



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL**
California Environmental Protection Agency
1001 I Street
Sierra Hearing Room, Second Floor
Sacramento, CA 95814
March 23, 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
California Environmental Protection Agency
1001 I Street, Sierra Hearing Room, Second Floor
Sacramento, CA 95814
March 23, 2018

I. PUBLIC PANEL MEETING CALL TO ORDER

Chairman Barry Broad called the meeting to order at 9:28 a.m.

II. ROLL CALL

Present

Barry Broad
Gretchen Newsom
Janice Roberts
Sam Rodriguez
Jeff Robinette
Ali Tweini
Gloria Bell

Absent

Will Koch

Executive Staff Present

Stewart Knox, Executive Director

Legal Counsel

Michael A. Cable

III. 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. Newsom moved and Mr. Tweini seconded the motion to approve the Agenda.

Motion carried, 6 - 0.

IV. MINUTES

It was questioned whether there were any changes and/or additions that need to be made to the Minutes from February 22, 2018. No changes and/or additions were suggested or made.

ACTION: Ms. Newsom moved and Mr. Tweini seconded the motion that the Panel approve the Minutes from the February 22, 2018 meeting.

Motion carried, 6 - 0.

V. REPORT OF LEGAL COUNSEL

There was no report from Legal Counsel.

VI. REPORT OF THE EXECUTIVE DIRECTOR

Stewart Knox, Executive Director, reported that today's Panel Meeting concerns projects totaling just over \$8.3M; approximately \$815K of which are Delegation Orders, for a total of just over \$9M.

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 \$8.3M in projects scheduled for today's Panel Meeting, ETP will have approximately \$10.3M 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 23 projects subject to Delegation Orders for today's Panel Meeting total just over \$815K.

It was reported, regarding 2017/18 total program funding to date, that approximately 376 projects have been submitted to the Panel, with a value of just over \$120M; and if all project proposals for today's Panel Meeting are funded today, that the Panel will have approved 376 projects, with a value of just over \$84M.

It was reported, regarding applications for contracts that are remaining in the Regional Offices: Single Employer Contract requests are at \$40M in demand; \$55K in allocation. Multiple Employer Contract (MEC): requests are at \$5.3M in demand; \$3.3M in allocation. Small Businesses requests are at \$4.4M in demand; \$188K in allocation. Critical Proposals are at \$0.00K in demand; \$3.8M in allocations. Apprenticeship programs are at \$4.6M in demand; \$2.9M in allocation. Overall demand is approximately \$54M.

It was reported, the number of total projects in FY 2017/18 in the Regional Offices is 313; that the total number of projects currently in the Applications and Assessment Unit is 54; and that the number of total projects is 367.

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.

VII. LEGISLATIVE UPDATE

A Legislative Update memorandum was provided to Panel Members. It was reported that there is a significant amount of legislation concerning Workforce Development and Cannabis issues in this Legislative Update. It was also reported that one bill, AB-2420 (Quirk-Silva), specifically identifies ETP in amending certain Unemployment Insurance Code sections under ETP’s legislation to include soft skills training. ETP worked directly with the author of AB-2420 (Quirk-Silva) in regards to the current version of the bill by adding soft skills to the already stated job-related basic and literacy skills training.

VIII. ACKNOWLEDGMENTS

ETP Executive Director, Stewart Knox, took a moment to announce that after 18 years of State service, Stephen Runkle is retiring at the end of March 2018. Mr. Runkle has been with ETP for 13 years, serving as Audit Manager for the last 9 years. It was reported, under Mr. Runkle’s management, the Audit Unit completed 193 audits resulting in \$1.6M unearned funds being returned to ETP. ETP thanks Mr. Runkle for his service and contributions and wishes him well on his retirement.

Panel Member Sam Rodriguez asked to take a moment to remember the Governor’s “Right-Hand Person,” Nancy McFadden who passed away last evening. She was 59 years old and served two governors.

IX. MOTION TO ADOPT CONSENT CALENDAR PROJECTS

Chairman Broad asked for a motion to adopt Consent Calendar Items #1 through #9.

Esplanade Builders, Inc.....	\$ 77,526
Hall Ambulance Service, Inc.....	\$242,550
Hansen Engineering Co.....	\$ 55,380
Hydratech, LLC.....	\$ 59,280
Johanson Dielectrics, Inc.....	\$ 99,000
LPL Financial, LLC.....	\$216,000
MSWest Enterprises dba Certified Collision Centers.....	\$249,870
Puritan Bakery, Inc.....	\$ 77,040
Steve’s Oilfield Service, Inc. dba SOS Crane & Trucking.....	\$ 77,600

ACTION: Mr. Tweini moved and Ms. Bell seconded the motion to approve the consent calendar for Items #1 through #9.

Motion carried, 6 – 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. Robinetti seconded the approval to delegate authority to the Executive Director in event of a loss of quorum.

Motion carried, 6 - 0.

XI. REVIEW AND ACTION ON PROPOSALS

Single Employers

Tab # 10 – L-3 Electron Devices, Inc.

Mr. Griffin presented a proposal on behalf of L-3 Electron Devices, Inc. (L-3), in the amount of \$898,104. Founded in 1948, L-3 manufactures high reliability communication satellites and subsystems to commercial space, and defense customers worldwide. The Company's parent company is L-3 Technologies, headquartered in New York, New York. L-3 has a total of 76 facilities located in 20 states. California locations include Anaheim, Carlsbad, Folsom, Goleta, Menlo Park, Poway, San Carlos, San Diego, San Leandro, Santa Rosa, Simi Valley, Spring Valley, Sylmar, and Torrance. Products manufactured at the Torrance facility include satellite RF amplifiers, microwave electron devices, and other related products. This will be the Company's second ETP Agreement, its second in five years.

Mr. Griffin introduced Glenn Grindstaff, Vice President, Human Resources & Administration, and Paul Johnson.

During discussion, it was questioned and reported that approximately 35-45% of the employees working for L3 are of a military/veteran status, and it was stated that such military/veteran persons will benefit from the training proposed here.

It was stated there is often general concern and additional scrutiny when a return applicant requests a substantially higher contract amount in relation to their previous contract amount; as is the case here, since the contract amount requested went from \$350K to \$900K. However, since it was reported, L3's market share went from 20-60%, with an additional 140 new employees, it was suggested that these statistics demonstrate the success of the previous contract, which will continue to grow, given the increased contract amount provided in the current contract. L3 reported that it plans to continue its growth with this new contract.

ACTION: Ms. Bell moved and Ms. Newsom seconded the approval of the proposal for L-3 Electron Devices, Inc. in the amount of \$898,104.

Motion carried 6- 0.

Tab # 11 – The Spaceship Co., LLC

Mr. Griffin presented a Proposal for The Spaceship Co., LLC (TSC), in the amount of \$653,000. TSC founded in 2005, is wholly owned by Galactic Ventures. Headquartered in Mojave Air and Space Port in Mojave, the Company has two additional facilities in Mojave. Training under this Agreement will only include trainees at the Company headquarters and their additional facility located in Mojave. This will be TSC's first ETP Agreement.

Mr. Griffin introduced Daniel Miller, People Development Manager.

During discussion, after being asked about their business model and the nature of the intended use of the aircraft being manufactured, Mr. Miller reported that TSC is in the space tourism business, and that TSC builds and designs aircrafts to take people to space. Mr. Miller also reported that Galactic Adventures is a holding company under Virgin; that space tourism is a dream and big endeavor of Richard Branson; and that all operations are located in Mojave, California.

It was questioned since this will be TSC's first contract, who will be in charge of project administration. Mr. Miller confirmed that he will be the project administrator, having worked with TSC for 8 years, and having already successfully administered another ETP program.

ACTION: Mr. Rodriguez moved and Ms. Bell seconded approval of the proposal for The Spaceship Co., LLC, in the amount of \$653,000.

Motion carried, 6 - 0.

Tab # 12 – H.M. Electronics, Inc.

Mr. Griffin introduced a Proposal on behalf of H.M. Electronics, Inc. (HME), in the amount of \$326,688. Founded in 1971 and headquartered in Poway, HME is a privately owned company that provides industry-leading wireless communication equipment, timer and software products to the quick service restaurant industry, high school and collegiate athletic programs. This proposal will also include two HME subsidiaries: Clear Com LLC located in Alameda; and HME Hospitality & Specialty Communications, Inc. (HME Hospitality). HME will act as the lead employer for the purposes of this ETP project.

Mr. Griffin introduced Jack Farnan, Vice President of Human Resources.

During discussion, it was reported that HME's last contract only earned 78% of the money; which although above the 70% threshold usually used for right sizing of contracts, raises concerns about the success of HME's training program. In response, Mr. Farnan explained that there was too much corporate activity and growth during the time of the last contract, and that these issues will not impact the success of the contract at issue now.

During discussion, it was questioned whether corporate activity and growth issues will adversely impact the current contract, since HME is reporting continued growth, in addition to new buildings, more corporate movement, and creating additional infrastructure. In response, Mr. Farnan restated that such issues will not prevent success of the current contract, and further explained that he and a new training manager in charge of organizational effectiveness are committed to obtaining 100% with the current contract application. Mr. Farnan also stated that they have implemented a professional development plan that includes quarterly check-ins in order to track the progress of each employee's training; and that they have invested in a learning management system that is going to provide over 1,000 computer-based training for employees.

During discussion, it was clarified there are two major business units to HME; One that serves the restaurant quick services, fast casual industry (HFC), and a second that develops and manufactures professional production wireless communications systems (Clear Com).

ACTION: Ms. Roberts moved and Mr. Tweini seconded approval of the proposal for H.M. Electronics, Inc., in the amount of \$326,688.

Motion carried, 6 - 0.

Tab # 13 – Karma Automotive LLC

Mr. Griffin introduce a Proposal on behalf of Karma Automotive LLC (Karma), in the amount of \$302,400. Headquartered in Irvine, Karma Automotive, LLC manufactures luxury gas-electric, plug-in electric (hybrid) automobiles. This is Karma's second ETP Agreement, and the second in the last five years.

Mr. Griffin introduced Warren Ernst, Training & Development.

During discussion, it was clarified the wage range for the operations staff was generally \$1,515 to \$4,500; and the wage range for the manufacturing staff was generally \$1,433 to \$5,500. Mr. Ernst reported that most workers are at the higher end of the wage ranges; that approximately 125 workers would be at the low end versus 350 workers at the high end.

ACTION: Ms. Roberts moved and Mr. Robinette seconded approval of the proposal for Karma Automotive, LLC, in the amount of \$302,400.

Motion carried, 6 - 0.

Tab # 14 – Orange County Global Medical Center, Inc. WITHDRAWN

Tab # 15 – Reborn Cabinets

Mr. Griffin introduced a Proposal on behalf of Reborn Cabinets (Reborn) in the amount of \$547,560. Founded in 1983, Reborn is a family-owned business that designs, manufactures, and installs custom cabinetry in kitchens and baths for homeowners. The Company's headquarters is located in Anaheim, which includes a showroom and their manufacturing operation. Reborn builds all of the cabinetry in its Anaheim facility where they also utilize specialized equipment to create and apply a catalyzed conversion varnish finish that improves the quality of their products. The Company has four standalone showrooms in Pleasanton, Torrance, Lake Forest, and San Diego. In addition, Reborn is an approved sell, furnish and install vendor for the Home Depot at numerous stores throughout California and the exclusive distributor of Kohler Brand and Jacuzzi Brand Walk-In Tubs for the entire state of California and Nevada.

Training will be for the employees at the Anaheim headquarters and the Pleasanton, Torrance, Lake Forest and San Diego showrooms. Reborn qualifies for standard retraining as a priority industry manufacturer.

Mr. Griffin introduced Vince Nardo, President and Joann Blankus.

During discussion, it was reported that Reborn's employees very much enjoyed and appreciated the training; and Mr. Nardo commented on Reborn's commitment to more training and professional development of its employees.

During discussion, in addition to Reborn's founder, it was estimated that at least approximately 15-20% of Reborn's workforce is military/veteran. Additionally, it was reported that Reborn attempts to uplift its employees by encouraging training and pairing lead installers with new installers. As such, Mr. Nardo provided an overview of Reborn's 3-week training program provided to new installers.

ACTION: Ms. Roberts moved and Mr. Tweini seconded approval of the proposal for Reborn Cabinets in the amount of \$547,560.

Motion carried, 6 - 0.

Tab # 16 – Cintas Corporation No. 3

Ms. Nastari presented a Proposal on behalf of Cintas Corporation No. 3 (Cintas) in the amount of \$301,185. Founded in 1929, and headquartered in Cincinnati, OH, Cintas provides corporate branded uniforms and products such as entrance mats, cleaning supplies, promotional products, safety supplies, and cleaning services to a wide variety of industries such as food service, automotive, air transport, hospitality, health care, and manufacturing and education.

Ms. Nastari introduced Justin Knight, Director of Human Resources.

During discussion, it was reported that this is Cintas' first contract with ETP; and since this contract involves 10 locations, Cintas is specifically advised to keep in close contact with ETP Staff in order to receive guidance with ETP's various recordkeeping requirements. Mr. Knight stated his appreciation for the advice, and explained that he was already in communication with ETP Staff regarding training rosters and documentation.

During discussion, it was also suggested that communication is going to be key in successfully administering this contract, which will include communicating with a significant amount of people at all 10 locations.

ACTION: Mr. Tweini moved and Ms. Newsom seconded approval of the proposal for Cintas Corporation No. 3, in the amount of \$301,185.

Motion carried, 6 - 0.

Tab # 17 – Del Monaco Foods, LLC dba Kettle Cuisine

Ms. Nastari introduced a Proposal on behalf of Del Monaco Foods, LLC dba Kettle Cuisine (Kettle Cuisine), in the amount of \$384,000. Founded in Massachusetts in 1986, expanded to California in 2016 by buying the Del Monaco Foods plant in Morgan Hill. The Company makes soups in small batches from natural foods, packages it in others' brands and ships it refrigerated frozen. Kettle Cuisine currently supplies retailers such as Whole Foods, Trader Joe's and Erik's Delis with its soups, and foodservice companies that see to restaurants, institutions and retailers.

Ms. Natari introduced Maria Marsilio, Human Resource Manager; Pete McKenzie, Site Director; and Steve Duscha.

During discussion, it was clarified that, although Kettle Cuisine can be a seasonal business that has a temporary workforce, said temporary workforce will not be part of this contract. Additionally, Kettle Cuisine is attempting to move away from needing a temporary workforce in the first place, by cross-training workers into alternative positions, and developing more year round culinary items to produce. Temporary workers maintain no connection with the company when their work is completed.

During discussion, since this is Kettle Cuisine's first contract with ETP, it was advised that Kettle Cuisine stay in close contact with its representative and ETP Staff. Mr. McKenzie indicated that while this is Kettle Cuisine's first contract, Mr. McKenzie has actually brought four other contracts before the Panel regarding Paramount Citrus in the Central Valley.

ACTION: Mr. Rodriguez moved and Mr. Robinette seconded approval of the proposal for Del Monaco Foods, LLC dba Kettle Cuisine in the amount of \$384,000.

Motion carried, 6 - 0.

Tab # 18 – Headway Technologies, Inc.

Ms. Nastari introduced a Proposal on behalf of Headway Technologies, Inc. (Headway), in the amount of \$344,880. Founded in 1994 and based in Milpitas, Headway designs and manufactures recording head for high performance hard disk drives used in portable computers and computer servers. Headway continues to research and develop the next generation of disk drives to maintain large customer accounts with Toshiba, Seagate and HGST.

The Company has four locations in Milpitas where the proposed class/lab and productive lab training will take place for both incumbent workers and newly hired staff. The training targets 326 current employees and 75 Job Creation retrainees. Headway is a manufacturer eligible for the priority reimbursement rate.

Ms. Nastari introduced Jeanna McCoy, Employee Relations Manager, and Shelly Lal, Training Development Supervisor.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Tweini seconded approval of the proposal for Headway Technologies, Inc., in the amount of \$344,880.

Tab # 19 – ISEC, Incorporated

Ms. Nastari introduced a Proposal on behalf of ISEC, Incorporated in the amount of \$337,600. Founded in 1967 and headquartered in Colorado, ISEC, Incorporated (ISEC), is a construction company that focuses on woodwork projects. ISEC provides innovative solutions in architectural woodwork, ornamental metals, doors, frames & hardware, laboratory and medical furniture. The Company works with major commercial subcontractors on construction projects ranging from schools, airports and hospitals. Its main customers are general contractors, architectural firms, governmental agencies and other commercial property owners. ISEC began providing furniture and athletic equipment in schools. It has since expanded into the healthcare and laboratory industries. It has facilities across the nation with California facilities in Dixon, South San Francisco, Fremont, La Palma, Ontario, Thousand Oaks and San Diego where training will occur.

Ms. Nastari introduced John Fritschler, Director of Education; Mike Polanchyck, Executive Vice President; and Jeff Long, Regional Manager.

During discussion, it was reported that ISEC is waiting for a letter of approval from the Carpenters of Southern California. ISEC reported that it has a great relationship with the Carpenters Union, that ISEC has a letter of approval from the Carpenters of Northern California, but that the letter of approval from the Carpenters of Southern California is delayed due to pending contract negotiations. ISEC notes that AGC will also be providing a letter of support after having communicated with the union.

During further discussion, since this is ISEC's first contract, ISEC was advised to stay close and work with ETP Staff in administering the contract. Mr. Fritschler stated that they will do so, and outlined how he intends to administer the contract with regional HR coordinators.

During further discussion, it was stated that ISEC is a Colorado corporation that is really a California-based company. Mr. Fritschler stated that ISEC has a small corporate office in Colorado, however, the majority of ISEC employees and business operations are here in California.

ACTION: Mr. Roberts moved and Ms. Bell seconded approval of the proposal for ISEC, Incorporated in the amount of \$337,600.

Motion carried, 6 - 0.

Tab # 20 – Certified Stainless Service, Inc., dba West-Mark

Ms. Nastari introduced a Proposal on behalf of Certified Stainless Service, Inc., dba West-Mark (Certified Stainless), in the amount of \$282,000. Founded in 1967, and headquartered in Ceres, Certified Stainless manufactures tanks and trucking equipment used to transport and deliver liquids. The Company's products are used by customers in the Emergency, Petroleum and Energy, Construction, Military, and Food and Agriculture Industries.

Certified Stainless has four facilities in California, Atwater, Bakersfield, and two in Ceres. (The Company also has a facility located in Fairbanks, Alaska.) All facilities located in California will receive training under this proposal.

Ms. Nastari introduced Bill Doughty, CFO of West Mark.

During discussion, it was reported that Certified Stainless will be training 10 veterans, and that although there is a service facility serving customers in Alaska, all development, engineering, training, and production takes place in California.

ACTION: Ms. Roberts moved and Mr. Robinette seconded approval of the proposal for Certified Stainless Service, Inc., dba West-Mark in the amount of \$282,000.

Motion carried, 6 - 0.

Tab # 21 – Covenant Care California, LLC

Ms. Nastari introduced a Proposal on behalf of Covenant Care California, LLC (Covenant Care), in the amount of \$749,496. Founded in 1994 and headquartered in Aliso Viejo, Covenant Care and its affiliates specialize in skilled nursing care and rehabilitation services such as short-term and long-term nursing care, medication management and development disabilities.

Covenant Care will serve as the lead employer in this proposal with its six affiliates: Covenant Care Capitola, LLC; Covenant Care Encinitas, LLC; Covenant Care La Jolla, LLC; Covenant Care Lodi, LLC; Covenant Care Mission, LLC; and Covenant Care Morgan Hill, LLC. Training under this proposal will include 21 locations throughout California.

Ms. Nastari introduced Jacqueline Turner, RN, Director of Education and Regulatory Affairs; and Bill Parker, President, CEO.

During discussion, it was reported that Covenant Care had an approximately 70% completion rate on their last contract. In order to explain the low completion rate on their last contract, Ms. Turner stated that there were issues with identifying original rosters from copies in order to secure credit, and that a business decision was made to back out 1,500 training hours, which would have put Covenant Care at more than the maximum, in lieu of the time and expense associated with trying to fix the roster issues. Ms. Turner also reported that Covenant Care contracted with NTS, who will assist Covenant Care with recordkeeping and other issues to avoid roster problems in the future.

During further discussion, Ms. Turner explained that there is no re-training of people due to ineffective training; rather, Covenant Care has been developing different ways of training in order to respond to the different ways people receive information.

During further discussion, it was stated that approximately 27 veterans were hired in 2016 and an additional 27 veterans were hired in 2017. At this time, approximately 10% of all Covenant Care employees are veterans.

During further discussion, Ms. Turner outlined the steps undertaken to ensure a higher success rate on the current contract; including longer training sessions, more training sessions, and hiring NTS to focus on the recordkeeping while they focus on the training.

During further discussion, it was recognized that an application such as this one is typically right-sized to the amount of money earned in the previous contract, but given the discussion, it was suggested that this contract be right-sized by 80% (or \$600,000).

ACTION: Mr. Broad moved and Ms. Newsom seconded approval to right-size this proposal for Covenant Care California, LLC in the amount of \$600,000.

Motion carried, 6 - 0.

Multiple Employer Contracts

Tab # 22 – Santa Monica Community College District

Mr. Griffin presented a Proposal on behalf of Santa Monica Community College District (SMC) (Employers Group) in the amount of \$ 949,688. SMC is a two-year public community college located in the City of Santa Monica. SMC, accredited by the Western Association of

Schools and Colleges, serves approximately 33,000 students and offers over 90 fields of study. This will be SMC's ninth ETP Agreement, its fourth within the last five years.

Mr. Griffin introduced Sasha King, Director, Business Development and Small Business Support and Jennifer Landen.

There were no questions from Panel.

ACTION: Ms. Roberts moved and Mr. Tweini seconded approval of the Proposal for Santa Monica Community College District in the amount of \$949,688.

Motion carried, 6 - 0.

Tab # 23 – Northern California Elevator Industry Joint Apprenticeship and Training Committee Trust Fund

Ms. Nastari introduced a Proposal on behalf of Northern California Elevator Industry Joint Apprenticeship and Training Committee Trust Fund (NorCal Elevator JATC), in the amount of \$744,600. Established in 2004, NorCal Elevator JATC serves 540 Apprentices and 841 Journeymen Elevator Constructors and Mechanics. Workers are represented by the International Union of Elevator Constructors Local 8 which covers 46 northern California counties. Employers are represented by the National Elevator Bargaining Association and the Elevator Contractors of America. Workers are employed in companies that build, install, repair, modernize, and service elevators and escalators.

This is NorCal Elevator JATC's first ETP Agreement. The request is driven by the growing volume of new construction, and need for long-term service and repair of elevators and related equipment in northern California.

Ms. Nastari introduced Jim Leonard, National Elevator Industry Educational Program (NEIEP) Area Coordinator; and Greg Hardeman, JATC Chairman.

During discussion, Mr. Leonard stated that there is a commitment to veterans, and that many of their veterans are small business owners.

ACTION: Ms. Roberts moved and Mr. Tweini seconded approval of the Proposal for Northern California Elevator Industry Joint Apprenticeship and Training Committee Trust Fund in the amount of \$744,600.

Motion carried, 6 – 0.

XII. PUBLIC COMMENT

Ms. Newsom reported on the Subcommittee meeting held.

It was reported that the 2018 STEPS Grant was in full force, receiving summaries of all the grant proposals and applications as part of a solicitation proposal process. Proposals were scored by two ETP Staff Members, two Department of Rehabilitation Staff Members, and one California Workforce Development Board Staff Member. It was further reported that a total of \$4.6M is in demand to serve 920 students with disabilities. It was explained that applicants were divided into two tiers: Tier One applicants are recommended for funding immediately. Tier Two applicants will be recommended for funding after an additional \$500K becomes available.

It was further reported that the Subcommittee unanimously recommended approval of the 2018 STEPS Grant applications as outlined with the request that minimum wage for the students be set at \$11.50/hour, or \$.0.50 above the California Minimum Wage to be negotiated with the different applicants.

ACTION: Mr. Tweini moved and Mr. Broad seconded approval of the 2018 STEPS Grant per project proposals as outlined.

Motion carried, 6 – 0.

It was further reported that some items that would likely be considered at the May Panel Meeting were to include Substantial Contribution, Broker Model, non-traditional apprenticeship programs and reimbursement rates.

XIII. MEETING ADJOURNMENT

Meeting adjourned at 11:04 a.m.