



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
General Counsel

STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL
California Environmental Protection Agency
1001 I Street, Sierra Hearing Room, Second Floor
Sacramento, CA 95814
February 22, 2019

I. PUBLIC PANEL MEETING CALL TO ORDER

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

II. ROLL CALL

Present

Gloria Bell
Barry Broad
Janice Roberts
Ali Tweini
Cheryl Akin
Gretchen Newsom
Ernesto Morales
Rick Smiles

Executive Staff Present

Stewart Knox, Executive Director

Legal Counsel Absent

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. Mr. Knox asked that Items 5, 16, 19, 31, 35, and 38 be pulled from the Agenda. Ms. Newsom noted on Tab 16 that they have a labor agreement. Ms. Newsom requested that when Tab 16 comes back, they provide proof of that labor agreement. All Panel Members were in agreement of this change.

ACTION: Ms. Roberts moved and Mr. Tweini seconded the motion to approve the Agenda to include removal of Items 5, 16, 19, 31, 35, and 38 and that Tab 16 Provide proof of their labor agreement before coming before Panel.

Motion carried, 8 – 0.

IV. MINUTES

It was questioned whether there were any changes and/or additions that need to be made to the Minutes from December 7, 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 December 7, 2018 Panel meeting.

Motion carried, 8 – 0.

V. REPORT OF THE EXECUTIVE DIRECTOR

Mr. Knox reported that today's Panel Meeting concerns projects totaling just over \$10.5M, with approximately \$1.8M in Delegation Orders, for a grand total of just over \$12.3M.

It was reported that the following people were in attendance to present Proposals: Christopher Hoover, San Francisco Bay Area Regional Office Manager; Diana Torres, San Diego Regional Office Manager; Heather Bernard presenting for North Hollywood Regional Office, Jana Lazarewicz, Sacramento Regional Office Manager, and Lis Testa for the Program Projects Unit (PPU).

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 \$10M with an additional \$1.8M approved by delegation order; that upon the Panel approving the just over \$107 in projects for this year, ETP will have approximately \$8.3+M for the remainder of FY 2018/19.

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 45 projects subject to Delegation Orders for today's Panel Meeting total just over \$1.8M.

It was reported, regarding the Funding Status report, the encumbrance rate was lowered from 40% to an overall average of 36%, which works well to get through FY 2018/19. It was further reported that in doing lowering the encumbrance rate, it pushes forward more prior year liabilities. As ETP anticipates more funding available next year, ETP will not be able to put those new dollars out. This means next year's allocation will reflect much of what ETP had this year closer to the \$103M.

It was reported, regarding priority projects, that ETP will need to be extremely diligent in its approach to looking at priority projects. A meeting with the Committee on Thursday, February 21, 2019, brought forth some solutions which will be brought to the next Panel Meeting in March 2019.

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 \$170M; and if all project proposals for today's Panel Meeting are funded today, that the Panel will have approved 377 projects, with a value of just over \$107M and 26 amendments.

It was reported, regarding applications for contracts that are remaining in the Regional Offices: Single Employer Contract requests are at \$63M in demand, with \$4.9M in allocation; Multiple Employer Contract (MEC) requests are at \$7.7M in demand, with \$218K in allocation; Small Businesses requests are at \$8M in demand, with \$534K in allocation; Critical Proposals are at

\$0 in demand, with \$164K in allocations; and Apprenticeship programs are at \$3.7M in demand, with \$2.83K in allocation. Overall demand is approximately \$80+M.

It was reported that the number of total projects in FY 2018/19 in the Regional Offices is 59; that the total number of projects currently in the Applications and Assessment Unit is 440; and that the number of total projects is 499.

It was reported that Staff is working hard to get the projects assigned out to the Regional Offices. At the recent Committee meeting, a discussion was held and the Committee Panel came up with new ideas to begin getting more projects to the Regionals Offices. Decisions on CAPS will be made and information on determining Non-Priority Projects at the next Panel meeting.

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 #24.

Advanced Composite Products and Technology, Inc. (<i>Amendment</i>).....	\$ 49,998
AHMC Greater El Monte Community Hospital, LP dba Greater El Monte Community Hospital.....	\$193,440
Alta Los Angeles Hospital, Inc. (<i>Amendment</i>).....	\$139,047
B & B Manufacturing Co.....	\$111,800
California Harvesters, Inc. (PULLED).....	\$199,836
Clima-Tech LLC (<i>Amendment</i>).....	\$ 46,280
Cosmetic Group USA, Inc.....	\$106,470
Cypress Mandela Training Center, Inc.....	\$199,450
E. Cubics LLC dba QBICS Career College.....	\$199,170
Ghiradeli Chocolate Company.....	\$184,470
Heritage Interests, LLC.....	\$198,276
Love 2 Learn Consulting, LLC.....	\$118,560
Micron Technology, Inc.....	\$195,000
Modern Times Drink (<i>Amendment</i>).....	\$ 34,580
Niagra Bottling, LLC (<i>Amendment</i>).....	\$ 42,912
Omni Hotels Management Corporation dba Omni La Costa Resort and Spa (<i>Amendment</i>) (PULLED).....	\$ 71,800
Orepac Holding Co. dba Oregon Pacific Building Products (Calif.), Inc.....	\$152,776
Prelude Systems, Inc.....	\$111,800
Promise Hospital of East Los Angeles, L.P. (<i>Amendment</i>) (PULLED).....	\$ 84,700
Sacramento Employment & Training Agency.....	\$100,240
T & P Farms.....	\$115,700
Threshold Enterprises, LTD.....	\$143,000
TSI Semiconductors America, LLC.....	\$114,400
Van Law Food Products, Inc.....	\$177,198

ACTION: Ms. Newsom moved and Ms. Roberts seconded the motion to approve the Consent calendar with the removal of Items 5, 16, and 19 within Items #1 through

#24.

Motion carried, 8 – 0.

VIII. COMMITTEE REPORT TO PANEL

Ms. Newsom provided an update of the Committee's meeting held on Thursday, February 21, 2019 as follows:

The following topics were addressed at the Committee meeting: Appeals Process, STEPS update, update on new system Cal-E-Force, Fiscal Year 19/20, Priorities and CAPS and a Cannabis update.

APPEALS PROCESS – ETP General Counsel, Michael Cable, stated that ETP will no longer be utilizing a “fast track” appeals process. After much discussion it was decided that General Counsel prepare language about an informal meet and confer process, which may also be the subject of future regulatory rulemaking.

STEPS – (Summer Training & Employment Program for Students)

Ms. Newsom recalled the very heart moving stories we heard from companies ETP funded grants for. Ms. Newsom also stated that the amount of money to be funded has increased from \$1.5M to \$3M which is a significant amount of money. Ms. Newsom also reported that we have a new partner, California Community College Foundation, who will be much more of the administration of the grant. Ms. Newsom stated that we will hear from the awardees again, however it will be limited to 2 per Panel meeting with a strict 10 minute time limit. They will be broken up between September and October 2019. Ms. Newsom reiterated that we do want to hear from the students.

NEW SYSTEM: CAL-E-FORCE Ms. Newsom did state that the update from the company developing the new system is on the agenda, so we will be hearing a little bit more about that. Ms. Newsom stated there is an email address specifically dedicated to questions and concerns and that is etpcaleforce@etp.ca.gov.

FISCAL YEAR 19/20: Staff will come back to the Committee after conducting further research in order to consider and clarify what are ETPs legislative priorities. Moving forward with reviewing CAPS and some of the reasoning behind that is to plan for any potential upcoming recession. Another is addressing the high level of current demand as Mr. Knox previously said, to distribute our contracting dollars among more contractors. This will help address ETPs prior year liabilities. The CAPS are as follows:

TYPE	CURRENT CAP	PROPOSED CAP
Single Employer	\$900K	\$650K
Multiple Employer	\$950/\$1.8 (depending on 2-year cycle)	\$750K
Critical Proposal	\$900K	\$750K
Non-Priority Projects	\$150K	
Delegation Orders	\$75K (remains same)	
Consent Calendar	\$200K (remains same)	

At a future panel meeting you will be seeing a proposal for us to evaluate whether or not to extend these CAPS for the next fiscal year.

CANNABIS: We are essentially in a holding pattern. We are awaiting additional information from the California Attorney General; additionally, there is legislation around the State of California, and also the federal side, usually under Legislative No. 420. So we are in a holding pattern until we get a response back from the California Attorney General.

Mr. Broad asked if there were questions from the Panel members. There were none.

IX. UPDATE ON NEW SYSTEM: CAL-E-FORCE

Ms. Kirsten Centanni from Guidehouse provided a brief update on the new Cal-E-Force system as follows:

The Cal-E-Force system is a new system that Guidehouse is helping ETP to develop. They are in the beginning stages of that system development, working on the design and the foundational components of it right now. Guidehouse is also looking at the finance structure and how all that gets processed for all of the online processing. With that its base is a sales force platform, so that's a Cloud-based system. Very flexible. Guidehouse looks to provide some exciting opportunities for members to use that system. With this, they are looking further to Spring to have a collaborative process with our Stakeholders. More details to come at a later Panel meeting.

Ms. Roberts asked about timelines and wants to know there is anything that she could notify the public about. Ms. Centanni responded that as they get closer to the initial design and development, they will have more firm timelines, but they are looking closer to Spring time to bring in Stakeholders and then looking at Summer time to have more of the "go live" focus.

Mr. Knox mentioned if you do have an ETMS contract, they will be contacted very soon. ETPs goal is to move everyone out of ETMS first. MECs and JATCs don't have to worry about it. But all the SECs that have those contracts will be contacted sooner rather than later and moving those contracts into the sales force platform before they start to design all of the other components of the new system to avoid paying for two systems at the same time.

X. ACTION ITEM: RETRAINEE – JOB CREATION MINIMUM WAGE

Ms. Testa suggested consideration for a motion regarding the Retrainee – Job Creation Minimum Wage as follows:

Mr. Knox mentioned that this was under "Other Matters."

Ms. Testa stated this action item has to do with the Retrainee Job Creation Guidelines and it has two parts. The first part is they would like to set the minimum wage for Retrainee Job Creation Trainees to \$15/hr. The \$2.50 health benefits can still apply and, if they are in a HUA and the HUA wage is lower than \$15/hr., the HUA wage would also still apply. The second part is that they would like to expand the Retrainee Job Creation Program to allow that program in Multiple Employer Contracts if they are doing CNA training. If they are not doing CNA training but would still like to add a Retrainee Job Creation component, they can request that with Executive Staff. MECs right now only do new hirer training, not retrainee job creation, so we are trying to expand that to them, especially to serve the CNA population. We would like them to be able to add the Retrainee Job Creation jobs through an amendment or modification.

Mr. Broad clarified if you take \$2.50 as a credit towards the minimum wage obligation for healthcare, to the employer must be spending at least \$2.50 on healthcare.

Mr. Knox reiterated what ETP has said: for those employers that want to take the position and prove more than \$2.50 is being paid by the employer for health benefits, those employers must be in a collective bargaining agreement.

Ms. Roberts had a clarifying question regarding the difference between job creation and new hire.

Ms. Testa responded that new hires right now are only in a MEC, they don't occur in Single Employer Contracts. New hires are technically unemployed individuals when training begins. So that's why we have them in MECs only; we want the MEC to be able to provide placement services to those individuals, so that they can actually complete their attention period. If they were in the Single Employer Contract, they would already be employed by that contractor. However, we do want to encourage single employers to hire more people, which is where the retrainee job creation program comes from. And, in that program, they can hire new people anywhere from 3 months before the contract term begins, all the way through the term of the contract.

Ms. Roberts said, another clarifying question. I have a baseline number. I have 100 employees. But I lost two for retirement and I'm going to hire two more back. Is that a new hire or is that a job creation?

Ms. Testa said, it would actually neither. Technically, because if we are talking about a single employer contract, it definitely would not be a new hire because we don't put new hires on single employer contracts, but also for the retrainee job creation program, there is this extra stipulation that it says it has to be net new jobs.

Mr. Broad asked if there were any more questions. There were none. He then entertain a motion to approve this.

Ms. Roberts makes a motion to approve as suggested and Mr. Tweini seconded the motion. No oppositions, the motion carries 8 – 0.

Motion carries, 8 – 0.

XI. ETP PROGRAM ASSESSMENT CONDUCTED BY SOCIAL POLICY

Ms. Annelies Goger, Ph.D., M.C.P./Senior Associate and Mr. Marian Negoita, Ph.D., presented a PowerPoint document.

Ms. Goger began the presentation stating that over the past year, year and a half we have had the privilege of working closely with ETP to conduct an assessment of ETP programs. It is a requirement of the statute to conduct a regular evaluation to see what can be improved and how things are going.

ETP was created in 1982. The purpose of this assessment is to see the future of work and how the economy is changing, the transitions that are happening, and all of the needs that employers have. A key focus of the assessment, which is one of the largest incumbent worker training programs in the country, is how California compares to other states. Where are these investments going and how is it aligned with employer needs. The research is being done in

two phases. Phase I is complete and Phase II is just beginning. Phase I is a mixed method study. It has quantitative components and connotative components. In Phase I, we did more of the quantitative side, interviews with employers, labor federations, consultants, MECs and staff at ETP. We asked where what some of the issues are, successes, the challenges, etc. We used that information to develop an employee survey instrument and to test it. We looked at two company level outcomes. The research questions asked what are the benefits and value of ETP to companies and workers? How can ETP promote continuous improvement? How can ETP be updated to meet the current training needs?

ETP has three main ways that people access ETP funding: (1) directly through Single Employer and Employer applies directly; (2) they apply with a consultant; and the third is through the MEC structure where an intermediary such as an industry association or JATC. The relationship is mediated, making it more accessible for smaller and medium sized employers and for those that are in many ways more innovative, and more flexibility for innovative partnerships and strategies.

PHASE I FINDINGS:

Employers and labor organizations ("Users") reported many benefit o ETP participation. Users find ETPs administrative processes overly cumbersome, although they have become more efficient and flexible in recent years. Expanding partnerships has allowed ETP to target skills upgrading to specific sectors and to support for innovative models of training (i.e., Apprenticeships, Alternative and Renewable Fuel and Vehicle Technology Program (AB 118); and Community college sector initiatives. Employer training needs vary, but common training needs were new technologies, lean production, and managerial and supervisory skills. Small and mid-sized employers have a high need for more technical assistance and guidance.

The following totals were taken from ETP annual reports, years 2012 through 2017 and ETP administrative data, 2016-2017. Each year, ETP funded 388 contracts, for a total of \$80.7M, on average. The average value of each training contract was \$208,165. ETP approved 106,376 incumbent workers to train in 2016-2017.

Employers that participate in ETP through MECs have a different profile from those that participate through single-employer contracts. MECs are smaller and concentrated in the building trades; and Single-employer contracts are larger and concentrated in manufacturing. Small and mid-sized companies were more likely to: achieve training as planned and train a higher share of their workforce. Factors influencing whether a contractor achieved training as planned: spending more per approved trainee, participation in a MEC, and having low levels of labor turnover.

PHASE II

Phase II is beginning right now and we are planning to do two things; one of which is an impact study and the second is an employer survey. The impact study will be basically a quasi-experimental analysis of ETP participating companies, where we look at the number of outcomes such as firm size, or company size, sales and a couple of other indicators developed by Dunn & Bradstreet, which is the company we will be working with to compare data with for this. So we are comparing ETP companies with non-ETP funded companies which are extremely similar to them, at the start of participation.

Employer Survey we already developed the instrument in the Phase I and we are just now planning to carry the research. We are looking at perceptions of users about the application

system, what it is to work with ETP generally speaking, what the perceptions are, and second big batch of questions is going to be about companies training needs. What do they want, what do they need, what's called for right now, what's needed right now. The third batch of questions is going to be the value of ETP for the companies. What do they value?

Mr. Broad asked if there were any questions from the Panel.

Ms. Newsom commented about wanting to know how to better evaluate the value to the worker. Is there wage progression from the training they are receiving? Are there career ladders that they are now allowed to pursue? Are they receiving certifications now? How is the worker better off from the ETP training that they received? Ms. Goger acknowledged Ms. Newsom's concerns.

Ms. Bell asked if 2016, 2017, and 2018 were the years they looked at to come up with their data. Ms. Goger responded in the affirmative.

Ms. Bell asked within those 3 years did they look at all contracts? A percentage, or what is the amount? What is the data? Mr. Negoita responded, we looked at all contracts that started in 2016 and ended in 2018, but we did not look at companies that started in 2017 because we wanted to see the entire cycle. One funding cycle, from beginning to end.

Mr. Broad inquired about putting together a study around workers who received training from ETP versus other workers from other companies who did not receive training from ETP. Mr. Broad suggested breaking this down into different categories, for instance, did they receive a certificate or not under ETP training, what are the salary differences of workers that received training from ETP and workers that did not, if the salary was higher with ETP training – what percentage higher is it and so forth.

Ms. Goger and Mr. Negoita both indicated that while it can be done, it is a very time consuming process as long as you had the right data and sales force. From a legal standpoint, Mr. Negoita does not know if ETP has the right to use that information without the individual's permission. This would need to be looked into.

XII. REVIEW AND ACTION ON PROPOSALS

Single Employers

Tab # 25 – AEROJET ROCKETDYNE, INC.

Ms. Torres presented a proposal on behalf of Aerojet Rocketdyne, Inc., (Aerojet Rocketdyne) in the amount of \$269,360. Founded in 1942, Aerojet Rocketdyne, Inc., (www.rocket.com) is a wholly owned subsidiary of Aerojet Rocketdyne Holdings, Inc. The Company provides propulsion and energetics to the space, missile defense, strategic, tactical missile and armament areas of the Aerospace and Defense industry. Aerojet Rocketdyne operates multiple locations nationwide. The Company's executive offices are in El Segundo, with additional headquarters functions located in Rancho Cordova. The Company also maintains California facilities in Canoga Park and Folsom. Training under this proposal will take place at the Canoga Park and El Segundo locations only.

Ms. Torres introduced Darin Holcombe, Specialist Talent & Organizational Development; Juliana Kirby, Director of Client Services, COO from Training Funding Partners.

Mr. Tweini thanked Mr. Holcombe for having Veterans be 10% of their workforce.

Ms. Roberts wanted to know the location of the Canoga Park facility. Mr. Holcombe stated it was located at DeSoto and Canoga Park.

Ms. Newsom thanked Mr. Holcombe for the high wages and right-sizing the proposal and for dedicating a segment for dealing with difficult people.

ACTION: Ms. Roberts moved and Mr. Tweini seconded the approval of the proposal For Aerojet Rocketdyne, Inc. in the amount of \$269,360.

Motion carried, 8 – 0.

Tab #26 – GRIFOLS BIOLOGICALS INC.

Ms. Torres presented a proposal on behalf of Grifols Biologicals Inc.(GB), in the amount of \$395,200. Founded in 1940, Grifols Biologicals Inc. (www.grifols.com) is wholly owned by Grifols S.A. in Spain. The Company develops and produces therapies and products in three healthcare divisions: bioscience therapies made from human plasma; hospital products and pharmacy IV solutions; and diagnostic tools for laboratory professionals. GBI products and services serve healthcare professionals and patients in 90 countries worldwide. The Company has two manufacturing facilities in the United States; one in Los Angeles and one in Clayton, North Carolina. GBI requests ETP funding to train 950 full-time employees at its Los Angeles location, where all training will take place.

Ms. Torres introduced Kevin Castaneda, Performance Development Manager.

Mr. Tweini asked what they were planning to do in order to actively recruit veterans. Mr. Castaneda responded that they don't actively pursue veterans, however, they do have veterans that currently work with the company.

Ms. Roberts commended them for doing a great job on their previous contract.

Ms. Newsom asked Mr. Castaneda to provide any details about the manufacturing staff regarding wage progression married with the training that they received. Mr. Castaneda responded that they have a new septic area and are looking to expand further in that area. There is approximately 10% of the workers who will be trained in this area and once they are fully trained they will receive a \$2.50 wage increase. Overall workforce is above the \$16.15/hr, then to add the \$2.50 puts them in a higher wage capacity.

Mr. Broad said with drug manufacturers they are a site specific approval through the FDA. Mr. Broad asked if their company is restricted to those same regulations as they are producing products. Mr. Castaneda stated that yes, it is same regulations they must adhere to. Each country that they sell their product to, an Allied company comes in on a frequent basis, approximately every two years, they come in and do pre-approval inspections, everything from validation to operations and then they give them the go-ahead and sign off and then they are free to start production in those areas.

Mr. Morales wanted confirmation that all the training was happening at the East L.A. site. Mr. Castaneda confirmed yes it is.

ACTION: Ms. Roberts moved and Ms. Newsom seconded the approval of the proposal

For Grifols Biologicals, Inc. in the amount of \$395,200.

Motion carried, 8 – 0.

Tab #27 – PROVIDENCE WEST VALLEY HEALTHCARE CENTER, LLC DBA PROVIDENCE WEST VALLEY

Ms. Torres presented a proposal on behalf of Providence West Valley Healthcare Center, LLC dba Providence West Valley (PWV) in the amount of \$618,904. Founded in 2012, Providence West Valley Healthcare Center, LLC dba Providence West Valley (PWV) (www.westvalleyhc.com) is a skilled nursing facility owned and managed by Providence Healthcare Center, LLC (Providence) based in Utah. PWV's services include skilled nursing, clinical care, post-surgical care, intravenous therapy, tracheotomy care, pain management, parenteral TPN/PPN therapy, wound care, custodial care, hospice care, respite care, memory care, activity programs, social services, dietary services, occupational therapy, speech therapy, physical therapy and rehabilitation for various disorders including fractures, wounds, joint replacements, amputees, stroke, dysphagia, COPD, decubitus ulcers, general weakness and debilitation, chronic pain, arthritis, Parkinson's disease, and forms of dementia.

Ms. Torres stated there was a correction on the "Occupations Wage Table" for Job #2, Certified Nurse, Base Wage is incorrect and should be \$12/hr.

They are also requesting a wage modification for Job #1 for the set from the \$22.18 to the modified wage for Priority Industry of \$24.13 for those incumbent workers. They are also requesting a wage modification for Job #2 for the HUA for San Bernardino, San Bernardino County, Porterville, Tulare, Bakersfield, and Kern Counties. These trainees qualify for the set wage rather than the State average wage. Additionally, the standard wage would be modified and additional 25%. That would make their minimum wage requirement at \$13.28 inclusive of any health care benefits.

Ms. Torres introduced Debbie Smith, Director of Administrative Services; William Parker, CEO of NTS.

Ms. Newsom asked why they are asking for wage modification instead of paying the nurses more. Ms. Newsom asked that she elaborate on wage progression with trainees. Ms. Smith responded with most of the CNAs when they begin are unexperienced and when they complete their training they will progress upwards in salary.

Ms. Newsom asked if the CNAs require a higher education training prior to coming to Providence West Valley. Ms. Smith responded they need to have a certificate from a community college. Ms. Smith further stated not all of their facilities begin at minimum wage.

Mr. Broad stated that as we are in a competitive market with CNAs why is this not affecting the labor market in your place. Ms. Smith responded that it most definitely was affecting the labor market with them, however, it depends on the location of the facility, because CNAs rates will vary from hospitals and area.

Mr. Broad wanted to know how many of the employees would be affected by the wage modification. Mr. Parker responded approximately 286 employees.

Ms. Roberts wanted to know if some of the employees from the previous contract going to be the same retrainees on the present contract. Ms. Smith responded that approximately 75% would be retrainees on the present contract, but would be training in other areas.

Mr. Tweini stated he also had trouble with the wages. Mr. Tweini was also troubled because of the lack of mention about veterans.

Ms. Bell asked what percentage of veterans do they employ. Ms. Smith responded they do, but that she does not know the percentage.

Ms. Bell asked for clarification as to what type of training they are offering the retrainees on this contract as opposed to the previous contract. Ms. Smith indicated this is simply ongoing training to keep up with new regulations, but the training is different.

Ms. Roberts raised a concern questioning that ETP funded training for CNAs on the last contract. Are they still CNAs or have they moved up the career ladder. Ms. Roberts asked for an approximately percentage standpoint. Ms. Smith responded she did not have that information.

Ms. Newsom moved for a motion to approve without the wage modification that would trigger wages to be paid below \$15/hour for Jobs #2 and #3. Ms. Bell seconded the motion.

Ms. Torres clarified that for Job #2 the \$2.50 health benefit would not apply in order to meet the \$15basic hourly rate.

ACTION: Ms. Newsom moved for a motion to approve without the wage modification that would trigger wages to be paid below \$15/hour for Jobs #2 and #3. Ms. Bell seconded the motion.

Mr. Tweini opposed approval of the proposal.

Motion carried, 7 – 0.

Break taken – back at 11:15 a.m.

Tab #28 – WEST HILLS HOSPITAL DBA WEST HILLS

Ms. Torres presented a proposal on behalf of West Hills Hospital dba West Hills (West Hills Hospital) in the amount of \$311,220. West Hills Hospital dba West Hills Hospital & Medical Center (West Hills Hospital) (www.westhillshospital.com) is a subsidiary of HCA, Inc., Hospital Corporation of America (HCA), and headquartered in Nashville, Tennessee. HCA owns and operates 179 hospitals in 20 states and England. HCA currently owns five hospitals in California: Riverside Community, Los Robles in Thousand Oaks, Good Samaritan Hospital in San Jose, Regional Medical Center of San Jose and West Hills. The Hospital has 1,050-employee, 212-bed, and is a Joint Commission Accredited acute care hospital located in West Hills, the San Fernando Valley region of Los Angeles. West Hills Hospital offers advanced and specialized healthcare services: a complete 24-hour emergency room; cardiac and coronary units; maternal and child health services; radiology; nuclear medicine; imaging; rehabilitation and therapy services; comprehensive cancer care; and several minimally invasive surgical specialties. This will be West Hills Hospital's first ETP Contract. The proposal will target 315 workers at its West Hills facility where all training will take place.

Ms. Torres introduced Lourdes Maria R. Casao, PhD, RN-BC, FNP, Director of Education.

Mr. Tweini thanked Ms. Casao for employing veterans and urged her to continue in hiring veterans.

ACTION: Ms. Roberts moved and Ms. Bell seconded the approval of the proposal For West Hills Hospital dba West Hills Hospital and Medical Center in the amount of \$311,220.

Motion carried, 8 – 0.

Tab #29 – EDWARDS LIFESCIENCES LLC

Ms. Bernard presented a proposal on behalf of Edwards Lifesciences LLC (Edwards) in the amount of \$495,950. Founded in 1958 and headquartered in Irvine, Edwards Lifesciences LLC (Edwards) (www.edwards.com) develops, manufactures and markets medical devices and technologies used in the treatment of advanced cardiovascular disease and hemodynamic monitoring. The Company's product line is sold in over 100 countries to hospitals, physicians, and other healthcare providers. Edwards' products include tissue replacement heart valves, valve repair products, trans catheter heart valves, hemodynamic monitoring devices, and other critical care technologies that facilitate cardiac surgery procedures through minimally invasive surgery. Edwards has one California location in Irvine.

Ms. Bernard introduced Cynthia Lenahan, Director of Learning and Technical Training; Rob Sanger, Director of Training Services, CMTA.

Ms. Newsom asked about the wage progression regarding the production staff and quality specialists – how do they progress in their wages? Ms. Lenahan responded the employees go through an annual talent development review every year with every employee with the HR business partner, hiring manager or manager itself which rolls up to the director. The employees do need to become certified in order to qualify.

Ms. Roberts asked why they only performed at 75% with the last contract. Ms. Lenahan responded that the last contract focused solely on professionals within regulatory and clinical and the volume was just not there. They were going through a quality systems simplification because of some FDA requirements changing. So they did not roll out training during this time. Ms. Roberts noted that the previous contract was at 80%. Ms. Roberts made the suggestion to right size it down to the \$354,000.

Mr. Tweini thanked the company for hiring of veterans.

ACTION: Ms. Roberts moved and Ms. Newsom seconded the approval of the proposal For Edwards Lifesciences, LLC reducing the amount to \$354,000.

Motion carried, 8 – 0.

Tab # 30 – HUNTER INDUSTRIES INCORPORATED

Ms. Bernard presented a proposal on behalf of Hunter Industries Incorporated (Hunter) in the amount of \$458,640. Founded in 1981 and headquartered in San Marcos, Hunter Industries Incorporated (Hunter) (www.hunterindustries.com) manufactures products for irrigation, outdoor

lighting, dispensing technology and custom manufacturing sectors. Hunter offers a diverse array of water- and energy efficient products utilized everywhere for residential landscapes, commercial campuses, stadiums, theme parks, city parks, hotels, municipal buildings and golf courses. The Company's core business is producing products that allow irrigation professionals to create solutions that use minimal water and energy to create optimal landscape function and ambiance. The current product line includes pop-up gear-driven rotors, high-efficiency rotary nozzles, spray sprinklers, valves, controllers, central controllers, professional landscape drip and weather sensors. In 2017, Hunter purchased Dispensing Dynamics International, Inc. (DDI) as a wholly-owned affiliated company. Located in City of Industry (Los Angeles County), DDI offers customers a wide variety of paper, soap and air dispensing products for bathroom facilities. Both locations will participate in training. This is Hunter's second ETP Contract, and the first in the last five years.

Ms. Bernard introduced Scotty Oliver Lombardi, Senior Manager of Global Talent Management; Rob Sanger, Director of Training Services of CMTA.

Ms. Bell asked what the performance percentage was on the previous contract since it was not listed in the current proposal. Mr. Lombardi responded he did not know, but found out that the previous contract was back in the 1980's.

Mr. Tweini asked for the number of veterans they employ. Mr. Lombardi responded that it is about 9%.

ACTION: Ms. Bell moved and Mr. Tweini seconded the approval of the proposal For Hunter Industries, Inc. in the amount of \$458,640.

Motion carried, 8 – 0.

Tab #31 – PCL CONSTRUCTION SERVICES, INC.

WITHDRAWN BY PCL CONSTRUCTION SERVICES, INC.

Tab #32 – ABBOTT VASCULAR, INC.

*****CHAIRMAN BARRY BROAD RECUSED HIMSELF DUE TO OWNING STOCK IN A PARENT COMPANY*****

Mr. Hoover presented a proposal on behalf of Abbott Vascular, Inc. (AV) in the amount of \$603,200. Founded in 2006 and headquartered in Santa Clara, Abbott Vascular (AV), www.abbottvascular.com, is a subsidiary of Abbott Laboratories, a 120-year old Corporation based in Illinois. AV designs, manufactures, and markets medical devices including vessel closures and structural heart products for the treatment of cardiovascular diseases and management of chronic pain and movement disorders. Some of AV's customers include hospitals, surgical-centers, long-term care facilities, imaging centers, and drug manufacturers.

AV employs 3,500 full-time staff at three California facilities. AV's headquarters is in Santa Clara, housing Executive, Marketing, Human Resource, IT, and Research Operators. The Temecula and Menlo Park facilities houses Manufacturing and Support Operators. Training will be conducted at the company's Santa Clara, Temecula and Menlo Park facilities.

This is AV's fifth ETP contract, second in the last five years. In the previous project, training focused on cross-training frontline manufacturing workers to use state-of-the-art biotech machines, tools, and techniques in a clean room environment to manufacture AV's product portfolio. Under this Contract AV will cross-train production/operation workers in new biotech manufacturing equipment, as the courses under the previous contract have changed and are no longer available. Additionally, trainees will receive training on a new quality initiative, Job Instruction (JI).

Mr. Hoover introduced Joe Hardell, Manager, Learning and Job Mastery; Christine Hall, Site Training Specialist; and Phil Herrera of Herrera & Company.

Mr. Tweini thanked Mr. Hardell for his service and the program they have for the veterans.

ACTION: Mr. Tweini moved and Ms. Newsom seconded the approval of the proposal For Abbott Vascular, Inc. in the amount of \$603,200.

Motion carried, 7 – 0.

Tab # 33 – BAY SHIP & YACHT COMPANY

Mr. Hoover presented a proposal on behalf of Bay Ship & Yacht Company (Bay Ship) in the amount of \$299,520. Founded in 1977 and headquartered in Alameda, Bay Ship & Yacht Co. (Bay Ship) (www.bayship.com/) is a subsidiary of Bay Maritime Group. Located close to the Port of Oakland, Bay Ship provides dry-docking, maintenance and repair services for vessels of different types of ships-tugboats, ferries, cruise ships, pilot boats, yachts and research vessels. It provides the designing, engineering, painting, fabrication, hydraulic, machine shop, welding and electrical services for these ships. Bay Ship will act as the lead employer, seeking funding to train employees at its headquarters and its affiliate- Bay Marine Boatworks located in Richmond. ETP-funded training will only be delivered at the Alameda and Richmond facilities.

This will be Bay Ship's fifth ETP Contract, and the fourth within the last five years. During the previous Contracts, technical skills' training on new dry-dock and specialized shipyard functions was delivered to Craftsmen. This proposal will deliver new technical skills' training for new equipment to enhance its production. Even though some of the training types delivered in this new proposal are the same as in previous contract, training topics have been modified. Trainees who participated in the prior training plan will not repeat any courses.

Bay Ship is the only shipyard in the Bay Area. Its customers are based in vessels belonging to the military, shipping companies, ferry companies, cruise companies, research organizations and private ship owners. Bay Ship is located in a high cost of living area where it is difficult to find experienced craftsmen. ETP funds will assist the Company upgrade skills of individuals with little experience.

Mr. Hoover introduced Thomas Edgerton, Training Manager; Chris Pankey, Recruiting Manager.

Ms. Bell asked what is the craftsman in Job # 1, 2, and 3. Mr. Edgerton responded that they have two dry docks and a sinker lift. Where you are deployed could be at the dry dock or sinker lift depending on what needs the most attention. The employees don't work on the same thing every day. It just depends on where the need is that day. Ms. Bell asked where the craftsman training takes place. Mr. Edgerton responded that it was at the dry dock.

Mr. Tweini thanked him for his work on the veteran program. Mr. Edgerton responded that they are really pro veterans.

Mr. Broad pointed out that this is their 4th proposal in the last five years and therefore, wanted to right size it down 15%. Mr. Edgerton responded that he was in agreement with Mr. Broad's proposal.

ACTION: Mr. Broad moved and Mr. Tweini seconded the approval to reduce the proposal For Bay Ship & Yacht Co. 15% making the new amount of \$254,592.

Motion carried, 8 – 0.

Multiple Employer Contracts

Tab #34 – RIVERSIDE COMMUNITY COLLEGE DISTRICT, OFFICE OF ECONOMIC DEVELOPMENT

Ms. Bernard presented a proposal on behalf of Riverside Community College District, Office of Economic Development (RCCD OED) in the amount of \$553,026. Founded in 1916, Riverside Community College District, Office of Economic Development (RCCD OED) (www.rccd.edu) is a Western Association of Schools and Colleges approved public training agency that provides academic instruction leading to a degree, certificate or transfer to a four-year college, serving 1.2 Million residents in its service area. RCCD is comprised of three colleges: Moreno Valley College, Norco College and Riverside City College. RCCD's Office of Economic Development (OED) and Customized Training Solutions Center, located in Riverside, creates and markets customized, vocational training to incumbent workers employed by local businesses across Southern California. The OED works primarily with manufacturing, transportation and logistics, distribution, aerospace, and engineering companies.

This proposal will reach large and small priority and non-priority businesses. Participating employers will be located in Riverside, San Bernardino, San Diego, Orange and Los Angeles Counties.

This is RCCD's ninth ETP Contract, and the fifth in the last five years.

Ms. Bernard introduced Mark Mitchell, Executive Director, Business & Corporate Innovation, Customized Training Solutions.

Ms. Newsom asked that under Training Vendors, Quest Consulting and Training to receive a fee of \$75K and Cerritos Community College to receive a fee of \$20K, and asked why he was outsourcing his training. Mr. Mitchell responded that Both Quest and Cerritos have been long time subcontractors with the company. They wanted to make sure they meet performance standards, and with both of these companies, they know this will happen. It is important to maintain these longtime relationships with both companies.

Ms. Roberts asked Ms. Bernard about the projected performance rate of 81%. Ms. Bernard responded that it was current as of two weeks ago. Ms. Roberts then suggested a 15% cut on this proposal in order to meet the 100% performance. Mr. Mitchell indicated that he would be amenable to this, but wanted to provide further explanation as to why the 15% cut should not take place. Mr. Mitchell explained why the delays took place but did state again that he would be amenable to the reduction of 15%. Ms. Roberts invited him back for more if they find they need to.

Mr. Tweini thanked Mr. Mitchell for their work with the veterans.

ACTION: Ms. Roberts moved and Ms. Newsom seconded the approval to reduce the Proposal for Riverside Community College District, OED by 15% making the new amount \$470,072.

Motion carried, 8 – 0.

Tab #35 – SAN DIEGO CHAPTER ABC TRAINING TRUST FUND

PULLED

Tab #36 – SOCIETY OF MANUFACTURING ENGINEERS

Ms. Bernard presented a proposal on behalf of Society of Manufacturing Engineers (SME) in the amount of \$319,080. Founded in 1969, Society of Manufacturing Engineers (SME) (www.sme.org) is an association of professionals, educators, and students committed to promoting and supporting the manufacturing industry. SME is involved in all facets of manufacturing engineering and is dedicated to advancing and educating the manufacturing industry through a variety of tactics and outlets to manufacturers and its distributors.

Headquartered in Dearborn, MI, the Company's goal is to promote manufacturing technology, develop a skilled workforce for its member companies, and advance manufacturing and attract future generations to the industry. SME focuses its efforts on several areas of manufacturing including aerospace and defense, energy, medical equipment/device, motorized vehicles, among others. The Company also provides events, media, membership, education foundation, and training and development through its proprietary education program within its training division, Tooling U-SME. SME provides a comprehensive portfolio of manufacturing-specific, professional development training products and services to its customers.

This is SME's second ETP contract, and the second in the last five years.

Ms. Bernard introduced Brian Hogan, National Accounts Manager, Michelle Reychener of Training Funding Partners.

Mr. Broad asked about the wage modification. Mr. Broad asked if they really needed this as it will only pertain to approximately 10-20 employees. Mr. Hogan stated he was in agreement to withdraw the wage modification.

Mr. Tweini asked about their work with veterans and urged them to do more with the veterans. Mr. Hogan responded that it would actually be their clients that would be attracting, hiring veterans; however, SME is very supportive of working with veterans.

Mr. Broad addressed everyone regarding the wage modification as it has come up in most proposals today. Mr. Broad encouraged all companies that when there is a situation of high employment and a tight labor market, please don't request it unless it is justifiable. Mr. Broad discourages asking for the wage modification just because it's there.

ACTION: Ms. Roberts moved and Mr. Tweini seconded the approval of the proposal Without the wage modification for Society of Manufacturing Engineers in the amount of \$319,080.

Motion carried, 8 – 0.

Tab #37 – BUTTE-GLENN COMMUNITY COLLEGE DISTRICT

Ms. Lazarewicz presented a proposal on behalf of Butte-Glenn Community College District (Butte College) in the amount of \$599,991. Founded in 1968 and headquartered in Oroville, Butte College (www.butte.edu) is a 2-year community college that provides academic instruction and workforce training. Butte College's economic workforce development center, The Training Place, works directly with businesses throughout California to provide occupational and professional development training options for employers, and the general population. The College's tailored learning solutions seek to foster a business environment that will lead to the retention and creation of high-skilled jobs that will enhance the overall prosperity of California. Butte College promotes training that help employers achieve higher performance.

This will be Butte College's fifth ETP-funded project, the fifth in the past five years.

This project is a "Critical Proposal", as defined in Title 22, California Code of Regulations (CCR) 4402.2. Butte-Glenn Community College District (Butte College) seeks funding mainly for Hazwoper training, required to assist the clean-up efforts of the Camp Fire. This training will help trainees who were left jobless after the fire to seek and retain employment.

Ms. Lazarewicz introduced Annie Rafferty, Director Contract Education, Training & Development; Linda L. Zorn, Executive Director, Economic & Workforce Development; L. Julie Aguiar, Administrative Secretary – Grants, Economic & Workforce Development.

Mr. Broad asked about wage modification. Because of the State of Emergency and businesses have closed, but some federal disaster monies have to pay at a certain rate. Mr. Broad asked for some assurance that the wage modification will go to people who actually *need* the wage modifications as opposed to *want* the wage modification.

Mr. Knox responded and said that ETP could do it, and it would be written in the contract as such. What can be done is to start looking at the way the wages are coming in. Like with the JATCs we can look at the wages and wage modifications and see how they are coming in.

Ms. Rafferty responded in October when she submitted a new contract there were 60 names contractors – all of whom they traditionally worked with and we have training plans that reflect growth and high wage and upscaling those employees and retaining that employer.

Ms. Newsom asked if that was without the wage modification. Ms. Rafferty responded that it was without the wage modification. Ms. Rafferty went on to state that they get to choose who they enroll and have a certification and commitment from. If they find there is an employer who refuses to pay the employee the wage that he is entitled to for his position, they have the right not to choose that employer.

Ms. Roberts mentioned the 20 counties and asked why they were responding to people down in L.A. area. Ms. Rafferty responded that in response to the Governor's proposal relating to the Certified Nurse's Assistant Training, they took a leadership role an understanding what was required of that certification and also ensuring the retention of the trainees. They have partnered up with Rockport Health Services. They 70 facilities throughout California.

Ms. Roberts and Mr. Broad commend them for reaching out to the Camp Fire victims and businesses.

Ms. Newsom asked about outsourcing the training. Ann Newman from Stockton popped out to her. Ms. Rafferty responded that she is an attorney from Stockton and supports Human Resources and leadership training. Ms. Newsom asked for clarification of what Ms. Newman's charge is. Ms. Rafferty confirmed that Ms. Newman charges \$300/hr.

Mr. Broad added that he would like to have in the contract spelled out protocols for quality assurance.

ACTION: Ms. Roberts moved and Mr. Tweini seconded the approval of the proposal For Butte-Glenn Community College District in the amount of \$599,991.

Motion carried, 8 – 0.

Tab #38 – WESTERN ELECTRICAL CONTRACTORS ASSOCIATION, INC.

PULLED

Tab #39 – CONTRACT SERVICES ADMINISTRATION TRAINING TRUST FUND

Ms. Testa presented a proposal on behalf of Contract Services Administration Training Trust Fund (Contract Services) in the amount of \$336,380. Founded in 1995 and Located in Burbank, Contract Services Administration Training Trust Fund (Contract Services) (<https://csattf.org>) is a non-profit organization that administers and provides training for workers in the entertainment industry (motion picture and television). Contract Services is provided for and governed by the collective bargaining agreement between the Producers, The International Alliance of Theatrical Stage Employees (I.A.T.S.E.), the Moving Picture Technicians Artists and Allied Crafts of the United States, its territories, and Canada (M.P.T.A.A.C.), and the Producers and the Basic Crafts Locals. Trainees are based in the Los Angeles region.

Contract Services' curriculum is developed with input from labor and management that is later approved by a committee of studio representatives. Participating Employers provide feedback, and subject matter experts ensure course offerings are current and adhere to industry standards. Course offerings include Animation, Costume Design, Digital Painting, Prop and Design, and 3D software programs. Contract Services also offers two Trust trainings: Motion Picture Studio Electrician and Maintenance Air Conditioning Mechanic.

This will be Contract Services' first ETP project.

Ms. Testa introduced Jeremy McDowel, CFO; Jason Schomas, Director.

Mr. Broad reminded Mr. McDowell to obtain letters from all the unions involved.

ACTION: Mr. Tweini moved and Mr. Broad seconded the approval of the proposal For Contract Services Administration Training Trust Fund in the amount of \$336,380.

Motion carried, 8 – 0.

Amendments

Tab #40 – EMPLOYERS GROUP SERVICES COPORATION

Ms. Bernard presented a proposal on behalf of Employers Group Services Corporation (Employers Group) in the amount of \$322,480. Founded in 1896, Employers Group Service Corp. (Employers Group) (www.employersgroup.com), 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.

Ms. Bernard introduced Jeffrey Hull, Director Learning Services.

Mr. Broad asked how many times a proposal can be amended, as there is an ETP repeat contractor rule.

Mr. Knox noted that if the amount was over \$950K, they would need to wait 18 months before they can come back for another amendment.

ACTION: Ms. Roberts moved and Ms. Bell seconded the approval of the proposal For Employers Group Service Corp. in the amount of \$322,480.

Motion carried, 8 – 0.

Tab #41 – GREATER SAN FERNANDO VALLEY CHAMBER OF COMMERCE

Ms. Torres presented a proposal on behalf of Greater San Fernando Valley Chamber of Commerce (Greater San Fernando Chapter) in the amount of \$249,205. Founded in 1911 and located in Van Nuys, the Greater San Fernando Valley Chamber of Commerce (Greater San Fernando Chamber) (www.sanfernandovalleychamber.com) is a nonprofit membership organization whose mission is to create and foster a sustainable business environment in the San Fernando Valley region through networking opportunities, advocacy, promotion, and community projects. Greater San Fernando Chamber partners with other chambers within Los Angeles County, including Valley Industry & Commerce Association and The Valley Economic Alliance. These partnerships help identify the needs of manufacturers and connect employers to the tools needed to help them become more successful.

Ms. Torres introduced Nancy Hoffman Vanyek, ACE Chief Executive Officer.

Ms. Roberts asked about this being a second amendment. Ms. Vanyek said that they need more funding due to demand, and that they went through the initial funds more quickly than anticipated. Additionally, the money they have now is with a different job number, which is currently on hold with their training process, as they await this amendment.

ACTION: Ms. Roberts moved and Mr. Tweini seconded the approval of the proposal For Greater San Fernando Valley Chamber of Commerce in the amount of \$249,205.

Motion carried, 8 – 0.

Tab #42 – PYRAMID LA MANAGEMENT, L.P. dba SHERATON GATEWAY LA HOTEL

Ms. Torres presented a proposal on behalf Pyramid LA Management, L.P. (Pyramid) in the amount of \$221,550. Pyramid Hotel Group was founded in 1999 and is headquartered in Boston, MA. It manages over 71 hotels and resorts throughout the continental United States, Hawaii, the Caribbean, Ireland and the United Kingdom. Pyramid Hotel Group is the employer of Pyramid LA Management L.P. dba Sheraton Gateway Los Angeles Hotel (Pyramid-Sheraton) and Pyramid-Sheraton is the Contract holder. Training is solely for the benefit of employees at Pyramid-Sheraton. The Company's goal is to improve its Guest Service Score (GSS) that is critical in maintaining its current 4-Star Forbes rating. To achieve this, employee skills must be upgraded by training them in Business, Computer, Continuous Improvement and Management Skills.

Ms. Torres introduced Erika Barba, Director of Human Resources; Steve Benson, National Training Co.

Mr. Broad stated they are missing a letter from United Air Local Union 11. The majority of the employees are covered under a collective bargaining unit. Approving amendment would have to be contingent upon getting the union letters of support.

Ms. Newsom asked if they were in a labor dispute. Ms. Barba said no. Ms. Newsom wants to see the wages when they come back.

ACTION: Ms. Newsom moved and Mr. Smiles seconded the approval of the proposal For Pryamid LA Management L.P. dba Sheraton Gateway LA Hotel in the amount of \$221,550, contingent upon securing a union letter of support.

Motion carried, 8 – 0.

Tab #43 – STUDIO ARTS, LTD.

***** Eric Huelsman, President, had flight issues and was unable to attend. Panel agreed to move this over to the next Panel meeting.**

Prior to hearing Public Comments, Chairman Barry Broad addressed the "wage modification" further indicating that we need to speak to these companies and educate them as to when it is appropriate to ask for the wage modification and when it's not appropriate. Mr. Broad's concern is that the companies that really do need the wage modification, get it and that they are not just arbitrarily putting this into their contracts "just in case."

XIII. PUBLIC COMMENT

Steve Duscha addressed the promotion of Lis Testa as Manager of the new ETP unit, Program Projects Unit (PPU). He is very happy to see this new unit as it will be helpful to the field offices. He is also happy that ETMS will be gone.

XIV. MEETING ADJOURNMENT

Meeting adjourned at 12:53 p.m.