



Employment Training Panel

**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL**
California Environmental Protection Agency
1001 I Street
Sierra Hearing Room, Second Floor
Sacramento, CA 95814
December 7, 2018
(916) 327-5640

PANEL MEMBERS

Barry Broad
Chair

Janice Roberts
Vice-Chair

Gloria Bell
Member

Cheryl Akin
Ex-Officio Member

Gretchen Newsom
Member

Rick Smiles
Member

Ernesto Morales
Member

Ali Tweini
Member

Executive Staff

Stewart Knox
Executive Director

Michael A. Cable
Legal Counsel

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I. PUBLIC PANEL MEETING CALL TO ORDER

Chairperson Barry Broad called the meeting to order at 9:38 a.m.

II. ROLL CALL

Present

Gloria Bell
Barry Broad
Janice Roberts
Ali Tweini
Cheryl Akin
Gretchen Newsom

Absent

Ernesto Morales
Rick Smiles

Executive Staff Present

Stewart Knox, Executive Director

Legal Counsel Absent

Michael A. Cable

III. AGENDA

Mr. Broad announced that the fourth item on the agenda, ETP Program Assessment Conducted by Social Policy Research would be removed from the Agenda. Mr. Broad further noted that they would be presented, possibly at the next Panel Meeting. Mr. Broad moved for the motion and Ms. Roberts seconded it.

ACTION: Mr. Broad moved and Ms. Roberts seconded the motion to approve the Agenda with the removal of the fourth item on the Agenda, ETP Program Assessment by Social Policy Research.

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 October 26, 2018. No changes were suggested or made.

ACTION: Ms. Roberts moved and Ms. Bell seconded the motion that the Panel approve the Minutes from the October 26, 2018 meeting.

Motion carried, 6 - 0.

V. REPORT OF THE EXECUTIVE DIRECTOR

Mr. Knox reported that today's Panel Meeting concerns projects totaling just over \$13.7M, with approximately \$655K in Delegation Orders, for a grand total of just over \$13.7M, looking at possibly a larger meeting in January.

It was reported that the following people were in attendance to present Proposals: Anna Nastari, San Francisco Bay Area Regional Office Manager; Diana Torres, San Diego Regional Office Manager; and Jana Lazarewicz, Sacramento Regional Office Manager. Mr. Knox announced that Anna Nastari would be retiring after 19 years with ETP and over 30 years with the State of California. Mr. Knox stated that she would be greatly missed, thanked her for her loyal service to ETP, and wished her well on her retirement and any future endeavors.

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 in regards to \$2M approved through an Interagency Agreement; and that ETP's four (4) ARFVTP proposals in the last few months totaled over \$1M, leaving approximately \$2M remaining for ARFVTP proposals this year.

It was reported, regarding Core Funds for Fiscal Year (FY) 2018/19: today the Panel will consider another \$13.7M with an additional \$655K approved by delegation order; that upon the Panel approving the just over \$95M in projects for this year, ETP will have approximately \$20+M for the remainder of FY 2018/19.

Mr. Knox reported ETP will closely monitor all projects coming forward, as the current fiscal year comes to a close. Mr. Knox also stated that ETP is working closely with the fiscal team to make adjustments to encumbrance levels for the remaining year in order to fund as much as possible. The downside is this will increase next year's prior year liabilities.

Mr. Knox went into further detail about the Fund Status Report. Mr. Knox said that ETP starts with an allocation and appropriations from the Governor's office, then works with the Department of Finance as for the encumbrances and the prior liabilities. For example, this year ETP had approximately \$95.3M, and a 40% encumbrance rate was placed at the beginning of the year, which was higher than ETP's original encumbrance rate to make sure ETP had enough money throughout the year. Typical years is around a 38% encumbrance rate. Mr. Knox is recommending that the encumbrance rate be dropped to 36%. Mr. Knox went on to say that this will free up approximately \$14M for the remainder of this fiscal year, which puts ETP at approximately \$114M. This essentially adds \$13M-\$14M to that fund balance. Mr. Knox also stated that ETP is asking for an additional \$10M for the coming fiscal year which will be put forward on the contracts liability for the next year. Therefore, rather than putting out \$115M next year, the plan will be to hold that amount to \$103M, so the \$10M will bank into the contract liabilities. Mr. Knox then asked if there were any questions from the Panel Members.

Mr. Broad asked if any Panel Members had question. Panel responded no.

Mr. Broad reiterated they do not want a repeat of 2008 where the action was reacting and not being proactive.

Mr. Knox reiterated that if we do have a recession that he will be coming before the Panel and requesting severe cuts in the budget.

It was reported, regarding Delegation Orders: that all such project proposals are capped at \$75K; 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 over \$655K.

It was reported, regarding 2018/19 total program funding to date: that approximately 580 projects have been submitted to the Panel, with a value of just over \$150M; and if all project proposals for today's Panel Meeting are funded today, that the Panel will have approved 305 projects, with a value of just over \$95M.

It was reported, regarding applications for contracts that are remaining in the Regional Offices: Single Employer Contract requests are at \$39M in demand, with \$10M in allocation; Multiple Employer Contract (MEC) requests are at \$7.7M in demand, with \$2.2M in allocation; Small Businesses requests are at \$5.7M in demand, with \$2.7M in allocation; Critical Proposals are at \$0 in demand, with \$764K in allocations; and Apprenticeship programs are at \$3.5M in demand, with \$2.83K in allocation. Overall demand is approximately \$55+M.

It was reported that the number of total projects in FY 2018/19 in the Regional Offices is 136; that the total number of projects currently in the Applications and Assessment Unit is 270; and that the number of total projects is 406.

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.

VI. LEGISLATIVE UPDATE

In reference to a Legislative Update, Mr. Knox reported there was nothing new to report.

VII. MOTION TO ADOPT CONSENT CALENDAR PROJECTS

Mr. Broad asked whether there was any discussion needed in regards to a motion to adopt the consent calendar projects.

Chairperson Broad asked for a motion to adopt Consent Calendar Items #1 through #26.

Airco Mechanical, Inc.....	\$180,128
Anlin Industries.....	\$199,680
Arrow Drillers, Inc., dba Arrow Construction.....	\$179,920
Assessment, Consultation & Treatment, Inc.....	\$102,180
California Imaging Institute, Inc.....	\$198,120
California Tooling & Machining Apprenticeship Association.....	\$121,524
CHA Hollywood Medical Center, L.P. dba Hollywood Presbyterian Medical Center.....	\$199,680
EI & EI Wood Products Corp.....	\$155,480

JLS Environmental Services, Inc.....	\$174,252
JobTrain, Inc.....	\$199,515
JSR Micro, Inc.....	\$124,358
Modesto Area Sheet Metal JATT.....	\$ 98,141
National Veterans Transition Services, Inc.....	\$ 72,384
NuVasive, Inc.....	\$195,000
O'Brien Steel Erectors, Inc.....	\$106,080
POM Wonderful Holdings, LLC dba POM Wonderful LLC.....	\$197,730
Pyramid Berkeley Management, L.P. dba DoubleTree By Hilton Hotel Berkeley Marina.....	\$181,125
Rabobank, National Association.....	\$198,030
Riverside Magnolia Corporation dba West Anaheim Extended Care.....	\$124,436
Royal Ambulance, Inc.....	\$115,908
S. Bravo Systems, Inc.....	\$135,590
School Innovations & Achievement.....	\$104,780
Sempra Energy dba Southern California Gas Company.....	\$191,464
Skywork Solutions, Inc.....	\$ 46,240
Unified Field Services Corporation.....	\$174,720
Yuba Shasta UA Local 228 JATC.....	\$150,055

ACTION: Ms. Newsom moved and Ms. Roberts seconded the motion to approve the consent calendar for Items #1 through # 26.

Motion carried, 6 – 0.

Ms. Roberts asked to make a comment about some of the contracts regarding the developmental fees. Ms. Roberts stated that this topic was discussed back in 2011 regarding the exorbitant developmental fees. It was decided in 2011 that these fees would be capped at 10%. However, in reviewing the contracts, there were four (4) contracts that were above the 10% cap. Ms. Roberts stated that these fees cannot be paid out of the money that ETP funds. Ms. Roberts went on to explain that these fees are separate fees and are between the contractor and subcontractor and are not paid out of the ETP funds.

VIII. REPORT OF GENERAL COUNSEL

Legal Counsel, Michael Cable was not in attendance.

IX. COMMITTEE REPORT TO PANEL

Ms. Newsom provided a brief report of the Committee Meeting held on December 6, 2018. First on the agenda was review of the Retrainee Job Creation program (RJC) to discuss the lower wage incentive included in the program. The Committee decided to bring to the Panel for a future vote keeping the RJC program “as is” except raising the lowest RJC wage to \$15/hour. Contractors would still be able to use \$2.50 for health benefits which would be applicable to reaching that wage. Committee also added that the company must attest to the RJC trainees are net new hires and staff will be looking into how to look into that and report that out.

Committee also discussed the Cannabis Industry. It is quite a lengthy report that was discussed. Committee reviewed the status of the new Cannabis industry in California, including the licensing types and other industry issues. The Committee decided to bring to Panel a future Cannabis pilot program which would consider the following:

- A one year pilot
- A \$1M allocation in total
- \$100K project to CAP
- All Cannabis proposals must come before the Panel
- All Cannabis State Law Licenses will be ETP eligible *except* for the temporary events licenses
- Cannabis projects will be a non-priority
- All Cannabis companies must have all applicable statewide, county wide, and local licenses
- All Cannabis companies must be paying into the ETP fund
- All Cannabis companies must be active and in good standing with the Secretary of State
- All Cannabis companies must have worker's compensation insurance; otherwise, standard program elements will apply.

The pilot will be presented to the Panel for vote after ETP's Legal Counsel confers with the California Attorney General.

Committee also discussed appeals process. We have reviewed ETP's Appeals process especially for second level appeals. ETP is following the appeals process laid out in our regulations.

Committee also discussed ETP response to states of emergency from the recent wildfires for businesses affected by the recent wildfires in areas designated by the Governor and his State of Emergency Proclamation, we would like to use a combined response, including the following:

Critical proposal designation required minimum wage will be the HUA wage for those affected counties. Businesses may utilize alternate retention period of 90 days within the 120 days with three employers. Businesses may request an extended contract term longer than 24 months if necessary. If alternate funding becomes available, the RESPOND which stands for Rapid Employment Strategies Pile on Natural Disasters. It can be reactivated and there is no panel on this yet, but these are the options available, but these are the options available to us when and if the companies with the affected areas come to us for funding.

Committee also took a couple of public comments and there were multiple requests to simplify allocations and rosters, and requests to overhaul the way ETP credits or logs training and trainer-to-trainee ratios. Staff will be researching both of these items.

X. REVIEW AND ACTION ON PROPOSALS

Single Employers

Tab #27 – AHMC Whittier Hospital Medical Center, LP

Ms. Torres presented a proposal on behalf of AHMC Whittier Hospital Medical Center, LP (Whittier Hospital) in the amount of \$420,368. Founded in 1957, Whittier Hospital is a community-based acute care hospital with 178 licensed beds. Its services include emergency, critical care, nursery, laboratory, outpatient services, rehabilitation services

(physical therapy, occupational & speech), and imaging services. As part of its community outreach, the hospital offers programs in wellness, diabetes and stroke awareness. Whittier Hospital is a wholly-owned subsidiary of AHMC Healthcare, Inc., but it operates as a Limited Partnership autonomous from other AHMC hospitals in the state.

Ms. Torres introduced Sarkis Vartanian, Chief Nursing Officer.

Mr. Tweini thanked Mr. Vartanian for his report. Mr. Tweini asked if they had any veteran program and/or training.

Mr. Vartanian responded that their HR director is a veteran. They work closely with local veteran associations. Letters are routinely sent out to these associations that they are looking to hire veterans. Mr. Vartanian thought 7-8% of employees are veterans in the company.

Ms. Roberts commented that they have had good performance in the past. Ms. Roberts also commented about their funding being fairly moderate. Ms. Roberts also commented that this was their fourth contract in five years. Ms. Roberts said that if they decided to come before Panel again in the next two years, ETP will probably be looking to reduce the amount. Ms. Roberts asked about the 19% turnover rate. Ms. Roberts expressed concern over this percentage and requested an explanation about the 19% turnover rate.

Mr. Vartanian responded that it is a combination of CNA's and RNs. They experience a lot of turnover of CNAs, as they were having concerns with recertification of their license or their certification. So a lot of the turnover was the result of not being able to renew their certification in a timely fashion. A couple of months later, however, after they receive their certification, they would be back with us. Mr. Vartanian went on to state that some of it was the CNAs and RNs. Some of it is the definitely the changing job market for the registered nurses. Mr. Vartanian stated that he sees a lot more competition, so these individuals have more options open to them.

Ms. Roberts acknowledged what Mr. Vartanian said, but did reiterate that they should try and get the turnover rate down.

Ms. Torres stated she forgot to mention they received a letter of support from the California Nurses Association for those occupations.

ACTION: Ms. Roberts moved and Ms. Newsom seconded the motion for approval of the proposal for AHMC Whittier Hospital Medical Center, LP in the amount of \$420,368.

Motion carried, 6 - 0.

Tab #28 – AppFolio, Inc.

Ms. Torres presented a proposal on behalf of AppFolio, Inc., (AppFolio) in the amount of \$274,066. Founded in 2006, AppFolio designs and develops cloud-based software solutions for the real estate and legal markets. AppFolio's products and services address the unique requirements of property management companies which manage single – and multi-family residences, commercial properties, community associations, student housing, as well as solo legal practitioners and small law firms. AppFolio's software solutions are built using a modern cloud-based architecture, and are designed for use across multiple devices and

operating systems. The Company focuses on revolutionizing businesses by providing easy-to-use software and services which help customers automate business processes, streamline operations, save time grow their businesses.

Ms. Torres introduced Nick Duggan, Sr., Manager People Development.

Ms. Roberts commented that it is a good proposal.

Ms. Newsom thanked Mr. Duggan for the high wages and not taking the wage reduction under the job creation.

Mr. Tweini commented that he is happy to see they employ veterans.

ACTION: Ms. Bell moved and Mr. Tweini seconded the motion to approve the proposal for AppFolio, Inc., in the amount of \$274,066.

Motion carried, 6 - 0.

Tab #29 – West Coast MediaNews LLC dba California Newspapers Partnership

Ms. Torres presented a proposal on behalf of West Coast MediaNews LLC dba California Newspapers Partnership (CNP), in the amount of \$884,000. Founded in 1999 and headquartered in San Jose, West Coast MediaNews LLC dba California Newspapers Partnership (CNP), is a subsidiary of Media News Group. CNP is the largest publisher of daily and weekly newspapers in California. Through its statewide network of newspapers and websites, CNP provides news and information to readers, as well as marketing and advertising opportunities for businesses. In this proposal, training will be delivery to CNP Job No. Job Description Type of Training Estimated No. of Trainees Range of Hours Average Cost per Trainee PostRetention Wage Class / Lab CBT 1 Retrainee Priority Rate Business Skills, Computer Skills, Cont. Imp., Mfg. Skills 1,000 8-200 0 \$884 \$16.70 Weighted Avg: 34 West Coast MediaNews December 7, 2018 ET19-0343 ETP 130 - Single (08/29/18) 3 of 4 staff, and workers employed at two additional news publishing affiliates: California Newspapers Limited Partnership and the Los Angeles Daily News Publishing Company. CNP and its affiliates publish a variety of daily and weekly publications from approximately 53 locations statewide, all of which will participate in this training.

Ms. Torres introduced Joy Gavazzoni, Recruiting & Training.

Ms. Newsom wanted to know what the baseline wage is for employees.

Ms. Gavazzoni responded that the baseline wage varies based on different markets. Ms. Gavazzoni stated that most of the sales executive positions have a commission and base salary. Ms. Gavazzoni further stated that in most markets, it's usually a 50/50 split between the commission and base salary.

Ms. Newsom asked if the base salary was above minimum wage and if so, how much more.

Ms. Gavazzoni responded that \$40K would be the base salary. Ms. Gavazzoni mentioned that they have a small group that are commission only and that is reflected in the current proposal.

Mr. Knox stated that those employees on a 1099 would not be eligible for the funding from ETP. Mr. Knox asked how many employees are on a commission only program.

Ms. Gavazzoni responded that there was approximately one dozen employees.

Ms. Roberts stated that since it was their 3rd contract, they have done well on their other contracts and with many locations, which is commendable. However, there are no new employees, only retrainees, and requested that the amount be reduced by 15%. Ms. Roberts reiterated this was only due to the fact there are no new hires, only retrainees.

Mr. Broad asked if this was a motion on table. Ms. Roberts responded yes, it is. Ms. Newsom seconded the motion. Motion to reduce 15% was passed.

ACTION: Ms. Roberts moved and Ms. Newsom seconded motion to right size the amount of the funding 15% and approve the proposal for West Coast MediaNews LLC dba California Newspapers Partnership in the amount of \$751,400.

Motion carried, 6 - 0.

Ms. Torres clarified with Mr. Broad that the commissions deal with retail so the commission only employees for this contract would not apply.

Tab #30 – West Hills Hospital dba West Hills Hospital & Medical Center

WITHDRAWN

Tab #31 – Wonderful Pistachios & Almonds LLC

Ms. Torres presented a proposal on behalf of Wonderful Pistachios & Almonds LLC (Wonderful), in the amount of \$406,120. Founded in 1989, Wonderful Pistachios & Almonds LLC (Wonderful) (www.wonderful.com), requests funding for its employees and two closely affiliated entities, Wonderful Growers Cooperative and Cal Pure Produce Inc. All three entities are wholly-owned subsidiaries of the Wonderful Company LLC in Los Angeles. Headquartered in Lost Hills, the Company has six facilities in California: five growing and processing sites in Lost Hills, Firebaugh, and Bakersfield; and an office in Los Angeles. International sites include Belgium, China, Korea, India, Mexico, and Brazil. Customers include retail and wholesale food distributors worldwide such as Costco, Wal-Mart, Tesco, Blue Diamond, Planter's, Kraft, Trader Joe's, and Whole Foods.

Ms. Torres introduced Shahla Ali Director of Training.

Ms. Newsom asked about the wage progression for the employees. Ms. Newsom pointed out that their wages were pretty low. Ms. Newsom is concerned because it appears from the current contract that they are continuing on with the lower wage.

Ms. Ali responded by saying that they implemented a program during the drought which was a plant-wide continuous improvement in manufacturing. Ms. Ali also stated that as they continue with the program they are seeing the results and benefits of each individual employee actually contributing to the efficiencies in the production. This leads to moving up through the ranks fairly quickly.

Ms. Newsom asked Ms. Ali to elaborate further on the 500 estimated trainees in Job No. 1 that would be earning \$11/hour up to \$19.73. Ms. Newsom asked if they are coming in at \$11/hour, and how soon would they be coming up in their pay.

Ms. Ali responded they have around 50 to 60 employees that start up at \$11/hour and within 6 months to a year they are at the \$15/hour mark.

Ms. Roberts asked what the difference is between the Wonderful Company and the POM Wonderful Company.

Ms. Ali responded that they have the "Wonderful Umbrella." Under each umbrella they have multiple entities and each individual entity has their own president, senior management, and federal tax ID. So each unit is individual.

Ms. Roberts was concerned about their performance with the last contract. Ms. Roberts acknowledged that this proposal was right-sized but still concerned with meeting 100% of the contract. With that said, Ms. Roberts asked Ms. Ali what is different with the current proposal as opposed to the last contract.

Ms. Ali responded that with the last contract they were only able to take about half of the employees that were originally intended for training. They tried to train on many different levels so that they would move up in production as well as performance. This contract they are taking a different set of employees (who were not able to go through training last time) and try and provide them with the same level of training that their counterparts received.

Mr. Tweini stated that they would like to see more veterans benefit from their program.

Ms. Ali responded that they actively recruit veterans for their management, supervisory position because of the level of knowledge and experience they bring to the position.

ACTION: Mr. Tweini moved and Ms. Roberts seconded the motion for approval of the proposal for Wonderful Pistachios & Almonds LLC in the amount of \$406,120.

Motion carried, 6 - 0.

Tab #32 – California Creative Solutions, Inc. dba CCS Global Tech

Ms. Torres presented a proposal on behalf of California Creative Solutions, Inc. in the amount of \$280,800. Founded in 1997 and headquartered in San Diego, California Creative Solutions, Inc. dba CCS Global Tech (CCS) (www.ccsglobaltech.com) is a Microsoft certified consulting firm with locations in New York, Philadelphia, Australia, India, Singapore, Malaysia and San Francisco. CCS is primarily engaged in providing computer programming services, computer software design, mobile application development, and cloud-based IT services. The Company specializes in Microsoft Business Intelligence (Microsoft BI) and customized software/application development to retrieve, analyze, transform and report computer data, making data more accessible and relevant to the end-user. Examples of Microsoft BI are word processors, spreadsheets, accounting applications, web browsers, and creative platforms that have evolved into cloud based systems that end-users can now access from their desktop, laptop or mobile devices.

Ms. Torres introduced Hètesh Jain, Chief Financial Officer; and Huong Vo, Corporate In-House Counsel.

Mr. Broad asked if they actually build the Cloud or do they train on how to use the Cloud.

Mr. Jain responded that they build the Cloud, they do not train.

Mr. Tweini asked if they encourage veterans to apply for work .

Mr. Jain responded that they do encourage veterans to come and work for them.

ACTION: Ms. Roberts moved and Mr. Tweini seconded the motion for approval of the proposal for California Creative Solutions, Inc. dba CCS Global Tech in the amount of 280,800.

Motion carried, 6 - 0.

Tab #33 – Premier Medical Transport, Inc.

Ms. Torres presented a proposal on behalf of Premier Medical Transport, Inc. (Premier Medical) in the amount of \$429,000. Founded in 2008 and headquartered in Brea, Premier Medical is a non-emergency inter-facility ambulance service provider in Orange and Los Angeles Counties. This includes transports from hospital to hospital, clinic to clinic, hospital to rehabilitation center or hospital to long term care facility. The company contracts with major health plans, hospitals, and medical groups. The company has three locations, Brea, (Orange County) and Irwindale and Van Nuys (Los Angeles County).

Ms. Torres introduced Paul Scarborough, President; Rikin Patel; Bill Parker, NTS.

Mr. Broad asked what the role is of the respiratory therapists, registered nurses, and paramedics.

Mr. Scarbrough responded that it depends on the dispatch. It is determined at the time of call whether they will need a respiratory therapist, registered nurse, or paramedic. It's based on the type of emergency, and the type of equipment they are on.

Ms. Bell asked about the EMT wage of \$13.40. Her concern is that it's too low.

Mr. Scarbrough responded that the wage is for a brand new EMT coming through the door. Mr. Scarbrough went on to say their EMTs usually work a 10-12 hour shift and their compensation works out at \$14.74 and \$15.63 plus health benefits of \$2.50/hour. Mr. Scarbrough stated that both types of pay exceed ETPs wages.

Ms. Bell asked how long do they move up in pay.

Mr. Scarbrough stated that their employees move up in approximately 4-6 months. They also get annual bonuses, encourage them to apply for current field supervisor/management positions, and employees get annual raises in general.

Ms. Bell asked how they found out about ETPs program.

Mr. Scarbrough stated his involvement with other ambulance companies that have presented and approved through the ETP process.

Ms. Newsom is still concerned about the wages. Ms. Newsom voiced that these employees deserve to have higher wages as they have people's lives in their hands daily and are expected to provide excellent care. Ms. Newsom is frustrated. Mr. Scarbrough agreed.

Ms. Roberts asked if the EMTs would be able to move into a paramedic type role or something equivalent to get to those higher wages.

Mr. Scarbrough responded that one thing they do is provide continuing education as a licensed provider, and their goal is to give them whatever education they need to further themselves in their careers.

Mr. Broad said it is a significant difference in the scope of practice between a paramedic and EMTs.

Mr. Roberts wanted to know how they were going to train the employees. Ms. Roberts is concerned because they are a first time contract and have 3 locations they plan to train. Ms. Roberts asked that he stay close to the situation and if they need help to ask, as ETP wants to see them succeed in their contract.

Mr. Scarbrough responded that they just opened a new center which is strictly for training purposes only. They have two places that they do training – one in Los Angeles and one in Orange County. They have different individuals who come in and train on a variety of areas.

Mr. Tweini also mentioned his concern with the low wages.

ACTION: Mr. Broad moved and Ms. Roberts seconded the motion for approval of the proposal for Premier Medical Transport, Inc., in the amount of \$429,000.

Motion carried, 6 – 0.

Tab #34 – Temecula Valley Hospital, Inc., dba Temecula Valley Hospital

Ms. Torres presented a proposal on behalf of Temecula Valley Hospital, Inc., dba Temecula Valley Hospital (TVH) in the amount of \$663,520. Founded in 2013, Temecula Valley Hospital, Inc. dba Temecula Valley Hospital (TVH) (www.temeculavalleyhospital.com) is the first hospital built in the city of Temecula. Residing on 37 acres in southwest Riverside County in Temecula, TVH's 5-story facility has 140 private licensed beds, 20 intensive care beds, 4 high-tech surgical suites, a cardiovascular surgical suite, and a catheterization laboratory. The Hospital recently completed a 28,000 square-foot expansion, which now houses two additional catheterization laboratories; a biplane room to perform minimally invasive procedures for advanced stroke care; a hybrid Operating Room; seven post anesthesia care beds; seven ambulatory care beds; a new Computed Tomography (CT) scanner; a surgical waiting lobby; and a large community room. TVH also boasts an advanced electronic clinical information system and digital imaging capabilities. TVH offers a full range of medical services including emergency; medical and surgical; intensive care; cardiovascular; stroke care; orthopedics; and pulmonary care. The Hospital is a designated STEMI (ST Elevated Myocardial Infarction and Chest Pain) Receiving Center and has Advanced Primary Stroke Center Accreditation and certified for Total Joint Orthopedic

Surgery by The Joint Commission. TVH is owned by Universal Health Services (UHS), a healthcare management company, which operates behavioral health facilities, acute care hospitals, and ambulatory surgery and radiation centers nationwide. UHS owns five hospitals in Southern California located in the cities of Corona, Murrieta, Wildomar, Palmdale, and Temecula. This will be the third ETP project for TVH, the third in the last five years. Training is targeted for TVH only. TVH is eligible for ETP funding under Special Employment Training (SET) for frontline workers and qualifies for ETP's Priority Industry reimbursement as a hospital.

Ms. Torres introduced Marie Perry, Manager of Education; Nancy Shughrou, Clinical Educator.

Ms. Roberts commented that they have good wages and have done well on all their contracts and encourages them to continue to keep doing a great.

Mr. Tweini mentioned that he did not see anything about veterans and asked that for the future they consider having a program for the veterans.

Ms. Perry acknowledged Mr. Tweini's request.

ACTION: Ms. Roberts moved and Ms. Newsom seconded the motion for approval of the proposal for Temecula Valley Hospital, Inc., dba Temecula Valley Hospital in the amount of \$663,520.

Motion carried, 6 – 0.

Tab #35 – Grand Rounds, Inc.

Ms. Nastari presented a proposal on behalf of Grand Rounds, Inc., (Grand Rounds) in the amount of \$281,060. Founded in 2011 and headquartered in San Francisco, Grand Rounds, Inc. (Grand Rounds) (<https://www.grandrounds.com/>) is a healthcare navigation service company that provides its members with physician directory, complex care, clinical navigation, and medical treatment advice through the Company's cloud-based platform. The Company serves over four million members across the United States and around the world. Customers include Fortune 500 companies such as Walmart. Grand Rounds has additional offices in Nevada and Maine. This will be Grand Round's first ETP Contract. Grand Rounds has five Veteran staff and plans to hire additional Veterans during the contract term. Grand Rounds is looking into creating a Veteran's outreach program in the near future to attract more Veterans.

Ms. Nastari introduced Robert Moon, Director Learning & Development; Bill Sacks of National Training Company.

Mr. Broad asked for clarification as to what their company actually does.

Mr. Moon responded that they essentially supplement a company's benefits package. The companies pay for their services so the employee does not have to incur any kind of expenses or costs associated with that. They have a proprietary outgrowth based on their data scientist that they are hiring and that they have in place. With this, they are able to identify the top 10% staff Physicians in the country and top 3% experts in the industry. Basically, if you move to a different area and/or are looking for a physician, they can provide

you with that information. If you are in need of a second opinion, for instance, after the patient signs off that the medical records can be provided to another provider (one of their physicians and/or experts), the physician and/or expert reviews the records and provides their opinion.

Mr. Broad said he was still concerned. Mr. Broad said, they were basically doing quality control over their own insurance carrier and doctors who are not doing it.

Mr. Moon responded by stating that they just found a market need in the healthcare field that was not being provided to the patients or the companies they work for.

Ms. Roberts wanted to know how they make initial contact with these companies.

Mr. Moon responded that they have a sales team that reaches out to mid-market, large market, and jumbo market. Information is provided to the company and the company makes a decision to incorporate them as part of the company's healthcare benefits.

Mr. Broad is very interested in what Grand Rounds does. Mr. Moon invited him to come to their office and see exactly how this works. Mr. Broad indicated that he works on a lot of healthcare policies.

ACTION: Ms. Roberts moved and Ms. Newsom seconded the approval of the proposal for Grand Rounds, Inc., in the amount of \$281,060.

Motion carried, 6 – 0.

Tab #36 – On-Time Air Conditioning and Heating, Inc., dba Service Champions

Ms. Nastari presented a proposal on behalf of On-Time Air Conditioning and Heating, Inc., dba Service Champions (OTA) in the amount of \$312,000. Founded in 2003, and headquartered in Pleasanton, On-Time Air Conditioning and Heating, Inc. dba Service Champions (OTA) (www.servicechampions.net) is a residential contractor that installs, services and maintains a wide variety of air conditioning, heating and indoor air quality products including thermostats, furnaces, heat pumps, duct work and insulation. OTA serves residential customers in 120 cities across Northern California. This is OTA's second ETP project, the second in the last five years. Training will be delivered to staff in five locations (Pleasanton, Concord, Rocklin, San Jose, and Livermore).

Ms. Nastari introduced Ed Kramer, Training Director; Michelle Rychener, Training Funding Partners.

Mr. Tweini said he is familiar with the Hicks Group. Mr. Tweini said he is pleased they have a veterans program.

Mr. Broad related a recent experience he had with replacing the air conditioning unit and how different each company differed in their bidding process.

Ms. Newsom asked if any of the workers who receive this training go and try to receive certain certifications.

Mr. Kramer responded that he trains the employees to receive their Environmental Protection License, water certification and NATE certification.

Ms. Newsom wanted to know if they had considered an Apprenticeship program.

Mr. Kramer said that they have not because they only deal with residential properties. They have no interest in commercial properties.

ACTION: Ms. Roberts moved and Mr. Tweini seconded the motion for approval of the proposal for On-Time Air Conditioning and Heating, Inc., dba Service Champions in the amount of \$312,000.

Motion carried, 6 – 0.

Tab #37 – Blue Diamond Growers

Ms. Lazarewicz presented a proposal on behalf of Blue Diamond Growers (Blue Diamond) in the amount of \$312,780. Founded in 1910 and headquartered in Sacramento, Blue Diamond Growers (Blue Diamond), (www.bluediamond.com) is the world's largest almond processing and marketing company. The Company is a cooperative owned by half of the state's almond growers who produce more than 80% of the world's almond supply. The Company produces snack almonds nut-based crackers, almond milk, and packaged almonds for cooking and baking. Blue Diamond's customers include Nestle, Kellogg, Mars, See's Candies and retail consumers. The Company has facilities located in Sacramento, Salida and Turlock. All facilities will receive training under this proposal. This is Blue Diamond's third ETP Contract, and the third in the last five years. Previous training included software and equipment at all locations with a focus in training employees at the Salida facility on the new pasteurization system. This proposal focuses on the expansion of the Salida and Turlock locations, job creation, and the implementation of new equipment and added production lines. It will also focus on training the entire staff on software version updates for SAP 4 HANA and Workday.

Ms. Lazarewicz introduced Jose Alvarez, Senior Talent & Organization Development Consultant – HR; Jheri Anderson, Senior Manager of Organization Capability; Juanty Rutter, Director of Operations Human Resources.

Ms. Newsom inquired about the productive laboratory, approximately 60 hours for the jobs listed in the contract. Looks like the reimbursement rate is \$26/hour. Ms. Newsom asked after doing the math, it looks they are making money off this training.

Mr. Rutter responded no. They are not making money off the productive laboratory.

Ms. Newsom wanted further clarification. Mr. Rutter replied that the operators make \$20.48/hour. Ms. Newsom stated she was looking at the laborers who make \$16.10/hour. Mr. Rutter stated that most of the people going through the training will be training as an operator.

ACTION: Ms. Roberts moved and Cheryl Akin seconded the motion for approval of the proposal for Blue Diamond Growers in the amount of \$312,780.

Motion carried, 6 – 0.

Tab #38 – DNC Parks & Resorts at Tenaya, Inc., dba Tenaya Lodge a Yosemite

Ms. Lazarewicz presented a proposal on behalf of DNC Parks & Resorts at Tenaya, Inc., dba Tenaya Lodge at Yosemite (Tenaya Lodge) in the amount of \$302,472. Founded in 1990 and headquartered in Fish Camp, DNC Parks & Resorts at Tenaya, Inc. dba Tenaya Lodge at Yosemite (Tenaya Lodge) is a year round destination resort located 2 miles from the Yosemite National Park. Tenaya Lodge is one of the largest employers in Mariposa County. It has restaurants, a fitness center, spa treatment rooms, and over 302 rooms and cottages. The Company provides hospitality services to guests from all over the world that visit the national parks. The Company has three lodges, one each in Yosemite, Sequoia, and Kings Canyon National Parks and a sales office in Fresno County. Only the sales office in Fresno County and lodge in Mariposa County will participate in training. This will be the Company's second ETP Agreement; the second in the past five years.

Ms. Lazarewicz introduced Debra Goehring, Director of HR Recruiting Coordinator; Wendy Burke, Director of Human Resources; and Steven Benson, National Training Company.

Ms. Roberts asked if they owned any of the lodges inside the park.

Ms. Burke replied they do not. Ms. Burke further stated that they can't own inside the park because the lodges are concessions and they are owned by the federal government. They do, however, run the Sequoia and Kings Canyon for the federal government. One is the John Muir Lodge and Wasaki Lodge which is inside the Sequoia. Ms. Burke reiterated that this contract does not include those two lodges.

Mr. Tweini commented on the veterans. Ms. Burke indicated that when they post their jobs this includes the four organizations for the veterans. Ms. Burke said that most of the time, they are finding that the veterans do not want to relocate.

ACTION: Mr. Roberts moved and Ms. Bell seconded the motion for approval of the proposal for DNC Parks & Resorts at Tenaya, Inc., dba Tenaya Lodge at Yosemite in the amount of \$302,472.

Motion carried, 6 – 0.

Tab #39 – The Wine Group, Inc.

Ms. Lazarewicz presented a proposal on behalf of The Wine Group, Inc., (TWG) in the amount of \$805,376. Founded in 1981 and headquartered in Tracy, The Wine Group (TWG) (www.thewinegroup.com) operates 13 wineries throughout the world, producing more than 56 million cases of wine in the U.S. Current brands include Cupcake, Concannon, Benziger, Corbett Canyon, Big House and Franzia. The Company is one of the world's largest wine producers. TWG currently employs 1,080 Californians throughout the state. The Company plans to train 484 workers in Alameda, Fresno, Kern, Madera, Monterey, San Joaquin and Tulare counties. This will be TWG's fourth ETP Agreement; the third in the last five years.

Ms. Lazarewicz introduced Lisa James, Director of Human Resources-Supply Chain Operations.

Ms. Bell asked if there was still a lot of movement within the wine industry, meaning companies being bought out and alike.

Ms. James said that there still is a lot of movement. Ms. James also stated that it is very common within the wine industry to move around. Ms. James also stated that The Wine Group is always looking for a good wine company to merge and/or purchase. It is common in the business.

Mr. Tweini asked if the workers were unionized.

Ms. James responded that yes. They have union and non-union workers.

Mr. Broad stated that he feels they are a candidate for substantial contribution because they have had some high end projects over the past five years. Because of this Mr. Broad asked for a 15% substantial contribution.

Ms. James was in agreement with Mr. Broad's request for a 15% substantial contribution.

Ms. Roberts asked about the facility in Cutler.

Ms. James stated that Cutler is one of their smaller facilities and they specialize in making some of the concentrate that goes into the white wines. They also sell some concentrate to some of the other wineries.

Ms. Roberts asked regarding the other company Ms. James worked for prior The Wine Group, if she was involved with ETP funding. Ms. James responded that she was not personally involved in working with ETP funding.

Ms. Roberts wanted to make sure that the people working on this contract are familiar with the ETP funding.

Ms. James assured Ms. Roberts they were familiar with the ETP funding.

ACTION: Mr. Broad moved and Mr. Tweini seconded the motion for approval of the proposal minus the 15% substantial contribution for The Wine Group, Inc., in the amount of \$684,569.

Motion carried, 6 – 0.

Multiple Employer Contracts

Tab #40 – California Manufacturing Technology Consulting

Ms. Torres presented a proposal on behalf of California Manufacturing Technology Consulting (CMTC) in the amount of \$1,799,699. Established in 1992, California Manufacturing Technology Consulting (CMTC) (www.cmtc.com) is a private non-profit corporation affiliated with the US Department of Commerce, National Institute of Standards and Technology's Hollings Manufacturing Extension Partnership program to assist small and medium-sized manufacturers in California improve their operational efficiencies and global competitiveness. Its mission is to create solutions for manufacturing growth and profitability supporting a thriving California's manufacturing sector. Participating employers are from all manufacturing sectors. Training provided to employers supports increased sales, investment and profits, creates and retains jobs, and improves productivity for business growth. Since

manufacturing plays a key role in providing high-paying jobs and contributing to the economy's productivity and growth, its health and well-being should be of major concern to policy makers. CMTC has strong partnerships with regional and state organizations and work with key industry associations to assure an effective and efficient program.

Ms. Torres introduced Cheryl Slobodian, Director of Strategic Partnerships; Patrick Billiter, Chief Financial Officer; James Watson, President/CEO.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Tweini seconded the motion for approval of the proposal for California Manufacturing Technology Consulting in the amount of \$1,799,699.

Motion carried, 6 – 0.

Tab #41 – Southern California Elevator Constructors Joint Apprenticeship and Training Committee

Ms. Torres presented a proposal on behalf of Southern California Elevator Constructors Joint Apprenticeship and Training Committee (SoCal Elevator JATC) in the amount of \$832,590. Established in 2001, the Southern California Elevator Constructors Joint Apprenticeship and Training Committee (SoCal Elevator JATC) (www.iueclocal18.org) serves 600 apprentices and 1,300 journey level elevator constructors. SoCal Elevator JATC provides training to apprentice and journeymen Elevator Constructors working in 12 Southern California counties. Elevator Constructors assemble, install, maintain, modernize, and replace elevators, escalators, chairlifts, moving walkways, and similar equipment in buildings. Workers are represented by the International Union of Elevator Constructors Local 18, which was founded 125 years ago. Employers are represented by the National Elevator Bargaining Association and Elevator Contractors of America. This is SoCal Elevator JATC's first ETP contract. Elevator Constructors specialize in installation, maintenance, modernization or repair work. Maintenance and repair workers require greater knowledge of electronics, hydraulics, and electricity because a large part of maintenance and repair work involves troubleshooting. Most elevators today have computerized control systems that are more complex and require a higher level of troubleshooting than in the past.

After an elevator is installed, workers must regularly maintain and service it to keep it working properly. They perform preventive maintenance, such as oiling and greasing moving parts, replacing worn parts, and adjusting equipment for optimal performance. They also troubleshoot and perform emergency repairs. Workers that specialize in elevator maintenance must be able to handle major repairs such as replacing cables, elevator doors, and machine bearings. These tasks require the use of cutting torches or rigging equipment. Repair crews also perform major modernization and alteration work such as replacing electric motors, hydraulic pumps, and control panels.

Ms. Torres introduced Dale Birdwell, Area Coordinator; Oscar Maier, National Elevator Industry Educational Program; Steve Duscha, Consultant.

Mr. Broad congratulated Mr. Birdwell on the veterans program. Mr. Broad asked what the virtual reality is with regard to elevators.

Mr. Birdwell responded they were looking into the Smart Googles, where you put your hand on a piece of machinery and you are able to manipulate and repair it, alter it.

Ms. Newsom asked if they were making any efforts to recruit women into this trade.

Mr. Birdwell responded that they were. They go through Helmets to Hard Hats where they push to bring in a high number of women. They currently have 12 women and are actively looking for more.

Mr. Tweini congratulated him on working with the veterans.

Mr. Broad went on to commend them for making the effort to do quality training and encouraging women to apply to their program.

ACTION: Mr. Broad moved and Ms. Roberts seconded the motion for approval of the proposal for Southern California Elevator Constructors Joint Apprenticeship and Training Committee in the amount of \$832,590.

Motion carried, 6 – 0.

Tab #42 – California Manufacturers and Technology Association

Ms. Lazarewicz presented a proposal on behalf of California Manufacturers and Technology Association (CMTA) in the amount of \$949,780. California Manufacturers and Technology Association (CMTA) (www.cmta.net) is a trade association representing a large number of California's manufacturing, processing, service, and technology-based companies. Headquartered in Sacramento, CMTA has worked closely with its member companies and ETP to implement successful work skills training programs for over 20 years. CMTA's comprehensive advocacy and educational initiatives seek to foster a business environment that will lead to the creation and retention of high-wage, high-skill jobs that will enhance the overall prosperity of California. CMTA promotes training programs and policies that help manufacturers achieve higher performance. This will be CMTA's sixteenth ETP-funded project and fifth in the past five years.

Ms. Lazarewicz introduced Robert Sanger, Director of Training Services; Nathan E. Daily, Database Administrator; Dean Peckham, Executive Director with Sacramento Valley Manufacturer Initiative.

Mr. Broad commended him for training veterans.

Mr. Tweini thanked him for their veterans program.

ACTION: Ms. Roberts moved and Ms. Bell seconded the motion for approval of the proposal for California Manufacturers and Technology Association in the amount of \$949,780.

Motion carried, 6 – 0.

Tab #43 – Contract Services Administration Training Trust Fund

WITHDRAWN

Tab #44 – Northern California Valley Sheet Metal Industry Joint Apprenticeship Training Committee

Ms. Lazarewicz presented a proposal on behalf of Northern California Valley Sheet Metal Industry Joint Apprenticeship Training Committee (NoCal Sheet Metal JATC) in the amount of \$299,828. Founded in 1941 and headquartered in Sacramento, Northern California Valley Sheet Metal Industry Joint Apprenticeship and Training Committee (NorCal Sheet Metal JATC)(www.sheetmetaltraining.com) provides training for Apprentices, Pre-Apprentices and Journeymen in the sheet metal, HVAC, and testing and air balance (TAB) industries. Trainees are represented under collective bargaining between representatives from Local 104. The NorCal Sheet Metal JATC delivers training to 21 counties across Northern California. Training under this proposal will be for Apprentices, Pre-Apprentices and Journeymen.

Apprentices in this trade are trained in fabrication, design, installation of ductwork and equipment, service and repair of all types of heating, air-conditioning, and refrigeration equipment. Trainees are also offered welding certification in all areas. Training will consist of hands-on instruction and lecture.

This is NorCal Sheet Metal JATC third ETP Agreement, and the third in the last five years. Training under the prior Agreement was focused on Apprentice training. Training under the proposed agreement will include Journeymen and Pre-Apprentice training.

Ms. Lazarewicz introduced Scott K. Brehmer, Executive Director; Ako Monteiro, Executive Secretary.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Tweini seconded the motion for approval of the proposal for Northern California Valley Sheet Metal Industry Joint Apprenticeship Training Committee in the amount of \$299,828.

Motion carried, 6 – 0.

XI. GENERAL PUBLIC COMMENT

Mr. Knox presented the preliminary Annual Report. Mr. Knox indicated that it would be posted today, although there are already some adjustments. Mr. Knox went on to note that this is just a preliminary view for the Panel. It has not been vetted by Labor Agency yet. Mr. Knox praised staff for the wonderful job they did with graphics and photographs. Mr. Knox encouraged feedback and/or new information to add to the report.

Mr. Knox commended the Panel and all the contractors for providing good information regarding where ETP is to date, and the product which is incredible for staff and the Panel because they are two-year contract periods. At any one time, we have over \$250M in play in the economy. Training over almost 300,000 people. That's an amazing number for the State of California, and something the Panel can be proud of.

Mr. Broad asked if any Panel Members had questions. There were none. All said it looks really good. Mr. Broad congratulated the staff who on this. Mr. Broad asked if anyone from the public wanted to come forward and make a statement.

Rob Sanger came forward to speak. Mr. Sanger stated they were still getting a lot pushback on the Multiple Employer Contract with social security numbers. Mr. Sanger said that it is only getting worse. Mr. Sanger asked when they will be able to get that capability. Until then it really slows things down quite a bit.

Mr. Knox said it's a good time to update where we are in contracts. Mr. Knox stated ETP has signed into contract Sales Force as the base to do the MSI side of it. Mr. Knox noted that ETP interviewed two different entities to serve as the "Integrator" which will build the backbone off the Sales Force. We are close. Sales Forces has four LMS systems that are approved, will be approved through ETP that will be able to be purchased outside of our contract it can be used under our contract, but those will be automatic within their database system. I hope that answers your question.

Mr. Broad said he thinks the question was will the players be able to directly input social security numbers into the system.

Mr. Knox said essentially yes, through a LMS system. That will be the point of early building.

Mr. Sanger said another other thing to think about as ETP begins to develop the new database is that the current one, which is the old legacy system we use today, was built on a single employer contract basis. So, if you put MECs in it, it really doesn't understand that so we have to have an external database that can manage it. So if you think about that early on, since the MECs are much different than the singles, but if you're going to build it like a single employer contract, it's still going to be hard for MECs. It's something to keep in mind. I'm sure you already are but I wanted to make sure I'm on the record that I brought it up at a Panel meeting.

Mr. Knox further stated that as soon as ETP gets the contract in place with the new integrator, those folks will actually be housed at our facility. It is a California based company. So we are requiring that they actually be in our building 5 days a week. So this is going to be a build out from our location. We will welcome folks to come in and have conversations about the way we are building that system.

Mr. Sanger said he appreciates that.

Mr. Broad asked if there any further public comments. There were none.

XII. MEETING ADJOURNMENT

Meeting adjourned at 11:54 a.m.