



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL**

Sacramento City Hall
New City Hall, 915 I Street
Council Chambers, Room 1103
Sacramento, CA 95814
February 22, 2018
(916) 327-5640

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

Ali Tweini
Member

Executive Staff

Stewart Knox
Executive Director

Michael A. Cable
Legal Counsel

STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL
Sacramento City Hall
California Environmental Protection Agency
1001 I Street, Sierra Hearing Room
Sacramento, CA 95814
February 22, 2018

I. PUBLIC PANEL MEETING CALL TO ORDER

Chairman Barry Broad called the meeting to order at 9:40 a.m.

II. ROLL CALL

Present

Barry Broad
Will Koch
Gretchen Newsom
Janice Roberts
Sam Rodriguez
Jeff Robinette
Ali Tweini

Absent

Gloria Bell

Executive Staff Present

Stewart Knox, Executive Director

Legal Counsel

Michael A. Cable

III. OPENING STATEMENT

Chairman Broad welcomed Panel Member Ali Tweini, Ex-Officio Member Will Koch, and legal Counsel Michael Cable to their first Panel Meeting.

IV. AGENDA

A brief overview of the Agenda was made, and it was questioned whether anyone has any changes to the Agenda. No changes were suggested or made.

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

Motion carried, 7 - 0.

V. MINUTES

It was questioned whether there were any changes and/or additions that need to be made to the Minutes from January 24, 2018. No changes and/or additions were suggested or made.

ACTION: Ms. Newsom moved and Mr. Robinette seconded the motion that the Panel approve the Minutes from the January 24, 2018 meeting.

Motion carried, 7 - 0.

VI. REPORT OF LEGAL COUNSEL

There was no report from Legal Counsel.

VII. REPORT OF THE EXECUTIVE DIRECTOR

Stewart Knox, Executive Director, reported that today's Panel Meeting concerns projects totaling just over \$7.0M; approximately \$355K of which are Delegation Orders.

It was reported that the following people are here today to present Proposals: Gregg Griffin, North Hollywood Regional Office Manager, and Anna Nastari, San Francisco Bay Area Regional Office Manager.

It was reported, regarding the Budget for Alternative and Renewable Fuel and Vehicle Technology Program (ARFVTP), that ETP is in partnership with the California Energy Commission with \$2M approved through an Interagency Agreement; that ETP has had four ARFVTP proposals in the last few months totaling over \$900K, one of which was approved for over \$620K, leaving approximately \$0.5M remaining for ARFVTP proposals this year.

It was reported, regarding Core Funds for Fiscal Year (FY) 2017/18, that upon the Panel approving the just over \$7M in projects scheduled for today's Panel Meeting, ETP will have approximately \$19M for the remainder of FY 2017/18.

It was reported regarding Delegation Orders, that all such project proposals are capped at \$50,000; that all such project proposals are to be approved by the Executive Director on a continuous flow basis; and that the 13 projects subject to Delegation Orders for today's Panel Meeting total just under \$355K.

It was reported, regarding 2017/18 total program funding to date, that approximately 367 projects have been submitted to the Panel, with a value of just over \$100M; and if all project proposals for today's Panel Meeting are funded today, that the Panel will have approved 337 projects, with a value of just under \$78M.

It was reported, regarding applications for contracts that are remaining in the Regional Offices: Single Employer Contract requests are at \$42M in demand; \$6.2M in allocation.

Multiple Employer Contract (MEC): requests are at \$6M in demand; \$3.8M in allocation. Small Businesses requests are at \$4.2M in demand; \$4.2M in allocation. Critical Proposals are at \$49K in demand; \$4.2M in allocations. Apprenticeship programs are at \$3.5M in demand; \$1.8M in allocation. Overall demand is approximately \$57M.

It was reported, the number of total projects in FY 2017/18 in the Regional Offices is 293; that the total number of projects currently in the Applications and Assessment Unit is 92; and that the number of total projects is 385.

It was reported that Staff is working hard to get the projects assigned out to the Regional Offices and that to date about 80% of the projects have been assigned to the Regional Offices.

It was reported that ETP has an additional \$10M in allocations for appropriations from the Governor’s office.

VIII. LEGISLATIVE UPDATE

A legislative update memorandum was provided to the Panel Members, and it was reported that there is a lot of information on Workforce Development and Cannabis issues.

IX. MOTION TO ADOPT CONSENT CALENDAR PROJECTS

Chairman Broad asked for a motion to adopt Consent Calendar Items #1 through #12.

All FAB Precision Sheetmetal, Inc.....	\$ 77,760
Applus RTD USA Services, Inc.....	\$149,688
Barracuda Networks, Inc.....	\$162,280
BHC Alhambra Hospital, Inc.....	\$201,798
C. Overaa & Co.....	\$ 99,396
Grossmont-Cuyamaca Community College District.....	\$ 90,000
Medcoast Medservices, Inc. dba Medcoast Ambulance Service.....	\$114,750
Moog, Inc.....	\$235,404
Nor Cal Beverage, Inc.....	\$150,270
PrimeCo.....	\$ 92,764
Terrakotta, Inc., dba Laguna Clay.....	\$ 83,200
WET.....	\$172,530

ACTION: Ms. Roberts moved and Ms. Newsom seconded the motion to approve the consent calendar for Items #1 through #12.

Motion carried, 7 – 0.

X. 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 Mr. Tweini seconded the approval to delegate authority to the Executive Director in event of a loss of quorum.

Motion carried, 7 - 0.

XI. REVIEW AND ACTION ON PROPOSALS

Single Employers

Tab # 13 – Southern California Permanente Med Group

Mr. Griffin presented a proposal on behalf of Southern California Permanente Medical Group (Kaiser) in the amount of \$749,520. Founded in 1945, Kaiser is a for-profit partnership and professional corporation of physicians responsible for providing and arranging medical care. Kaiser operates under three corporate umbrellas: Kaiser Foundation Health Plans (Nonprofit), Kaiser Foundation Hospitals (Nonprofit) and Kaiser Permanente Medical Groups (For-Profit). The medical groups formed The Permanente Federation to provide governance and police direction on a national level. Training proposed in this proposal will be limited to employees of the Southern California Permanente Medical Group. In California, the medical group general employs non-hospital personnel in the Kaiser system, with the exception of emergency room personnel who are employees of Kaiser. The group was previously registered as a Corporation; however, it has now been restructured into a General Partnership.

Mr. Griffin introduced Hazel Torres, Director- Regional Professional Development and Research Ambulatory Services and Steve Duscha.

During discussion, it was clarified, since Kaiser has had multiple contracts, that the employees to be trained under the current proposal are new and have not been trained under previous contracts.

It was suggested that there be no Substantial Contribution requirement for the current proposal; however, in the event Kaiser returns in the future with another proposal, it was indicated that a Substantial Contribution would be requested on any such future proposal made by Kaiser.

ACTION: Ms. Roberts moved and Ms. Newsom seconded the approval of the proposal for Southern California Permanente Medical Group in the amount of \$749,520.

Motion carried 7- 0.

Tab # 14 – Foster Poultry Farms

Ms. Nastari presented a Proposal for Foster Poultry Farms (Foster Farms), in the amount of \$683,550. Founded in 1939 and headquartered in Livingston, Foster Farms is the largest poultry producer in the Western United States. The Company's farms grow, process,

package, and ship its products to grocery stores and restaurants throughout the United States. Products include fresh chicken, chicken and turkey deli products, frozen appetizers, franks, and corn dogs. Training under this proposal will be delivered at the company's headquarters and seven other locations throughout California.

Ms. Nastari introduced Chris Carter – Vice President of Operations, Analuisa Reynoso – Human Resources Manager, Jeff Segars – Livingston Plant Manager, and Mike Jester, M.B.A. – Consultant with Strategic Business Solutions, LLC.

It was generally felt that Foster Farms has made improvements to its program, and that Foster Farms should be congratulated for the results of its last contract with ETP.

During discussion, it was clarified that approximately 15% of those to be trained under this proposal are veterans; and Foster Farms suggested it is extremely pro-veteran, employing approximately 2,500 veterans at Foster Farms.

ACTION: Ms. Roberts moved and Mr. Robinette seconded approval of the proposal for Foster Poultry Farms in the amount of \$683,550.

Motion carried, 7 - 0.

Multiple Employer Contracts

Tab #15 – Employers Group Services Corporation

Mr. Griffin presented a Proposal on behalf of Employers Group Services Corporation (Employers Group) in the amount of \$949,230. Founded in 1986, Employers Group is a non-profit trade association specializing in Human Resources (HR) Management. It offers several programs and services for its members including: telephone support and public workshops for HR professionals; consulting services on affirmative action planning and employee relations; surveys on compensation and benefits trends; and training in compliance, leadership, quality, productivity enhancement, and Lean Manufacturing. Employers Group is funded from membership dues and services fees. Members represent every industry (manufacturing, engineering, technology, transportation, and service-related businesses). Companies range in size from Fortune 500 companies to start-up ventures, with the majority of members having 10 to 200 employees.

Mr. Griffin introduced Jeffrey Hull, Sr. – Director of Talent Development.

During discussion, it was clarified that Employers Group performs 100% of the contract administration, including marketing.

ACTION: Ms. Newsom moved and Mr. Robinette seconded approval of the Proposal for Employers Group Service Corporation in the amount of \$949,230.

Motion carried, 7 - 0.

Tab #16 – Jewish Vocational Services of Los Angeles

Mr. Griffin presented a Proposal for Jewish Vocational Services of Los Angeles (JVS), in the amount of \$949,830. Founded in 1931, JVS provides workforce development and career services to diverse populations through an internal service delivery network comprised of

workforce development, assessment and disability, business vocational training, multicultural, and welfare-to-work services. JVS meets the employment and training needs of public assistance recipients dislocated workers, unemployed and under-employed adults, mature workers, immigrants and refugees, high-risk youth (i.e. foster youth, probation youth, youth affiliated with gangs or in danger of gang affiliation), individuals with disabilities, and those with multiple economic and social barriers to employment. In addition, JVS identifies training needs, customizes training plans, and provides administrative support to employers in the manufacturing and healthcare industries.

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

During discussion, JVS gave a general description of its Bank Works program, indicating that Bank Works is an 8-week program; that Bank Works provides technical and soft skills for people within the banking industry; that JVS has developed partnerships with 13 bank partners; and that the placement rate for Bank Works is close to 90%.

During discussion, it was clarified that JVS operates a program for veterans called Veteran's First, which is devoted to veterans and their spouses, and is a pool of persons from which JVS obtains participants for other programs such as Bank Works, Health Works, and Apartment Works.

During discussion, it was noted that JVS has a contract with the County of Los Angeles to deliver work source center services at the Bob Hope Patriotic Hall.

During discussion, it was clarified that JVS holds the trademark for Bank Works, Health Works, and Apartment Works.

ACTION: Mr. Rodriguez moved and Mr. Tweini seconded approval of the Proposal for Jewish Vocational Service of Los Angeles, in the amount of \$949,830.

Motion carried, 7 – 0.

Tab #17 – Santa Ana Chamber of Commerce

Mr. Griffin presented a Proposal for Santa Ana Chamber of Commerce (SACC) in the amount of \$949,351. This is the tenth proposal for the SACC and the sixth in the past five years. Founded in 1889, the SACC brings together a broad representation of business, government, non-profit, and education entities that work together on its board of directors, councils, committees, and task forces, to identify and implement programs to improve the economy in Santa Ana and surrounding areas. Workforce Development is one area of focus for the SACC. Developing the local workforce involves linking skill-training programs to current employer demands.

Mr. Griffin introduced Marty Peterson, Vice President, Operations, A.K. Thakore, President of Saisoft, and A.K. Trikha, CEO of Lean QA.

During discussion, it was suggested that, although the pending proposal does not appear to violate a particular rule, the Broker Model does present important issues that appear inconsistent with ETP's custom and practice with regard to Multi-Employer Contracts.

During discussion, it was suggested that panel Members need to ensure an equitable playing field; and that there may be an issue as to whether an equitable playing field is compromised by at least multi-employer entities performing little to no work under the Broker Model.

During discussion, it was suggested that the Broker model presents various troublesome issues; that these troublesome issues should be considered by the Subcommittee; and that the Subcommittee should make recommendations to the Panel.

Chairman Broad made a motion to approve the pending proposal and to submit the issues regarding the Broker Model to Subcommittee.

During further discussion, concerns were raised regarding the following facts: that this is the second time this proposal was brought before the panel; that SACC was instructed to bring this proposal before the Panel today without inclusion of any Northern California entities; that, as instructed, the pending proposal does not include any Northern California entities provided in the initial proposal, which impacts the pending proposal by lowering the amount of trainees from the initial proposal by approximately 93 trainees (23%); and, although the pending proposal lowers the amount of trainees by approximately 23% from the initial proposal, that the pending proposal is for the same contract amount.

During further discussion, SACC was questioned about the above facts and why SACC did not lower the contract amount of the pending proposal since the amount of trainees in the pending proposal is approximately 23% lower than the initial proposal; and SACC responded by stating that lowering the amount of trainees did not impact the contract price because, even with the lowering of the amount of trainees in the pending proposal, there remains a sufficient number of trainees in order to substantiate the same contract price in the pending proposal.

During further discussion, it was suggested that the Panel may lower the contract amount of the pending proposal by 23% in order to commensurate with the pending proposal's lowering of trainees from the initial proposal.

Chairman Broad suggested he would agree to a friendly amendment to his motion that the contract amount of the pending proposal be reduced by 23% in order to reflect the smaller amount of trainees.

Ms. Newsom and Mr. Tweini suggested a friendly amendment to Chairman Broad's motion by lowering the contract amount by 23% in order to reflect the smaller amount of trainees.

Chairman Broad made an amended motion to approve the pending proposal, subject to a 23% decrease in the contract amount, and to submit the issues regarding the Broker Model to Subcommittee.

During further discussion, it was clarified that SACC has approximately 400-500 members, approximately 10 of which have participated in this training.

During further discussion, it was generally questioned as to whether ETP should consider imposing geographical limitations on proposals; whether there are public perception problems with a contractor not seen as representing the community it claims to represent; and how such geographical limitations would adversely affect various other entities submitting similar proposals.

During further discussion, it was generally felt that these geographical issues should be discussed at Subcommittee.

During further discussion, it was clarified that SACC has one Hispanic non-bilingual person who is aware of ETP and visits businesses, and that SACC has two Spanish bilingual staff members.

During further discussion, it was clarified that SACC contends that Saisoft and Lean QA provide a benefit to SACC and local businesses, but SACC does not know whether or not training by Saisoft and Lean QA has led to new SACC membership.

Chairman Broad restated his amended motion to approve the pending proposal, subject to a 23% decrease in the contract amount, which was calculated to be a revised contract amount of \$731K, and to submit the issues regarding the Broker Model to Subcommittee.

Mr. Tweini seconded the amended motion.

Chairman Broad requested a roll call vote on the amended motion.

Ms. Van Dyke called roll and received individual responses as follows:

Chairman Broad – I;
Mr. Koch - I;
Ms. Newsom - I;
Ms. Roberts - Abstain
Mr. Robinette - I;
Mr. Rodriguez - I;
Mr. Tweini - I.

ACTION: Amended motion to approve the pending proposal in the revised contract amount of \$731,000 and to submit the issues regarding the Broker Model to Subcommittee was polled and approved.

Motion was polled with 6 “I’s” and, 1 abstention.

AMENDMENTS

Tab #18 – Laborers Training and Retraining Trust Fund of Southern California

Mr. Griffin presented an *Amended* Proposal for the Laborers Training and Retraining Trust Fund of Southern California (SoCal Laborers), in the amount of \$706,731. Founded in 1970, the SoCal Laborers funds training for three separate Apprenticeship Programs, two of which will participate in this proposal: 1) Laborers Southern California JAC and 2) Southern California Laborers Landscape and Irrigation Fitters JAC. So Cal Laborers serves eight Southern California Locals (89, 220, 300, 585, 652, 783, 1309, and 1184) in 12 counties.

Mr. Griffin introduced Martin De La Cruz – Marketing/Special Operations Manager.

Panel Member Jeff Robinette recused himself from any discussion and left the room.

There were no questions from the panel.

ACTION: Ms. Roberts moved and Mr. Tweini seconded the approval of the Amended Proposal for Laborers Training and Retraining Trust Fund of Southern California in the amount of \$706,731.

Motion carried 6 – 0.

XII. PUBLIC COMMENT

There was no public comment.

XIII. MEETING ADJOURNMENT

Meeting adjourned at 10:31 a.m.