell
Member

Will Koch
Ex-Officio Member

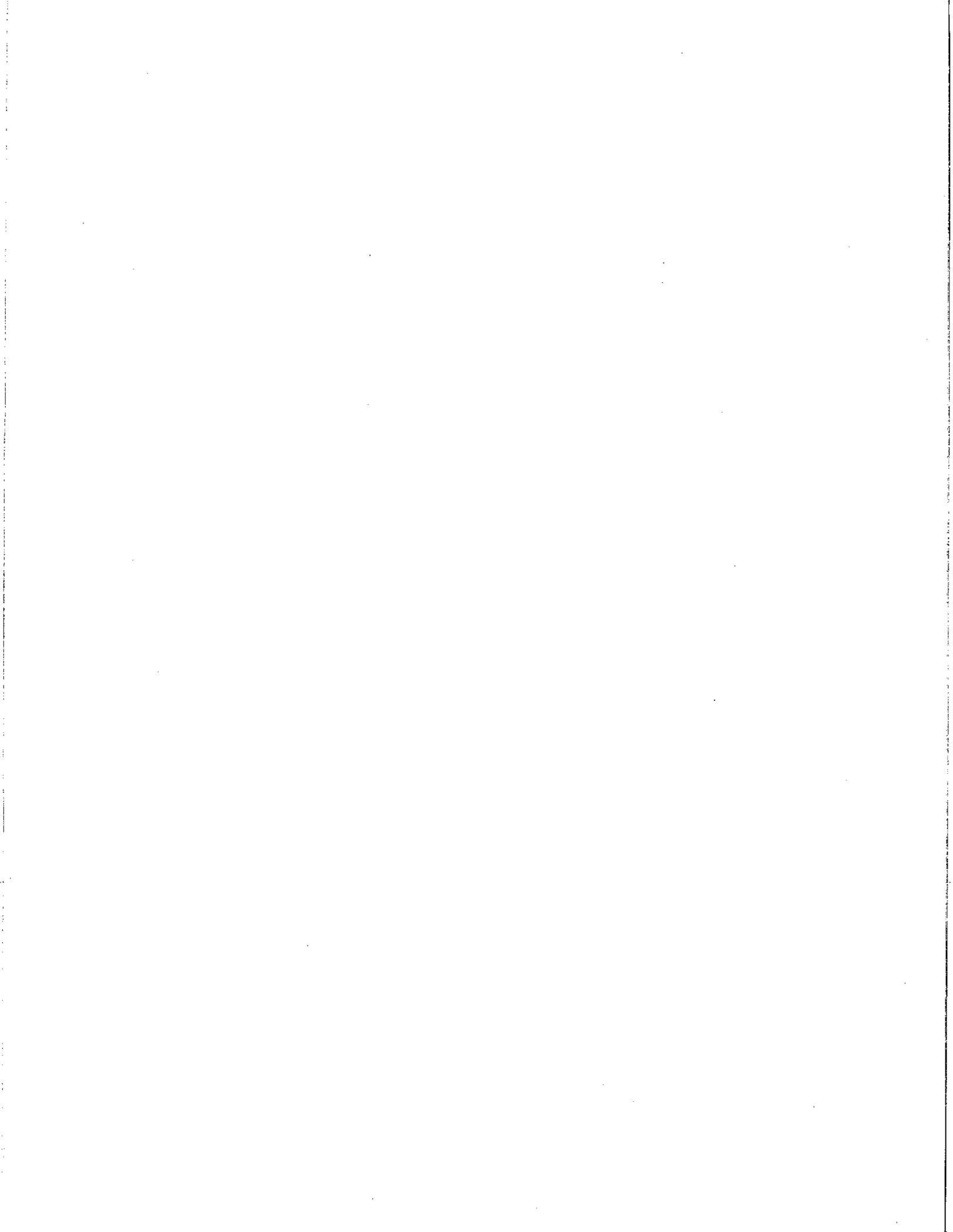
Gretchen Newsom
Member

Jeff Robinette
Member

Sam Rodriguez
Member

Executive Staff

Stewart Knox
Executive Director



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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

Gloria Bell

Barry Broad

Maricela Gomez on behalf of Will Koch - GoBIZ

Gretchen Newsom

Janice Roberts

Sam Rodriguez (arrived at 9:34 a.m.)

Absent

Jefferson Robinette

Executive Staff Present

Stewart Knox, Executive Director

III. AGENDA

Chairman Broad asked for a motion to approve the Agenda.

Mr. Knox said, Tab #39 is withdrawn.

ACTION: Ms. Roberts moved and Ms. Newsom seconded the motion to approve the Agenda.

Motion carried, 5 - 0.

IV. MINUTES

ACTION: Ms. Roberts moved and Ms. Newsom seconded the motion that the Panel approve the Minutes from the October 27, 2017 meeting.

Motion carried, 5 - 0.

V. REPORT OF THE EXECUTIVE DIRECTOR

Stewart Knox, Executive Director, said welcome and good morning Panel members, applicants, and stakeholders. Following the last Panel Meeting in October, we have a fairly large Panel Meeting today, a good portion on Consent, totaling approximately \$10.4M with another \$827,114K in Delegation Orders for a total just over \$11.0M.

Today we have a mix of Single Employer and Multiple Employer Projects. Diana Torres, San Diego Regional Office Manager, and Mark Mazzone, Sacramento Regional Office Manager, are here today to present the Proposals.

Regarding the Budget for Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP), we are in partnership with the California Energy Commission with \$2M approved through an Interagency Agreement. We have had six proposals in the last few months for over \$900,000, one that was approved over \$620,000 already leaving approximately \$450,000 remaining for this year.

In regard to Core Funds for FY 2017/18, today the Panel will consider and additional \$10.4M in projects and another \$827K approved by Delegation Order. Should the Panel approve all the projects today, ETP will have approximately \$32.0M the remainder of the Fiscal Year (FY) 2017/18.

Under Delegation Order, all project proposals are capped at \$50,000 to be approved by the Executive Director on a continuous flow basis, which as of today, 25 projects were approved totaling just under \$827K.

For FY 2017/18 program funding to date, we have approximately 367 projects submitted, with a value of just over \$100M. The Panel has already approved just under \$62M with 252 projects to date, if all proposals are funded today.

Regarding applications for contracts that are remaining in the Regional Offices: Single Employer Contract requests are at \$32M; \$12M in allocation. Multiple Employer Contract (MEC): Regional Offices/AAU: requests are at \$10M; \$9M in allocations. Small Businesses have \$4.7M in demand; \$2.4M in allocations. Critical Proposals are at \$20K in demand; \$4.2M in allocations. Apprenticeship programs are at \$1.2M in demand; \$1.8M in allocations. Overall demand is approximately \$49M.

The number of total projects in FY 2017/18 in the Regional Offices are 284; total number of projects in the Applications and Assessment Unit is 51; overall total of 335.

Again, Staff is working hard to get the projects assigned out to the Regional Offices. About 80% have been assigned to the Regional Offices to date.

Legislative Update

In terms of legislative updates, we have provided copies of a memorandum for the Panel members. There is a lot of information on Workforce Development and Cannabis as well.

VI. MOTION TO ADOPT CONSENT CALENDAR PROJECTS

Chairman Barry Broad asked for a motion to adopt Consent Calendar Items #1 through #27.

Applied Technologies Associates, Inc.....	\$238,500
Arc Mid-Cities, Inc.....	\$ 57,540
Armstrong Garden Centers, Inc.....	\$167,900
Capstone Fire Management, Inc.....	\$ 74,800
Cicon Engineering, Inc.....	\$109,440
Concrete Value Corp.....	\$247,140
CPH Hospital Management, Inc.....	\$172,800
Eaton Industrial Corporation.....	\$ 77,976
Economic Development Collaborative-Ventura County.....	\$101,820
Everett Graphics, Inc.....	\$148,716
Interior Experts General Builders, Inc.....	\$ 80,712
KRC Safety Co., Inc.....	\$ 73,280
LAX Coastal Area Chamber of Commerce.....	\$247,993
Mesa Energy Systems, Inc.....	\$202,320
Novacap, LLC.....	\$ 72,000
Owens Healthcare, Inc.....	\$137,230
Promise Hospital of East Los Angeles, L.P.....	\$ 84,700
Pyramid LA Management L.P. dba Sheraton Gateway Los Angeles Hotel.....	\$221,550
Quad Knopf, Inc.....	\$ 73,892
Renovo Solutions, LLC.....	\$ 99,000
Setton Pistacio of Terra Bella, Inc.....	\$ 81,360
SST Construction, LLC.....	\$168,000
Sun Valley Specialty Healthcare, Inc. dba Totally Kids.....	\$100,800
Sunrise Medical (US) LLC.....	\$237,181
The Nevell Group, Inc.....	\$ 77,520
The Technical School, Inc. dba Technical College.....	\$166,460
Zuckerman Family Farms, Inc.....	\$112,906

ACTION: Mr. Rodriguez moved and Ms. Roberts seconded the motion to approve the consent calendar for Items #1 through #27.

Motion carried, 5 – 0.

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

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

ACTION: Ms. Roberts moved and Ms. Gomez seconded the approval to delegate authority to the Executive Director in event of a loss of quorum.

Motion carried, 5 - 0.

VIII. SUBCOMMITTEE REPORT

Madam Chair Gretchen Newsom reported as follows:

Our Subcommittee met yesterday from 1:30 P.M. to 4 PM. Approximately 50 attendees were present. The main topics of discussion included the Interagency Agreement with the Department of Rehabilitation for work experience program for students of disabilities as well as nontraditional apprenticeships, guidelines and Substantial Contribution. This was followed by 30 minutes of free public comment on whatever topics the public desired. The majority of the meeting was spent discussing alternatives for Substantial Contribution. After listening to the stakeholders input, and Subcommittee Member comments, staff will bring two recommendations to the full Panel for consideration in January, 2018. We will set another date for another subcommittee meeting in January. I would like to thank the public for their comments and we will continue these conversations.

Mr. Broad said, we heard yesterday from the Director of Department of Rehabilitation regarding the possibility of contracting with us. This would be outside of our normal funding, much like the AB 118 program where they have some funds that they would like to contract with us, only Department of Rehabilitation would potentially create programs for training youths with disabilities. What I would like to do with this idea is have the Subcommittee that met yesterday hear this idea in detail. There will be a public meeting the people can attend and comment on. The Subcommittee would make a recommendation to the full Panel as to how to proceed. It is not a legislative directive. It is a negotiation with the state agency so there are no set of guidelines that we could use or statute that would need interpretation. Therefore, I want to make sure that we thoroughly hear from our constituencies and the public before we move forward. As Chair of the full Panel, I am directing staff to move forward with the Department of Rehabilitation to work on this idea.

IX. REVIEW AND ACTION ON PROPOSALS

Single Employers

Tab # 28 – Chevron Global Downstream, LLC

Ms. Torres presented a Proposal for Chevron Global Downstream, LLC (Chevron), in the amount of \$744,732. Founded in 1911, Chevron is the second-largest integrated company in the United States with subsidiaries that conduct business around the globe. Its success is driven by the ingenuity and commitment of approximately 60,000 employees who operate across the energy spectrum.

Chevron is engaged in the production and transport of crude oil and natural gas; refinery and distribution of transportation fuels and other energy products; manufacturer of petrochemical products; producer of geothermal energy; provider of energy-efficiency solutions; and development and commercialization of energy resources of the future, including biofuels and other renewables.

The proposed training will be provided in its El Segundo refinery. This was the second refinery built by the Standard Oil Company, which later became Chevron, in California. This is Chevron's tenth ETP project. Chevron has not had an ETP Contract within the last five years.

Ms. Torres introduced Victoria Stage, L&D Supervisor, Robert W. Taylor, Sr., Captain/SWP Specialist – HES/ Fire Department, and Rob Sanger of CMTA.

Chairman Barry Broad recused himself and left the room.

There were no questions from panel.

ACTION: Ms. Newsom moved and Mr. Rodriguez seconded approval of the proposal for Chevron Global Downstream. LLC, in the amount of \$744,732.

Motion carried, 5 - 0.

Tab # 29 – CU Direct Corporation

Ms. Torres presented a Proposal for CU Direct Corporation (CU Direct), in the amount of \$339,600. Founded in 1994 and headquartered in Ontario, CU Direct offers software solutions for credit unions and automobile dealers. Products include Credit Union Lending Solutions (CUDL), the industry's number one auto lending network with over 1,100 lenders; Lending 360 Loan Origination System; AutoPremier; AutoSMART; Lending insights (analytic tools); and Intuvo Solutions (marketing automation).

Ms. Torres introduced Erin Brown, Senior Manager, Training, and Brooke Perez of PWC.

Ms. Roberts said, is this your first contract is that correct? Ms. Brown said, yes.

Ms. Roberts said, I thought this was a lending institution but it's not. It's a technology apology institution.

Ms. Brown said, yes it is a technology institution. We are owned by credit unions. All of our board members are credit union members and all decisions made, are made by credit union members.

ACTION: Ms. Roberts moved and Ms. Newsom seconded approval of the proposal for CU Direct Corporation in the amount of \$339,600.

Motion carried, 5 - 0.

Tab # 30 – P2S Engineers, Inc.

Ms. Torres presented a Proposal for P2S Engineers, Inc., (P2S) in the amount of \$290,520. Founded in 1991 and headquartered in Long Beach, P2S provides consulting, design, and engineering services in the electrical, mechanical, plumbing, control systems, telecommunications, building commissioning, and industrial security industries. Customers include the Ports of Long Beach and Los Angeles, NBC Universal, Paramount Pictures, Disneyland, Salk Institute, Siemens, Verizon, Applied Medical Research, Boeing, Aerospace Corporation, 3M Pharmaceuticals and local governments.

Ms. Torres introduced Ashley Cruz, Human Resource Analyst.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Bell seconded approval of the proposal for P2S Engineers, Inc., in the amount of \$295,520.

Motion carried, 5 - 0.

Tab # 31 – The Cheesecake Factory Bakery, Incorporated

Ms. Torres presented a Proposal for The Cheesecake Factory Bakery, Incorporated (CFB), in the amount of \$504,000. CFB started as a family bakery in Detroit in the 1940's, supplying cakes to local restaurants. In 1972, the bakery moved to Los Angeles. Two years later, over 20 cheesecakes and other dessert assortments were being sold to hundreds of wholesale accounts, expanding CFB's distribution from Santa Barbara to San Diego.

In 1978, CFB opened its first restaurant in Beverly Hills, offering guests a high-scale dining experience. Today there are over 200 restaurants around the world. CFB opened two baking facilities, one in Calabasas Hills and another one in North Carolina, to serve its restaurants, as well as its national and international retail accounts in the Middle East, China, Canada, and Mexico.

Ms. Torres introduced Maria Mancha, Training Manager, Rick Lopez, Sr. Director of Human Resources, and Bertha Soltara, Human Resources Trainer.

Ms. Roberts said, can you explain why you have 18% turnover?

Mr. Lopez said, we have had a variety of turnover regarding to some employees wanting to find another position, some employees want to go to other areas of the country or back to their home countries to do something different. We've had our typical folks that we've had to

terminate, or we have had a bunch of people that decided they wanted to do something else. We do have an 18% turnover but we continue to track and retain. We have some employees that have been there 30+ years. In fact, we have one person who the only one person in our entire Corporation that has more tenure than the founder and CEO of the company. So we have a person in the baking facility for 39 years.

Ms. Roberts said, your total in income is \$2 million if I read all the zeros right. That seems pretty high to do contribution for all the training you do for that \$2 million.

Ms. Mancha said, we are going to frontload a lot of training. We are getting new ovens getting new a lot of new equipment. Sophie factored that in. We knew that we were going to have to really train them the first part of the year so that's really where that's coming from. That effort is going to take about that much.

Ms. Roberts said, so you're asking for \$500,000, from the previous contract which was only \$171 million.

Ms. Mancha, said yes.

Ms. Roberts said, for these big jobs I want to see justification, my concern is that you have great training coordinators that administered \$171,000, however, to administer 500,000 is kind of another story without any support other than your own Association there. Another thing is your wages. Your wages I see here is \$11 up to \$40/hr., but your health benefits applied are 50% of that. You obtain 50% of health benefits, \$6 of benefits on \$11/hr., without a union support?

Mr. Lopez said, what we are looking at that is the average we are paying for focus. What we have done with ETP funding is be very focused on benefits for people. If you take a look at what we provide and what the premiums are for people, we are very aggressive with making sure that they get the benefits that they need. So we do provide a lot of our funds into people's benefits.

Mr. Broad said, I think that's actually common in the restaurant and lodging industry for healthcare benefits, the wages are generally lower and so the healthcare is not a lower cost. Let me say this, the proposal here is you earned 70% last time and I understand the work issues. Typically, we right size these proposals. I don't think this one was for some reason. I don't think I can vote for the doubling of your money when you only earned 60% of your money last time.

Mr. Lopez asked, may I address that briefly?

Mr. Broad said, yes but let me tell you what I propose to do. I'm willing to bifurcate this and cut it in half. You can come back after you are well on your way to using the first half and let us know you are on your way to earning 100% of the money. If what happened last time or something occurs to dampen your ability to earn the money, then you have the option of not coming back, or you can come back and ask for less.

Mr. Lopez said, thank you I think that's more than fair for what you're proposing from my perspective. We had to put off the upgrades in 2017, and that caused us to come up short.

Ms. Roberts said, I agree with the Chairman that we should be looking at cutting this in half.

Mr. Lopez said, right now in our Calabasas facility we are still operating with 1990's technology. Right now we have 24 rack ovens and with those 24 rack ovens there is a lot of moving of our cakes onto racks that go in the ovens. We have to upgrade our refrigeration into a different configuration. We are calling for a state-of-the-art manufacturing facility, mimicking our Rocky Mountain North Carolina facility. We are upgrading our processing going from old technology to new technology.

Ms. Bell said, I agree with the Chairman on the right sizing, my question is more on the recruitment strategies. When you bring them on temp to hire do you put them on 100% on payroll?

Mr. Lopez said, we typically bring them on the front end for permanent to hire. We only use temp to hires if we are having troubles or challenges. For instance, potentially we have 30 shifts for sanitation. It is challenging to get people to work a third shift and it's challenging to work the sanitation piece. In that instance if we have a challenge of bringing on permanent people, we may look for temp to hire. Typically, we bring them on 60 to 90 days and then we will convert them after that. Ms. Bell said, thank you.

Mr. Broad said, I make a motion to approve this Proposal at a level of \$252,000, with the right for them to come back and ask for the remaining \$252,000, and only after they have shown they are substantially earning in the first half.

ACTION: Mr. Broad moved and Ms. Roberts seconded approval of the Proposal for the Cheesecake Factory Bakery Incorporated in the REDUCED amount of \$252,000.

Motion carried, 5 - 0.

Tab # 32 – CareMeridian, LLC

Ms. Torres, presented a Proposal for CareMeridian, LLC, (CareMeridian) in the amount of \$281,200. Founded in 1989 and headquartered in Irvine, CareMeridian serves high-acuity patients who require advanced medical skills to treat and rehabilitate them. The Company's goal is to help patients of all ages with brain, spinal cord and other catastrophic injuries achieve the highest quality of life possible. CareMeridian does this by delivering personalized, complex nursing and rehabilitation services in a non-institutional environment with 1:4 staff-patient ratios and 1:1 staff-patient ratio for therapy. The Company offers a distinctive service delivery model, merging experienced and skilled health care and rehabilitation teams with community-based facilities designed to meet the unique needs of those patients they serve at every stage of recovery. CareMeridian operates 27 facilities in California and all 27 facilities will participate in this project. This will be CareMeridian's first ETP Agreement.

Ms. Torres introduced Gretchen Adelmund, Director of Human Resources, and Bruce Claris from CareMeridian.

Ms. Roberts said, I really appreciate everything you're doing in this industry we fund a lot of healthcare facilities. How many locations are you looking at here?

Ms. Adelmund said, probably all 27 facilities, or at least 24 locations.

Ms. Roberts said, my concern is that you don't have any support on this. You have 27 facilities. You have never been in a contract here before. I would like you to get this money so you can do the things you want to do I'm just thinking that you might have some limited infrastructure with 27 facilities.

Ms. Adelmund said, yes we fully support and understand your concerns. We have administrative compliance meetings weekly that are held, so you will be capturing 4 to 5 hours per workweek with each of our individuals to keep you apprised of our progress.

Ms. Roberts said, the individuals at the locations are they nurses or are they temporaries?

Ms. Adelmund said, we have a lot of regulatory compliances that we have to maintain and keep and send the information to the corporate office. We do a lot of reporting and meetings that help keep this information flowing to the corporate office. We do a lot of follow-up, so yes, some or all of our employees that are participating in this program are administrative assistants, some are nurses, and then some are also have worked in the business or facility with us for a long time.

Ms. Roberts said, just keep really close contact with the staff on this. If you run into any problems, see what you can do to get the support because I like to fund these types of programs.

ACTION: Mr. Rodriguez moved and Ms. Bell seconded approval of the Proposal For CareMeridian, LLC, in the amount of \$281,200.

Motion carried, 5 – 0.

Tab #33 – GreatCall, Inc.

Ms. Torres presented a Proposal for GreatCall, Inc. (GreatCall), in the amount of \$313,200. Founded in 2006 and headquartered in San Diego, GreatCall's products including cell phones and accessories, are sold directly to consumers through retailers and online. The Company is best known for its Jitterbug cell phones, with easy-to-read numbers and menu. These phones are equipped with an array of health and well-being software, designed for senior citizens. The Company also provides customer support and emergency assistance services through its North American Service area inbound call center in Carlsbad. Training will take place, primarily, at the Company's expanded facilities in Carlsbad, and a limited amount at its San Diego headquarters.

Ms. Torres introduced Renan Quiambao, Director of Training and Quality Assurance who was unable to attend due to an imminent evacuation in San Diego County to due to the fires. Michelle Rickner, Vice President of Training and Reimbursement Services was able to speak on Mr. Quiambao's behalf.

Mr. Broad said, I am happy to hear the proposal and vote on it, but if any Panel Members feel like we should put it over and vote on it next month that's fine with me. Please raise your hand and make that suggestion but given what that gentleman is going through the least we can do is hear it.

There were no questions from the panel.

ACTION: Ms. Roberts moved and Ms. Bell seconded approval of the Proposal For GreatCall, Inc., in the amount of \$313,200.

Motion carried, 5 - 0.

Tab #34 – Medata, Inc.

Ms. Torres presented a Proposal for Medata, Inc. (Medata) in the amount of \$318,480. Founded in 1975 and headquartered in Irvine, Medata provides medical bill review software solutions for the workers' compensation, auto liability, and healthcare industry. Medata offers a suite of cost-containment products to help customers be more productive.

Ms. Torres introduced Dana Joanou, CPA, CFO, Medata, Tanisha Jackson, Project Manager with Corporate Tax Incentive, and Stephanie Banuelos, Manager, Corporate Tax.

Ms. Newsom said, could you detail for me what the differences between the customer service employees that are listed in Group 1 for a trainee and the JC customer service employees listed on the retrainee job creation? I note there is a difference in the wages, can you explain why?

Ms. Jackson said, they are looking to recruit, retain, and bring in customer service employees who will be at the lower wage. However, in this particular industry you do have to have that medical experience which, in turn, warrants the higher wage. Due to the nature of the different types of medical policies that they be familiar with whether it be in the medical industry, or whether it be for auto insurance, whether it be for some of the claims filings, that is where the difference is with the wages and why the wages are reflected that way.

Ms. Newsom said, so for the 15 new employees that you are hiring, are you doing anything to actively recruit Veterans, women, or minorities?

Mr. Joanou said, the founder's daughter is very involved in the business.

Ms. Roberts said, just expand on Ms. Newsom's question, the funds that are actually starting out at \$13/hr we do see a wage progress once they get the information. Then they may move up to one of the customer service representatives at \$17/hr. Is this correct?

Ms. Jackson said, yes.

ACTION: Mr. Broad moved and Ms. Roberts seconded approval of the Proposal for Medata, Inc. in the amount of \$318,480.

Motion carried, 5 - 0.

Tab #35 – Orange County Global Medical Center, Inc. – WITHDRAWN

Tab #36 – Stryker Corporation, Stryker Neurovascular Division – WITHDRAWN

Tab #37 – Constellation Brands U.S. Operations, Inc.

Mr. Mazzone presented a Proposal for Constellation Brands U.S. Operations, Inc. (Constellation), in the amount of \$505,350. Constellation will act as the lead in a single employer contract with its subsidiary Franciscan Vineyards, Inc.

Founded in 1945 and headquartered in Victor, N.Y., Constellation produces and markets beer, wine and spirits with operations in the U.S. Canada, Mexico, New Zealand and Italy. Constellation produces high-end brand beers such as Corona, Modelo Especial and Pacifico. The Company produces premium wine, including Robert Mondavi, Clos du Bois, Kim Crawford, Meiomi, Mark West, Ruffino and The Prisoner. Constellation products also include premium spirits such as SVEDKA Vodka, Casa Noble Tequila and High West Whiskey. The Company will have 15 locations participate in training and will be led by its St. Helena location.

Franciscan Vineyards, Inc., is a grape grower and wine manufacturer headquartered in St. Helena. The Company will have nine locations participate in this Agreement.

Mr. Mazzone introduce Cheryl Hall, Director Talent Engagement, and Anne Ervin, Director Training Incentives, Tex Credit Companies.

There were no questions from Panel.

ACTION: Ms. Roberts moved and Ms. Bell seconded the approval of the Proposal for Constellation Brands U.S. Operations, Inc., in the amount of \$505,350.

Motion carried, 5 - 0.

Tab #38 – Diamond Foods, LLC

Mr. Mazzone presented a Proposal for Diamond Foods, LLC (Diamond Foods) in the amount of \$371,087. Founded in 1912 and headquartered in Stockton, Diamond Foods produces and distributes an assortment of premium shelled and in-shell nut products. Products, including walnuts, pecans, almonds, macadamias, pine nuts, hazelnuts, cashews, and pistachios, can be found in grocery stores and convenience stores throughout the country. Training will take place at the Company's location in Stockton.

Mr. Mazzone introduced Hector Bolanos, Sr. Director of Human Resources, and Angela Jones, with Training Grants Intelligence, Vice President Development.

There were no questions from the panel.

ACTION: Ms. Bell moved and Ms. Roberts seconded the approval of the Proposal for Diamond Foods, LLC, in the amount of \$371,087.

Motion carried, 5 – 0.

Tab #39 – Flatiron West, Inc. – WITHDRAWN

Tab #40 – Milestone Technologies, Inc.

Mr. Mazzone presented a Proposal for Milestone Technologies, Inc. (Milestone), in the amount of \$656,439. Founded in 1997 and headquartered in Fremont, Milestone provides strategic IT solution services to over 200 companies worldwide. The company's services include: Data Center Operations, Contact Center Services, Internal IT Support, IT Professional Services and Platform Engineering Services. Training under this proposal will be for staff located at their Chico and Fremont facilities.

Mr. Mazzone introduced Nicki Graham, Service Delivery Executive.

Ms. Roberts said, I really commend you for looking at the Veterans program on this. Without any kind of administrative support. You have probably heard me say you completed 100% of a \$444,000 with new job creations. You must have a really excellent staff or you yourself.

Ms. Graham said, I have a really wonderful training team. We had great support from the State and our advisors are wonderful. Thank you for acknowledging it.

ACTION: Ms. Roberts moved and Ms. Newsom seconded the approval of the Proposal for Milestone Technologies, Inc., in the amount of \$656,439.

Motion carried 5 – 0.

Tab #41 – The Neil Jones Food Companies

Mr. Mazzone presented a Proposal for The Neil Jones Food Companies dba Tomateck, Inc. (Tomateck), in the amount of \$275,274. Founded in 1915 in Firebaugh, Tomateck began as a grower-owned tomato cannery in Hollister. Today, Tomatek is a leading producer of tomato products, such as whole tomatoes, crushed and diced tomatoes, tomato sauces, tomato paste, and ketchup. Tomatek also specializes in canned fruits, fruit juice concentrates and cranberry sauces. The company's products are purchased by retailers such as Pizza Hut, Applebees, Lil Ceasars, and Subway. Other customers include the food service industry and warehouse distribution centers. The company's training plan is supported by Teamsters District Council 2. The union represents both the permanent and seasonal employees included in this proposal. Training will take place at Tomatek's Firebaugh facility.

Mr. Mazzone introduced Eric Fortes, Director of HR; Felicia Knighton, Senior HR Manager.

Ms. Bell said, so the training is going to be at the Firebaugh facility? Ms. Knighton said, yes. Ms. Bell said, who is your HR person in Firebaugh? Ms. Knighton said, I am. Ms. Bell said, including Hollister? I am familiar with two locations. Ms. Knighton said, there is an HR manager in our Hollister location now.

Ms. Bell said, I understand that you are from Vancouver so that's a distance. Can you tell me how this is going to be managed from long distance and how are you going to keep abreast on the numbers, the metrics, and seeing how everything is going?

Mr. Fortes said, I am based in Vancouver and travel frequently to both California facilities. The administration and management is going to be primarily focused at the site under Ms. Knighton's direction and supervision. We have the resources there to be able to manage the program.

Ms. Bell said, I'm just asking you to really reach out. I'm not quite sure that you are right sized at the amount you were at because of the situation. You have great representatives who have helped you to this far. To be successful, I just ask you to keep reaching out and make sure you are on track and meeting your metrics under the contract.

Mr. Fortes said, thank you for that. We also have a resource at our corporate offices that is responsible for training at all of our facilities and she not only spearheads and helps to partner with the sites in terms of the corporate training initiatives that we have, but she will be in close communication and contact with us.

Ms. Roberts said, Ms. Knighton are you actually familiar with the ETP program or is this your first experience with ETP?

Ms. Knighton said, this is my first experience.

Ms. Roberts said, do you have any knowledge of the previous contracts that you've had in the previous 10 years and how your performance was on that?

Ms. Knighton said, I know we were 100% on one of the contracts. I know the other contract they were at 75%. I believe there was some transition back then. I do have two long-term employees that were here when the contract was being processed. We are aware of some of the issues.

Ms. Roberts said, so this question is to Mr. Fortes. On the retention period for seasonal employees this waiver, is this setting any precedent or is this something you've always done with seasonal workers?

Mr. Fortes said, it's in our pilot for seasonal workers we have always offered this. We have done his many times.

ACTION: Mr. Roberts moved and Ms. Bell seconded the approval of the Proposal for The Neil Jones Food Companies in the amount of \$275,274.

Motion carried 5 – 0.

Multiple Employer Contracts

Tab # 42 - California Manufacturing Technology Consulting

Ms. Torres presented a Proposal for the California Manufacturing Technology Consulting (CMTC), in the amount of \$949,690. CMTC was established in 1992 as a private non-profit corporation, affiliated with the US Department of Commerce, National Institute of Standards and Technology, and Hollings Manufacturing Extension Partnership to assist small and medium-sized manufacturers in California to improve operational efficiencies and global competitiveness. Its mission is to create solutions for manufacturing growth and profitability supporting a thriving manufacturing sector in the State of California.

Participating employers are mostly small manufacturers that represent a cross section of manufacturing sectors. Many are suppliers to Original Equipment Manufacturers. In 2016, CMTC served more than 1,000 small manufacturers primarily located in Southern California. The majority of these businesses have 100 or fewer employees and a significant number have under 50 employees. These companies are challenged to stay competitive and relevant in the supply chain.

Ms. Torres introduced James Watson, President and CEO and Cheryl Slobidian, Director, Strategic Partnerships.

Ms. Roberts said, I just have one question. I normally don't get into all the employees that you're going to train because sometimes they are discretionary. The first one I looked at was Abel Industries. I know that Abel Industries is a company that supports disabled people. Do you have some kind of training program with Abel Industries?

Ms. Slobidian said, Abel is looking at continuous improvement in quality. They are continuing a project they started under the current contract and they will be continuing their training into the next one which is why we resubmitted them. They do quite a bit of reinforcement of quality in the line as they are doing the work.

Ms. Roberts said, I was just curious if this rehabilitation program.

Ms. Slobidian said, we do have small manufacturing clients that do hire disabled individuals. We work with Goodwill in Southern California on those programs. I'm not saying that there is a lot, but we do have an interest in it because we have employers that may be interested in it, depending on how the program rolls out. Of our 51 clients we are serving right now under this contract, 80% of them are small.

ACTION: Ms. Roberts moved and Mr. Rodriguez and Ms. Gomez seconded the Approval of the Proposal for California Manufacturing Technology Consulting in the amount of \$949,690.

Motion carried 5 – 0.

Tab #43 – Mt. San Antonio College

Ms. Torres presented a Proposal for Mt. San Antonio College (MTSAC), in the amount of \$274,939. MTSAC was created in 1945 as a community college district providing more than 200 academic and vocational programs. It is the largest, single-campus community college district in California with a combined student enrollment (Credit, Continuing Education and Community Service) of over 65,000. Its district boundaries encompass the communities of Baldwin Park, Bassett, Charter Oak, Covina, Diamond Bar, the southern portion of Glendora, Hacienda Heights, City of Industry, Irwindale, La Puente, Pomona, Rowland Heights, San Dimas, Valinda, Walnut and West Covina.

In addition, MTSAC is an approved workforce training provider on the I-Train system providing education and training for the Los Angeles County Worksource Centers' clients of professionals in transition.

MTSAC is eligible to contract with ETP as a community college. The College proposes to retrain incumbent workers from large and small employers to meet the business needs from a wide variety of industries, the majority of which are Panel priorities and meet the Panel's out-of-state competition criteria.

Ms. Torres introduced Paulo Madrigal, Director of Community and Contracts.

Mr. Broad said, I'm fine with the wage modification this time, however, I think for these Multi-Employer Agreements you guys get to pick. Maybe we need to start working on higher wage employers. I get if you come here and you are a single employer and operating in agriculture in the San Joaquin Valley, you might want to make wage modifications, but if you're a Multi-Employer Contract we are funding, we should start to move away from the lower wage occupations which the Panel is statutorily doing - funding higher wage training. That is a choice that you have to make. I think it's maybe evolving change in our philosophy. Maybe next year when you come back let's try to do it so you don't need wage modifications.

Ms. Gretchen said, I echo the Chairman's comments.

ACTION: Ms. Roberts moved and Ms. Newsom seconded the approval of the Proposal for Mt. San Antonio College in the amount of \$\$274,939.

Motion carried 5 – 0.

Tab #44 – Southern California Roofers and Waterproofers Joint Apprenticeship and Training Fund

Ms. Torres presented a Proposal for the Southern California Roofers and Waterproofers Joint Apprenticeship and Training Fund (SoCal Roofers and Waterproofers JATF), in the amount of \$449,801. Founded in 1959, the SoCal Roofers and Waterproofers JATF is responsible for approximately 500 Apprentices and 700 Journeymen in Southern California. Training includes multiple aspects of the industry such as tiles, shingles, solar panels, damp proofing, integrated photovoltaic, solar roof tiles, metal roofing, and waterproofing systems. SoCal Roofers and Waterproofers JATF operates three training centers located in Pomona, Riverside and Mission Hills. This program is governed by a joint labor-management committee. The Board of Trustees is comprised of an equal number of Employer and Union Trustees. Participating employers and the association of the JATC continue to support participation in ETP projects to fund training for union workers.

Ms. Torres introduced Guadalupe Corral, Coordinator, and Sandra Raiqoza, Project Administrator.

Ms. Roberts said, just a comment I think you're going to have a lot of work down in Southern California with roofing and waterproofing.

ACTION: Mr. Broad moved and Ms. Bell seconded the approval of the Proposal for Southern California Roofers and Waterproofers Joint Apprenticeship and Training Fund in the amount of \$449,801.

Motion carried 5 – 0.

Tab #45 – California Tradeshow and Sign Crafts Joint Apprentices Training Trust Fund

Ms. Torres presented a Proposal for California Tradeshow and Sign Crafts Joint Apprentices Training Trust Fund (CA Tradeshow), in the amount of \$297,240. Established in 2008, the CA Tradeshow serves workers in two local unions. Local 831 of the Tradeshow and Exhibit Installers serves Southern California and Local 510 serves Northern California. CA Tradeshow provides up-to-date industry skills training and secure high-quality job opportunities for its members.

Workers trained are employed by companies that build and install exhibits at trade shows, major convention centers, hotels and other conference and exhibit venues. The trust serves 300 Apprentices and 1,500 Journeymen. Tasks include the preparation, storage, hauling, loading, unloading, construction, uncrating, re-crating, layout, installation, dismantle, and maintenance of tradeshow, convention, special events and meeting related materials. Worker tasks also include the operation of all computer, mechanical and lifting equipment necessary to complete the installation of booth equipment, interior and exterior decorations, tradeshow furniture, floor coverings, and any other display related materials.

Ms. Torres introduced Fred Wright, Training Coordinator, Steve Duscha of Duscha Advisories, and Oscar Mayer of the Los Angeles School District.

There were no questions from the panel.

ACTION: Ms. Roberts moved and Ms. Newsom seconded the approval of the proposal for California Tradeshow and Sign Crafts Joint Apprentices Training Trust Fund in the amount of \$297,240.

Motion carried 5 – 0.

X. PUBLIC COMMENT

There was no public comment.

XII. MEETING ADJOURNMENT

Meeting adjourned at 10:38 a.m.