

PANEL PACKET

September 2016





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Valley CORF, Inc.
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M e m o r a n d u m

To: Panel Members

From: Stewart Knox
Executive Director

Subject: **Directions to Meeting Site**

Date September 23, 2016

File: Panel Memo Doc.

The Employment Training Panel will meet on FRIDAY, **September 23, 2016 at 9:30 a.m.**

**California Environmental Protection Agency
Coastal Hearing Room, 2nd Floor
1001 I Street
Sacramento, CA 95814**

Telephone (916) 327-5640 (ETP Central Office)
FAX: (916) 445-5972 (ETP Central Office)

Directions to the California Environmental Protection Agency - Coastal Hearing Room

From Sacramento International Airport:

- Take **Hwy 5 South**
- Exit on "**J**" **Street** to **11th St.**
- Turn Left on **11th Street**
- Turn Left on **I Street**
- **1001 I Street**

From San Francisco

- Take **I-80 E**
- Merge onto **I-5 N**
- Exit on "**J**" **Street** to **11th St.**
- Turn Left on **11th Street**
- Turn Left on **I Street**
- **1001 I Street**



M e m o r a n d u m

To: Panel Members

Date September 23, 2016

From: Stewart Knox
Executive Director

File: Mtg. Site Memo

Subject: **Future Meeting Sites**

September 23, 2016	California Environmental Protection Agency Time: 09:30 AM Coastal Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814
October 28, 2016	California Environmental Protection Agency Time: 09:30 AM Sierra Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814
November	NO PANEL MEETING IN NOVEMBER
December 16, 2016	California Environmental Protection Agency Time: 09:30 AM Coastal Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814



NOTICE / AGENDA

MEETING TIME/PLACE

Friday, September 23, 2016 at 9:30 a.m.
California Environmental Protection Agency, 1001 I Street
Coastal Hearing Room, Second Floor
Sacramento, CA 95814
Phone: (916) 327-5640

AGENDA

- | | | |
|------------|---|----------------------------------|
| 9:30 a.m. | Call to Order by Chair <ul style="list-style-type: none">• Roll Call• Agenda• Minutes | Barry Broad |
| 9:45 a.m. | Report of the Executive Director <ul style="list-style-type: none">• Legislative/Budget/Other• Request Motion to Delegate in Event of Loss of Quorum/Action• Request Motion to Adopt Consent Calendar Projects/Action | Stewart Knox |
| 10:00 a.m. | Report of General Counsel <ul style="list-style-type: none">• Action on Motion to Create an Ad Hoc Apprentice Subcommittee | Maureen Reilly |
| 10:30 a.m. | Review and Action on Proposals | Gregg Griffin
Willie Atkinson |
| 12:00 a.m. | Public Comments | |
| 12:15 p.m. | Public Meeting Adjourns | |

The notice of Panel Meetings is also available on the ETP website (www.etp.ca.gov). The times shown here are estimates, and may be changed at the meeting.

The dollar amounts shown here are subject to change up to and including the date of the Panel Meeting. Other changes may also occur (e.g. withdrawn). Please continue to assess this page for updated information.

If the Panel does not have a quorum, it will meet as a subcommittee of the whole at the same time and place. That subcommittee will hear the items identified on this Agenda, but cannot vote or take action.

Special accommodations (i.e., sign language, interpreter, accessible seating) may be requested by contacting ETP at least seven days prior to the meeting date. Please contact the Executive Office at (916) 327-4485.

REVIEW AND ACTION ON PROPOSALS

These funding proposals are listed by Regional Offices and do not reflect the actual order of presentation. They will be considered by the Panel in accordance with a Table of Contents to be published on the ETP website no later than Monday, September 19, 2016 although the Panel may still change the order at the meeting.

North Hollywood Regional Office

Building Skills Partnership (Amendment)-----	\$49,275
Ducommun Aerostructures, Inc. -----	\$444,736
Employers Group (Amendment) -----	\$278,418
Lancaster Chamber of Commerce -----	\$223,820
Los Angeles & Orange Counties Air Conditioning and Refrigeration Joint Journeyman and Apprentice Training Committee -----	\$601,060
N.E.C.A./I.B.E.W. Inland Training Fund dba Inland Empire Electrical Training Center -----	\$801,440
Professional in Human Resources Association (Amendment)-----	\$273,938
Southern California Resilient Floor & Decorative Covering Crafts JATC -----	\$229,840

San Diego Regional Office

Kimberly-Clark Worldwide, Inc. -----	\$210,750
Pavement Recycling Systems, Inc. -----	\$124,110
SYSCO San Diego, Inc. -----	\$239,580

San Francisco Bay Area Regional Office

Boehringer Ingelheim Fremont, Inc. -----	\$374,640
Linear Technology Corporation -----	\$372,280
Northern California Construction Inspectors Joint Apprenticeship Committee-----	\$281,820
Pyramid Berkeley Management L.P. dba Doubletree by Hilton Hotel Berkeley Marina -----	\$178,500
Santa Clara County Electrical Joint Apprenticeship and Training Trust -----	\$501,200

Sacramento Regional Office

Belcorp AG, LLC-----	\$258,880
Cottage Bakery Inc.-----	\$255,420
Fresno Area Plumbers, Pipe & Refrigeration Fitters Joint Apprenticeship Training Committee -----	\$237,800
Gallo Cattle Company, LP dba Joseph Gallo Farms -----	\$749,520
Keysight Technologies, Inc.-----	\$432,000
Northern California Heat & Frost Insulators and Allied Workers Joint Apprentice and Training Committee -----	\$250,200
PGP International, Inc. -----	\$133,056

PROPOSALS APPROVED
BY DELEGATION ORDER FOR 08/16/16 – 09/13/16

≤ \$100,000

**Approved
Date**

**Approved
Amount**

North Hollywood Regional Office

Applus RTD USA Services, Inc.	08/26/16	\$99,792
D.B. Building Fasteners, Inc.	09/09/16	\$42,120
Golden Star Technology Inc.	08/17/16	\$93,440
Integrated Media Technologies, Inc. (Amendment)	09/12/16	\$49,504
R/C Metals Electronic, Inc. dba Freelance Electronics	09/12/16	\$7,700
Scaled Composites, LLC	08/29/16	\$69,120
Valley CORF, Inc.	08/22/16	\$14,768

San Diego Regional Office

Helix Environmental Planning, Inc.	09/09/16	\$51,480
Method Technologies, Inc. (Amendment)	08/31/16	\$26,000
PenChecks, Inc.	09/01/16	\$20,152
The Super Dentists, Inc.	08/31/16	\$72,200
usCalibration Incorporated	08/31/16	\$23,400

San Francisco Bay Area Regional Office

Innovative Machining, Inc.	09/12/16	\$19,604
Winslow Automation, Inc.	08/23/16	\$42,172

Sacramento Regional Office

Cemcon, Inc.	08/18/16	\$83,980
CostTree, LLC	08/23/16	\$13,104
Orchard Machinery Corporation	09/01/16	\$79,974
Parker-Hannifin Corporation	08/22/16	\$57,024
Rudy's Auto Body, Inc. dba Fix Auto Fairfield – Suisun City	08/22/16	\$14,520
Shasta Cascade Forest Products, Inc.	08/23/16	\$7,800



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL**
California Environmental Protection Agency
1001 I Street
Coastal Hearing Room, 2nd Floor
Sacramento, CA 95814
August 26, 2016

PANEL MEMBERS

Barry Broad
Chair

Janice Roberts
Vice-Chair

Gloria Bell
Member

Sonia Fernandez
Member

Will Koch
Ex-Officio Member

Gretchen Newsom
Member

Edward Rendon
Member

Sam Rodriguez
Member

Executive Staff

Stewart Knox
Executive Director

Maureen Reilly
General Counsel

STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL
California Environmental Protection Agency
1001 I Street
Coastal Hearing Room, 2nd Floor
Sacramento, CA 95814
August 26, 2016

I. PUBLIC PANEL MEETING CALL TO ORDER

Chairman Broad called the meeting to order at 9:32 a.m.

II. ROLL CALL

Present

Barry Broad
Sonia Fernandez
Will Koch
Gretchen Newsom
Edward Rendon
Janice Roberts
Sam Rodriguez

Absent

Gloria Bell

Executive Staff Present

Stewart Knox, Executive Director
Maureen Reilly, General Counsel

III. AGENDA

Chairman Broad asked for a motion to approve the Agenda.

ACTION: Mr. Rodriguez moved and Ms. Newsom seconded the motion that the Panel approve the Agenda.

Motion carried, 7 - 0.

IV. MINUTES

ACTION: Ms. Roberts moved and Mr. Rendon seconded the motion that the Panel approve the Minutes from the July 22, 2016 meeting.

Motion carried, 7 – 0.

V. REPORT OF THE EXECUTIVE DIRECTOR

Stewart Knox, Executive Director, said, welcome and good morning Panel members, applicants, and stakeholders. Following the Panel meeting in July, we have a larger Panel meeting today with approximately \$10.6M in projects with another \$954,000 in Delegation Orders for a total of just under \$11.6M.

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

Regarding the Budget for Alternative Fuels and Vehicle Technology Program, we signed another \$2M Interagency Agreement in partnership with the California Energy Commission going into the next Fiscal Year 2016/17. We currently have \$2M within that allocation for Fiscal Year (FY) 2016/17.

In regards to Core Funds for FY 2016/17, today the Panel will consider \$10.6M in projects with an additional \$954,000 approved by Delegation Order. Should the Panel approve all the projects today, ETP will have approximately \$64M for the remainder of the FY 2016/17.

Under Delegation Order, all project proposals are capped at \$100,000 to be approved by the Executive Director on a continuous flow basis, and as of today, 20 projects were approved totaling over \$954,000.

For FY 2016/17 program funding to date, we have approximately 373 projects submitted, with a value of just over \$55M. If all the projects are approved today, the Panel will have approved close to \$27M in proposals. Financially we are in great shape. We have about \$54M in demand and \$64M remaining in allocations.

Regarding applications for contracts that are remaining in the Regional Offices: Single Employer Contract requests are at \$36M; \$28M in allocation. Multiple Employer Contract (MEC) requests are at \$8.4M; \$16M in allocations. Small Business has \$3.6M in demand; \$4.9M in allocations. Critical Proposals are at \$500,000 in demand; \$6.9M in allocations. Apprenticeships are at \$4.8M in demand; \$8.7M in allocations. Overall demand is approximately \$55M.

Regarding the number of projects remaining in the Regional Offices: Single Employers 134, MECs 19, Small Business 117, Critical Proposals 1, and Apprenticeships 19 for a total of 290. AAU by category: Single Employers 38, MECs 13, Small Business 28, Critical Proposals 0, and Apprenticeships 5 for a total of 84.

Regarding legislation, the Panel members have that in their Panel packet. I don't have a whole lot more to review on that, and there's nothing else to report at this time

Mr. Broad said there's one technical item that I would like to bring up. This is regarding AB 1697 Alternative and Renewable Fuel and Vehicle Technology Program. Where it says: *"Senate amendments are finalized and the bill has been sent to the Assembly Subcommittee*

on Enrollment for engrossing and enrolling the bill,” that’s not a committee. That’s what happens to a bill after it has passed, and before it goes to the Governor. The bill goes into this little middle space where they correct the typo, which is “engrossing”; that’s just what it means. It has already passed. Mr. Knox said, okay.

Mr. Knox said, I will give you a quick update on the ETMS. We are still working out some of the critical issues that the system has. We have listened to the stakeholders and are looking at some options. We also want to get the training out as soon as possible, so we are looking to start the training in mid-September. Those trainings will probably start on Tuesday, and we will post the available training dates on our website. So beginning mid or late September, the Panel may view what the system looks like, and we will have training available on-line and in print.

We are looking at a soft launch date in mid-October. We won’t stop the processing of the projects through our old system; current and updated system will still be operational. Any new projects that will come forward will go into the new and old system, and all applications will be entered in the new system.

VI. MOTION TO ADOPT CONSENT CALENDAR PROJECTS

Mr. Knox asked for a motion to adopt Consent Calendar Items #1 through #12.

Ms. Newsom said, I would like to pull Item #9, Pyramid Berkeley Management L.P. dba Double Tree by Hilton, from the Consent Calendar for consideration the following month. I have some questions for the applicant. Mr. Broad said, we’ll push that one over for the next Panel meeting in September. Ms. Newsom said, thank you.

ADT LLC.....	\$169,560
Engeo Incorporated.....	\$168,304
Erickson Framing CA LLC.....	\$173,832
National Veterans Transition Services, Inc.....	\$164,604
Northern California Workshop Ironworkers	
Local 790 Apprenticeship and Training Trust Fund.....	\$50,720
Northrup Grumman Technical Services, Inc.....	\$144,680
Onestop Internet, Inc.....	\$130,410
PAMC, Ltd. dba Pacific Alliance Medical Center, Inc.....	\$249,344
Rocket EMS, Inc.....	\$143,370
SYSCO Ventura, Inc.....	\$104,824
Total Transportation & Distribution, Inc.....	\$116,996

ACTION: Ms. Roberts moved and Mr. Koch seconded approval of Consent Calendar Items #1 through #8, and Items #10 through #12.

Motion carried, 7 – 0.

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

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

ACTION: Ms. Newsom moved and Mr. Rendon seconded the approval to delegate authority to the Executive Director in event of loss of quorum.

Motion carried, 7 – 0.

VIII. REPORT OF THE GENERAL COUNSEL

Maureen Reilly, General Counsel, said, I have nothing to report.

IX. REVIEW AND ACTION ON PROPOSALS

Single Employer Proposals

AHMC San Gabriel Valley Medical Center LP

Diana Torres, Manager of the San Diego Regional Office, presented a Proposal for AHMC San Gabriel Valley Medical Center LP (San Gabriel) in the amount of \$188,284. Founded in 1960, San Gabriel is a full-service acute care hospital with 273 licensed beds. This will be San Gabriel's fourth ETP agreement overall in the third within the last five years.

Ms. Torres introduced Victor Voisard, Director of Human Resources.

Ms. Roberts said, we have two proposals for AHMC; you're representing San Gabriel and the other one is for Whittier Hospital Medical Center (Whittier Hospital). I was comparing the hours you're requesting with the other proposal; they have the same program for the new RN graduates, but they are not requesting as much hours. Why are you asking for more and your sister company isn't asking for the same? What are you providing your new graduate RN's and what is Whittier Hospital providing theirs? What's the difference?

Mr. Voisard said, I can only speak for San Gabriel. My colleague can speak for the Whittier Hospital program. Our program for the new graduate nurses would require that number of hours for that type of training; that's the way we had set-up our particular training. I can't answer why Whittier Hospital's program is different than ours since we are two different entities.

Ms. Roberts asked, isn't it the same type of training involved for the RN graduates, or do you have a program that's totally different? Mr. Voisard said, they are similar in nature, but our program entails for the nurses to be independent and perform the duties of an assistant nurse.

Mr. Broad said, maybe we should ask the representative from the other hospital to come up and answer the question. Ms. Roberts said, it just seems that the program is similar; one is asking for a modification and the other one isn't, based on new graduate RN's.

My name is Sarkis Vartanian. I am the Chief Nursing Officer at Whittier Hospital. What you're asking are good questions. The reality is that the average length of a new graduate registered nurse is roughly about 2 to 3 months, and we're probably looking at above the 200 hours. We had put down 200 hours for Whittier Hospital because we have the registered nurses and other disciplines as well. We rounded it down to 200 hours logistically, but I think that they're definitely going to surpass that mark.

Ms. Roberts said, I only see what's in the Panel packet. Whittier Hospital is asking for \$5,000 per trainee, and you're only asking for \$2,900 per trainee. There's a big discrepancy. It's not like it's only a couple of hundred dollars; the difference is thousands of dollars between the new graduate RN programs. I'm much more concerned as to why San Gabriel is asking for so much more than the other proposal.

Mr. Vartanian said, for Whittier Hospital, we have experienced a significant amount of growth over the last year or so; mostly in our emergency, surgery, and labor and delivery department. I think, with more people who have insurance, more people have come to the emergency department in our region, at least in the city of Whittier. That has led us to hiring a lot more people; specifically the RN education hours which is what you're referring to. I can definitely say that the orientation process takes 2 to 3 months for Whittier Hospital, and I think that that's the industry norm. Ms. Roberts said, thank you for coming up and clarifying that. Now I want to get back to Mr. Voisard's project to find out why their program is so much more expensive than yours.

Mr. Voisard said, our orientation process takes three months, and the number of hours we are asking is based on the three-month program. The program is basically entailed for the registered nurses to be equipped with the skills to become independent nurses who can take care of our patients.

Mr. Rodriguez said, it's okay to say "I don't know," if you don't have the answer. What I'm gathering here is that you don't know why there's a cost difference, is that correct? Mr. Voisard said yes. I don't know exactly what the program entails at Whittier Hospital compared to ours.

Mr. Rodriguez asked, can we have Ms. Torres address this matter? Ms. Torres said, I think what the gentleman explained is basically the maximum training hours, which I believe is somewhere in the neighborhood of 400 hours for a new nurse graduate. They have the ability to request up to 260 hours, and the San Gabriel facility is requesting the maximum amount. That doesn't mean that their programs are different. They are just exercising that permissiveness to be able to do that. In six months, Whittier Hospital could come back and say that they're not training as many folks in those other occupations; they still have funds under a Job Number, so they can request to increase the number of hours from 200 to 260. Illustratively, it looks like they are requesting for more hours. The cost is still the same to them; it's what they're requesting for us to reimburse. Ms. Roberts said, that makes sense, because they can move that bucket of money around however they want to. From our visual

perspective, I picked up on it right away. It's different if the proposal was in the aerospace industry and then the other one is a hospital. But if both of them are training RN graduates, I just wanted to know the difference. Thank you for the clarification.

Mr. Broad asked, are we comfortable with this? Ms. Roberts said, I'm okay with this. I wanted to hear Mr. Voisard's point. As Mr. Rodriguez said, it got a little convoluted. I apologize. Mr. Broad said, it just seems like one proposal is requesting for everything they could ask for, and another proposal is asking for slightly less than what they can ask for.

Mr. Broad asked, is the training conducted by the same people with the same training materials? Mr. Voisard said, the training is conducted by different trainers with materials. Mr. Broad asked, are there any similarities between the training? Mr. Voisard said there are some resemblances. Mr. Broad asked, are you using the same training vendors; same textbooks or materials? Mr. Voisard said no.

ACTION: Ms. Roberts moved and Mr. Rodriguez seconded approval of the proposal for AHMC San Gabriel Valley Medical Center LP in the amount of \$188,284.

Motion carried, 7 – 0.

AHMC Whittier Hospital Medical Center LP

Ms. Torres presented a Proposal for AHMC Whittier Hospital Medical Center LP (Whittier Hospital) in the amount of \$421,524. Founded in 1957, Whittier Hospital is a full service acute care facility with 178 licensed beds. This will be Whittier Hospital's fifth ETP Agreement overall and the fourth within the past five years.

Ms. Torres introduced Sarkis Vartanian, Chief Nursing Officer.

Ms. Roberts said, I understand that you have a 50% substantial contribution. Your previous contracts were a lot smaller than this. This proposal is almost three quarters of a million dollars minus the 50%, which is fine since you have a good performance. We have previously approved \$348,000, and now we're approving \$700,000. I'm just wondering as to what's going on? Are you hiring a bunch of employees? Are you doubling the amount because you have a 50% substantial contribution? We're pretty smart up here, and we can figure out the math. Mr. Vartanian said, what you mentioned is primarily what's going on as far as the growth is concerned, and we brought new hires on board. We are adding an overwhelming number of people to our staff, and that's one of the driving forces behind it. We are also wrapping up our education program that we have in place with the healthcare industry that is changing frequently and constantly. We want to make sure that our staff is up to speed with the regulations, whether it's joint commission, or whatever the case may be. We have a lot of new hires, specifically in the operating room, labor and delivery, emergency department and all across the board.

Ms. Roberts said, you do realize that you have almost everyone at your facility under this training program. Mr. Vartanian said, I think our proposal was to add 45 estimated new hires, in addition to the 500 current employees. From the last grant period to this one, we added a significant number of individuals to get that number up to approximately 500. It's sustained

growth; it's accelerated growth with more people having access to healthcare, which I think is great. The services that we provide in our emergency department has grown in volume overall. Ms. Roberts said, we do appreciate you hiring new employees. That's a big thing, and that's what we really need to see in California, so I appreciate that. It's just that when I look at the numbers, it looks a little fishy. Thank you.

Mr. Rodriguez asked, is your title Chief Nursing Officer? Mr. Vartanian said yes. Mr. Rodriguez asked, is that sort of a new paradigm in terms of occupation? Mr. Vartanian said, no; I don't think so. Chief Nursing Officer, VP of Nursing, Chief Nursing Executive are all similar in title. I'm part of the senior management team along with the CEO, COO, and CFO. Mr. Rodriguez asked, does the HR department report to you? Mr. Vartanian said, the HR at our facility reports to the CEO. The nursing director and quality director report to me. Mr. Rodriguez asked, are you essentially in charge of all the training? Mr. Vartanian said, I'm in charge of the nursing aspect of the training; the HR and director of education oversee the other areas as well. Mr. Rodriguez said, okay; thank you.

ACTION: Ms. Fernandez moved and Mr. Rendon seconded approval of the proposal for AHMC Whittier Hospital Medical Center LP in the amount of \$421,524.

Motion carried, 7 – 0.

C.R. England, Inc.

Ms. Torres presented a Proposal for C.R. England, Inc. (CRE) in the amount of \$406,200. CRE is a family-owned trucking company that specializes in temperature-controlled transportation services. This project will utilize the Special Employment Training (SET) funds for the retraining of frontline workers.

Ms. Torres introduced Lisa Callister, Vice President of Human Resources and Tiffany Guthrie, Human Resources Manager.

Ms. Newsom said, I have read a portion of your application. You are asking for the trainees to be subjected to a lower post-retention wage. Wouldn't it be easier to retain and attract more drivers if you pay them more? Ms. Callister said, we are more competitive within the industry with what we're paying them right now, so we look at that very closely. We want to provide a program where they have an opportunity to grow and progress; base-time progression. We also have a lot of drivers that want to transition over to the office. I'm currently working with a driver right now who is applying for a safety manager position; he's a California driver. We offer a lot of opportunities and we have a progression set-up within our training. Our goal is to grow our business; we are in major growth mode. We want to retain those drivers and provide career progression for them. Our regional and national drivers have a dedicated account, and that is sometimes a better opportunity for them. With our program called "career tracks", drivers are able to see what positions they are qualified for and apply, based on their tenure safety miles. There is a progression built-in the track that's visible to them, as well as ongoing training opportunities.

Ms. Newsom asked about the difference in the wage gap for the drivers in Job Number 1, 2, and 3 (Job Number 2 and 3 are Job Creation). Job Number 1 would be starting at \$19 an

hour, and the Job Creation is \$13 an hour. So after the drivers in Job Number 2 and 3 complete the training, how long will it be expected until they achieve the \$19 an hour that the other drivers are receiving for the same training? Ms. Guthrie said, there are two phases; Phase 1 and Phase 2. Phase 1 would require 180 driving hours; it's not a significant period of time if they're willing to get out on the road. In Phase 2, they are paired with a trainer and that can be up to six months of driving. In approximately 6 to 7 months, they would be eligible to earn the higher rate. Does that answer your question? Ms. Newsom said, that answers my question.

Ms. Newsom said, I noticed under the Development Services that Deloitte Tax LLP charged a fee of \$40,000 to help you develop this proposal. I'd like a little bit more explanation, because that seems strikingly high in comparison to the other applications that I've seen. Ms. Guthrie said, I don't have any personal knowledge of how we came to that agreement. This is our first time coming before the Panel requesting for training funds in California, so I can't speak specifically as to how we came to that number.

Ms. Callister said, I appreciate you bringing that up because that's something we'd need to go back and have some conversations about. Ms. Newsom asked, are the representatives from Deloitte here today? Ms. Callister said yes. Ms. Newsom said, I'd like an explanation. It's almost quadruple compared to what I've seen, and I'm new to the Panel, so I haven't been around that long. I haven't seen too many other proposals come around with that kind of number attached to the proposal.

My name is Leslie Miller, and I'm with Deloitte Tax. Our fees include a lot of things other than just the ETP application. We didn't have our fees done by the time the application was submitted, so we provided what was in our statement of work, which is our credit and incentive, and maximum services that we are providing to C.R. England; we provided the maximum amount that was available. When we are done with this, we'll know the exact fees for the application and development, and we would be happy to share that with you. Ms. Newsom said, thank you.

Mr. Broad asked, are your drivers paid by the hour or by the miles? Ms. Guthrie said both; it depends on what type of work they're engaging in. Mr. Broad said, are they paid by the interstate miles? Ms. Guthrie said, by the mile that they are actually driving. There are times when they are on duty, but they are not driving, and that's when they would earn an hourly wage in addition to their mileage. When they're driving to deliver a load, they're earning mileage. But let say, they get there and their shipment is not ready to be received, we're still paying them. Mr. Broad said, so generally speaking, your drivers are paid by the mile. Ms. Guthrie said, the majority of it is by the miles.

Mr. Broad asked, are most of the freight interstate or intra-state? Ms. Guthrie said out of Colton, California, we have two major dedicated accounts; Walmart and Coca-Cola. The majority of that is in the state of California. There are other smaller accounts that travel in and out of California, and there are different drivers with different assignments. So, in California, the majority of it stays in California.

Mr. Broad said, the laws have changed recently with respect to the payment for what's called "other non-productive time." This means that their wait or training time should never be

covered by the piece rate, which is the driving per mile; I would like our staff to make note of this. Ms. Guthrie said, yes. Mr. Broad said, there was a number of trucking company cases that went to court. The truck companies would pay the minimum wage earned for all the hours that were worked, but the jobs that didn't have anything to do with driving, didn't get separate compensation". We haven't seen too many trucking proposals, but if we do have them, the drivers are paid by the mile. They have to be paid at least the state hourly minimum wage for the time that they are in training, because that is clearly not driving time. That's why I asked those questions to clarify that because it's relatively an issue. I'm glad you guys are complying by the law, because not all trucking companies do. Ms. Callister said, we've gone through a lot of internal process to make sure that we are in compliance. Mr. Broad said, I'm glad to hear that.

Ms. Fernandez asked, do you hire your employees as temporary workers; how long is the waiting period before they qualify for medical benefits? Ms. Guthrie said, within the requirement, which is 60 days of employment; they are eligible for full benefits.

Ms. Roberts said, I'm just going to pair off with what Ms. Newsom said around the development fees for Deloitte; the \$40,000 is just alarming when we look at it. I also noticed that you don't have any administrative services involved in this proposal. Is Deloitte going to counsel you on that? Will that also be a part of their development services to walk you through the process? Ms. Guthrie said, yes ma'am; that will be a part of their service to us.

Ms. Roberts said, I've been involved with ETP for a long time. When you have different job titles, it's difficult to get them funded correctly if you don't have somebody who understands the ETP process. Hopefully, Deloitte will help you through the administrative part of the process. Ms. Guthrie said, we plan to use Deloitte's expertise. Ms. Roberts said, I was in logistics for quite a long time, and truck drivers are very difficult to find, especially with the hours on the road. It was one of the job positions that we had a very difficult time employing and finding the right person without any kind of infractions.

Mr. Rodriguez said, I'm not a trucking expert, but if I'm not mistaken, Ms. Torres, in terms of first time applicants, when they use a consulting firm like Deloitte who are not familiar with our processes, can ETP provide intensive technical assistance to first-timers? Ms. Torres said, yes; of course. Regardless if someone is utilizing a third-party consultant for development or implementation, we still treat the customer the same. Sometimes, the level of service varies from contract to contract. From there, we assess how much assistance will be needed; we do get more phone calls from those that don't utilize third-party firms. Mr. Rodriguez said, Ms. Callister and Ms. Guthrie, I encourage you to be a good consumer and bring in Deloitte into the conversation with ETP, and be as transparent as you can to ensure you're getting the maximum benefits, not only for a consulting perspective, but also from the execution implementations. This is your first time, and this is critical to your success.

Mr. Rodriguez asked, can you briefly share what you're doing in the city of Fontana? Are you expanding or hiring a critical mass of truck drivers? Ms. Guthrie said, as we are working on getting funded, we would like to install our own fuel island. Currently, our trucks are visiting other commercial diesel fueling location. It takes up a lot of time for our drivers to get in and out of the trucks to refuel; this can cause a hold-up and delay. We would like to create a fuel island at our own facility where the truck drivers can fuel up easier. In order to do that, we

would need to hire employees to assist our drivers. Mr. Rodriguez asked, is this a permanent position? Ms. Guthrie said, yes. Mr. Rodriguez said, thank you.

There were no further questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Rodriguez seconded approval of the proposal for C.R. England, Inc. in the amount of \$406,200.

Motion carried, 7 – 0.

Holthouse Carlin & Van Tright LLP

Ms. Torres presented a Proposal for Holthouse Carlin & Van Tright LLP (HCVT) in the amount of \$303,000. Founded in 1991, HCVT is a full-service accounting firm that provides accounting, tax, business advisory, and business management services. This will be HCTV's second ETP Agreement within the past five years.

Ms. Torres introduced Jennifer Matsura, Director of Recruiting and Training.

There were no questions from the Panel

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the proposal for Holthouse Carlin & Van Tright LLP in the amount of \$303,000.

Motion carried, 7 – 0.

Altman Specialty Plants, Inc.

Ms. Torres presented a Proposal for Altman Specialty Plants, Inc. (Altman) in the amount of \$429,262. Founded in 1975 and headquartered in San Diego, Altman is a wholesale nursery. This is the third ETP proposal for Altman.

Ms. Torres introduced Tex Prows, Vice President, Human Resources, and General Counsel.

Mr. Broad asked, will the employees who are paid minimum wage still get the same pay after they receive the training? Mr. Prows said, yes; they will. Mr. Broad asked, will they get a raise? Mr. Prows said, they will get their annual raises in the normal course practice.

Mr. Broad said, I'm a little troubled with spending the taxpayer's money to train people for minimum wage jobs that will remain at minimum wage. In other words, what are we getting for those workers? What are these California workers getting? I see how it benefits your company, but how does it benefit the worker? What does the worker get out of this? ETP was created for high-wage, high-value added jobs. It wasn't created to fund minimum wage employers who just pay people the minimum wage. What happened with the minimum wage workers from your other proposal; are they now in management? Mr. Prows said, yes; they are advancing in our program and in our company. They are moving to lead supervisors, managerial roles, and they are receiving additional compensation and raises; they will be paid more.

Mr. Broad said, we've done this in the past and I would like you to commit; we just haven't had a lot of these minimum wage proposals. I want to see them get a raise after they complete their training. You don't have to take our money with that condition, but I'd like to see that as a condition that they get a raise, and we can talk about what that amount should be. You might want to think about whether you want to accept that, because that is going to cost you some money. Is that acceptable to you? Mr. Prows said, that's acceptable.

Mr. Broad asked, how much of a raise can we get them; 5%? Mr. Prows said, I would have to look at that; I would assume so. Mr. Broad said, I'm asking you to commit to something; I don't want to force you to do that. Do you want to come back next time, and see if it's acceptable to give them a 5% raise upon completion of the training, or do you want to make that a condition of it now? Mr. Prows said, we can certainly make that a condition of it.

Ms. Fernandez asked, do you have the authority to commit to that? Mr. Prows said, I don't. Ms. Fernandez said, that's a concern for me. Mr. Broad said, that would mean that if he accepts that, and we approve the proposal on that basis, they don't get paid until the completion of the retention period; after this they don't get a 5% increase they're making at that point. Ms. Fernandez said, I'm letting you know right now that I'm not comfortable approving this unless it's set on stone, because I want the workers to get the benefit, because they are going to be your competitive advantage. Unless there is an outcome for the workers, I am not prepared to support this.

Mr. Rodriguez asked, may I make a suggestion? You can stay here; we can table this and go on to the next proposal. In the meantime, you can make a phone call to your boss and come back.

Mr. Broad said, if they're earning \$10 an hour, they are going to get a 5% wage increase from where they are at the end of the retention period after they complete the training. Mr. Prows said, right.

Ms. Roberts said, if you look at the amount of what we just funded you, are those 800 employees still at \$10 an hour, or are they making more money since they've completed the training. Can you provide us with some data? Mr. Prows said, I believe they have, but I don't have that data with me.

Ms. Fernandez asked, in addition to that, are the workers getting a wage increase annually? How does the compensation schedule work? I would like that clarification. Mr. Prows said, we do an annual compensation review.

Mr. Rodriguez said, as I mentioned earlier to one of the presenters, if you don't know the answer, it's okay to say, "I don't know." You're also the general counsel, so I think you need to figure out how you would like to proceed. Mr. Prows said, I would have to evaluate that, and it may be that we'd have to come back. I would like to provide you with all the answers you need, and meet all the requirements that the Panel is proposing.

Ms. Newsom said, it sounds like you'll be coming back. When you come back, I would like to know about the hours that your workers perform in whether or not they qualify for overtime. If they are working beyond the eight hours, are they getting overtime, or are you using the

agricultural exemption that is currently being debated at the Capitol until they have worked 10 hours or more?

Ms. Torres said, I just want to make some clarification. For Job Number 2; the incumbent workers that have the HUA modification, they have to make more than what they start with. It's not stipulated, but is that one of the questions? For Job Number 4, it's Job Creation so it's not required to make more at the retention period. We do have the requirement for Job Number 2.

Mr. Broad said, for Job Number 4, it has a Job Creation and retrainee. Ms. Torres said, that's correct; they are hired, and they are working. Mr. Broad asked, if it's Job Creation, how long have they been employed at which they're getting the training? Ms. Torres said, there is a three-month period. If they pass, then they would fall under Job Number 2. Mr. Broad said, my understanding was that the post-retention wage in Job Number 2 had to meet \$11.70 per hour; not that they have to get an individual raise. Ms. Torres said, no; that's my mistake. Job Number 2 doesn't require that an individual person get a pay increase and Job Number 4 does not require it. Mr. Broad said, I thought Job number 2 doesn't required the pay increase? Ms. Torres said, no; it does. We stipulated what it is. Mr. Broad said, okay.

Mr. Broad said, I would also like to see them get a minimum of 5% wage increase. If they want to pay them more, that would be nice; but that's the minimum for having our training, since they are brand-new employees. We can't really check them after retention, so at that point, they would have completed the training and may have worked six months at the job, right? Ms. Torres said, they could, possibly. We do check the wages at the retention in that quarter.

Mr. Broad said, after the 90 days, they have to get a 5% wage increase; can we do that? It's a little bit longer, but they'll get a raise. Ms. Torres said, maybe that's a question that we can ask our general counsel. Ms. Reilly, can we make that condition after the 90 days in the agreement?

Ms. Reilly said, I'm not clear on whether we're talking about the individuals who are at minimum wage, as far as the 5% increase. As you can see in the chart, some of the trainees in both Job Numbers under discussion are at \$15 an hour right now. That's the full range. The trainees who are at \$10 an hour now, which is the state minimum wage rate, will go up \$.50 in January. Mr. Broad said, I'm not talking about the government giving them a raise by changing the minimum wage law that's different than the employer. Ms. Reilly said, you're going to have people at \$10.50 an hour in January, which is already a condition of the contract. I'm not quite sure how to word it. We do check wages at the end of the retention period. If the company is agreeable, we can certainly put that in the contract. But it would be good to clarify if you're talking about 5% raise for the \$15 per hour, or the minimum wage workers.

Mr. Broad said, in looking at the jobs and wages, the supervisors make less than the production employees; it's all over the place. It's difficult to understand the compensation system because of all the ranges. I can't see how you have a supervisor whose minimum hourly wage is less than the minimum wage of a production staff. I don't know how that works. I would like to put this one over until next time, and let's get some questions

answered. I think you should go back to your employer, without prejudice, we'll deal with this. Go back to your boss and find out whether they are prepared to commit to a 5% raise. I think that would be better than trying to work through all these questions right now, and then we can ask our staff some questions in the intervening period, than try to answer the numerous questions that are complicated. We can also include the overtime question, because I believe some nursery employees are considered agricultural workers. Mr. Prows said, yes; that's correct; some of them are. We pay some of the agricultural overtime rate, and others are paid \$12 to \$13. Mr. Broad said, that could be changing. Ms. Newsom said, I hope that changes by the time they come back here.

Ms. Roberts said, I'm looking at the numbers in this proposal, and it doesn't seem like you have that many employees. If I'm looking at the numbers correctly, you're looking at maybe a handful; maybe 20 out of the 800 employees are making \$10 an hour. Maybe just pull them out of the whole contract, forget about it, and we wouldn't be looking at this \$10 an hour issue. It just seems like we're looking at a very small portion of your staff that is getting \$10 an hour, but you have them in this training program. Maybe just pull those numbers out. That's an option you might want to think about. Mr. Prowse said, thank you.

Mr. Broad said, I'm concerned about someone that's getting \$10.50 an hour. I have to think through , because it's not like \$11 an hour will make you a king. Ms. Roberts said, we are asking for stipulation. If you look at these wages, they're making an average of \$20 an hour. Mr. Broad said, I don't have any issues with those people, but we don't really know. For example, there are 267 production staff whose wage ranges from \$12 to \$22 an hour, and we don't know if they are at \$12 an hour. Then we have the supervisors who are making \$11 an hour, which doesn't make sense; the whole thing is a little bit confusing.

Mr. Rodriguez said, Mr. Chairman, would you like me to make a motion to table this proposal? Mr. Broad said, you can make a motion to put it over until the next time; tabling it would mean we're not going to hear it again, and I don't think we want to do that.

Mr. Rodriguez said, I would like to make a motion to hear this proposal at the next Panel meeting, and we'll consult with staff. Mr. Prows said, great; thank you

ACTION: Mr. Rodriguez moved and Ms. Roberts seconded that the proposal for Altman Specialty Plants, Inc. be heard at the next Panel meeting.

Motion carried, 7 – 0.

ARS National Services Inc.

Ms. Torres presented a Proposal for ARS National Services Inc. (ARS) in the amount of \$100,600. Founded in 1987, ARS is a third-party accounts receivable management agency that provides debt collection services including managing post charge-off receivables for financial institutions.

Ms. Torres introduced Sarai Rogers, Vice President, Talent Resources, Erica Iwaszkiewicz, Vice President, Accounting and Risk Management, and John Watson, President and CEO.

Mr. Broad said, Ms. Newsom, you took this off of Consent Calendar last month. Would you like to ask the first question? Ms. Newsom said, I'm glad that you gave us a snip of that speech from Richard Cordray; I've known of him for a while. Could you describe for me a little bit about the daily on goings of one of your debt collection servicers? What is it like to be on the floor? Are they making shark-like calls and pressure points to the different people that owe monies? Mr. Watson said, great question. Our folks are making outbound calls for the most part, or sending out letters trying to create an engagement point with the customer. They're making manual outbound calls with the phone numbers provided to us by our client; we have a very low contact rate. People don't often update their contact information with their credit company, once their accounts are charged-off. Part of their day is trying to get the right contact information to the customer so that we can engage with them, and try to help them solve their problem. They are not high pressure tactics. All of our compensation plans are viewed by legal counsel for compliance with the Unfair Deceptive Act, Abusive Practices Act, or Dodd–Frank Wall Street Reform and Consumer Protection Act (Dodd Frank Act). No compensation goes into production until it passes the review. There are financial disincentives for a representative to have a negative experience with the customer. Ms. Newsom said, can you please elaborate on that? Mr. Watson said, through our quality or client control processes, each one of our representatives probably has 8 to 10 of their party contacts monitored and scored. Close to 61 different elements of the call have to be in compliance with all various regulations. If there is an element of the call that was found to violate the quality standards that we have, any revenue generated from that call is not credited to that representative; they do not get credit for that at all. For some reason, if a consumer decides that the payment plan and arrangement they've entered into is not affordable to them, at any time, they can call in and pull back payment, or change that payment. If they are unable to do that, or they forget to do that, we process that payment, and if it comes back as insufficient funds, or the account is overdrawn, the account representative does not get credit for that payment toward their incentives. There's up to \$750 penalty in their incentive program if they fail a call. If one of those 61 call elements isn't corrected on the call, they can receive up to \$750 disincentives for bad customer treatment.

Ms. Newsom said, could you elaborate a little bit more? I know you're not using the commission as a basis for ETP wages. What does that commission structure look like? If one of your callers was successful in gaining or earning that \$100, of that \$100 collected in debt, how much does that caller get? Mr. Watson said, all of our clients, which are the biggest banks in the world, is a contingency collection. So whatever we collect, let's say we collect \$100 in debt, ARS will get an average 35% of that. If an account representative is able to reach a resolution, if they get a \$100 payment, \$35 would go toward that account representative. Once they collect anywhere four times their base salary, then they start getting into commission; they get at a percentage of collection over that amount.

Mr. Broad asked, how many of the 250 people are we training to make direct calls to debtors? Ms. Torres said, it's about 186. Mr. Broad said, maybe I'm biased. I received one of these calls recently. As a result of taking a trip to Italy, I allegedly got about 100 parking tickets on the same day at the same time by some municipality in Italy, which never sent me any evidence that I've violated the law. I paid the first ticket. Nonetheless, they hired one of your competitors to collect this debt. I got a call from them, and they told me that they are going to ruin my credit, because of the treaties that the United States government has signed, and once an Italian city sends you a letter saying you owe them money, you owe the debt. I

let them talk, because I knew the law. The debt collector proceeded to tell me that I can go to jail for debt incursion; I then told them that they can go to jail for threatening someone. There is no such thing as debtor's prison in the United States. I'm not inclined to vote for anything that involves calls to debtors, particularly in the healthcare industry, where there's so much bankruptcy of poor people over healthcare debt. I'm happy to fund the other part of it. I understand you may be different than this company that contacted me. I basically told the caller to tell the Italians that I'm happy to litigate this with them. It would be more fun than I could ever imagine for however many hundreds of dollars they think I owe them. I'll see them in court. I doubt if I'll ever hear from them, because it's going to cost them way more than it would to collect the debt. Nonetheless, there are other people who are asking where all these tickets from these Italian municipalities are coming from when they didn't illegally park their cars and there was no officer present; how did this even happen? I looked in the Internet, and these tickets are essentially bogus, as far as I can tell. I don't know what game is going on, but it's not right, and they are perfectly free to try to collect that debt and sell that paper to whoever they want to sell it to. I don't want to train people in this whole general area of how to pressure people to pay a debt that they may, or may not owe. We're not saying they're not guilty of owing the debt, it may be in dispute, or they may be completely flakey people who owe all the money. I just don't feel comfortable with it. I'll vote to fund the other portion of this, but I won't cast a vote in favor of funding debt collection.

Mr. Watson said, I appreciate your feelings. This is one of the biggest challenges of competing in this industry that has such a bad reputation, but that's not every agency in this industry, and I think you're funding us and our people who are doing it the right way. Mr. Broad said, I accept that you say that you're doing it the right way, and probably you are, let's assume, but I don't really know that. I understand there are certain industries that are going to be hard for us to fund here, and that's why I'm trying to cut the baby in half, sort of speak. We went through this in 2008 where we funded people who were trying to collect on rotten mortgages that were given out in foreclosure operations. We bought the argument that there were good and bad apples, and everybody who came to us were good apples. I deeply regret casting those votes. I told myself that I will never do that again. I don't think I've ever had one of these agencies call me before, but it was a really bad experience. It was wrong on all levels. You might be telling the truth, but we would never know that, and that's why I don't feel comfortable; we've always had some difficulty with call centers. This is a particular subset that is problematic for me. I don't speak for the whole Panel; I'm just one vote, but that's where I'm at.

Mr. Watson said, I appreciate those feelings. I've received those calls myself, and that's another reason why I think we're so focused on doing it the right way. We can talk about stuff to prove to you that we're doing it the right way. My point in reading that initial quote was, this industry is going to be around. It provides a critical element of the consumer credit economy, and so what we're hoping to do is to get funds to train our people to do it the right way. We are already doing it the right way, but to reinforce the empathy, and all the complicated things to go into helping someone deal with the bill they didn't pay, because they got divorced, and lost their job all at the same time. We don't serve those clients, we have a client base of 6; they're the biggest bank in the world; granted they have a reputation of their own. If somebody calls us and dispute the debt, we put it on hold for 30 days, send them a validation of the debt; all those procedures are in place. As a data point, something I can maybe offer, the Consumer Financial Protection Bureau (CFPB) complaint database, where

consumers go to file complaints, in a three-year timeframe, ARS has received roughly 6 million customer accounts from our clients to try to connect with and help them resolve their accounts. In trying to connect with them, of those 6 million accounts, we've sent out about 16 million letters, and made about 90 million phone calls. The complaints to the CFPB in a three-year time frame are 78; it's a very low percentage. Most of those complaints were from people who didn't owe the debt, because people moved and transferred their phone numbers and they didn't update their profile. When somebody says it's a bad number, we delete those numbers out of our system, and we never call it again. 78 complaints are too many. I would like it to be zero, but given the volume of activity, if we were engaging in things like that, I think that database would be blowing up. That's public database, and you can go check it with your staff, but I think that's one indication of the way we operate our business. We want to do it the right way; it's just better for everybody.

Ms. Fernandez asked, is it possible to see the 61 call elements in writing so we can get a better understanding and a clearer picture? Mr. Watson said, absolutely.

Ms. Roberts said, you have a CBT in your training program. I understand those penalties if they violate the regulations, which I think is great. If we pull all the call center trainees out, then you've got this core group of people, and they actually have classroom training, right? Will you have someone come in and go through the negotiation and leadership skills? Those are probably your managerial staff, is that correct? Ms. Rogers said, we have supervisors, managers, and other talent at ARS that have regular ongoing training and some of it is what you mentioned. We have a computer-based training, and there is ongoing training that takes place in each department throughout the entire site. We have an organization where we have production, which is primarily what we're talking about today with the three call centers that were mentioned earlier. We have a group that is called "corporate services", which are the functions that are there to support the entire organization, and it's growing and making a great investment in order to continue to support the individuals that are on the phone; and with that, additional training is needed. So we are offering training at all levels, at all sites and departments on a regular basis.

Ms. Roberts asked, are those 61 call elements skills that you mentioned portable skills? Can you go from a debt collection agency and move to another consumer-based company? I've heard those scripted calls, so I know that that's what you guys are asking. To me, that's not a skill. Mr. Watson said, I appreciate that, there's absolutely no skill in the scripted element in the call. With a huge increase in regulatory oversight in the last three years, it's been tremendous for our industry. It has come with a lot more required steps. You have to give it a 1099C disclosure on the call, and you have to say the mini-Miranda verbatim. Those are the kinds of things that we check off on the call. Then you have to connect with the customers, and try to help them solve their problem. In our training, we teach things like empathy, listening, negotiating and communication skills. Those are all things that are harder to breed, and so they may not necessarily be on the 61 call element checklist, but that's what could actually help somebody solve the problems. I believe those skills are important. Ms. Roberts said, those are portable skills, but I'm afraid that the consumer will only hear the first scripted part, and then hang up on you. I don't think you'll get to the empathy and negotiation part, because by that time, they're so upset that they've already hang up on you. That's how I feel about it. I've never been under debt collection at all, and I've gotten some random calls because they have the wrong number and the wrong person and then they keep calling me

back. Mr. Watson said, if we weren't required to do that stuff by the regulatory body, there would be a much more natural flow to a call. Unfortunately, those requirements are in the regulators, and we have to do that.

Ms. Roberts said, the training is not so robust from a CBT standpoint. If Mr. Broad wants to pull out all the call center people, we'll maybe fund the additional people around leadership and some other skills. I think that that's much more portable. You also have a high turnover; 17%. It's not over our number, but it's not a low number either; keep it under 10% if you can, but 17% is a little too high. People aren't raising their hands wanting to go to a debt collection agency. I don't see a lot of people doing that.

Ms. Newsom said, I just share so many of the sentiments that you're talking about, Mr. Chairman. How I feel about this, I'm just not comfortable in funding this kind of program that is connected to the trauma that so many families experience in the financial crisis and debt collection; I'm just not there. I know you're saying that you guys are a good company, but I have also read on Indeed.com about the experience of your workers on the floor, and it does not look good.

Mr. Broad said, I don't know; I'm prepared to vote for funding the non-call center jobs training. I'm willing to make a motion to that effect, and so that will be my motion to fund the non-call center jobs under this proposal. Ms. Roberts said, if we do that, would they have to write a new proposal, or come back under Consent Calendar? Ms. Torres said, in that case, since we've had other proposals that have been modified, we would just go back and carve out all of those occupations that you are not comfortable funding. This would be a reduction; we wouldn't need to bring it back. The only time we need to bring it back is when there is an increase on the funding for public record.

ACTION: Mr. Broad moved and Ms. Fernandez seconded the approval of the proposal for ARS National Services, Inc. for non-call center trainees only, excluding the training for call-center. Funding amount TBD.

(Mr. Broad, aye; Ms. Fernandez, aye; Mr. Koch, aye; Ms. Newsom, nay; Mr. Rendon, aye; Ms. Roberts, aye; Mr. Rodriguez, abstain.)

Motion carried, 5 – 1 – 1.

Optima Tax Relief, LLC

Ms. Torres presented a Proposal for Optima Tax Relief, LLC (Optima) in the amount of \$108,801. Founded in 2011 and located in Santa Ana, Optima is a full service tax preparation and tax resolution company that specialized in resolving and reducing IRS or State tax debt for consumers. At the request of a Panel member, this proposal was removed from the Consent Calendar as noticed for last month's meeting and held over to this month.

Ms. Torres introduced Luis Cuellar, Director of Human Resources.

Mr. Broad asked, do you provide services to people for all forms of taxation; personal income tax, and payroll tax? Mr. Cuellar said yes. Mr. Broad asked, payroll tax to the federal

government? Mr. Cuellar said yes. Mr. Broad, asked federal and state tax to the government? Mr. Cuellar said yes. Mr. Broad said, conceivably we could be training someone on how to negotiate down the amount of employment training tax that goes to fund the training that we're paying for your company. Mr. Cuellar said, not necessarily.

Mr. Broad said, it's the irony of the day in an otherwise pretty ironic day. You can see right there, it sort of like you guys and the last guy were paired together in some alternate universe. The other guy was one-sided and you're the other side of the same question in an odd way, which is to say that if it was personal income tax, that would be one thing, but when we're talking about payroll taxes, were talking about the taxes and penalties assessed for the failure to pay wages.

Mr. Cuellar said, the IRS or state agencies have not been able to find these individuals, and they're not receiving any revenue or whatsoever. So what we're actually doing is bringing these individuals into compliance status. For example, if you have a business here that owes \$100,000 to the federal government, and they are receiving zero dollars in revenue, what we're doing is bringing in maybe \$70,000 to \$80,000. There's a substantial savings to the consumer or to the small business owner. Ultimately the state or the federal government receives some revenue, which is better than no revenue. Mr. Broad said, I understand. I read an email that said, "This was a monster of a revenue officer collection case."

Mr. Broad said, payroll noncompliance and defaulted IA; what is IA? Mr. Koch said, installment agreement. Mr. Broad said, that was \$436,000 and the settlement was for \$10,000, so that's a substantial reduction. I get why people hire you and why you're very successful. More power to you, I guess. But the problem is the reduction on what was owed for payroll taxes. I realize the government may be saying that \$10,000 is better than nothing. I just don't know how we can fund this. It's a conflict of interest. We're literally funding the training on how to negotiate with the franchise tax board, Social Security Administration, or payroll taxes that are due.

Mr. Cuellar said, in your story when you visited Italy, you're under the assumption that that was a valid tax debt. Here, you have an Italian city charging you with 100 parking tickets for something that was not truly owed. You're making an assumption; the same assumption that the federal and state agencies make when they say that a consumer accurately owes \$100,000 or \$1M, and what we're saying is that it's not. We're working within the IRS, state guidelines and tax code. We're able to say, no, this is incorrect, or this is not a valid debt. The agency could say that you owe \$400,000, but in reality, you only owe \$10,000. You received a bad tax advice, because you were talking to an incompetent account who gave you bad information that led to a situation where the IRS incorrectly assumed that you owe "x" amount of dollars, and in reality, you don't.

Mr. Broad asked, is that the case all the time? Mr. Cuellar said, we are working within the guidelines of the state agencies and IRS. We don't come up to you and say we're going to strong-arm the federal and state government into accepting less money. We're going to work with them and clarify why your tax filings were filed incorrectly from the first place. A lot of times, consumers don't file their taxes, and if an individual consumer doesn't file taxes, the IRS basically assume that they're earning "x" amount of money per year; it's an assumption.

It's an incorrect assumption where the IRS can end up believing that you owe "x" amount of money when you really don't. That's a very common issue that we're forced to deal with.

Mr. Broad said, I asked you originally if it was restricted to personal income tax, as opposed to payroll and business tax, because in that case, the IRS has said to you, you owe this money, you have not paid it, and you have a chance to appeal. The Italians never gave me a chance to appeal. I never heard from them before it rose as a debt. But you do hear from the IRS and if you move, or you run a business, you're in communication with the government when you submit these taxes. The failure to file payroll taxes may be indicative that you weren't paying wages. So behind that story of what payroll taxes owed to the government may be a story of unpaid wages to workers, which aren't going to be resolved by this; it's a dead loss to those workers. That's where I see the dividing line in my mind is the personal income tax, where you may have a dispute as an individual about your taxes. Your wages or income that was properly reported and you failed to file your individual tax return and all kinds of things started happening there, and business related taxes which are really a whole different ball of wax.

Mr. Rodriguez said, from my understanding, Optima is one of the fastest-growing tax relief companies; an LLC, is that correct? Mr. Cuellar said, that's correct. Mr. Rodriguez said, you have grown by 150% within the last couple years. You're on TV; I have a satellite radio, and you're pretty dominant on the airwaves. The Federal Trade Commission says on their website, "Be skeptical of advertising promises made by tax relief companies. The IRS offers free help to people who are struggling to understand tax laws." Optima is basically the leader in the industry, so you're not only involved in personal income taxes, but you're also involved in helping businesses consolidate their tax relief with state agencies, like the EDD, for lack of compliance, and also the Franchise Tax Board, so can you share some light why you're here? Ms. Cuellar asked, what do you mean? I don't understand the question.

Mr. Rodriguez said, your company is growing by leaps and bounds, because there's something going on in the industry, and I applaud that. That's innovation and entrepreneurship. You're asking for \$480,000. Mr. Cuellar said, a lot of our positions are based off of servicing our consumer clients; these are entry level positions. Most of them are customer service based, service administrator, and case management types of positions, and we're pulling our workforce in Santa Ana, and 71% of these individuals have never attended college. These are all entry level positions. We have to spend a lot of money to train them up and get them to a point where they could potentially become enrolled agents. Enrolled agents are the tax designation that the IRS requires in order for a revenue officer or IRS to talk to you. They won't talk to you, unless you're a licensed attorney or enrolled agent. So it takes a lot of training for us to actually get them to that point. All we're essentially asking for is some training funds to provide additional training opportunities to the local residents in Santa Ana. Mr. Rodriguez asked, additional funds? Mr. Cuellar said, additional funds. These funds are not going to offset the training that we are already providing.

Ms. Fernandez asked, do you have a copy of the agreement that the client would sign with you? I'm curious to see. When you help someone with a settlement, what fees are paid to you by the person who owes the money? What are those charges? Mr. Cuellar said, our competitors charge a large amount of money up front; we charge \$995. This is part of the investigation process where we research and find out exactly what's going on with your tax

situation. At that point, we come back and figure out what we can realistically offer the consumer, what exactly it is that our representation would get you, and how we can help resolve your individual tax situation, and bring you to compliance with the IRS or state agency. At that point we charge a certain amount, depending on how much work that's going to entail. It can be anywhere from \$1,000 to \$4,000; the average is about \$4,000. As far as the contract goes, the consumer gets a lined item of explanation of what exactly they would get from that representation. Ms. Fernandez asked, so the average is \$4,000 that is owed by the person. What would be the outcome on the \$4,000? Mr. Cuellar said, our fees would be an average \$4,000, and then the average tax for consumer is about \$40,000. Ms. Fernandez said, so if they owe \$40,000, the average that they have to pay is \$4,000? Mr. Cuellar said yes.

Ms. Newsom said, much of my concerns have already been expressed by other Panel members. I have read an article online and I want to see if this was true. Do the base wages go up over time, or is that only dependent on commissions? Mr. Cuellar said, so the base wages that you have there on the documentation that was provided, that is the starting wage. On top of that, we do pay commission, and bonuses. We call some of what we do commissions just out of convention, but truly they are based off of production goals. Every position within our company, from customer service and receptionist to administrative staff are incentivized to various production goals based off of the numbers of calls that they receive, and based off of processing powers of attorney documentation. Everybody has an opportunity to earn more than just the base wages, but they do go up.

Ms. Newsom asked, will the hourly wages ever increase without being connected to commission? Mr. Cuellar said, absolutely. One of the documents that we provided there are the "growth story books" that gives you an idea of how we are really big on promoting individuals from within, and having them move within our department. There isn't a single department within our company where a new hire would be expected to last more than six months without being promoted out into a rotation in another department that's more advanced.

Ms. Roberts said, first of all, thank you for presenting this packet here before the Panel. There is a lot of information here, and some of it is quite comical. What I have a problem with is the training. Since you've been in business in 2011, you have never ask for funding before, and so you've got all this 260 employees that are retrainees. How have you actually trained or ramped them up to understand what's going on? Why now? What is different and how are we going to help these 260 employees get any better? What's going on with that? All I see is a bunch of negotiation with the IRS. Do you hire tax consultants? Are you giving them a degree in accounting? What is going on with your training? Mr. Cuellar said, that's something that we're really looking to bolster. About a year ago, we completely restructured the HR department as part of the ongoing process. We're looking to hire a career development staff, as well as training managers, that can help create a full training program that is structured to be able to keep better track of the training that we provide; and provide more training content, so that we can deliver the training to the employees.

Ms. Fernandez asked, do you find a list of individuals that owe money and solicit to them, or do they come to you based on your commercials? Mr. Cuellar said, that's exactly why we're

all over the airwaves, because all we do is spend a lot of money on marketing, specifically to have people contact us; we don't receive a list of taxpayers.

Mr. Koch said, you mentioned earlier in your testimony that you service roughly 7500 taxpayers per year. I'm just curious, of that 7500, how many of those are you filing offers and compromise with the IRS or FTP? Mr. Cuellar said, offers and compromise are actually very low; it's maybe about 5 to 10%. Mr. Koch asked, do you have your success rate on those? Of the 5 %to 10%, how often are you successful? Mr. Cuellar said, those are 5% to 10% that are actually process as approved offers or OIC's. Mr. Koch said, the question was how many of the 7500, what percentage is submitting the OIC? Mr. Cuellar said, I believe it's in the low 20% mark. Mr. Koch said, thank you.

Ms. Roberts asked, where do you get your new employees? Do they come to you from a tax school? How do they know about the tax rules and regulations; how do you bring them on? Do you just go to an employment agency or Monster.com? Mr. Cuellar said, the majority of our people apply from our job postings that we put on Indeed.com, or Career Builders. The majority, by far, are entry-level positions. A lot of the positions that we advertise are administrative service, customer service, case managers. We are asking local residents that are looking for work in the general administrative fields with administrative assistant type of background. From there, we bring them on board and actively develop and train them in different tax cases; and we have different developmental path within the company. For example, if you start off as a customer service representative, and you want to become a tax preparer, you can essentially work your way up into tax prep support where you handle a lot of the administrative aspect of preparing the tax filings, and work your way up to getting your CTEC license. Just recently, we opened up Optima Tax School, which we received a designation from the IRS to be a continuing education provider. We're able to offer CTEC license education courses to our local community. We offer it at a loss; we charge \$99 per student. Most of the companies, like H and R Block as an example, charge anywhere from \$300 to \$500 for the same training. That is a separate entity from Optima Tax Relief. However, it is something that shows that we are a credible organization with the IRS, and we actually believe in this industry.

Ms. Roberts asked, do you charge your employees the \$100 tuition fee? Mr. Cuellar said, for the employees, it would be tuition free. That's interesting said Ms. Roberts.

Mr. Broad asked, how are you paid if it doesn't work out? If you contact the IRS and they say we're not changing anything; that tax lien stays where it is, that garnishment is where it is, do they still pay, or is it a contingent fee where they pay if you are successful? Mr. Cuellar said, it's not a contingent fee. Basically, it's \$995 for the initial research and investigation phase where we basically look at your case and figure out what we can do for you. Mr. Broad asked, is that \$9.95? Mr. Cuellar said it's \$995. Once we get to that point, we present to you the resolution phase where we say we believe we can do this for you, and we're going to charge you, let's say, \$2,000 for the service. If we go through that process, and it turns out we can't do what we said we could do, and then it's possible that we can just give you a refund. We do have a 15 day no question asked for a refund policy. One of the things about our company is that we try to be very transparent, which is why I've given you a lot of documentation that is only for internal use. If we believe that a customer is not going to be

happy with our services, we're much better off giving you your money back and not have a negative experience with the consumer.

Mr. Broad said, I'm sorry. I'm really stuck on this conflict of interest issue. I just see that headline, "State agency funds organizations that help people not pay taxes to state." I don't know; there's a definite role for what you do in society, and for people who struggle if they can't pay their taxes. I just don't know how we can train people how to effectively lower their tax payments to the government that collects and administers the tax that fund our program. I just can't support that. I can't vote for this; is there a motion?

Ms. Newsom said, I make a motion to deny the proposal for ARS. Mr. Broad said, there is a motion to deny. Ms. Roberts said, I second the motion. Mr. Broad asked, Ms. Roberts, are you're seconding the motion? Ms. Roberts said, yes; I second the motion.

ACTION: Ms. Newsom moved and Ms. Roberts seconded the motion to disapprove the proposal for Optima Tax Relief.

Motion carried, 7 – 0.

Mr. Broad said, we have to submit a rationale for why we do this; one issue is essential conflict role of the state. Thank you. Mr. Cuellar said, thank you.

Temecula Valley Hospital, Inc. dba Temecula Valley Hospital

Ms. Torres presented a Proposal for Temecula Valley Hospital, Inc. dba Temecula Valley Hospital (TVH) in the amount of \$285,000. Founded in 2013, TVH is the first hospital built in the city of Temecula. TVH has 140 private licensed beds, 20 extensive care beds, 4 high-tech surgical suites, a cardiovascular surgical suite, and a catheterization laboratory. This is the second ETP project for this hospital in the last five years.

Ms. Torres introduced Amber Gollogly, Director of Clinical Programs, Education and Training.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Newsom seconded approval of the proposal for Temecula Valley Hospital, Inc. dba Temecula Valley Hospital in the amount of \$285,000.

Motion carried, 7 – 0.

Juniper Networks, Inc.

Willie Atkinson, Manager of the Sacramento Regional Office, presented a Proposal for Juniper Networks, Inc. (Juniper) in the amount of \$576,000. Headquartered in Sunnyvale, Juniper develops and markets high-performance networking products including routers, switches, network management and security software. This will be Juniper's first ETP Agreement.

Mr. Atkinson introduced Robyn Chew-Gibbs, Director of Learning, Leadership and Organization Effectiveness, Bethany Veasey, Tax Analyst, ADP and Megan Bagley, Tax Manager, ADP.

Mr. Rodriguez said, Cisco is your major competitor. About 4 or 5 years ago they were in the process of trying to buy you all. I don't want to reveal any secrets, but is that still going on? Ms. Chew-Gibbs said, Juniper is now standing on their own. We incorporated in 1996, and we are down the road from them. There are other companies that are larger than Cisco that attempted to buy us, but so far, we've been standing on our own. Mr. Rodriguez said, okay; thank you.

Ms. Roberts said, I want to commend you on the high wages; these are terrific wages. I also want to thank ADP for a robust training program. That's one of the best I've seen; great application.

Mr. Broad said, \$288 per trainee; high wages and incredibly detailed curricula. We've seen these little mini curricula that cost \$4,000. The wages are great. It's really impressive.

There were no further questions from the Panel.

ACTION: Mr. Rodriguez moved and Ms. Newsom seconded approval of the proposal for Juniper Networks, Inc. in the amount of \$576,000.

Motion carried, 7 – 0.

On-Time Air Conditioning and Heating, Inc. dba Service Champions

Ms. Torres presented a Proposal for On-Time Air Conditioning and Heating, Inc. dba Service Champions (OTA) in the amount of \$413,000. Founded in 2003, and headquartered in Pleasanton, OTA 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.

Ms. Torres introduced Dan Michie, Vice President of People, Daryn Hicks, President of Hicks Professional Group.

Ms. Fernandez said, I just want to commend you for your veterans hiring program. I'm a Marine Corps veteran myself, and I really appreciate all the business that are coming before us that are taking a look at veterans, because I believe there's a lot of benefits to hiring veterans, and I really want to commend the ETP staff. I give you a challenge to bring more veterans into the business. I just want to continue that, and I hope that other business sitting out here will take a look at possibly creating a veterans hiring program. I'm really excited about what you bring to the table. Thank you.

Mr. Broad said, your current number of employees is 188; are you doubling in size? Mr. Hicks said, we have a bunch of aggressive programs, not only from the standpoint of additional markets that were expanding to. For those of you who live in the Sacramento area, you might've heard our radio and TV sponsors; we're doing more lately. There's a big

shift with a lot of the retrofit, and there are some newer higher technology; 96% efficient apprentices. There are also some state programs or state-supported programs like S and S, Clean Energy; it's been a really good program and a financing tool. As long as homeowners are improving the efficiency of their system, they can get some financing. In addition, we have a good business model which is based on service.

Mr. Broad said, when companies are rapidly expanding, and they haven't done one of our program in the area of service construction, we sometimes notice that when it comes time to the more predictable scheduling demands of training, it can be hard for some companies that are in that kind of situation. They're sending people to go out in the field, and they need to meet the demand of their customers. I would just caution you to not bite off more than you can chew. Because if you come back here next time, and your performance is 25%, that's something we don't want to see. Mr. Hicks said, we're confident that we're conservative. We expect to be back again. Mr. Broad said, all right.

Ms. Roberts said, you are hiring a lot of new employees. I want you to take a look at some of Go-Biz incentives that are available out there. There might be a designated geographical area where you may be able to get some new hire employment tax credit, as well as California Competes Tax Credit. There might be an incentive there for you from a tax standpoint. Mr. Hicks said, we were just awarded the California Competes Tax Credit. Mr. Rodriguez asked, are you a California Competes applicant? Mr. Hicks said, yes; we are.

There were no further questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the proposal for On-Time Air Conditioning and Heating, Inc. dba Service Champions in the amount of \$413,000.

Motion carried, 7 – 0.

Palo Alto Networks, Inc.

Mr. Atkinson presented a Proposal for Palo Alto Networks, Inc. (PAN) in the amount of \$738,966. Located in Santa Clara, PAN offers a network security platform that prevents cyber breaches on devices such as mobile phones, ATMs, and gas pumps.

Mr. Atkinson introduced Richard Taylor, Director of Global Talent Development, and Steve Ho, Managing Director, Welsh Advisors.

Ms. Roberts said, I noticed that you are in the technology industry, but I don't see any technology training in the curriculum. I see some soft skill training, but I don't see anything else; is there something I'm missing? Mr. Taylor said, there should be quite a bit in the proposal. Mr. Ho said, there is technical training. Based on compliance issues from the technical folks, it's not contract related. Ms. Roberts said, you're asking for three quarters of \$1M, but I don't see any technical training. All I see is business and management skills. You pay great wages, no doubt about it. Mr. Taylor said, from my point of view, we have a robust technical training program in place. I would use these dollars to ramp up in some other areas, because we have a lot of service workers who are helping to make sure our products

are working for customers out in the field. We're hiring a lot of operational and sales folks, and we're doing a lot of soft skills training, and that's where we'll utilize the dollars. Ms. Robert said, I thought I was missing a page or something. Mr. Taylor said, we can always come back later and ask for more, but we want to complete this training first. We want to be successful, and maybe see you again in the future. Ms. Roberts said, okay.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the proposal for Palo Alto Networks, Inc. in the amount of \$738,966.

Motion carried, 7 – 0.

Aerojet Rocketdyne, Inc.

Mr. Atkinson presented a Proposal for Aerojet Rocketdyne, Inc. (Aerojet Rocketdyne) in the amount of \$652,110. Aerojet Rocketdyne, a wholly-owned subsidiary of Aerojet Rocketdyne Holdings, Inc., provides propulsion and energetics to the space, missile defense, strategic, tactical missile and armaments to the Aerospace and Defense industry. This is Aerojet Rocketdyne's second ETP Agreement within the last 5 years.

Mr. Atkinson introduced Darin Holcombe, Senior Human Resources Training Grants and Vendor, and Ken Gaal, Director, Human Resources.

Mr. Rodriguez said, are you training the same employees from your 2014 to 2016 contract? Mr. Holcomb said, we have additional employees who will be receiving the training, and we will continue to train our existing employees, but not on the same material. We are providing a new tactical and skill development training, and so forth. Am I addressing your question? Mr. Rodriguez asked, will those 800 trainees get an additional training? Mr. Holcomb said that's correct. Mr. Rodriguez asked, will the training be for a different program? Mr. Holcomb said, yes; it's for a different training. Mr. Rodriguez said okay. Thank you

There were no further questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Fernandez seconded approval of the proposal for Aerojet Rocketdyne, Inc. in the amount of \$652,110.

Motion carried, 7 – 0.

Bay Alarm Company

Mr. Atkinson presented a Proposal for Bay Alarm Company (BAC) in the amount of \$490,000. BAC, a subsidiary of BALCO Holdings, Inc. is the largest independently owned and operated security company in the United States. This will be BAC's third agreement within five years.

Mr. Atkinson introduced Rebecca Volokh, Training and LMS Administrator, Michelle Rychener, Vice President, Consultant, and Mark Terry, Completions Manager.

Ms. Newsom said, I have some concerns about the commission structure for achieving the post-retention wage of \$21.28 for your sales staff; the difference with the minimum wage they receive is \$13.46 and their ability to achieve a higher wage. What if they don't achieve that commission rate? Mr. Terry said, our commission structure is designed to try and promote financial award for the company, as well as the employee. The intent is to give the employee a ramp up period. Generally, it takes 3 to 6 months, sometimes longer, depending on their background and also the territory that they're selling in. There's always a hope that the employee will come off that protection of their salary, and be able to make their living off of the commission structure primarily. We do have some mechanisms in place to ensure that the employee, if they have a bad month, or if they are not able to get up to speed fast enough, will be provided additional training. We do have a program in place where the employee can request a set amount of money based on their prior sales; it's kind of a backdrop in case they have an illness or need to take a significant time off.

There were no further questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Newsom seconded approval of the proposal for Bay Alarm Company in the amount of \$490,000.

Motion carried, 5 – 0.

(Mr. Rendon and Ms. Fernandez departed at 12:15 p.m., and we're not available to vote for the remaining proposals.)

Health Net, Inc.

Mr. Atkinson presented a Proposal for Health Net, Inc. (Health Net) in the amount of \$738,000. Established in 1979 and headquartered in Woodland Hills, Health Net provides and administers health benefits to approximately 7.6 million individuals across the country. This will be Health Net's second ETP Agreement in the last two years.

Mr. Atkinson said, I need to make a clerical correction on Page 4 under the Prior Projects table. There are multiple locations included for ETP 14-0331; it's not just Woodland Hills. Only \$146,000 of the \$776,000 earned was incumbent workers, so that does not subject them to a substantial contribution. Also, under another Agreement, ET 12, within the last five years, the Company earned \$545,000; all of that was for Job Creation.

Mr. Atkinson introduced Lorin Enquist, Director State and Local Tax, and Steve Duscha, Consultant.

Ms. Roberts said, I heard that the deductibles are up to \$7,000 per family. The deductibles kind of offset any lower premiums you have for families who can't afford insurance. I don't know if you can address that. Mr. Enquist said, the deductibles in our HMO market are nowhere near that, but if you opt for a PPO model, which has a larger network, there are plans that have a higher deductible. The deductible for my family is \$5,000; I thought that was the highest. I didn't know that there was a \$7,000 deductible available. Ms. Roberts said, the premiums are going up. Mr. Enquist said, I ran the numbers, and it made sense for me to do the higher deductible, because the premiums were lower. We recognize that it is a

challenge for families that may not have \$5,000 in cash for the year to meet that deductible; that's why we offer programs that have lower deductibles. We provide enough products that would best suit the consumer and their families.

Ms. Roberts said, a lot of monies have been funded to you based on the prior projects, and most of those were new hire employees in the last five years. Your company has almost tripled in size; is that correct? Mr. Enquist said, our company hasn't tripled in size, but we have hired a lot of new people. This particular application is not for new hires. It is expected that we will have new hires, but they may not be in the Health Net Inc.; they may be in Centene Corporation, which is the new parent company that remains to be seen. The focus of this application is for training our existing employees.

Ms. Newsom asked, is this for full-time employees? Mr. Atkinson said, yes; that's correct. Ms. Newsom asked, will the part-time employees receive healthcare benefits? (Mr. Duscha answered Ms. Newsom's question, but it was inaudible on the recording.) Ms. Newsom said, thank you for the clarification. Mr. Lawrence said 97% of our employees are full time.

Mr. Broad said, there are some items that refer to Arizona Commercial Benefits, Arizona Medicaid, etc., under the curriculum. Do you have California employees that are handling claims in Arizona? Mr. Elquist said, yes. We have plans in various states, and so far, we have chosen California to service all of those plans. We do have some smaller service centers in other states, which are required by the state regulations, but it's mainly for overflow, in case of heavy call volumes; we want to limit the wait time. Mr. Broad said, thank you.

There were no further questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Newsom seconded approval of the proposal for Health Net, Inc. in the amount of \$738,000.

Motion carried, 5 - 0.

Sysco Sacramento, Inc.

Mr. Atkinson presented a Proposal for Sysco Sacramento, Inc. (Sysco Sacramento) in the amount of \$363,700. Sysco Sacramento was founded in 2000 and is a subsidiary of Sysco Corporation located in Houston, Texas. This proposal will be Sysco Sacramento's second proposal.

Mr. Atkinson introduced Gloria Tzintzun, Vice President of Human Resources and William Sacks, Consultant.

Mr. Broad said, I have a couple of questions on the proposals that we have funded today, and the proposals that are coming up. Are we funding the same training for those workers at a different location of Sysco? Ms. Tzintzun said, we operate independently. I am not aware of any training programs that the others Sysco are presenting to the Panel, so I couldn't comment on that. Mr. Broad said, when you say you're operating independently, are you an independent company that's wholly owned subsidiary of Sysco? Ms. Tzintzun said, yes. We

have our own president and P&L; we operate individually. If we aren't successful and don't make money, they close us down. We're kind of entrepreneurs in a big corporation.

Mr. Broad said, here's what's a little troubling for us, and I'm sure it's a coincidence that you didn't structure your business to get around our rules. There are six different proposals for Sysco that adds up to \$1.2M in training when one company probably could only get to \$750,000. By structuring yourself this way, you are able to get an amount of money from us that no other company would get. I feel, from an equity point of view, any other company would be paying a substantial contribution, or be limited in some other fashion. I think we should ask that this project should agree to make a substantial contribution of 15% or 20% so that it gets down below to where the other companies are. I don't believe that we can call them different companies within Sysco, since they're all doing the same kind of work. In other words, it's not like one is in the refrigeration business and one is in home furnishings. They're all in the food wholesale and delivery business. It seems like you're all doing the same thing when it's only an organizational coincidence that you organized this way, as opposed to just being one company with different offices. So I was wondering if you would be prepared to accept a substantial contribution. Ms. Tzintzun said, first of all, we didn't structure this to get around the rules. Mr. Broad said, obviously you didn't, and I'm not suggesting you did; and that would be ridiculous. Nobody in their right mind would do that. Ms. Tzintzun said, I know other companies, like Samsung, who had projects that have been funded over the \$1.2M. We do have some extenuating circumstances here in Sacramento that is a little bit unique. With the arena opening up, there are hundred new restaurants coming into town. We really need the funding of the training and the resources to help the economy in downtown Sacramento grow by servicing these restaurants properly so that they're getting what they need to service the community. That would greatly help us if we could get full funding for this project.

Ms. Roberts said, we have other Sysco proposals that are coming to us in September. Mr. Broad said, that's why I asked for some explanation of this because there are multiple Sysco proposals that are coming; we've grappled with this before. Ms. Roberts said, even though they are under a different FEIN, and different locations, we're still on the same bucket. Mr. Broad said, it would be unfair for us not to; considering that we've done this to other companies in similar situations that organize themselves this way.

Mr. Broad said, so the question is how do we handle this? Do we want to start next month, or do we want to fund and start with this one? Mr. Rodriguez asked, would you like to get funded? Ms. Tzintzun said, of course. Being selfish, I would love to say save the substantial contribution for the other Sysco projects, but that's your decision. Mr. Broad said, we can't get mad at her, because they're all unrelated to each other.

Mr. Atkinson said, the Sysco Ventura, Inc. is on the Consent Calendar, and that's already been approved. Mr. Broad said, I realize that.

Ms. Newsom asked, what if we push this off to the next meeting, and then we have all three proposals here, and all three of them can decide amongst themselves what's best for their company? Ms. Tzintzun said, with the projects I have right now, we just implemented a new system; I would love to get this going sooner than later.

Mr. Sacks said, I have all the Sysco proposals, and the ones that are coming up. We're trying to get them going; they're not positive if it's going to happen. We've talked about this, and we'll take the 15% substantial contribution. Mr. Broad said, we'll do the 15% substantial contribution on this one, and we'll take the others, if they come. Thank you; that's very helpful.

Mr. Broad made a motion to approve the proposal with a 15% substantial contribution and Ms. Newsom seconded the approval.

ACTION: Mr. Broad moved and Ms. Newsom seconded approval of the proposal for Sysco Sacramento, Inc. Funding amount TBD.

Motion carried, 5 – 0.

Multiple Employer Proposals

Finishing Trades Institute of District Council 36 Joint Apprenticeship Training Trust Fund

Ms. Torres presented a Proposal for Finishing Trades Institute of District Council 36 Joint Apprenticeship Training Trust Fund (Finishing Trades JATTF) in the amount of \$765,376. Finishing Trades JATTF was established in January 2013 under the auspices of the International Union of Painters and Allied trades. The trust is successor to the former Southern California Painting and Drywall Industries Apprenticeship Trust which held prior ETP training contracts.

Ms. Torres introduced Jesus Fernandez, Director.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. Newsom seconded the approval of the proposal for Finishing Trades Institute of District Council 36 Joint Apprenticeship Training Trust Fund in the amount of \$765,376.

Motion carried, 5 – 0.

Bay Area Video Coalition

Mr. Atkinson presented a proposal for Bay Area Video Coalition (BAVC) in the amount of \$350,795. BAVC is a non-profit organization that provides vocational Advanced Technology media training to digital media professional web and graphic designers, producers, editors, programmers, IT support, communications and office administrators.

Mr. Atkinson introduced Christine Sugrue, Contract Compliance and Organization Effectiveness, Senior Engagement Director and Mindy Aronoff, Senior Engagement Director.

Ms. Newsom asked, what is the holdup in getting the support from SEIU? Is there a conflict? Ms. Aronoff said, no; not at all. They're doing it right now, and that's only for one company.

ACTION: Ms. Roberts moved and Ms. Newsom seconded approval of the proposal for Bay Area Video Coalition (BAVC) in the amount of \$350,795.

Motion carried, 5 – 0.

San Francisco Electrical Industry Apprenticeship and Training Trust

Mr. Atkinson presented a proposal for San Francisco Electrical Industry Apprenticeship and Training Trust (SF Electrical JATC) in the amount of \$551,960. Established in 1962, the SF Electrical JATC is a cooperative effort between the San Francisco Chapter of the National Electrical Contractors Association (NECA) and the International Brotherhood of Electrical Workers (IBEW) Local Union 6. SF Electrical JATC serves approximately 391 Apprentices and 1,200 Journeymen.

Mr. Atkinson introduced Peter Chursin, Training Director.

Ms. Newsom said, I'd like to make a statement. You are actually getting a lot of my members from San Diego traveling up to San Francisco; good job. Mr. Chursin said, you're more than welcome.

ACTION: Ms. Newsom moved and Ms. Roberts seconded approval of the proposal for San Francisco Electrical Industry Apprenticeship and Training Trust in the amount of \$551,960.

Motion carried, 5 – 0.

Amendment

Murietta Chamber of Commerce

Ms. Torres presented an amendment for Murietta Chamber of Commerce (Murrietta Chamber) in the amount of \$188,400. Founded in 1915 and located in Southwest Riverside County, Murietta chamber is a nonprofit membership organization comprised of 850 members within the region.

Ms. Torres introduced Patrick Ellis, President, CEO.

Mr. Rodriguez asked, are you located in Riverside? Mr. Allen said yes.

Ms. Roberts said, this is mostly for Ms. Torres. Do we usually pay for support costs on an amendment? Mr. Ellis said that he's already got employers lined up; I don't know what would entail a support cost on an amendment. Ms. Torres said, it's just like the initial proposal in Phase 1; it has a demand of core group of employers. Likewise, this is a demand for a group of employers for Phase 2, which they will continue to add on to, and work in partnership with those employers. Some of them drop out, and some of them need to be rescheduled and there could be coordination issues. In Phase 2, we treat it just like it was a new Agreement. Ms. Roberts said, I may have overlooked that in the Panel packet.

Ms. Newsom asked, what unions are involved in this application? Ms. Torres said, I don't believe they are identified.

ACTION: Mr. Rodriguez moved and Ms. Roberts seconded approval of the proposal for Murietta Chamber of Commerce in the amount of \$188,400.

Motion carried, 5 – 0.

XI. PUBLIC COMMENTS

There were no comments from the public.

XII. MEETING ADJOURNMENT

Mr. Broad adjourned the meeting at 12:45 p.m.

Single Employer Contractor

A single employer, ranging from a small business to a large publicly-traded corporation, may contract directly with the Panel. Usually, these are retraining projects for current employees.

- Unless funded under Special Employment Training (SET), a single employer must face out-of-state competition.
- A single employer must be subject to the Employment Training Tax.
- The employer must also make an “in kind” contribution toward the cost of training, as follows: 1) 100 or fewer employees, at least 50% of the ETP-funded amount; 2) more than 100 employees, at least 100% of the ETP-funded amount.
- The employer must provide union letters of support for employees who are represented. The employer should also be able to show how the training will enhance job security and improve opportunities for advancement.
- A single employer must establish the need for the particular training curriculum proposed.
- The employer must establish its ongoing commitment to training and represent that ETP funds will not displace existing resources.
- All single employer contracts are capped at \$750,000.

These features apply to core program funding.

Multiple Employer Contractor

A Multiple Employer Contractor (MEC) may be a group of employers or a training agency, or a Workforce Investment Board.

- Up to 8% of program costs may be approved as additional funding for recruitment, placement and assessment activities. For New Hire training, the MEC may receive up to another 4% (total 12%). These costs must be justified.
- The project may be retraining or new hire training, or a combination of both. Training may take place at the worksite or a training center, or both.
- All MECs are capped at \$950,000. MECs with Small Business are capped at \$1.2M (\$950,000 for any size employer; \$250,000 for Small Business only)

Retraining

- Training hours for retrainees are capped at 200. The Panel may modify this cap for good cause on a case-by-case basis.
- The MEC must provide union letters of support for represented employees.
- The MEC must make an "in kind" contribution toward the cost of training, of at least 50% of the ETP-funded amount. These contributions may consist of:
 - 1) wages/benefits paid during training by participating employers;
 - 2) development, recruitment, placement, and assessment costs; and,
 - 3) facility and material expenses.
- The MEC must provide a list of participating employers to demonstrate actual employer demand for the occupational skills in the curriculum.
- The MEC must have a core group of participating employers for at least 80% of the training plan.
- Participating employers must be subject to the Employment Training Tax.
- Participating employers must demonstrate an ongoing commitment to training, and represent that ETP funds will not displace existing resources.

New Hire Training

- Training hours are capped at 260. The Panel may modify this cap for good cause on a case-by-case basis.
- The MEC must have a plan for recruiting trainees and participating employers. As part of this plan, the MEC must have an advisory board of participating employers qualified to provide guidance on needed occupational skills.
- Training must be for job-related skills that apply to specific occupations in a given industry or to specialized occupations across an industry spectrum.
- For all occupations, the MEC should be able to show a statewide or local shortage of skilled workers.

These features apply to core program funding.

Delegation Order Process

- The Panel has delegated authority to the Executive Director, without consultation with the Panel Chair, to approve (1) small business (100 or fewer employees) for \$100,000 or less, and (2) single and multiple employer proposals for \$100,000 or less.
- This procedure allows projects to be approved on a flow basis. This process recognizes the need for just-in-time training, and reduces or eliminates the need for a Consent Calendar.
- An ETP130 and Curriculum is prepared for each proposal. They are reviewed and approved after the Executive Director signs off. The effective date will be the date specified by the Field Analyst and if no date is specified, the earliest effective date of contract is the day after the project is approved by the Executive Director.
- A copy of approved Delegation Orders is included in each month's Panel Packet, for projects approved prior to the Panel meeting, as an information item.



Amendment Proposal #1 for:
Building Skills Partnership
Agreement Number: ET15-0409

Amendment Effective Date: September 24, 2016

Panel Meeting of: September 23, 2016

ETP Regional Office: North Hollywood

Analyst: L. Vuong

CURRENT PROJECT PROFILE

Contract
Type: SET MB - Retrainee

Industry
Sector(s): Services
Green Technology

Counties
Served: Statewide

Repeat
Contractor: ☒ Yes ☐ No

Union(s): ☒ Yes ☐ No

Priority
Industry: ☐ Yes ☒ No

Current Contract Term: April 6, 2015 to April 5, 2017

Current Funding	In-Kind Contribution
\$336,700	\$525,000

AMENDMENT FUNDING

Requested Funding	Support Costs	Amendment Funding	In-Kind Contribution
\$46,125	\$3,150	\$49,275	\$76,875

Total Funding
\$385,975

AMENDMENT TRAINING PLAN TABLE

Job No.	Job Description (By Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	SET MB Retrainee	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, Literacy Skills	350	8-200	0	\$962	*\$15.07
				Weighted Avg: 60			
2	SET MB Retrainee	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, Literacy Skills	75	8-200	0	\$657	*\$15.60
				Weighted Avg: 41			

*It will be made a condition of contract that trainees will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1: \$16.44 per hour for Alameda, Contra Costa, Marin, San Francisco, San Mateo and Santa Clara Counties; \$15.97 per hour for Los Angeles County; \$16.02 per hour for Orange County; \$15.93 per hour for San Diego County; \$15.75 per hour for Sacramento County; \$15.56 per hour for Alpine County; and \$15.07 per hour for all other Counties.

Phase II Wages (CY2016): Job Number 2: \$17.02 per hour for Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara Counties; \$16.48 per hour for Los Angeles County; \$16.51 per hour for Orange County; \$16.46 per hour for San Diego County; \$16.10 per hour for Sacramento County; \$15.91 per hour for Alpine County; and \$15.60 per hour for all other counties.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☐ Yes ☐ No ☒ Maybe

Participating employers may use health benefits ranging from \$2.32 to \$5.92 per hour to meet the Post-Retention Wage.

Wage Range by Occupation	
Occupation Title	Wage Range
Janitor	

INTRODUCTION

Building Skills Partnership (BSP) (www.buildingskills.org) is a statewide non-profit collaboration between the Service Employees International Union-United Service Workers West (SEIU-USWW) Local 1877, building service employers, and community leaders. BSP's mission is to improve the quality of life of low-wage building service workers by increasing their skills and opportunities for career advancement; and to assist unionized building service employers to develop stronger staff so they can maintain a competitive edge.

BSP provides services to six regions in California: Los Angeles, Orange County, San Diego, San Jose, Oakland/San Francisco, and Sacramento. BSP reaches approximately 12,000 union Janitors and service workers in these regions. Eighty building service employees are currently contributing to the BSP education and training fund.

BSP's training programs include: ADVANCE Workplace Training, Computer Literacy, English as a Second Language, Health and Wellness, Parent Education and Educational Access, Civic Engagement, Customized Vocational Training, and Financial Literacy.

AMENDMENT DETAILS

BSP is requesting additional funding for a new cohort of 75 trainees in Job Number 2 (Phase II). This will increase the estimated number of trainees from 350 to 425, and increase the Agreement amount from \$336,700 to \$385,975. There will be no change in participating employers or curriculum. Phase II wages reflect CY2016.

BSP initially submitted a conservative training plan to ensure success. During the term of the Agreement, they received more demand from participating employers, which drives the need for additional funding.

Trainees are going through an aggressive training plan, including multi-day and multi-week classes (2 to 4 hours per day, 2 to 3 days per week). BSP is confident that they can earn the increased amount within the remaining term of contract, which leaves four more months for delivery of training prior to the retention period.

RECOMMENDATION

Staff recommends approval of this Amendment.

CURRENT CONTRACT PERFORMANCE

The following table summarizes performance by BSP under the current ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Average)	No. Completed Training	No. Retained
ET15-0409	\$336,700	04/06/2015 – 04/05/2017	350	355	355

To date, the ETP Class/Lab Tracking shows 16,414.5 eligible hours for potential earnings of \$263,288.58 (78% of the Agreement amount). The Contractor projects final earnings of 100% based on training currently committed and in progress through January 4, 2017, under Phase I.



RETRAINEE - JOB CREATION

Training Proposal for:

Kimberly-Clark Worldwide, Inc.

Agreement Number: ET17-0229

Panel Meeting of: September 23, 2016

ETP Regional Office: San Diego

Analyst: J. Davey

PROJECT PROFILE

Contract Attributes:	Priority Rate Job Creation Initiative	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Orange	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Association of Western Pulp & Paper Workers, Fullerton Local #672			
Number of Employees in:	CA: 520	U.S.: 30,900	Worldwide: 43,000	
Turnover Rate:	4%			
Managers/Supervisors: (% of total trainees)	5%			

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$384,000		\$173,250 50%	\$0		\$210,750

In-Kind Contribution:	100% of Total ETP Funding Required	\$213,830
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Continuous Impr, HazMat, Mfg Skills, OSHA 10/30, PL-Mfg Skills	385	8-200	0	*\$882	\$17.64
				Weighted Avg: 50			
2	Retrainee Job Creation	Business Skills, Computer Skills, Continuous Impr, HazMat, Mfg Skills, OSHA 10/30, PL-Mfg Skills	15	8-200	0	\$2,500	\$17.19
				Weighted Avg: 125			

*Reflects Substantial Contribution

Minimum Wage by County: Orange County Job #1: \$16.51 per hour; Job #2: \$13.76 per hour**Health Benefits:** ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.**Used to meet the Post-Retention Wage?:** ☐ Yes ☒ No ☐ Maybe

Although employer provides health benefits, they will not be used to meet Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Administrative Staff		10
Engineering Staff		25
Facility Service Staff		10
Finance Staff		5
Human Resources Staff		5
Managers/Supervisors		20
Maintenance Staff		50
Operators		230
Support Staff		30
Job Number 2		
Facilities Service Staff		1
Maintenance Staff		1
Operators		12
Support Staff (Material Handlers, Loaders, Stackers)		1

INTRODUCTION

This is the third ETP proposal for KCW Fullerton within the last five years. In this proposal, Kimberly-Clark Worldwide, Inc. (KCW) seeks funding for retraining as outlined below for its Fullerton mill, a wholly owned branch of KCW:

Founded in 1872, KCW (www.kimberly-clark.com) is a manufacturer of various personal and home consumer products with manufacturing plants located worldwide. Products include facial tissue, diapers, baby care products, bathroom tissue, wet wipes, industrial wipes, paper towels, feminine hygiene products, and medical supplies (gowns, gloves).

PROJECT DETAILS

KCW manufactures and distributes facial tissue, bathroom tissue and industrial wipes for organizations such as Wal-Mart, Costco, hospitals, hotels, and other businesses throughout the western United States.

Training in the previous ETP Agreements focused primarily on Lean Manufacturing concepts which included Kaizen events and standardized work processes. Training topics included Lean Boot Camp and Process and Procedure Training. Employees were trained on Mill Production Procedures and Problem Resolution needed to streamline manufacturing operations.

This proposal will focus on training workers to take over manufacturing processes from Senior Machine Operators. The workforce is maturing and many staff are reaching retirement age, necessitating a succession plan to train new, younger workers. These older workers have years of experience operating production equipment. They know how to run the equipment at optimum levels to allow the production lines to function at maximum capacity. The Company will be using Document Preservation System to capture and archive the accumulated knowledge of the retiring workforce. This will give newer employees access to proprietary knowledge only available from senior retiring workers. Trainees will also be cross-trained to operate different equipment.

KCW is also manufacturing a new product line. The Company is slowly increasing production towards full capacity. The new production line will require expanding capacity and hiring new workers.

Retrainee - Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

KCW intends to expand its business capacity by hiring and training new staff to fill skill and experience gaps, increase business capacity and production demands, and improve workflow. KCW has committed to hiring 15 new employees (Job Number 2) during the term of this Agreement.

Trainees must be hired within the three-month period prior to Panel approval or during the term of contract. Trainees will be hired into "net new jobs" as a condition of contract. As a feature of this program, the Substantial Contribution requirement will be waived for Job Number 2. Substantial Contribution does not apply to the Job Creation Job number.

Training Plan

Training will be conducted by mainly K-C in-house trainers. Vendors will be retained as necessary. OSHA 10/30 training will be conducted by certified training providers.

Business Skills (20%) - Trainees across all occupations will receive skill sets in topics such as advanced customer service, advanced communication, and DDI communication skills. Training will focus on business development and meeting customer demands.

Computer Skills (10%) - Training will be provided to all occupations as it relates to specific job functions. Training will include Internet Applications, Inventory Control Software, KCW proprietary software, and Project Management Software. Trainees will receive skills to navigate software that support KCW's manufacturing environment.

Continuous Improvement (5%) - Training will be delivered to all occupations and is designed to improve processes and efficiencies throughout the organization. Training will give employees skills to manage performance and process improvements, think strategically, and set appropriate goals for themselves and the organization. Training will reduce costs, eliminate waste, and identify and resolve production problems.

Hazardous Materials Handling (5%) – Training will be offered to all occupations. Employees who handle and control hazardous materials will receive skills training in hazard communication, hazardous waste, and emergency response. Trainees will also learn to correctly complete material safety data sheets.

Manufacturing Skills (35%) - Training will be offered to Operators, Engineers, Technical Support, Facilities Support, Maintenance Staff and Managers/Supervisors. Training will include topics such as Asset Centerline Settings, Advanced Operating Procedures, Operator Certification, and other skills. Competency in these topics will improve manufacturing operations and increase production efficiencies.

OSHA 10/30 (5%) – Training will be offered to Operators, Engineers, Support Staff, Facilities Service Staff, Maintenance Staff and selected Managers/Supervisors. This training will help provide a safe and healthy workplace. Trainees will learn about the OSHA standard to reduce on-the-job injuries and improve worker productivity.

Productive Laboratory - Manufacturing Skills (10%)

Trainees may produce goods for profit as part of the Productive Lab (PL) training, in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

KCW requests PL training in Manufacturing Skills for approximately 50 of its existing and newly-hired Operators, Engineers, Technical Support Staff, Facilities Support Staff and Maintenance Mechanics. PL training will be provided at a trainer-to-trainee ratio not to exceed 1:3. PL hours will be capped at 60 hours per trainee. Most trainees will receive up to 40 hours of PL. However, a few trainees (10-15 and mostly new employees) will need up to 60 hours, depending on current skill level and need for cross-functional skills training.

PL training will ensure a broader understanding of the entire manufacturing process and allow trainees to properly operate each piece of machinery on the mill floor. The PL trainer will be qualified and/or machine certified to instruct and deliver the course content and material. The Company anticipates production will be decreased by up to 50% of normal capacity during PL.

This will allow trainees to acquire the skills to become competent without the pressure of normal production requirements.

Certified Safety Training

1. OSHA 10/30. This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level workers and 30 hours for frontline supervisors. The coursework is geared to construction work, and also manufacturing. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

Substantial Contribution

KCW is a repeat contractor with payment earned in excess of \$250,000 for incumbent workers at the Fullerton mill within the past five years. (See Prior Project Table.) A prior substantial contribution of 15% and 30% have been applied on the past two Agreements respectively. As such a 50% substantial contribution has been applied to Job Number 1 (incumbent workers) at this location.

Union Letter

KCW’s Operators, Maintenance Mechanics, Facilities Service and Technical Support Staff are represented by the Association of Western Pulp & Paper Workers, Fullerton Local Number 672. A union letter of support for the proposed training has been provided.

Commitment to Training

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

Although KCW does not have a training budget, approximately \$155,000 per year is spent at the Fullerton facility for training in on-the-job manufacturing skills, New Employee Orientation, Basic Computer Skills Training, and Safety training.

ETP funds will permit KCW to conduct more in-depth and advanced training than what has been previously offered to trainees. None of the trainees that were trained in prior ETP Agreements will repeat the same training under this Agreement. KCW will deliver training on more advanced Lean Manufacturing topics, including meeting Lean Capability Targets and Lean deployment.

➤ Training Infrastructure

KCW’s training department will work directly with National Training Company (NTC) to administer the ETP-funded Agreement. The Company expects to start training within 10 days of Panel approval. The ETP Agreement will be managed out of KCW’s company headquarters in Fullerton by the KCW staff that handled the prior ETP Contract.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PERFORMANCE

The following table summarizes performance by KCW under ETP Agreements completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET15-0173	Fullerton	07/07/2014– 07/06/2016	\$275,440	\$199,681 (72.5%)* (\$170,552 incumbent)
ET12-0147	Fullerton	10/01/2011- 09/30/2013	\$424,276	\$337,713 (80%)† (no Job Creation)

*ET15-0173: Kimberly-Clark tracked a total of 15,013 eligible training hours for 335 trainees who completed training and the 90-day retention period. They are in the process of submitting their Final closeout Invoice.

†ET12-0147: There were no Job Creation trainees in this contract.

DEVELOPMENT SERVICES

KCW retained National Training Company (NTC) in Irvine to assist with development of this proposal for a flat fee of \$10,000.

ADMINISTRATIVE SERVICES

KCW has also retained NTC to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 –200

Trainees will receive any of the following:

BUSINESS SKILLS

- Advanced Customer Service
- Advanced Communication Skills
- DDI Communication Skills
- Product Knowledge
- Project Management

CONTINUOUS IMPROVEMENT

- Capability Building Status
- Centerline Quality Training
- Cultural Change
- Daily Accountability Process
- Employee Engagement Process
- Kaizen Events
- Leader Standard Work
- Lean Tools/Procedures
- Mill Core Team
- Proactive Work Culture
- Process Calendar Management
- Product Quality Systems
- Speed Improvement Strategy
- Standard Work
- Team Building
- Waste Walks

COMPUTER SKILLS

- Document Preservation System
- Equipment Management Reports
- Equipment Reliability Reports
- Internet Applications
- Inventory Control Systems
- Kimberly-Clark Software Applications
- Maintenance Master Data Reports
- MS Office (Intermediate and Advanced)
- Production Reconciliation Reports
- Project Management Systems
- Sharepoint Stores Reporting
- Vendor Notification

MANUFACTURING SKILLS

- Advanced Operating Procedures
- Asset Centerline Settings
- Forklift Certification
- Equipment Cross-Training
- Equipment Maintenance Procedures
- Getting Machines Stable
- Operator Certification
- Permanent Equipment Fixes
- Production Tools/Instruments

- Quick Change
- Reel and Re-Winder Procedures
- Stack-Out
- Sustain & Operate Building Program
- Verification System

HAZARDOUS MATERIALS

- Hazard Communication
- Hazardous Materials
- Hazardous Waste
- Emergency Response Team Training

OSHA 10/30 (OSHA certified instructor)

- OSHA 10 (Requires completion of full 10-hour course)
- OSHA 30 (Requires completion of full 30-hour course)

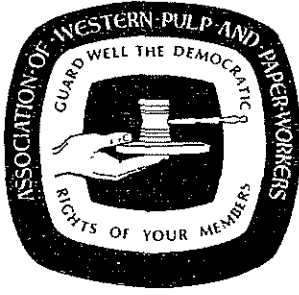
PL Hours

0-60

MANUFACTURING SKILLS (limited to 1:3 trainer-to-trainee ratio)

- Case Packer
- Wrapper
- Winder
- Cartoner
- Multifolder
- Operating Standards
- Preferred Work Methods
- Production Tools/Instruments

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 60 hours per-trainee.



ASSOCIATION OF WESTERN PULP AND PAPER WORKERS

A Union for Today and Tomorrow

Affiliated with the United Brotherhood of Carpenters and Joiners of America

Local 672

1501 North Raymond Ave Suite K

Local President Ronnie Carrillo Phone: (951) 850-4929

April 7, 2016

EMPLOYMENT TRAINING PANEL

1100 J Street 4th Floor

Sacramento, California 95814

RE: Kimberly-Clark Worldwide Employment Panel

In the interest of good Union/Management relations and on a Non Precedent basis the Association of Western Pulp and Paper Workers, and its Local 672 support the proposed Employment Training Panel (ETP) project.

The Union understands and agrees that the ETP training program will build a healthy safe program, empowering our members with successful strategies for the workplace.

Sincerely,

Ronnie Carrillo
Local 672 President



Training Proposal for:
Lancaster Chamber of Commerce
Agreement Number: ET17-0233

Panel Meeting of: September 23, 2016

ETP Regional Office: North Hollywood

Analyst: M. Webb

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate HUA	Industry Sector(s):	Manufacturing Warehousing Engineering Financial Services Services Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Statewide	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	≤20%		

FUNDING DETAIL

Program Costs	+	Support Costs	=	Total ETP Funding
\$209,300		\$14,520 8%		\$223,820

In-Kind Contribution:	50% of Total ETP Funding Required	\$119,367
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate HUA	Computer Skills, Cont. Imp.	21	8-100	0	\$2,780	\$12.36
				Weighted Avg: 100			
2	Retrainee SB<100	Computer Skills, Cont. Imp.	27	8-100	0	\$2,353	\$15.60
				Weighted Avg: 100			
3	Retrainee Priority Rate	Computer Skills, Cont. Imp.	21	8-200	0	\$1,925	\$15.60
				Weighted Avg: 100			
4	Retrainee	Computer Skills, Cont. Imp.	21	8-200	0	\$1,604	\$15.60
				Weighted Avg: 100			
5	Retrainee SB<100 Priority Rate	Computer Skills, Cont. Imp.	10	8-200	0	\$2,780	\$15.60
				Weighted Avg: 100			

It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1 (HUA): \$12.36 per hour for Los Angeles County.

Job Numbers 2-5: \$17.02 per hour in Alameda, San Francisco, Contra Costa, Marin, San Mateo, and Santa Clara, counties; \$16.48 per hour in Los Angeles; \$16.51 per hour in Orange; \$16.10 per hour in Sacramento County; \$16.46 per hour in San Diego; and \$15.60 per hour in all other counties.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☐ Yes ☒ No ☐ Maybe

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Numbers 1-5		
Technical Analyst, PC/Hardware Technician, Sales Representative		10
Quality Assurance/Operations Staff		5
System Analyst/Administrator		7
Programmer Analyst		8
Software Developer		8
Network Engineer/Administrator/Architect I		4
Network Engineer/Administrator/Architect II		5
Database Administrator/Architect I		5
Database Administrator/Architect II		5
Application Architect/Business Analyst I		2
Application Architect/Business Analyst II		3
Managers/Supervisors I		10
Managers/Supervisors II		5
Assembler		5
Inspector		3
Shipping/Receiving/Purchasing Staff		10
Production Staff/Inventory/Fabricator		5

INTRODUCTION

Founded in 1902, the Lancaster Chamber of Commerce (Lancaster Chamber) serves as a regional representative for businesses located in the greater Antelope Valley. The Chamber is dedicated to improving the economic environment in the area by enhancing the opportunities of businesses, supporting entrepreneurship, and advocating for “business-friendly” policymaking. This is represented in key areas of focus such as membership service, legislative advocacy, community and business development, and consulting services provided through Lancaster Chamber of Commerce. The Chamber is committed to training solutions offering business, management, human resources, finance, and sales skills training to the community. This will be the Chamber’s first ETP Agreement.

The greater Antelope Valley area is home to large aerospace companies such as Northrop Grumman, Lockheed Martin and Boeing. These companies and their Tier One suppliers and extended supply chain companies have facilities located in the area (Antelope Valley). As a Tier One supplier, these companies are used by other organizations to supply and replace specific parts/pieces. The design, manufacturing, quality control and IT staff at these companies work on common projects and often have overlapping training needs. Lancaster Chamber has developed a training plan to meet the needs of local employers, their satellite operations, and their entire supply chain.

Employers continue to train their staff in new technologies. Implementing new technologies has resulted in cost-saving for businesses and higher corporate profits. As companies re-invest

profits to expand business, the demand for skilled employees has also increased, spurring job creation. Employers currently have more positions available than can be filled with skilled staff.

Additionally, employers have indicated a strong need for Computer Skills training (Information Technology) due to the constant change in computer technology. Workers require training in new and advanced technical skills to remain competitive. Although employers have training programs, they are unable to keep up with the amount and frequency of technical training. The proposed training will enable companies to enhance employee skills in Information Technology areas such as Software Development, System/Network Administration, Security Administration, and Cloud Computing Technologies.

Trainees will also participate in cross-training on complementary. Although some employers continue to provide their employees with training in these technologies, ETP training will enhance their efforts and allow them to train more employees in these areas.

PROJECT DETAILS

Employer Demand

New ISO Certification requirements continue to drive the need for companies to implement initiatives that will increase Lean manufacturing techniques (Six Sigma). In an effort to increase efficiency and improve employee skill sets, Continuous Improvement training will be delivered by Lean QA in Lean Manufacturing, Six Sigma, and ISO Certification. IT companies expressed a need to implement new technologies to improve productivity and lower IT infrastructure costs. New technologies such as Cloud Computing and Virtualization will allow companies to increase profits reaching new clientele and lowering IT costs.

Computer Skills training provided by Saisoft includes instruction in Software Development, System, Network, and Database Administration, and IT Project Management. Classes provided by Saisoft are designed to prepare the trainee for Industry Standard IT Certification Exams. As a result, employers will increase the number of IT certified workers within the company to secure additional work projects. Training topics include Configuring Cisco Network Devices, Quality Management-ISO 9001, MS Windows, Supply Management, and Application Development in Java.

Training Plan

Training is scheduled to begin October 1, 2016. Training courses such as Lean Manufacturing and Six Sigma will be provided through Lean QA, a training vendor whose course work and training offerings will lead to ISO Certification. Topics provided through Lean QA are designed to improve quality management systems to meet customer requirements.

Computer Skills (50%): Training will be offered to all occupations to improve employee skill set and receiving up-to-date training in the latest technology.

Continuous Improvement (50%): Training will be offered to all occupations to improve the Employers project and quality management skills as well as increase efficiency.

E-Learning

Saisoft utilizes online training as its sole training delivery method to provide over 100 Computer Skills topics to trainees. Training is provided online by a live instructor, delivered to trainees at multiple locations. Given the nature of the subject matter, IT services and software, the

Company has found that this training delivery method is effective and convenient for the employers and trainees.

High Unemployment Area

The 21 trainees in Job Number 1 work in a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. The Company's locations in Los Angeles County qualify for HUA status under these standards. Lancaster requests a wage modification from \$16.48 to \$12.36.

Marketing and Support Costs

The core group of employers participating in this project represents the Manufacturing, Services and Information Technology industries. The Chamber markets and provides surveys via its website and newsletters to promote training opportunities and solicit feedback to ensure the training plan meets employer needs. Additionally, the Chamber will continue marketing the training program to businesses. Participating employers are Chamber members. The Chamber is requesting, and staff supports, 8% support costs to recruit participating employers and assess employer-specific training requirements throughout the duration of the Agreement.

The need for quality management, development, and Business Skills training for design, manufacturing and quality control has been identified through formal employer needs assessments. Training will be customized to meet employer needs and keep pace with standards and regulations.

Electronic Recordkeeping System

Saisoft will use their electronic recordkeeping system to document Computer Skills training. This system has been utilized to document training in multiple ETP Agreements. The system has been reviewed and approved by staff. (Lean QA will record hours with paper rosters.)

Commitment to Training

Participating employers will continue to provide workforce training in addition to ETP training. Training will include safety, new hire orientation, and other on-the-job training.

ETP funds will not displace the companies' existing financial commitment to training.

➤ Training Infrastructure

The Chief Executive Officer will oversee office support staff to schedule training, collect training rosters and certification statements, and maintain needs assessments throughout the duration of the Agreement. Lancaster Chamber will provide all administrative duties under this Agreement. Training rosters will be provided to a representative of the Chamber as required for documentation purposes.

Lancaster Chamber has selected Lean QA and Saisoft as its training vendors, each to deliver 50% of the training. All Quality Improvement and Lean Manufacturing (Continuous Improvement) training will be delivered on-site at employer locations (50%). Computer Skills training for IT occupations will be delivered online with a live-instructor. This training will be provided by Saisoft whose instructors have between 10-15 years of industry experience and carry vendor specific IT certifications.

Training Hours Limitation

Retraining hours for small businesses are capped at 60 per-trainee. However, Lancaster Chamber is asking for a modification of the cap. Participating employers are manufacturing companies that rely on workers possessing up-to-date technical skills. Trainees of small businesses must complete the same training programs as large businesses; therefore, the Chamber is requesting to increase the maximum training hour cap from 60 to 100 hours.

These companies have agreed to allow their employees to attend an average of 100 hours of training per employee. Training will improve work processes and production levels for these companies.

Tuition Reimbursement

In accordance with Title 22, CCR, Section 4412.1, students enrolled in the ETP-funded program will not be charged tuition, fees, or any other costs associated with training. The representation will be made a condition of the Agreement.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Lean QA in Diamond Bar assisted with development of this proposal at no cost.

ADMINISTRATIVE SERVICES

Saisoft, Inc. (Saisoft) in Irvine and Lean QA will each receive 1.85% of payment earned for administration services. In addition, Lean QA and Saisoft will each receive 2.5% of payment earned marketing support services provided under this Agreement.

TRAINING VENDORS

Lean QA will provide training in Quality Management, Business Development Skills training.

Saisoft will provide Computer Skills training including software development, system/network administration, database administration and cloud computing.

Other trainers will be identified as they are retained during the term of the Agreement. No one vendor will deliver more than 50% of total training hours under this proposal.

Exhibit B: Menu Curriculum**Class/Lab Hours**

Jobs 1 & 2: 8-100

Jobs 3, 4 & 5: 8-200

Trainees may receive any of the following:

CONTINUOUS IMPROVEMENT

- PMT-SK: Project Management Skills
- PMT-MP: Project Management using MS Project
- PMT-SD: Information Technology Project Management
- Quality Management
 - ISO9001
 - AS9100
 - AS9110
 - AS9120
 - ISO13485
 - TS16949
 - ISO22000
 - ISO14001
 - Safe Quality Food
 - National Aerospace and Defense Contractors Accreditation Program
- Business Skills Development
 - International Traffic in Arms Regulations
 - Change Management
 - Six Sigma White Belt
 - Six Sigma Green Belt
 - Six Sigma Black Belt
 - Continuous Improvement
 - Kaizen
 - Internal Auditor
 - Inventory Management
 - Supply Chain Management
 - Foreign Object Debris Prevention
 - Building High Performance Teams
 - Leadership Skills
 - Project Management
 - Problem Solving/Root Cause
 - Sales Skills

E-Learning Hours

Jobs 1 & 2: 8-100

Jobs 3, 4 & 5: 8-200

COMPUTER SKILLS

- CIS-SEC: Securing Cisco Network Devices
- JUN-PR: Introduction to Juniper Network Devices
- NJS-PR1: Node.js Programming
- RUB-PR1: Programming in Ruby
- RUB-PR2: Ruby on Rails
- SWF-PR1: Apple Swift Programming
- JAV-TA: Automated Test Framework Development In Java
- SEL-PR: Automated Testing using Selenium
- UFT-PR: Automated Testing using Unified Testing Framework

- BUS-AN2: Business Analysis for Object Oriented Design
- DMS-MA1: Digital Marketing Fundamentals
- DMS-EO: Search Engine Optimization Technologies
- COB-IT: Control Objectives for Information and Related Technology Foundation
- TBL-RP: Reporting with Tableau Software
- MSF-AD12: MS Windows Server 2012 Active Directory Services
- CMP-CL1: CompTIA Cloud Essentials (CLO-001)
- CMP-SR1: CompTIA Server+ (SKO-003)
- CRY-RP: SAP Crystal Reports 2011
- AGL-SC: Agile and Scrum Software Development Methodology
- PMT-IT: Software Development Lifecycle Information Technology Infrastructure Library - ITIL
- SAI-467: Designing Business Intelligence Solutions with Microsoft SQL Server 2012
- SAI-466: Implementing Data Models & Reports w/Microsoft SQL Server 2012
- SAI-465: Designing Database Solutions for SQL Server 2012
- SAI-464: Developing Microsoft SQL Server 2012 Databases
- SQL-463: Implementing a Data Warehouse with Microsoft SQL Server 2012
- SQL-462: Administering Microsoft SQL Server 2012 Databases
- SQL-461: Querying Microsoft SQL Server 2012
- MSW-AZ: Implementing Microsoft SQL Azure
- AWS-CC: Cloud Computing with Amazon Web Services
- MSO-365: Migrating Exchange Server to MS Office 365
- MSW-AZ: Implementing Microsoft SQL Azure
- GOO-AN: Implementing Google Analytics
- GOO-AD: Google AdWords Administration
- MSF-BG: Microsoft Bing AdCenter Administration
- FCB-AD: Facebook Ads Manager Administration
- LIN-AD: LinkedIn Ad Manager Administration
- MSF-AC: Microsoft Access Programming
- MSF-VS: Microsoft Visio 2010 Administration
- CIT-XA: Citrix XenApp Implementation
- DIS-R1: Disaster Recovery for Information Technology
- IPH-PR: iPhone Programming
- AND-PR: Android Programming
- CIS-NPR: CCNP ROUTE (642-902)
- CIS-NPS: CCNP SWITCH (642-813)
- CIS-NPT: CCNP TSHOOT (642-832)
- MSF-SPS: Microsoft SharePoint Designer
- MSF-SPA: Microsoft SharePoint Foundation Administration
- MSF-SPF: Microsoft SharePoint Foundation
- MSF-SPD: Microsoft SharePoint Development
- MSF-SPB: Microsoft SharePoint Business Intelligence
- CPT-SC: CompTIA Security+
- CPT-NW: CompTIA Network +
- SQL-TS: Programming SQL Server with Transact-SQL
- SQL-AD: SQL Server Advanced Topics
- SQL-RS: SQL Server Reporting Services
- SQL-BI: SQL Server Business Intelligence
- MySQL Database Administration

- Apache Web Server Administration
- Common Gateway Interface and PHP (Hypertext Preprocessor) Programming
- Perl Programming
- Perl Programming - Using Advanced Modules
- Perl Advanced Topics: Serving pages using HTTPS (Secure Hypertext Protocol) with mod_ssl
- ORA-SQ: Oracle – SQL (Structured Query Language)
- ORA-PL: Oracle – PL/SQL (Programming Language in SQL)
- DDT-DM: Data Modeling and Database Design
- DDT-LP: Logical and Physical Data Modeling
- MSF-EX: Microsoft Exchange Server Administration
- MSF-SP: Microsoft SharePoint Server Administration
- MSF-SEC: Designing Security for Microsoft Networks
- MSF-PS: MS Windows Administration with PowerShell
- MSF-SA8: Microsoft Windows 2008 Server Administration
- MSF-NA8: Microsoft Windows 2008 Network Infrastructure
- MSF-AD8: Microsoft Windows 2008 Active Directory
- SEC-NI: Securing Network Infrastructure and Communications (Security+ 1)
- SEC-AP: Application, Operational and Organizational Security (Security+ 2)
- SEC-AI: Designing Security Architecture Infrastructures
- SEC-MA: Designing Security Management Infrastructures
- JAV-OO: Object Oriented Programming in Java
- JAV-AP: Application Development in Java
- JAV-AT: Advanced Topics in Java
- CIS-ND1: Configuring Cisco Network Devices I (ICND1 – 640-822)
- CIS-ND2: Configuring Cisco Network Devices II (ICND2 - 640-816)
- CIS-SC: Configuring scalable Cisco Networks
- CIS-ML: Configuring Multi-layer Switched Cisco Networks
- CIS-RA: Configuring Remote Access Cisco Networks
- CIS-TA: Troubleshooting Advanced Cisco Networks
- PMT: Software Development Lifecycle Project Management
- Software Development Lifecycle Six Sigma Quality Best Practices
- Information Technology Infrastructure Library Implementation
- Information Technology Infrastructure Library Best Practices
- Network Security – Ethical Hacking
- Network Security – Applied Computer Forensics
- VBS-PR: Programming in VB.NET
- VBS-AS: Programming ASP.NET and ADO.NET using VB.NET
- VBS-EN: Enterprise Application Development in VB.NET
- CSP-PR: Programming in C#
- CSP-AS: Programming ASP.NET and ADO.NET using C#
- CSP-EN: Enterprise Application Development in C#
- MSF-W7: Microsoft Windows7 Administration
- LIN-SA: Linux System Administration
- LIN-NA: Linux Network Administration
- CRY-RP: Programming Crystal Reports
- DWH-IN1: Data Warehousing Fundamentals
- DWH-IN2: Programming Informatica
- COG-PR1: Implementing Business Intelligence with Cognos

- VMW-AD: VMWare Infrastructure Administration
- OOD-UML: Object Oriented Design and Unified Modeling Language
- CIT-SA: Citrix Presentation Server Administration
- UBU-DS: Ubuntu Linux Desktop Administration
- ORA-DB: Oracle Database Administration
- SQL-SA: SQL Server Database Administration
- SQL-DB: SQL Server Database Design
- MSF-HY: Microsoft Windows Server Hyper-V Administration
- SQL-MD12: SQL Server 2012 Multi-dimensional Expressions and Data Analysis Expressions
- SQL-RS12: SQL Server 2012 Reporting Services
- SQL-AS12: SQL Server 2012 Analysis Services
- SQL-BID: SQL Server 2012 Designing Business Intelligence Solutions
- MSF-VS: Microsoft Visio 2010
- MSF-PS1: MS Windows Administration with PowerShell I
- MSO-365: Migrating Exchange Server to Office 365
- MSF-410: Installing and Configuring Windows Server 2012
- MSF-411: Administering Windows Server 2012
- MSF-412: Configuring Advanced Windows Server 2012 Services
- CIS-NPR: Cisco CCNP Routing and Switching
- CIS-SP1: Computer Information Systems Security Protocol
- CEH-P1: Certified Ethical Hacking Training
- CAP-P1: Computer Systems Authorization Protocol
- WIR-TS: Wireless Technology Specialist
- WIR-NA: Wireless Network Administration
- GGL-GL: Google Glass Application Development
- CMP-MOB: CompTIA Mobility+ (MBO-001)
- CMP-SM: CompTIA Social Media Security
- BUS-AN: Business Analysis and Modeling
- HAD-DB1: Big Data Management with Hadoop
- MON-DB1: Big Data Management with MongoDB
- PYT-PR: Programming in Python
- PRL-PR: Programming in Perl
- JVS-PR: JavaScript Programming
- PHP-PR: Programming in PHP
- WRD-PR: Website design with WordPress
- LIN-WI: Linux for Windows Users
- QCB-A1: QuickBooks Training
- MSF-AZ: Microsoft Azure Infrastructure Solutions
- LIN-SH: Linux Shell Scripting
- TBL-MS: Mastering Tableau Software for Data Science
- NET-FN: Networking Fundamentals
- WIR-TS: Troubleshooting Networking with Wireshark software
- MPM-PR: Multi-Platform Mobile Development

Note: Reimbursement for retraining in Job Numbers 1-2 are capped at 100 total training hours per trainee, regardless of the method of delivery. Reimbursement for retraining in Job Numbers 3, 4 & 5 are capped at 200 total training hours per trainee, regardless of the method of delivery.

**Participating Employers in Retrainee
Multiple Employer Contracts**

Contractor's Name: Lancaster Chamber of Commerce

CCG No.: ET17-0233

Reference No: 16-0293

Page 1 of 2

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Arbela Technologies

Address: 7700 Irvine Center Drive, Ste. 950

City, State, Zip: Irvine, CA 92618

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 18

Total # of full-time company employees worldwide: 33

Total # of full-time company employees in California: 18

Company: Bugcrowd

Address: 921 Front Street, Ste. 100

City, State, Zip: San Diego, CA 94111

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 57

Total # of full-time company employees in California: 55

Company: Employers Administrative Resource

Address: 2099 S. State College Blvd., Ste. 550

City, State, Zip: Anaheim, CA 92806

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 103

Total # of full-time company employees in California: 51

Company: IPS Industries, Inc.

Address: 12641 166th Street

City, State, Zip: Cerritos, CA 90703

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 50

Total # of full-time company employees in California: 48

**Participating Employers in Retrainee
Multiple Employer Contracts**

Contractor's Name: Lancaster Chamber of Commerce

CCG No.: ET17-0233

Reference No: 16-0293

Page 2 of 2

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Lobel Financial Corporation

Address: 1150 N. Magnolia Avenue

City, State, Zip: Anaheim, CA 90801

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 6

Total # of full-time company employees worldwide: 72

Total # of full-time company employees in California: 43

Company: US Pole Company, Inc.

Address: 660 W Avenue

City, State, Zip: Palmdale, CA 93551

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 50

Total # of full-time company employees worldwide: 168

Total # of full-time company employees in California: 167

Company: Vision Engineering

Address: 114 Grand Cypress Avenue

City, State, Zip: Palmdale, CA 93551

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 89

Total # of full-time company employees worldwide: 91

Total # of full-time company employees in California: 89



Training Proposal for:
Pavement Recycling Systems, Inc.

Agreement Number: ET17-0228

Panel Meeting of: September 23, 2016

ETP Regional Office: San Diego

Analyst: H. Bernard

PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Riverside, San Diego, Sacramento, San Bernadino,	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Construction Laborers Union Local 1184; International Union of Operating Engineers - Local 12		
Number of Employees in:	CA: 265	U.S.:271	Worldwide: 271
<u>Turnover Rate:</u>	6%		
<u>Managers/Supervisors:</u> (% of total trainees)	4%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$124,110		\$0	\$0		\$124,110

In-Kind Contribution:	100% of Total ETP Funding Required	\$266,385
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Commercial Skills, Continuous Impr	197	8-200	0	\$630	\$15.60
				Weighted Avg: 35			

Minimum Wage by County: \$15.60 in Riverside, Kern and San Bernardino Counties; \$16.10 in Sacramento County; \$16.46 in San Diego County

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☐ Yes ☒ No ☐ Maybe

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Operators		102
Project Manager		5
Sales Staff		5
Superintendents		7
Project Coordinator		10
Laborers		42
Foreman		5
Mechanic		11
Estimator		10

INTRODUCTION

Formed in 1989 and headquartered in Jurupa Valley, Pavement Recycling Systems, Inc. (PRS) (www.pavementrecycling.com) offers sustainable rehabilitation and preservation strategies for every phase of the asphalt pavement structure lifecycle, specializing in highway and road reconstruction and maintenance. Since its inception, the Company has acquired nine companies to either increase market share or expand into new markets. Six of the Company's subsidiaries will participate in the proposed training plan: PRS Jurupa Valley; PRS San Diego; PRS Bakersfield; PRS Sacramento; Reclaimed Aggregates located in Colton; RAI Chula Vista located in San Diego, and Pavement Coatings Co. co-located at PRS headquarters in Jurupa Valley. The business operations of these affiliates are tightly integrated with PRS.

Pavement Coatings Co. operates as a prime contractor on many projects, while PRS Jurupa Valley, San Diego, Bakersfield, and Sacramento operate primarily as a subcontractor to heavy highway and road construction contractors. These Companies specialize in Cold Planing which

removes the top layer of asphalt sections on roads, streets and parking lots. PRS offers other services which include soil stabilization, a process by which expansive and poor conditions are improved by mixing and pulverizing the soils. They also offer “cold in place” asphalt recycling where asphalt sections of streets and highways are reconstructed and remixed with recycled asphalt to repave roads and highways.

Two of the Company’s affiliates operate aggregate recycling yards: Reclaimed Aggregates in Colton (also serves as a construction equipment yard) and RAI Chula Vista. These facilities accept broken asphalt and concrete from various construction projects and process it into rubble and various aggregate products for resale.

PRS and its affiliates are each eligible for standard retraining as companies primarily engaged in providing services directly to customers located both inside and outside of California.

PROJECT DETAILS

In order to provide its customers with exemplary service, PRS and its staff must be proactive and adequately informed of the latest government specifications and advances in technical and commercial skills. The Company is continually training on these updates and has recently implemented a companywide training program to ensure all staff is knowledgeable about industry changes. The Federal Highway Administration and CalTrans are continually evolving and updating its specifications, requiring the Company to change and adapt annually.

The Company will focus the proposed training plan on the following training initiatives:

- Mechanics and materials training for technical skills that field staff need while working on roads or in the aggregate recycling yards.
- Quality control processes to ensure that the Company is continuously making better materials and ensuring labor and craftsmanship is of the highest caliber.
- Leadership initiatives for managers and staff as the Company is focused on succession planning and promoting employees from within.

PRS will be hiring 20 new employees during the term of the ETP Agreement. However, the Company is not requesting to create an additional Job Number under the Retrainee - Job Creation guideline.

Training Plan

Training is performed at all of the Company’s affiliates in California throughout the year. However, the bulk of ETP-funded training will occur during the Company’s slow season in January and February. These training sessions will consist of one to two week intensives, in which staff from all locations across the state will be sent to Headquarters in Jurupa Valley to learn critical job skills. This annual training ensures the Company remains on the forefront of pavement reclamation technologies, processes and government specifications.

Business Skills (22%): Training will be offered to Operators, Project Managers, Project Coordinators, Sales Staff, Superintendents, Foremen, Mechanics and Estimators. This training will include estimating skills, contract administration and risk management for project managers. Leadership skills for all staff will be included as well as Intermediate and Advanced Excel and finance for non-accountants.

Commercial Skills (30%): Training will be offered to Operators, Project Managers, Project Coordinators, Superintendents, Project Coordinators, Laborers, Foremen, Mechanics and

Estimators. Participants are primarily field staff who will learn construction skills relating to distresses of pavement, milling for smoothness and mechanics of materials. This will include the Construction Supervisors Academy which is a 4-day intensive program for Superintendents and Foreman that will give them critically needed skills for jobsite planning, customer management, and scheduling fundamentals.

Continuous Improvement (48%): Training will be offered to Operators, Project Managers, Project Coordinators, Superintendents, Laborers, Foremen, Mechanics and Estimators. This training will include quality control and quality assurance for field operations. Training will also include cross-training to improve efficiency and ensure quality.

Commitment to Training

ETP funds will not displace the company's existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. The Company's annual California training budget is approximately \$175,000 and covers topics such as new employee orientation, anti-harassment, diversity, conflict resolution and general safety training.

This project will be overseen by PRS Jurupa Valley staff including the Chief Financial Officer. The Manager of Technical Services will also assist and will be responsible for managing the scheduling, delivery, and documentation of training. The Company also retained Training Refund Group to assist with project administration. All original training records will be maintained in Jurupa Valley.

High Unemployment Area

In Job Number 1, 184 of the 197 trainees work in Jurupa Valley and Bakersfield, High Unemployment Areas (HUA) with unemployment exceeding the state average by at least 25%. These trainees are eligible for a wage modification; however, the Company is not requesting the wage modification.

Union Support

In this proposal, Laborers and Operators at the Jurupa Valley and Bakersfield facilities are represented by the Construction Laborers' Union Local 1184 and the International Union of Operating Engineers Locals 12. All unions associated with this training proposal have submitted letters of support for the project. The represented occupations are: Operators (at PRS Jurupa Valley and Pavement Coatings Co., PRS Bakersfield and Reclaimed Aggregates) and Laborers (at PRS Jurupa Valley).

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

PRS retained Training Refund Group in Anaheim to assist with development of this proposal for a flat fee of \$5,000.

ADMINISTRATIVE SERVICES

PRS also retained Training Refund Group to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 - 200 Trainees may receive any of the following:

BUSINESS SKILLS

- Estimating and Job Costing.
- Contract Administration
- Project Administration
- Risk Management
- Leadership Skills
- Intermediate & Advanced Excel
- Finance for Non Accountants

COMMERCIAL SKILLS

- Mechanics of Materials
- Milling for Smoothness
- Plan Reading
- Product Knowledge
- Quality Control of Pavement Coatings Products
 - Crack Seal
 - Slurry
 - Micro Surfacing
 - Cape Seal Production
- Quality Control ReNew
- Quality Control of Restructuring Products
 - Full Depth Reclamation
 - Soil Stabilization
 - Soil Mix/Design/Specification
- Distresses of Pavement
- Construction Supervisors Academy
 - Job Profitability
 - Jobsite Planning
 - Fundamentals of Scheduling
 - Customer Management
 - Pre-Job Closeout
- Management Action Program (MAP)
 - Goal Setting

CONTINUOUS IMPROVEMENT

- Field Operations
- Cross Training
- Wirtgen Mills
- Wirtgen Reclaimers

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.

**LABORERS' INTERNATIONAL UNION OF NORTH AMERICA
HIGHWAY & STREET STRIPER/ROAD SLURRY**

LOCAL UNION 1184

AFL-CIO

12 COUNTIES OF SOUTHERN CALIFORNIA

1128 E. LA CADENA DRIVE • RIVERSIDE, CALIFORNIA 92507
(951) 684-1484 • FAX (951) 779-1445WILLIAM G. SMITH
PRESIDENTJOHN L. SMITH
BUSINESS MANAGER

May 18, 2016

Employment Training Panel
Attn: Heather Bernard
5353 Mission Center Road, Suite 110
San Diego, California 92108-1306

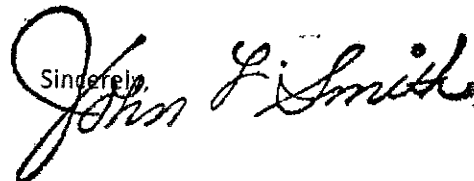
Re: Application to Employment Training Panel for Pavement Coatings, Inc.

Dear Panel Members:

The International Union of North America, Local 1184, is in full support of the Pavement Coatings, Inc. application for State Training Funds.

We support their continued training they give their employees and know that it is in the best interest of all parties to train employees properly to maintain efficient operations that align with today's work environment.

If you have any questions, please feel free to contact me at (951) 684-1484.

Sincerely,


John L. Smith, Business Manager
LIUNA, Local Union No. 1184

JLS:cmu

LABORERS' INTERNATIONAL UNION OF NORTH AMERICA

AFFILIATED WITH A. F. OF L. AND C. I. O.

LOCAL No. 1184

RIVERSIDE AND IMPERIAL COUNTIES

WILLIAM G. SMITH
PRESIDENT

1128 E. LA CADENA DRIVE
RIVERSIDE, CALIFORNIA 92507
951 / 684-1484 • FAX 951 / 779-1445

JOHN L. SMITH
BUSINESS MANAGER



May 17, 2016

Employment Training Panel
Attn: Heather Bernard
5353 Mission Center Road, Suite 110
San Diego, California 92108-1306

Re: Application to Employment Training Panel for Pavement Recycling Systems, Inc.

Dear Panel Members:

The International Union of North America, Local 1184, is in full support of the Pavement Recycling Systems, Inc. application for State Training Funds.

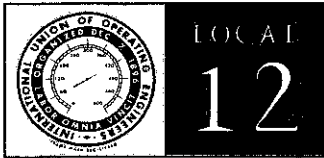
We support their continued training they give their employees and know that it is in the best interest of all parties to train employees properly to maintain efficient operations that align with today's work environment.

If you have any questions, please feel free to contact me at (951) 684-1484.

Sincerely,

John L. Smith, Business Manager
LIUNA, Local Union No. 1184

JLS:cmu



ET17-0228

International Union of Operating Engineers

AFL-CIO



Southern California & Southern Nevada

RONALD J. SIKORSKI
Business Manager
and
General Vice-President

May 2, 2016

Employment Training Panel
ATTN: HEATHER BERNARD
5353 Mission Center Road, Suite 110
San Diego, California 92108-1306

RE: APPLICATION TO EMPLOYMENT TRAINING PANEL
FOR PAVEMENT RECYCLING SYSTEMS INC.

Dear Panel Members:

The International Union of Operating Engineers, Local 12, is in full support of the Pavement Recycling Systems Inc. application for State Training Funds.

With the technological advances to equipment and these advances being a driving factor to specification changes, it is in the best interest of all parties to train employees properly to maintain efficient operations that align with today's work environment.

If you have any questions, please feel free to contact me at (626) 792-8900.

Sincerely,

Ronald J. Sikorski, Business Manager
I.U.O.E., Local Union No. 12 and
General Vice President

RJS:psh



Training Proposal for: **PGP International, Inc.**

Agreement Number: ET17-0234

Panel Meeting of: September 23, 2016

ETP Regional Office: Sacramento

Analyst: K. Mam

PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee HUA	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Yolo, Colusa	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 170	U.S.: 2,500	Worldwide: 124,000	
Turnover Rate:	18%			
Managers/Supervisors: (% of total trainees)	12%			

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$133,056		\$0	\$0		\$133,056

In-Kind Contribution:	100% of Total ETP Funding Required	\$136,137
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Cont. Imp., HazMat, Mfg. Skills	154	8-200	0	\$864	\$15.60
				Weighted Avg: 48			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: \$15.60 per hour for Yolo and Colusa counties

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$4.60 per hour may be used to meet the Post-Retention Wage

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Production Staff		104
Technical/Quality Staff		7
Administrative Staff		25
Supervisor/Manager		18

INTRODUCTION

PGP International, Inc. (PGP) (www.pg pint.com) is an ABF Ingredients Company, a division of Associated British Food PLC that was founded in 1983. The Company was originally known as Pacific Rice Products, Inc. and became an ABF Ingredient Company in 2002. PGP is a leading manufacturer and supplier of cereal food ingredients such as extruded particulates, rice flours and blends, and functional grain-based ingredients. The Company is headquartered in Woodland with rice milling and food extrusion facilities located in Colusa and Evansville, IN. Training under this proposal will be for the California facilities in Colusa and Woodland.

PROJECT DETAILS

This is PGP's fourth ETP Agreement, the second in the last five years. In the previous proposal, the Company focused on improving efficiencies, controlling costs, and maintaining quality. The Company is now shifting its focus to product customization. Each order has customer specific requirements and is not produced until the order is received, thus making product configuration more complex. Training is critical to meet customer demand.

The Company has also obtained several accreditations such as British Retail Consortium, a globally recognized standard for food safety, Non-GMO, GFCO (gluten-free) and ISO14001 environmental accreditation. These accreditations differentiate the Company's products from competitors. Trainees must understand new certifications and maintain adequate records. Training under this proposal will ensure that new standards are met.

In addition, PGP will implement a new ERP System over the next 2 years. Training under this proposal will enable employees to utilize the new system, streamlining operations and reducing cycle time. This will allow the Company to focus on infrastructure changes to improve quality, yields, productivity and employee morale. Although training topics are similar to those provided in prior Agreements, trainees will not repeat the same training courses previously received.

Training Plan

Classroom/laboratory will be provided by in-house subject matter experts and external training vendors as determined in the following:

Business Skills (15%): Training will be offered to all occupations. Training will focus on communication skills and workplace culture. Training topics include Performance Management, Change Management and Effective Meetings.

Computer Skills (30%): Training will be offered to all occupations. Training will focus on streamlining operations with current and new applications. Training topics include Microsoft Dynamics AX, Materials Requirement and Process Mapping and Database Administrator Skills.

Manufacturing Skills (30%): Training will be offered to all occupations. Training will focus on all employees learning Good Manufacturing Practices and Standard Operating Procedures.

Continuous Improvement (20%): Training will be offered to all occupations. Training will ensure the Company continues to implement a strong lean manufacturing culture. Training topics include Lean Manufacturing, 5S Program and Kanban Inventory System.

Certified Safety Training

Hazardous Materials (HAZMAT)(5%) This training is a series of courses, specific to industry sectors involved in the transport of hazardous materials. The coursework varies in length depending on the industry and the occupational title, as organized in five levels ranging from "first responder" to "incident commander." It is generally a minimum of 24 hours with an 8-hour annual refresher, and may be delivered by classroom. In this proposal, the Production Staff will receive up to 24 hours of training. Field training may be required, although not funded by ETP. Completion of the training results in a certificate that expands employment opportunities. This coursework is not under Cal-OSHA, but is administered under the Department of Transportation and CalTRANS. There are various certification entities for the coursework and instructors. In this proposal, the certification entity has not yet been determined.

Commitment to Training

PGP training budget for its California facilities is approximately \$50,000. The Company provides training in orientation, ethics and labor relations topics, and company benefits.

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ **Training Infrastructure**

Human Resources will coordinate with department managers to schedule training and ensure documentation. The Company has also retained Training Funding Source to assist with administration of the project.

High Unemployment Area

Some trainees work in a High Unemployment Area (HUA), with unemployment exceeding the state average by at least 25%. The Company's location in Colusa qualifies for HUA status under these standards. However, PGP is not asking for a wage modification.

Substantial Contribution

PGP is a repeat contractor with payment of less than \$250,000 earned at the Woodland facility within the past five years. Therefore, Substantial Contribution does not apply.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by PGP under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0168	Woodland	11/21/11 – 11/20/13	\$131,672	\$126,596 (96%)

DEVELOPMENT SERVICES

Training Funding Source in Seal Beach assisted with development for a flat fee of \$7,900.

ADMINISTRATIVE SERVICES

Training Funding Source will also perform administrative services for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- + Business and Phone Etiquette
- + Change Management
- + Coaching and Conflict Resolution
- + Communication Skills
- + Effective Meetings
- + Giving and Receiving Feedback
- + Motivation and Goal Setting
- + Performance Management
- + Problem Solving – Root Cause Analysis
- + Product Knowledge
- + Project Management
- + Working Successfully with Others
- + Workplace Culture
- + Food Safety Modernization Act Education
- + British Retail Consortium Education

COMPUTER SKILLS

- + Database Administrator Skills
- + Microsoft Dynamics AX
- + ERP System
- + Materials Requirement and Process Mapping
- + Production Planning and Scheduling
- + Integrated Warehousing System
- + Operating Systems
- + Process Pro
- + Web Application






CONTINUOUS IMPROVEMENT

- + Decision Making/Problem Solving
- + Kaizen
- + Kanban Inventory System
- + Line Balancing
- + Leadership
- + Lean Manufacturing
- + Lean Waste Reduction (The 7 Wastes)
- + Quality Systems
- + 5S Program (Sort, Set, Shine, Standardize, Sustain)
- + Single Minute Exchange of Dies
- + Teambuilding
- + Total Preventive Maintenance
- + Work Procedures

HAZARDOUS MATERIALS (Ratio 1:40)

- + HAZMAT

MANUFACTURING SKILLS

-  Good Manufacturing Practices
-  Hazard Analysis & Critical Control Poin)
-  Production Equipment/Tools (Preventative Maintenance)
-  Standard Operating Procedures
-  Shop Floor Data Collection

Safety Training cannot exceed 10% of total training hours per-trainee (This cap does not apply to Hazmat, OSHA 10/30 or HAZWOPER)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



Training Proposal for:
Ducommun Aerostructures, Inc.
Agreement Number: ET17-0224

Panel Meeting of: September 23, 2016

ETP Regional Office: North Hollywood

Analyst: M. Reeves

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Veterans	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Los Angeles, Orange	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Teamsters Local Union No. 986			
Number of Employees in:	CA: 791	U.S.:2,600	Worldwide: 2,800	
<u>Turnover Rate:</u>	6%			
<u>Managers/Supervisors:</u> (% of total trainees)	8%			

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$444,736		\$0	\$0		\$444,736

In-Kind Contribution:	100% of Total ETP Funding Required	\$662,921
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Continuous Imp.	766	8-200	0	\$576	*\$16.48
				Weighted Avg: 32			
1	Retrainee Veterans Priority Rate	Business Skills, Continuous Imp.	5	8-200	0	\$704	*\$16.48
				Weighted Avg: 32			

Minimum Wage by County: \$16.51 per hour for Orange County; \$16.48 per hour for Los Angeles County.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe
Up to \$1.61 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Numbers 1 and 2		
Administrative Staff I		82
Administrative Staff II		50
Engineering Staff		62
Manager I		50
Manager II		10
Operations Staff		412
Quality Staff		69
Shipping/Receiving Staff		36

INTRODUCTION

Founded in 1849, Ducommun Aerostructures, Inc. (Ducommun) (www.Ducommun.com) is a global provider of manufacturing and engineering solutions for customers in the aerospace, defense, and industrial markets, specializing in two core areas: Electronic Systems and Structural Systems. The Company produces complex products and components for commercial aircraft platforms, mission-critical military and space programs, and sophisticated industrial applications. Customers include Boeing, Airbus, Embraer, Carson Helicopters, Rolls-Royce, Bell Helicopter, Short Brothers, and Bombardier.

PROJECT DETAILS

To remain competitive in the aerospace/defense industry, it is vital for Ducommun's operations to become as lean as possible. A major part of this effort involves keeping costs down, while striving to hit 100% on-time delivery rates with zero defects. The Company plans to refine and/or create work cells to reduce waste, increase efficiency, and improve process flow. The goal is to eventually bring these work cells together to create one continuous, efficient supply chain, increasing efficiency by 15-20% in all affected areas. These gains will help the Company reduce operating costs, incorporate standardized work, eliminate waste, and develop the flexibility to meet demand in a timely fashion.

Additionally, Ducommun continues to gain additional business with current customers in new product segments, thus requiring training in new product lines, new equipment, and new manufacturing techniques. Comprehensive training will allow the Company to introduce new processes and technology, while continuing to expand its product offerings through sustained innovation.

Veterans Program

Ducommun conservatively plans to train five Veterans (Job Number 2) who have served on active full-time duty in the Armed Forces. The Panel has established a higher reimbursement rate and other incentives for training California veterans, as will be reflected in the contract.

Training Plan

Training will be delivered by in-house subject matter experts through the Company's employee development program. Training will take place at Ducommun locations in Monrovia, Carson, Gardena, and Orange.

Business Skills (25%) – Training will be offered to all occupations. This training will cover communication, customer service, inventory control, and project management skills. Trainees will learn effective ways to identify and resolve problems in a manner that is timely and improve customer satisfaction.

Continuous Improvement (75%) – Training will be offered to all occupations. This training will equip workers with the knowledge and skills to manage complex projects using Lean concepts and problem solving tools. These modules are intended to minimize waste while improving production flow and product quality.

Commitment to Training

ETP funds will not displace Ducommun's existing financial commitment to training. The Company spends approximately \$60,000 annually on training for its California facilities. Ongoing company-funded training consists of new employee onboarding, job-specific tools/equipment skills, and on-the-job training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Ducommun will utilize its Human Resources Business Partners and department managers to oversee training scheduling, tracking, and reporting across all participating locations. Although this is Ducommun's first ETP contract, the Company's Human Resource Business Partner spearheading this proposal has extensive prior experience as the administrative lead on multiple ETP projects in the past. The Company has also retained an outside

administrative consultant, Abbott Consulting Group, to ensure that training administration and documentation procedures adhere to ETP requirements.

Union Letter

Teamsters Local Union No. 986 has provided a letter of support for the training of its union members (Operations Staff, Quality Staff, and Shipping/Receiving Staff).

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Abbott Consulting Group in Fairfield assisted with development of this proposal for a flat fee of \$4,500.

ADMINISTRATIVE SERVICES

Abbott Consulting Group will also perform administrative services for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 – 200

Trainees may receive any of the following:

BUSINESS SKILLS

- + Change Management
- + Communication and Conflict Management
- + Customer Service Excellence
- + Decision Making
- + Effective Leadership Skills
- + Fundamental Savings Strategy
- + Group Lead Training
- + High Potential Coaching
- + Inventory Control
- + Inventory Management
- + Leadership Principles
- + Motivation
- + Project Management
- + Purchasing/Procurement
- + Supply Chain
- + Team Building
- + Information Systems Technology Usage/Compliance
- + ITAR/EAR Compliance

CONTINUOUS IMPROVEMENT

- + 5S
- + Introduction to Lean
- + Kaizen Process
- + Leadership in Lean
- + Lean Sigma Value Chain
- + Lean Sigma Process Improvement
- + Lean Skills Development
- + Line Design
- + Problem Solving for Lean
- + Root Cause Analysis
- + Six Sigma
- + Standard Work
- + Task Management
- + Value Stream Mapping
- + Visual Control
- + Strategy and Goal Deployment
- + Manufacturing Skill Development/Cross-Training
- + Product Integrity Processes
- + New Product Integration
- + Planning/Scheduling
- + Scrap Reduction
- + Material Handling
- + New Product Development/Manufacturing
- + Engineering Process Improvement
- + New Technology

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.

CHRISTOPHER S. GRISWOLD
Secretary-Treasurer

SEAN P. HARREN
President

TEAMSTERS LOCAL UNION NO. 986

AFFILIATED WITH THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS

General Teamsters, Airline, Aerospace and Allied Employees, Warehousemen, Drivers, Construction, Rock and Sand



July 20, 2016

Employment Training Panel
1100 J Street
Sacramento, California 95814

Re: Ducommun Inc.

Dear Panel Members:

We understand that Ducommun is requesting an Employment Training Panel contract with your office. The training curriculum proposed by Ducommun will significantly help to increase the capability of the employees, our members.

The contract with your office is exactly what is needed to help these employees gain the new skills required to operate in a continuous improvement environment. We believe that the cooperation and arrangements between Labor, Management and the Public Sector are beneficial to all parties and we fully support the training efforts that Ducommun has set forth on behalf of our members.

If I can be of further assistance, please do not hesitate to contact me.

Sincerely,

Chris Griswold
Secretary-Treasurer

CG:ct

Main Office: 1198 Durfee Avenue • South El Monte, CA 91733 • PHONE (626) 350-9860 • FAX (626) 448-0986
Regional Office: 300 Shadow Lane • Las Vegas, NV 89106 • PHONE (702) 385-0995 • FAX (702) 385-4410
Regional Office: 115 West Bunny Avenue • Santa Maria, CA 93458 • PHONE (805) 922-7875 • FAX (805) 922-3885

www.local986.org





RETRAINEE - JOB CREATION

Training Proposal for:

SYSCO San Diego, Inc.

Agreement Number: ET17-0220

Panel Meeting of: September 23, 2016

ETP Regional Office: San Diego

Analyst: K. Campion

PROJECT PROFILE

Contract Attributes:	Retrainee SET Job Creation Initiative	Industry Sector(s):	Wholesale Trade Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	San Diego County	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 3,200	U.S.:47,330	Worldwide: 51,700
Turnover Rate:	5%		
Managers/Supervisors: (% of total trainees)	0%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$280,800		\$41,220 15%	\$0		\$239,580

In-Kind Contribution:	100% of Total ETP Funding Required	\$357,840
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SET	Continuous Impr., Computer Skills, Business Skills	229	8 - 200	0	\$1,020	\$28.37
				Weighted Avg: 80			
2	Retrainee SET	Continuous Impr., Computer Skills, Business Skills	3	8 - 200	0	\$2,000	\$22.54
	Job Creation Initiative			Weighted Avg: 100			

Minimum Wage by County: Job Number 1: \$28.37 per hour SET Statewide Average Hourly Wage; Job Number 2: \$13.72 per hour for San Diego County (Job Creation).

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Health benefits of up to \$5.37 per hour may be used to meet the Post-Retention Wage for Job Number 1 trainees.

***Commission Income:** Additionally, some Job Number 1 Sales/Marketing Staff may also use commissions paid of up to \$4.93 per hour to meet the Post-Retention Wage.

*The Company is not in Retail Trade. As such, occupations paid by commission (Job Number 1 only) do not fall under the Panel's "lowest priority" for FY 2016/17.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Admin Staff		25
Customer Service Staff		21
Lead		21
Marketing Associate		98
Support Staff		34
Technical Staff		30
Job Number 2		
Marketing Associate		3

INTRODUCTION

Founded in 1996 and located in the City of Poway, SYSCO San Diego, Inc. (SYSCO SD) is a wholly-owned subsidiary of SYSCO Corporation, located in Houston, Texas (www.sysco.com). SYSCO SD warehouses and distributes more than 10,000 food products, beverages, supplies and equipment throughout San Diego County. The Company's customer base includes restaurants, major hotels, cruise ships, hospitals, schools, arenas, government facilities and military bases. SYSCO SD has 361 full-time employees at its sole location in the City of Poway.

For FY 2016/2017, the Panel has approved other SYSCO wholly-owned and operated subsidiaries. SYSCO Central California was approved at the July 22 Panel meeting. SYSCO Sacramento and SYSCO Ventura were approved at the August 26 Panel meeting. Two other subsidiaries are seeking funding next month.

PROJECT DETAILS

This is the seventh ETP Agreement between ETP and SYSCO SD, the third in the last five years. In the prior two SYSCO SD Agreements, training targeted the Company's new business transformation project, "Project 212," a new computer system that was projected to improve the Company's overall productivity. While some trainees in this proposal received training in prior ETP projects, these trainees will not receive duplicate training.

Because the food service/warehouse business is very competitive, SYSCO SD must continually look for ways to reduce costs, increase sales, and improve customer satisfaction. To that end, the Company is implementing new internet technology computer software, Sysco Market Express and Sysco Mobile. These technologies will allow customers more flexibility in placing orders on-line, which will increase profitability and customer satisfaction. The growth of the Company will depend on the success of its transition to this new technological environment. The need for training is also driven by the Company's new marketing opportunities: the expansion of Hispanic and Asian marketplaces in San Diego County, projected to increase the number of customers over the next two years.

Retrainee - Job Creation

SYSCO SD is expanding business capacity by hiring new employees to support marketplace expansion. The Company has committed to hiring three additional Marketing Associates (Job Number 2) during the term of the proposed Agreement.

The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of contract. As a feature of this program, the Substantial Contribution requirement will be waived for Job Number 2.

Training Plan

In-house subject matter experts will deliver Class/Lab training in the following:

Continuous Improvement (20%) – Training will be provided to all occupations to constrain rising costs, reduce waste, and work more efficiently to be more profitable.

Computer Skills (45%) – Training will be provided to all occupations. Trainees will learn computer technology skills and internet-based application skills. Also, Marketing Associates will learn to effectively utilize the new Sysco Market Express and Sysco Mobile software technologies.

Business Skills (35%) - Training will be provided to all occupations. Courses will focus on account development strategies, customer relations, product knowledge, getting business results, procurement procedures, menu analysis, and Hispanic and Asian Markets. Training will help the Company improve customer service, increase sales to its current customers, and attract new customers.

Commitment to Training

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. The Company spends in excess of \$352,000 per year on training in topics such as new-hire orientation, OSHA-mandated training, sexual harassment prevention, first aid, and on-the-job training. In the past, SYSCO SD has also provided Business Development Strategies, Consultative Selling, Operating Procedures, Product Handling, and MS Office.

➤ **Training Infrastructure**

SYSCO SD's Human Resources (HR) Manager will oversee the project. HR Staff assist with schedule training and collect attendance rosters. ETP project administration, including enrolling and tracking training hours in the ETP on-line systems, will be provided by an administrative subcontractor.

Commissions

Commissions of up to \$4.93 per hour may be added to Marketing Associates' base wage (Job Number 1) to meet the SET Average Hourly Wage of \$28.37 per hour. Marketing Associates sell products and services in the wholesale marketplace.

SYSCO SD wholesale trade industry sector is different from Retail Trade. As such, occupations paid by commission qualify for ETP funding as they do not fall under the Panel's "lowest priority" for FY 2016/17. [Note: The Company does not sell directly to individual consumers for residential use. See discussion of customer base above.]

Substantial Contribution

SYSCO SD is a repeat contractor with payments earned and projected totaling in excess of \$250,000 within the past five years for incumbent workers (see Prior Project Table). Accordingly, reimbursement for trainees in Job Number 1 will be reduced by 15% to reflect the Company's \$41,220 Substantial Contribution to the cost of training. Substantial Contribution is not applicable for Job Creation trainees (Job Number 2).

Additional 15% Reduction

Per Panel request at the August 24 Panel meeting, this Sysco SD project has been reduced 15% across all occupations/Job Numbers. This reduction is in addition to the 15% Substantial Contribution deduction as discussed above.

SET

SYSCO SD is eligible for ETP funding under Special Employment Training provisions for frontline workers. To qualify under SET, incumbent trainees must be earning at least the statewide average hourly wage at the end of the retention period.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by SYSCO SD under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET15-0100	Poway (San Diego County)	7/01/2014– 6/30/2016	\$258,400	<u>\$254,948 (99%)*</u> <i>Of which \$176,152 is projected to be incumbent earnings</i>
ET12-0275	Poway (San Diego County)	2/06/2012– 2/05/2014	\$299,130	<u>\$215,026 (72%)</u> <i>Of which \$165,291 was incumbent earnings</i>

*The final Invoices have yet to be processed; therefore, these are projected earnings based on class/lab hours documented in ETP systems. SYSCO SD projects \$254,948 (99%) in total earnings when the closeout invoice is processed by ETP.

DEVELOPMENT SERVICES

SYSCO SD retained National Training Company, Inc. (NTC) in Irvine to assist with development of this proposal for a flat fee of \$5,000.

ADMINISTRATIVE SERVICES

SYSCO SD also retained NTC to perform administrative services in connection with this proposal for an amount not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 – 200

Trainees may receive any of the following:

CONTINUOUS IMPROVEMENT

- 5S
- Best Practices
- Creating a Lean Operation
- Efficient Workflow
- Problem Solving Tools and Techniques
- Process Development
- Procurement Efficiency
- Quality Assurance
- Quality Distribution Systems
- Root Cause Analysis
- Sequencing Procedures
- Standard Practices
- Sysco Food Safety
- Team Building
- What is "Lean Thinking?"

COMPUTER SKILLS

- Computer Technology Skills
- Email Marketing Campaigns
- Fleet Management Software
- Internet Based Applications
- MS Office (Intermediate and Advanced)
- MySysco Truck
- Relationship Management Tools
- Sysco Desktop Applications
- Sysco Market Express (Desktop)
- Sysco Mobile (Phone/Tablet)

BUSINESS SKILLS

- Account Development Strategy Procedures
- Business Review Procedures
- Communication Skills
- Customer Presentation Skills
- Customer/Vendor Relations
- Cyber Security
- Food Cost Inflation
- Getting Business Results
- High Performance
- Hispanic and Asian Markets
- Improving Customer Contact
- Innovative Food Solutions
- Inspection Procedures

- Inventory Control
- Menu Analysis
- Negotiation Skills
- Procurement Procedures
- Product Knowledge
- Project Management Skills
- Scheduling and Planning
- Security of Customer Information
- Sysco Operations Procedures
- Sysco Branded Products

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



RETRAINEE - JOB CREATION

Training Proposal for:

Boehringer Ingelheim Fremont, Inc.

Agreement Number: ET17-0232

Panel Meeting of: September 23, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: R. Jackson

PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee Job Creation Initiative	Industry Sector(s):	Manufacturing Biotechnology/Life Sciences Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Alameda	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 340	U.S.: 340	Worldwide: 45,500	
<u>Turnover Rate:</u>	7%			
<u>Managers/Supervisors:</u> (% of total trainees)	4%			

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$408,800		\$34,160 15%	\$0		\$374,640

In-Kind Contribution:	100% of Total ETP Funding Required	\$408,800
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Commercial Skills, Continuous Improvement, Mfg. Skills, PL-Mfg. Skills	280	8-200	0	* \$688	\$17.02
				Weighted Avg: 45			
2	Retrainee Priority Job Creation	Business Skills, Computer Skills, Commercial Skills, Continuous Improvement, Mfg. Skills, PL-Mfg. Skills	130	8-200	0	\$1,400	\$17.02
				Weighted Avg: 70			

* Reflects Substantial Contribution

Minimum Wage by County: \$17.02 for Alameda County for Retraintees; \$14.19 for Job Creation.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☐ Yes ☒ No ☐ Maybe

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Production Staff		100
Engineers		80
Administrative Staff		55
Manager		15
Supervisor		30
Job Number 2		
Production Staff		130

INTRODUCTION

Boehringer Ingelheim Fremont, Inc. (BIFI), is a subsidiary of the family owned parent corporation, [Boehringer Ingelheim, www.boehringer-ingelheim.com](http://www.boehringer-ingelheim.com), a global pharmacology corporation founded in 1885 in Ingelheim, Germany. The Company researches and produces

human and animal pharmaceuticals and employs over 42,000 people worldwide in 15 countries, including the US and Canada.

BIFI is a contract pharmaceutical manufacturing business offering customers the entire drug product manufacturing chain comprising of filling, visual inspection, labeling and packaging. BIFI produces commercial products such as colon cancer drugs and numerous other pharmaceuticals for Phase I and Phase II clinical trials.

BIFI's 100,000 square-foot, multi-product manufacturing facility in Fremont is primarily dedicated to the manufacture of monoclonal antibody therapies and other proteins from cell culture technology. The facility contains process development labs, a pilot plant, and large-scale bioreactors for manufacturing biologics for clinical studies as well as for clinical manufacturing. Training will occur in the Fremont facility and also inside a second new facility located adjacent to the existing Fremont facility.

BIFI is eligible for standard retraining under the Out-of-State Competition Provisions as a company engaged in an industry facing out-of-state competition (Research and Development in Life Sciences). The Company is also a manufacturer of biopharmaceutical products and is eligible as a priority industry.

PROJECT DETAILS

The goal of this training project is to;

- Increase the Company's competitiveness with new product initiatives and plant expansion in Fremont,
- Improve and expand employee skills
- Meet increased production demands in Fremont facilities, and
- Achieve cost savings through improved efficiency.

Production volume and staffing level increases are occurring due to consumer demands worldwide for products made by BIFI in Fremont. Due to the launching of a new line of products the company must upgrade worker skills to operate new biotech machines. Cross-training employees on new functions is critical in helping BIFI to meet plant capacity increases and its successfully implement new procedures. New procedures will improve efficiency, increase production yields, and reduce losses.

Some courses in this proposal were delivered in prior ETP agreements; however, course content has been refreshed. No trainee trained in prior ETP Agreements will duplicate training in this proposal. All training will occur at the Company's two Fremont locations, delivered by in-house subject matter experts.

Training Plan

The training plan in this proposal differs from previous Agreements. This proposal will focus on new work related equipment and new technology-based skill upgrades (software, manufacturing processes, and ISO requirements). Class/lab and PL training will be provided.

Business Skills (1%): The training topic Sales and Planning will be provided to Administrative Staff and Supervisors/Managers. BIFI's expansion into commercial manufacturing is impacting BIFI's marketing and communications. Training will support BIFI's commercial manufacturing of new products.

Commercial Skills (4%): This training will be offered to all occupations. BIFI maintains periodic Procedure and mandatory Good Manufacturing Practices training to keep workforce

skills current. Training is being offered in Clinical Trials, Process Development, Program Management, R&D, Production, and Quality Control. This training helps meet steady compliance with FDA and other requirements.

Computer Skills (5%): Training will be provided to Engineers, Managers/Supervisors in topics from desktop applications, such as advanced levels of computer assisted design software, advanced desktop applications, and personal productivity software applications, the Company's in-house computer applications for inventory, account management, and manufacturing control.

Manufacturing Skills (70%): Training will be provided to Production Staff and Engineers. Trainees will learn to operate new machines. Topics such as Equipment Operation and Cross Training Production will be provided. Courses like Testing and Troubleshooting Cells, Clean Room, Restricting Hazardous Substances are designed to ensure the Company will meet quality standards. Given the Company's expansion and rapid hiring plan within the production staff occupation, Manufacturing Skills represents the majority of the training.

Continuous Improvement (20%): Training will be offered companywide. BIFI has a quality control program which spans all occupations. Additionally, frontline employees including Managers and Supervisors, will be provided with leadership training. Training on decision making, quality processes, team skills, and compliance management will help BIFI meet or exceed performance expectations.

Productive Laboratory

Trainees may produce goods for profit as part of the Productive Lab (PL) training in the courses identified under the Curriculum. The instructor will be dedicated to training delivery during all hours of training.

LMS

BIFI will utilize an LMS to track training. The LMS was approved for use in the prior ETP Agreement. BIFI represents no significant changes have been made to the LMS since the last ETP Agreement.

Retrainee - Job Creation

In support of job creation, the Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

BIFI has committed to hiring 130 new employees (Job Number 2). The date-of-hire for all trainees will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

The second facility opening adjacent to the existing Fremont location consists of an additional 30,000 square feet. This new facility will be operational within the contract term, and employ an estimated 130 additional new employees through 2018. The primary activity at the new facility will focus on new commercial manufacturing initiatives mostly for Full-Finish operations. New and existing manufacturing equipment and software, such as full-finish operations, supports the need for training for the newly hired staff.

Commitment to Training

BIFI currently offers a combination of elective and mandatory training including safety, OSHA, company orientation, basic computer skills, sexual harassment prevention and executive development. BIFI provides government mandated training to meet the Food and Drug Administration (FDA) requirements.

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

BIFI is ready to begin training in October 2016. The Company is spending an estimated \$50M on manufacturing equipment and software, prompting the need for training. The Company has two dedicated training coordinators and has retained an experienced Subcontractor to assist them with project administration. The company and vendor parties have experience working with ETP in BIFI's prior ETP contracts. Both parties were involved in the prior projects approved by the Panel.

Impact/Outcome

As trainees progress through the proposed curriculum, each will attain documented certification of competency for each significant manufacturing tool and/or procedure they learn. Trainees will receive certifications in: primary and secondary packaging equipment, electrophoresis equipment packaging, foto/phoresis DNA analysis, Pipette Carousel Stands, Structure Quality Control Biochemistry, Operation and Maintenance of VITEK 2, Glassware Wash Process, Swab Sampling, HVAC Sampling, Single Use Bioreactor, Tubing Welder, SciLog, Aseptic Aliquoting, Freezing of Microorganisms, Bioburden Testing, Endotoxin, Validation of Microbial Recovery, Buffer Preparation, Processing of Samples for Microbial Identification. These are internal certifications given to employees who complete the training plan and achieve competency. Employees with these certifications achieve critical biotech manufacturing skills that are highly transferable to other pharmacological employers. BIFI is ISO certified. A portion of the training is designed to maintain existing ISO276 certification. Additionally, BIFI's successful expansion into commercial contract manufacturing will allow them to serve a larger customer base, increase revenue, and make additional investments in California.

Substantial Contribution

BIFI is a repeat contractor with payment earned in excess of \$250,000 at the Fremont facility within the past five years. Accordingly, reimbursement for trainees in Job Number 1 will be reduced by 15% to reflect the Company's maximum \$34,160 Substantial Contribution to the cost of training. Job Number 2 is not subject to a substantial contribution because Job Creation is exempt from Substantial Contribution requirements.

A task competency list is on file and supports the request for Manufacturing Skills to be delivered via PL.

BIFI estimates that 310 trainees (Production Staff and Engineers) will receive an average of 30 hours (max 60) hours of PL at a 1:1 trainer-to-trainee ratio. BIFI represents no more than 50% of the total training hours in the proposal will be PL-Manufacturing. The Company will utilize an experienced trainer to specify the scope of work; explain the process and needed equipment; and verify the trainee understands standards, specifications, and safe operation of equipment.

The trainer will observe the employee perform the tasks, provide feedback, assist with re-work if necessary, and ensure that the task has been performed correctly.

BIFI is expanding into commercial manufacturing in the pharmaceutical market. FDA, requirements necessitate processes have a highly controlled error-rate to maximize product quality. The formulation, mixing, preparation of active agents into final form, (liquid or lyophilized powder) and filling and sealing within final containers requires supervised training on bio-tech machinery. The training must be conducted in clean rooms. PL training is the best method due to the level of the detailed nature of the training. Tasks are best demonstrated using actual product fulfillment scenarios. The hands-on PL training compliments class-lab training and is additive to prerequisite reviews of processes.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by BIFI under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET15-0142	Fremont	7/7/2014- 7/6/2016	\$249,388	*\$249,388 (100%)
ET12-0407	Fremont	6/30/2012- 6/29/2014	\$442,656	\$248,794 (56%)

ET15-0142: Fiscal closeout is still in process. The number of hours tracked represent potential earnings equivalent to 100% of the approved contract amount.

ET12-0407: Unfortunately, the start of training was initially delayed. As a first-time ETP contractor, BIFI struggled with ETP recordkeeping requirements. The Contractor eventually hired an experienced ETP subcontractor to help them with administration tasks and get the project on track. However, due to the initial delay in start of training and lack of sufficient recordkeeping, many of the trainees did not meet the minimum 24 hours of training requirement. Many of the training hours delivered were ineligible and earnings and performance suffered.

DEVELOPMENT SERVICES

BIFI retained Herrera & Company of Stockton to assist with development services at no cost.

ADMINISTRATIVE SERVICES

Herrera & Company will also perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

Training will be provided by in house trainers.

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200

BUSINESS SKILLS

- ✚ Sales and Planning

COMMERCIAL SKILLS

- ✚ Clinical Practice
- ✚ Site Qualification for Trials
- ✚ Clinical Research
 - Trial Monitoring and Audits
 - Protocols for Preclinical Studies and Data
- ✚ Production of Gene Therapy Vectors
- ✚ Cell Growth and Productivity
- ✚ Bioreactors Practice and Theory
- ✚ Downstream Processing Steps
 - High yield, Potency and Purity
- ✚ Producing research drug products for clinical studies
- ✚ Good Manufacturing Practices (GMP)
- ✚ Regulatory Requirements Challenges
- ✚ Production of Research Drug Products
- ✚ New Manufacturing Technologies
- ✚ Drug Product Development Components
- ✚ Advanced Process Modeling and Analysis
- ✚ Advanced Laboratory Practices
- ✚ Advanced Compliance Training
- ✚ Advanced Cell Data Modeling and Architecture
- ✚ Advanced Programming Development Applications

CONTINUOUS IMPROVEMENT SKILLS

- ✚ Advanced Factory Automation Tools
- ✚ Instrument Modeling/Integration Software Development
- ✚ Quality Measurement Biosciences Practice and Theory
- ✚ Quality Fundamentals/Core Skills
- ✚ Leadership
- ✚ Optimizing Virus Vector Production
- ✚ Vector System Design
- ✚ Production Experiments and Designs
- ✚ Isolation and Characterization of Stable Cell Lines
- ✚ Developing Novel Assays to Assess Viral Vector Attributes
- ✚ Analytical Assays to Support Process Development
- ✚ Developing and Maintaining Laboratory Quality Control Systems
- ✚ Coordinating Internal and External Research Activities
- ✚ Integrated 3D (decide, desire, delight) Insights

COMPUTER SKILLS

- ✚ Shelving Assortment System
- ✚ Enterprise Resources Software
- ✚ Financial/Accounting Tools
- ✚ Government Management Tools

- + Human Capital Management Systems
- + Microsoft Office Tools (intermediate/advanced)
- + Project Road-Mapping
- + Systems, Applications, Products Integration Software (SAP)
- + SharePoint/Ishare

MANUFACTURING SKILLS

- + Technical Design Tools
 - Schematic Drafting
 - Drawing
- + Product Data Management System
- + Product Lifecycle Management Tool
- + Clean room (bleach, chlorine, mercury, lead)
- + Cross training Production Equipment
- + Equipment Operation/SafeStart
- + Lean Manufacturing
- + Packaging/Shipping/Inventory Processes
- + Product Labeling Process & Controls
- + Product Transfer/WorkFlow
- + Production Floor Processes
- + Restricting of Hazardous Substances
- + Technical Qualifications and Certifications
- + Testing and Troubleshooting Cells

Productive Lab Hours

8 - 60

MANUFACTURING SKILLS (1:1 RATIO)

- + Cell Culture Activities
 - Cell-based In-vitro Potency Assays for Products
 - Cell Line Processes
- + Designing, Engineering, and Commissioning New Systems
- + Quality Control
 - Minimizing Deviations and Downtime
 - Conducting Equipment Qualification and Validation Studies
 - Change Control Policies Implementation
 - Testing Components for Functionality/Capacity
 - Maintaining Mechanical Systems
 - Conducting Safety Checks
 - Setting Up and Testing Equipment
 - Detect Residual impurities, Titration and Residual Impurity
 - Qualifying Equipment
 - Calibrating and Maintaining Equipment
 - ISO 276 Requirements
 - Production Equipment Inspection
 - Installing and Control of Automation Systems
- + Managing Calibration services
 - Instrument Procedures

- Temperature, Pressure, Level, Flow and Analytical Instruments
- ✚ Producing Products in Shake Flasks and Bench-scale Bioreactors
- ✚ Developing Process Sampling
- ✚ Interpreting Analytic Data
- ✚ Fill-finish Manufacturing Vessels
 - Homogenizer
 - Stirrers
- ✚ Equipment Operations
 - Microprocessor tablet disintegration
 - Tablet hardness, friability and melting point apparatus
 - Automatic Tablet Counting
 - Tablet Operations.
 - Filling and Sealing
 - Drying Machinery
 - Automatic Labeling, Gumming, and Stikering
 - High Speed Automatic Bottle Filling & Cap Sealing
 - Twin Head Volumetric Filling
 - Rotary Bottle Washing

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 60 hours per-trainee.



RETRAINEE - JOB CREATION

Training Proposal for:

Linear Technology Corporation

Agreement Number: ET17-0237

Panel Meeting of: September 23, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: L. Lai

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Santa Clara	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 1,347	U.S.: 2,076	Worldwide: 4,851
<u>Turnover Rate:</u>	10%		
<u>Managers/Supervisors:</u> (% of total trainees)	12%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$372,280		\$0	\$0		\$372,280

In-Kind Contribution:	100% of Total ETP Funding Required	\$551,329
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Cont. Improv., Mfg. Skills, PL-Mfg. Skills	278	8 - 200	0 - 4	\$1,260	\$17.02
				Weighted Avg: 70			
2	Retrainee Priority Rate Job Creation	Business Skills, Cont. Improv., Mfg. Skills, PL-Mfg. Skills	10	8 – 200	0 - 4	\$2,200	\$15.00
				Weighted Avg: 110			

Minimum Wage by County: Santa Clara County: Job #1 (Retrainee) - \$17.02 ; Job #2 (Job creation) - \$14.19

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$2.02 per hour may be used to meet the Post-Retention Wage for Job #1.

Wage Range by Occupation		
Occupational Titles	Wage Range	Estimated # of Trainees
JOB NUMBER 1 – RETRAINEES		
Engineer		26
Technician		59
Security Coordinator		8
Wafer Fab Specialist		152
Supervisor		15
Manager		18
JOB NUMBER 2 – JOB CREATION		
Wafer Fab Specialist		8
Technician		2

INTRODUCTION

Founded in 1981 and located in Milpitas, Linear Technology Corporation (Linear) designs, manufactures and markets a broad range of high performance analog integrated circuits for companies worldwide. Linear's products provide an essential bridge between the analog world and the digital electronics in communications, networking, industrial, automotive, computer, medical, instrumentation, consumer, and military and aerospace systems. Linear produces power management, data conversion, signal conditioning, RF and interface ICs, and wireless sensor network products.

PROJECT DETAILS

The proposed training will enable Linear to remain competitive in a challenging semiconductor manufacturing industry in which companies are moving overseas to lower costs. The proposed training will improve the Company's workforce skills, improve equipment uptime and line yield, and allow Linear to keep its manufacturing in California.

The goal of training is to transform the manufacturing plant into a world-class facility for key manufacturing metrics and to expand capacity. The Company will invest six million dollars in several new pieces of equipment in the next two years. The addition of the newer advanced tools and advanced processes will require training which is not included in the equipment purchase price. Without training, employees would not have sufficient knowledge and skills to operate new equipment, resulting in lower production output.

Retrainee - Job Creation

In support of job creation, the Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

Linear has committed to hiring 10 new Wafer Fab Specialists and Technicians (Job Number 2). Although subject to a lower post-retention wage of \$14.19, Job Creation trainees will be placed at \$15.00. With new equipment, the Company's manufacturing capacity is expected to increase. The date-of-hire for all trainees will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of contract. Existing space will be repurposed to facilitate the new hires.

Training Plan

Training will be conducted via class/lab, CBT, and Productive Lab at the Milpitas facility. Training will be delivered by internal subject-matter experts and, when necessary, external vendors.

Business Skills (5%): This training will be offered to Managers and Supervisors to improve time management, project management, and team building skills. Training will increase productivity.

Continuous Improvement (5%): This training will be offered to all occupations in topics such as KANBAN, problem solving troubleshooting tools and techniques, and Poka Yoke, mistake proofing techniques. Training will help eliminate product defects.

Manufacturing Skills (50%): This training will be offered to Wafer Fab Specialist, Technicians, and Engineers. The primary training effort for improving productivity is improving the flexibility and capability of the production and maintenance Staff. Training will concentrate on cross training manufacturing Staff to improve the expertise level required to operate and maintain the tools used in wafer fabrication. Trainees will learn the best known methods to repair and maintain the manufacturing tools. Productive maintenance concepts will be taught to improve equipment availability.

PL-Manufacturing Skills (40%)

Trainees may produce goods for profit as part of the PL training in the courses identified under the Curriculum. The instructor will be dedicated to training delivery during all hours of training.

Part of the strategy to improve competitiveness of the manufacturing operations is to create an agile and flexible workforce that can operate over 100 equipment/tools using different techniques and processes. Linear proposes PL-Manufacturing Skills training to approximately 199 Wafer Fab Specialist and Technician trainees because the equipment/tools cannot be replicated in a classroom setting. During training, production will be significantly slowed with higher defects. Trainer-to-trainee ratio for PL will be 1:1. Training will be taught by subject matter experts, who will attest to the trainee's competency once training is completed. PL training will be capped at 60 hours per trainee.

Certified Safety Training

Hazardous Waste Operations and Emergency Response Standard (HAZWOPER). This training is specifically designed for workers who handle hazardous substances as first-responders, or clean-up as needed at a hazard disposal or emergency site. Trainees will receive 8 hours of classroom training. Completion of the training results in a certificate that expands employment opportunities. Each certification requires an 8-hour annual refresher course. This coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

Commitment to Training

ETP funds will not displace the existing financial commitment to training. The Company's annual training budget per facility is approximately \$25,000 for new-hire orientation, basic computer, safety, sexual harassment prevention, and material handling. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Linear has a dedicated learning and development team of 3 professionals that will schedule and oversee training. The production and maintenance departments will provide further oversight and coordination on the contract.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Linear retained Deloitte Tax LLP in San Francisco to assist with development of this proposal for a flat fee of \$5,000.

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 - 200

Trainees may receive any of the following:

BUSINESS SKILLS

- Conflict Resolution
- Leadership
- Time Management

CONTINUOUS IMPROVEMENT

- Cycle Time
- Emergency Response Training (HAZWOPER)
- KANBAN
- Lean Manufacturing.
- Poka Yoke (Fool Proofing Operations)
- Problem Solving Troubleshooting (8D, 5-WHY, Fishbone, PDCA)
- Project Management
- Team Building
- Training within Industry (TWI) Train-the-trainers

MANUFACTURING SKILLS

- ASML Stepper Preventative Maintenance
- Diffusion Furnace Pull and Clean
- Endura Metal Deposition PM Kit Change
- Lean Manufacturing
- Match rebuilding
- Novellus heater block replacement and PM
- Operation and maintenance of the new tools
- Plasma Concepts
- Plasma Etcher PM Kit Change
- Poka Yoke (fool proofing operations)
- Pump Rebuild Best Known Method
- Robot Maintenance and Rebuild
- Preventative Maintenance
- Tool Maintenance
- Tool Operator Certification
- TPM (Total Productive Maintenance)
- Vacuum Technology
- Varian Implanter Source Rebuilds

Productive Lab Hours

8 – 60

MANUFACTURING SKILLS (1:1 Ratio)

- ASML Stepper Preventative Maintenance
- Diffusion Furnace Pull and Clean
- Endura Metal Deposition PM Kit Change
- Lean Manufacturing
- Match rebuilding
- Novellus heater block replacement and PM
- Operation and maintenance of the new tools
- Plasma Concepts
- Plasma Etcher PM Kit Change
- Poka Yoke (fool proofing operations)
- Pump Rebuild Best Known Method
- Robot Maintenance and Rebuild
- Preventative Maintenance
- Tool Maintenance
- Tool Operator Certification
- TPM (Total Productive Maintenance)
- Vacuum Technology
- Varian Implanter Source Rebuilds

CBT Hours

0 – 4

MANUFACTURING SKILLS

- Equipment Troubleshooting and Prevention (30 min)
- Machine Operation (30 min)
- Manufacturing Process Documentation (30 min)
- Power Tool Operation Procedures (30 min)
- Preventative Maintenance (30 min)
- Tool Cleaning and Inspection (20 min)
- Wafer Fab Cleanroom Protocol (20 min)
- Wafer Handling Protocol (30 min)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee. PL is capped at 60 hours per-trainee.



Training Proposal for:

Pyramid Berkeley Management L.P. dba Doubletree by Hilton Hotel Berkeley Marina

Agreement Number: ET17-0185

Panel Meeting of: September 23, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: L. Lai

PROJECT PROFILE

Contract Attributes:	Retrainee	Industry Sector(s):	Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Alameda	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No UNITEHERE! Local 2850		
Number of Employees in:	CA: 928	U.S.: 9,200	Worldwide: 10,460
<u>Turnover Rate:</u>	12%		
<u>Managers/Supervisors:</u> (% of total trainees)	9%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$178,500		\$0	\$0		\$178,500

In-Kind Contribution:	100% of Total ETP Funding Required	\$183,450
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Business Skills, Computer Skills, Cont. Improv.	175	8-200	0-22	\$1,020	\$17.02
				Weighted Avg: 68			

Minimum Wage by County: \$17.02 for Alameda County

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$3.74 per hour in employer-paid health benefits may be used to meet the Post-Retention Wage. Additionally, up to \$6.02 per hour in Mandatory Service Charges (banquet tips) may be used to meet the Post-Retention Wage for Food and Beverage Staff.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Housekeeping	*	55
Food & Beverage	**	66
Front Desk	*	11
Maintenance	*	14
Admin	*	14
Manager/Supervisor		15

*It will be made a condition of contract that these trainees will never be paid less than the State or local minimum wage rate at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

**\$11.00 is the collective bargaining wage for 53 Food & Beverage Staff at the Doubletree Berkeley. The other 13 F&B Staff work at a non-union hotel.

INTRODUCTION

Pyramid Hotel Group was founded in 1999 and is headquartered in Boston, MA. It manages 71 hotels and 4 resorts throughout the continental United States, Hawaii, the Caribbean, Ireland and the United Kingdom. Pyramid Hotel Group is the employer of the two hotels participating in this proposal.

In this proposal, Pyramid Berkeley Management, L.P. dba Doubletree Hotel by Hilton Berkeley Marina (Pyramid Berkeley Management) will act as the lead employer and seeks funding to train employees at its hotel and its affiliate Pyramid Pleasanton Management L.P. dba Marriott Pleasanton. The hotels cater to tourists and business travelers. Each hotel has

conference/convention facilities with more than 25% of revenue attributed to out-of-state customers. As such, they qualify for standard retraining.

PROJECT DETAILS

In order to compete for business and attract first-time guests and repeat customers, the Company must improve guest experience by elevating its establishments from a 3-Diamond to a 4-Diamond rating. Hotels that demonstrate the basic requirements of cleanliness, comfort and hospitality during an unannounced inspection are designated as AAA/CAA Approved. AAA Diamond ratings for hotels represent a combination of the overall quality, range of facilities, and level of services offered by the property. The descriptive ratings are assigned exclusively to properties that meet and uphold AAA's rigorous Approval standards.

To meet the goal of a 4-diamond rating, the hotels are undergoing major renovations to rooms, lobbies, and restaurants at a cost in excess of \$10 million. The Company also expects to spend an additional \$250,000 in new technology and systems upgrades impacting the kitchens, restaurant layouts, menus, room service, banquet service and front desk.

In addition to the amenities upgrade, guest services and experiences must also be improved. The Company's goals are to increase Satisfaction and Loyalty Tracking (SALT) and Guest Experience Index (GEI) scores. ETP-funded training will help the hotels to reach their goals.

Training Plan

Class/Lab and CBT training will be provided. Training will be provided by internal trainers, management staff,

Business Skills (40%): This training will be provided to all occupations. Trainees will learn advanced sales techniques, negotiating skills, accounting skills and front desk skills. Training is intended to improve overall efficiency.

Computer Skills (15%): This training will be provided to all occupations. Trainees will learn to use new and upgraded systems for supply management, inventory controls, and reservation. New EMV (Europay, Mastercard, Visa) chip technology will be employed in the hotels also with new handheld Micros. Food & Beverage Staff will learn to use handheld tablets to take orders, allow customers to pay on the spot, and manage workflow.

Continuous Improvement (45%): This training will be provided to all occupations. Trainees will learn to exceed guest expectations in all areas of service, to work more efficiently in teams, to resolve conflicts, improve communications, and to think critically. Training will help team members solve guest problems and serve guests with more confidence.

Impact/Outcome

As a result of training, Maintenance Staff will receive 604 antifreeze certification. Food & Beverage Staff will receive training for Intervention Procedures; training for the responsible service, sale, and consumption of alcohol, and Serv-safe certifications.

Full-Time Work Week

Full-time employment for purposes of ETP retention means at least 35 hours a week for 90 consecutive days. The Panel may approve less than 35 hours a week if that workweek is customary for the industry or occupation.

Pyramid Berkeley Management requests a modification from 35 hours per week to 30 hours per week as it is considered full-time employment for front-line workers in the hospitality sector. These workers are not “temporary” but are employed by the two hotels on a permanent basis, with quarterly payroll reporting. Also, employees who work at least 30 hours per week are eligible for full-time health benefits. Because occupancy rates fluctuate during different months of the year, some workers’ hourly status may also fluctuate. The Hotels offer a 30-hour full-time workweek for all employees which allow workers the ability to remain on full-time status even if their work hours drop to 30 hours per week. The Panel has approved this same modification in the past for other hotel training projects.

Union Support

United Here Local 3850, representing Housekeeping Staff, Food & Beverage Staff, Front Desk Staff, and Maintenance at DoubleTree Berkeley, has submitted a letter of support for the proposed training. Employees at Pleasanton Marriott are not represented by a union.

Commitment to Training

The current annual training budget is \$42,000 for Berkeley and \$24,000 for Pleasanton Marriott. Monies are used to provide new employee orientation, basic customer service, basic supervisor skills, basic computer skills, OSHA-mandated training, sexual harassment prevention training, and on-the-job training.

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Each hotel will have a designated Human Resources Representative to coordinate the ETP-funded training and collect all training rosters. A third-party administrative subcontractor will be hired to assist in the initial scheduling of training, enrollment, tracking of hours and meeting with ETP staff for monitoring visits. Training will be delivered by internal training and management staff. External training vendors may be used if the need arises.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Pyramid Berkeley Management retained National Training Company in Middletown to assist with development of this proposal for a flat fee of \$10,000.

ADMINISTRATIVE SERVICES

National Training Company will also perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum

Class/Lab Hours

8 - 200

Trainees may receive any of the following:

BUSINESS SKILLS

- Accounting Skills
- Advanced Communication Skills
- Advanced Telephone Techniques
- Business Processes
- Confidentiality and Privacy of Client Data Procedures
- Customer Focused Selling
- Dealing With Difficult People
- Getting Results Through Accountability
- Integrated Kitchen Procedures
- Negotiating Skills
- New Menu Presentation and Selling Skills
- Operating Procedures
- Payroll Systems Skills
- PBX System Skills
- Point of Sale Skills
- Reducing Negativity in the Workplace
- Resolving Guest Complaints
- Room Standards Techniques
- Service Standards

COMPUTER SKILLS

- Computerized Inventory
- Customer Information Systems
- Delphi Sales and Catering Software
- Food Management Systems Software
- Inventory Software
- Micros Point of Sale
- MS Office (Intermediate and Advanced)
- Opera Operating System Front Desk Application
- Outlook (Intermediate and Advanced)
- Reservation Software Systems
- Sales Reports & Schedule Software
- Tablet Technology

CONTINUOUS IMPROVEMENT

- Critical Thinking
- Exceeding Guest Expectations
- Identifying/Meeting Guests Needs
- Improving Communication with Guests
- Leadership
- Quality Improvement
- Resolving Guest Complaints
- Resolving Team Conflicts
- Standard Work Procedures

- Team Building

CBT Hours

0 – 22

BUSINESS SKILLS

- CARE: A Commitment to Quality (30m)
- Courtesy Rules! Better Telephone Skills (30m)
- Crisis Communications (30m)
- Delegation (30m)
- Delivering Quality Service (30m)
- Enabling Independence: Service for Guests with Disabilities (60m)
- Exceptional Experience: Guest Privacy, Guest Relations, Guest Complaints, Telephone Experience (60m)
- Full Service Operations: At Your Service (30m)
- Guest Problem Solving – At Your Service Plus (30m)
- Improving Guest Interaction: Best Face Forward (30m)
- Making Diversity Work for You (30m)
- Managing Safety on Your Shift (30m)
- Priority Setting and Multi-Tasking in the Front Office (30m)
- Service Culture Training (120m)
- Front Desk
 - Accident Reports, Shift Paperwork, Safety, Security, Wrap-Up – (60m)
 - Guest Services, Check-Out and Settlement (60m)
 - Managing the Property and Your Shift (30m)
 - Overview and First Impressions (60m)
 - Reservations, Sales, Check-In (60m)
- Housekeeping
 - Cleaning the Sleeping Area, Cleaning the Bathroom, Wrap-Up (60m)
 - Quality Guestroom Cleaning (30m)
 - Safety and Security, Preparing to Clean, Entering Guestrooms (60m)
 - The Deep Cleaning Process (30m)
- Maintenance
 - Bathroom Repairs (30m)
 - Building and Grounds Maintenance (30m)
 - Equipment and Building Systems (30m)
 - Making Sure Hotel is Safe and Secure (30m)
 - Major Guestroom Repairs (30m)
 - Minor Guestroom Repairs (30m)
 - Norovirus: Facts and Prevention (15m)
 - Overview (30 mins)
 - Preparing for Assignments (15m)
 - Public Areas (30m)
 - Quality Guestroom Maintenance (30m)
 - Wrap-Up (15m)
 - Your Property (15m)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee.

UNITEHERE! Local 2850

East and North Bay's Union for hotel, foodservice, and gaming workers

December 31, 2015

Employment Training Panel
1100 J Street
4th Floor
Sacramento, CA 95814

Re: DoubleTree by Hilton Berkeley Marina. Employment Training Panel – Ref: 15-0597

The UNITE HERE Local 2850 supports the proposed Employment Training Panel (ETP) DoubleTree by Hilton Berkeley Marina project.

The Union understands that the ETP training program will provide various types of training to: Front Office, Guest Services, Housekeeping, Food & Beverage, Kitchen, and Maintenance staff.

Sincerely,



Wei-Ling Huber
President
UNITE HERE Local 2850
1440 Broadway, Ste. 208
Oakland, CA 94803



Training Proposal for:

Belkorp AG, LLC

Agreement Number: ET17-0227

Panel Meeting of: September 23, 2016

ETP Regional Office: Sacramento

Analyst: K. Smiley

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate SET HUA Veterans	Industry Sector(s):	Services Agriculture Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Mendocino, Merced, Napa, Sacramento, San Joaquin, Sonoma, Stanislaus	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 195	U.S.: 195	Worldwide: 195
<u>Turnover Rate:</u>	17%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$258,880		\$0	\$0		\$258,880

In-Kind Contribution:	100% of Total ETP Funding Required	\$300,000
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SET	Business Skills, Comm'l Skills, Computer Skills, Mgmt. Skills, OSHA 10, PL-Comm'l Skills	35	8-200	0-15	\$1,440	\$21.28
				Weighted Avg: 80			
2	Retrainee Veterans Priority Rate SET	Business Skills, Comm'l Skills, Computer Skills, Mgmt. Skills, OSHA 10, PL-Comm'l Skills	8	8-200	0-15	\$1,760	*\$15.60
				Weighted Avg: 80			
3	Retrainees Priority Rate SET HUA	Business Skills, Comm'l Skills, Computer Skills, Mgmt. Skills, OSHA 10, PL-Comm'l Skills	135	8-200	0-15	\$1,440	*\$15.60
				Weighted Avg: 80			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1 (SET): Statewide Average Wage of \$21.28

Job Numbers 2 (Veterans) & 3 (HUA): \$15.60 per hour in Stanislaus, Merced, San Joaquin and Mendocino counties; \$16.10 per hour for Sacramento County.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$2.62 per hour to meet the Post-Retention Wage in Job Number 1; and up to \$4.10 per hour in Job Number 2 & 3.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Parts Specialist		6
Transportation Specialist		7
Technicians		6
Sales Staff		5
Frontline Manager		5
Administrative Support Staff		6

Job Number 2-Veterans		
Parts Specialist		1
Transportation Specialist		1
Technician		3
Sales Staff		1
Frontline Manager		1
Administrative Support Staff		1
Job Number 3-HUA		
Parts Specialist		25
Transportation Specialist		15
Technician		30
Sales Staff		10
Frontline Manager		25
Administrative Support Staff		30

INTRODUCTION

Founded in 2011 and headquartered in Modesto, Belkorp AG, LLC (Belkorp) sells and services farming equipment including mowers, tractors, harvesters and balers. The Company provides maintenance services for different brands, but specializes in John Deer. Belkorp clients include Zuckermann Family Farms and Victoria Island. This will be Belkorp's first ETP Agreement. The Company's facilities in Mendocino, Merced, Napa, Sacramento, San Joaquin, Sonoma and Stanislaus will participate in training.

PROJECT DETAILS

Belkorp assessed its internal processes and identified geographical areas with lower sales, determining staff requires product training. The Company has devised a training plan to increase product knowledge, efficiencies and sales.

Training will focus on John Deer equipment & software to promote product knowledge. Belkorp will provide training on project management and negotiation techniques to increase sales and client satisfaction. Training will also include internal processes, procedures and policies to increase facility efficiency.

Out-of-State Training

In-house experts will provide the majority of training; however, Belkorp requests to send approximately 73 trainees (Technicians, Parts Specialists, Frontline Managers) to Walla Walla, WA for John Deer training. This training is necessary for workers to effectively service and maintain John Deer equipment and this training is only offered in WA by John Deer. This training will make up less than 10% of trainees total training hours.

Training Plan

Training will be delivered via Class/Lab, Computer-Based Training (CBT) and Productive Lab (PL) training in the following:

Business Skills (25%): Training will be offered to all occupations to ensure customer satisfaction and increase communication. Courses will include Customer Service, Marketing and Sales Techniques and Problem Solving.

Commercial Skills (35%): Training will be offered to all occupations to increase product knowledge and increase facility efficiency. Courses will include Root Cause Analysis, Lean Procedure and Practices and New Product Training.

Management Skills (5%): Training will be offered to Frontline Managers to enhance the Company culture and increase promotion from within. Courses will include Effective Presentations for Leaders, Leadership and Team Building.

Computer Skills (15%): Training will be offered to all occupations. All trainees will receive training in John Deere specific software and Administrative Support Staff will train in Microsoft Office Suite. Training will ensure competency in all software programs.

OSHA 10 (5%): Technicians and Frontline Managers will receive OSHA 10 training to ensure a safe working environment. This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level workers. The coursework is geared to manufacturing work. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

Productive Laboratory (15%)

Trainees may produce goods for profit as part of the Productive Lab (PL) training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

Belcorp will train 102 Parts Specialists, Technicians and Frontline Managers to properly service and repair equipment used by the agriculture industry. This equipment includes Windrowers, Harvesters, Balers and Narrow Tractors. Training on this equipment will be at a much slower pace than regular maintenance and repair. The training will also result in higher errors as trainees become proficient in their roles. A subject matter expert will conduct training. The trainer will first demonstrate how to service the equipment and then supervise trainees using the equipment. The trainer will attest to the trainee’s competency once training is completed.

Training will be provided at a 1:1 trainer-to-trainee ratio. PL training is capped at 40 hours per trainee.

Veterans Program

The Panel has established a higher reimbursement rate and other incentives for training California veterans. Belcorp is committed to hiring and creating promotional opportunities for Veteran staff. Belcorp actively recruits veterans.

Frontline Managers

Frontline Managers directly supervise frontline workers and actively participate in servicing equipment. Belcorp’s Frontline Managers do not dictate policy and receive an hourly wage. Based on the nature and scope of their job duties, these trainees meet the Panel’s definition of frontline worker. As frontline workers, these trainees qualify for Special Employment Training (SET) funding and are not included in the percentage of managers and supervisors identified on Page 1 of this proposal.

Special Employment Training

Under SET, the employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees must earn at least the statewide average hourly wage at the end of the retention period.

For trainees employed in a priority industry, the Panel may modify the wage up to 25% below the statewide average hourly wage (from \$28.37 to \$21.28). Belcorp requests this modification for Job Number 1.

➤ High Unemployment Area

Some trainees work in a High Unemployment Area (HUA), with unemployment exceeding the state average by 25%. The Company's locations in Stanislaus, Merced, San Joaquin, Sacramento and Mendocino counties qualify as an HUA. These trainees qualify for the ETP Minimum Wage rather than the statewide average hourly wage. Belcorp request this wage modification for Job Numbers 2 & 3.

Commitment to Training

Belcorp has an annual training budget of \$201,690 for its California facilities. Training includes new-hire orientation, staff development and safety training. ETP funds will not displace their existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Belcorp has a detailed training plan and five staff members at its central location in Modesto dedicated to monitoring, tracking and scheduling training for this project. In addition, Belcorp has two staff members at each facility to oversee training at their respective facilities.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

John Deer of Walla Walla, WA has been retained to provide Commercial Skills training. Other trainers will be identified as they are retained.

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Marketing/Sales Techniques
- Negotiation Skills
- Project Management/Strategic Planning
- Accounting Legal Requirements
- Sales Skills
- Customer Service
- Problem Solving and Decision Making

COMPUTER SKILLS

- Microsoft Office (Advanced/Intermediate Only)
- Information Technology

COMMERCIAL SKILLS

- Root Cause Analysis
- Lean Procedures Practices
- Reworks
- Production Procedures
- Expertize Development
- John Deere Financial
- John Deere Hands on Mechanical
- Mechanical Skills
- Parts Specialist
- Technician Process
- New Servicing
- New Product Training and Core Essential
- Equipment Safety
- Forklift

OSHA 10 (Certified OSHA Instructor)

- OSHA 10 (Requires 10 hrs completion)

MANAGEMENT SKILLS (Frontline Managers Only)

- Effective Presentations for Leaders
- Supervisor Skills and Leadership
- Team Building

Productive Lab Hours

0-40

COMMERCIAL SKILLS (Ratio 1:1)

- John Deere Hands on Mechanical
- Rework
- Expertize Development

CBT Hours

0-15

COMMERCIAL SKILLS

- Hydraulic Systems II - Module B (5hrs)
- Electrical Methods & Techniques (7hrs)
- Electrical Diagnostics (7hrs)
- Service ADVISOR Methods & Techniques (3hrs)
- Tractors - Q-Diagnostics - 8R/8RT Series (3hrs)
- SPFH - Q-Diagnostics - 8000 Series (3hrs)
- Sell Yourself While Building Relationships (2hrs)
- Engine - Aftertreatment Systems (3hrs)
- JDIS Service Delivery - Service Technician (2hrs)
- Field Trial Demonstration Guide (2hrs)
- John Deere Warranty - The Technician's Role (4hrs)
- Diesel Fuel Fundamentals (2hrs)
- Q-Diagnostic Course Completion (10hrs)
- Parts ADVISOR™ (3hrs)
- ExactEmerge™ Simulator (1.5hrs)
- Dealer Path (1.5hrs)
- 2016 Deere Training Camp (5hrs)
- Managing Objections, Demanding Peoples (20hrs)
- How's Your Closing? Ask for the Order! (2hrs)
- Tractors – Changes and Improvements (3hrs)
- DTAC (Dealer Technical Assistance Center (2hrs)
- 8000 SPFH Sales Essentials MY16 (2hrs)
- 2016 Large Ag Integrated Solutions Program (8hrs)

Safety Training cannot exceed 10% of total training hours per-trainee. This cap does not apply to OSHA 10

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee. PL is capped at 40 hours per-trainee.



Training Proposal for: **Cottage Bakery, Inc.**

Agreement Number: ET17-0235

Panel Meeting of: September 23, 2016

ETP Regional Office: Sacramento

Analyst: D. Jordan

PROJECT PROFILE

Contract Attributes:	Priority Rate HUA Retrainee	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	San Joaquin	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 1,000	U.S.: 13,000	Worldwide: 16,000	
Turnover Rate:	16%			
Managers/Supervisors: (% of total trainees)	6%			

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$255,420		\$0	\$0		\$255,420

In-Kind Contribution:	100% of Total ETP Funding Required	\$308,047
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Mfg Skills, PL-Mfg Skills	430	8 - 200	0	\$594	\$15.60
				Weighted Avg: 33			

It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1: \$15.60 per hour in San Joaquin County.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$3.60 per hour may be used to meet the Post-Retention Wage for trainees in Job Number 1.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Safety/Project Coordinators		13
Fabricators		3
Financial Analyst / HR Generalist		3
Line Workers		150
Machine Operator		80
Inventory/Quality Specialists		7
Team Leads		32
Technicians		118
Managers		10
Supervisors		14

INTRODUCTION

Founded in 1986 and headquartered in Lodi, Cottage Bakery, Inc. (Cottage Bakery), is a subsidiary of TreeHouse Private Brands (TPB). Cottage Bakery was formally a wholly owned subsidiary of ConAgra Foods in 2016. TreeHouse Foods, Inc. acquired the company. Cottage Bakery manufactures cakes, donuts, artisan breads, bagels and danishes. Their customers include Safeway, Costco, Wal-Mart, and WinCo. Training will take place at the Company's location in Lodi.

PROJECT DETAILS

This is Cottage Bakery's fourth Agreement in the last five years. Training in the previous Agreement focused on Continuous Improvement Skills training. Since being purchased by TPB, Cottage Bakery must train workers in TPB's Performance System's Continuous Skills Development and Autonomous Maintenance Development Standards. Cottage Bakery is scheduled to purchase new equipment throughout the term of the contract. Oil System, Check Weighers for Production Lines, Danish Counter, and Metal Detectors/Conveyors for the Frozen Dough Department will be installed in November and December of 2016. Cottage Bakery will focus their training on the new equipment, providing workers the skills necessary to reduce deficiencies.

Training Plan

Training will be provided by in-house subject matter experts.

Business Skills (12%): Training will be offered to all occupations. Trainees will receive training to improve internal communication, leadership, decision making, and problem solving skills.

Computer Skills (11%): Training will be offered to all occupations. Trainees will receive training on intermediate and advanced Microsoft Office.

Manufacturing Skills (67%): Training will be offered to all occupations except financial analyst and HR Generalist. Training will be in the safe operation, controls, and maintenance of production equipment. Trainees will also receive training on new equipment.

Productive Laboratory (10%):

Trainees may produce goods for profit as part of the PL training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training. PL training will allow Supervisors/Leads to demonstrate how to set-up and adjust the Baking line. Trainees will learn to disassemble and rebuild parts of equipment, which cannot be done in a simulated environment. Training will also include techniques to form or finish a product. During PL training, production may be stopped (when teaching the trainees how to set up or dismantle a line) or it will be slowed down by the instructor for safety reasons.

Trainees are only allowed to operate a piece of equipment when fully trained and certified. Training on each piece of equipment takes place for a pre-determined time period under constant direction of a certified trainer. Each trainee is given a checklist of tasks to complete and standard operating procedures to follow. The trainer demonstrates each activity and observes the trainee to ensure each task is mastered before certification is earned. Trainees must pass with 80% or greater score to be certified. The training is designed to supplement Class/Lab training. Cottage Bakery has requested a 1:2 trainer-to-trainee ratio because employees routinely work on the machinery in small groups of 2. This will allow the trainer to get trainees back to their work assignments sooner, while trainees can also learn from each other during training. PL training hours for this proposal are capped at 60 hours per trainee.

High Unemployment Area

The 430 trainees in Job Number 1 work in a High Unemployment Area (HUA), a region with unemployment exceeding the state average by at least 25%. The Company's locations in San Joaquin County qualify for HUA status under these standards. However, Cottage Bakery is not requesting a wage modification.

Commitment to Training

Cottage Bakery's annual training budget is approximately \$280,000. Training in the past included food safety, environmental health, and soft skills training. ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

The HR Manager will administer the ETP Agreement. A Sr. HR Generalist is assigned the duties of data entry into the ETP systems and will help the HR Generalist schedule training. In addition, four other staff members will provide support including making sure rosters are completed correctly, rosters are collected, and training documents are maintained.

Impact/Outcome

Training will allow staff to identify skill gaps that exists, identify issues and address them early.

LMS

Staff has reviewed and approved Cottage Bakery's Learning Management System for recordkeeping.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Cottage Bakery under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0291	Lodi	02/03/14 - 02/02/16	\$56,700	\$56,700 (100%)
*ET11-0142	Lodi	12/20/10 - 12/19/12	\$170,100	\$58,129 (34%)

*Cottage Bakery had low performance during their first contract with ETP because the Company did not have a structured training plan in place. There was also only one person managing the project, which proved problematic when that person left their position. However, in Cottage Bakery's second agreement, an organized administrative staff and process was established resulting in successful performance. The use of LMS during their second contract helped them keep better track of training.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200 Trainees may receive any of the following:

BUSINESS SKILLS

- Leadership
- Professional/Business Communication
- Decision Making
- Problem Solving

COMPUTER SKILLS

- Microsoft Office (Intermediate/Advanced)

MANUFACTURING SKILLS

- Bagel Skill Equipment
- Bread Skill Equipment
- Cake Skill Equipment
- Danish Skill Equipment
- Donut Skill Equipment
- Food Safety Training (non FDA mandated)
- Lamination Skill
- Logistics Skill
- Maintenance Skill
- Quality Assurance Skill
- Safety Training (non OSHA mandated)
- Sanitation Skill

Safety Training cannot exceed 10% of total training hours per-trainee

Productive Lab Hours

0-60

Manufacturing Skills (1:2 Ratio)

- Autonomous Maintenance
- Lean Manufacturing

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 60 hours per-trainee.



Training Proposal for:

Gallo Cattle Company, LP dba Joseph Gallo Farms

Agreement Number: ET17-0236

Panel Meeting of: September 23, 2016

ETP Regional Office: Sacramento

Analyst: D. Jordan

PROJECT PROFILE

Contract Attributes:	Priority Retrainee HUA	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Merced	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 416	U.S.: 416	Worldwide: 416	
Turnover Rate:	10%			
Managers/Supervisors: (% of total trainees)	11%			

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$749,520		\$0	\$0		\$749,520

In-Kind Contribution:	100% of Total ETP Funding Required	\$790,000
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Computer Skills, Cont. Imp., HazMat, Mfg. Skills	347	8 - 200	0	\$2,160	\$15.60
				Weighted Avg: 120			

It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: \$15.60 per hour for Merced County.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$3.60 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administration Staff		57
Lab Staff		32
Maintenance Staff		28
Packaging Staff		85
Production Staff		76
Warehouse Staff		32
Managers/Supervisors		37

INTRODUCTION

Founded in 1980 and located in Atwater, Gallo Cattle Company, LP dba Joseph Gallo Farms (Gallo Farms) (www.josephfarms.com) is a natural cheese manufacturer. They are one of the first cheese plants built in California, have their own milking herd, and grow their own feed, giving them control over their product. Customers include grocery stores, food service distributors, large retail chains nationwide and Mexico.

PROJECT DETAILS

In 2013, the Company began implementing new standards to help improve employee skills, from an employee handbook to becoming Safe Quality Food certified. These standards help employees and the facility become more efficient. This structured training plan will allow Gallo Farms to gain a viable advantage on their competition by increasing worker skills. ETP-funded training will include computer software, communication, time management, leadership, and

problem solving skills to help with the growth and development of the Company. Training will also assist Gallo Farms employees to understand operational workflow, automated processes and accountability for efficient operations. Gallo Farms training will allow trainees to advance within the company. Training will take place at their Atwater location.

Training Plan

Training will be delivered by in-house subject matter experts via class/lab in the following:

Computer Skills (40%): Training will be offered to all occupations. Staff will receive training to improve competencies in software used daily. Training topics include Intermediate and Advanced Microsoft Office and Docuware.

Manufacturing Skills (25%): Training will be offered to all occupations, except Administration Staff. Training will focus on production equipment control and maintenance. Staff will also receive training on how to work effectively in workgroups, farming and warehousing principles.

Continuous Improvement (25%): Training will be offered to all occupations. Training will focus on staff leadership, accountability and quality control skills.

Hazardous Materials (10%): Training will be offered to all occupations except the Administration staff. Training will focus on Hazwoper Material Planning but it will not require a certification.

High Unemployment Area

All trainees work in a High Unemployment Area (HUA), with unemployment exceeding the state average by at least 25%. The Company's location in Merced County qualifies for HUA status under these standards. For these trainees, the Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. However, Gallo Farms is not asking for a wage modification.

Commitment to Training

Gallo Farms annual training budget is approximately \$100,000 for safety, food safety and employee improvement. The Company is committed to improving facility efficiencies and knowledge for all team members. Gallo Farms represents that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Gallo Farms has a structured training plan in place and training is ongoing. The HR Department will oversee project administration with an administrator assigned to handle training rosters and tracking performance. BLI Co. will assist with the administration of the contract, including uploading training hours.

Impact/Outcome

ETP funding will help Gallo Farms increase its workforce's manufacturing skills. Gallo Farms will be able to implement extensive training that they would not be able to deliver on their own. The Company hopes to gain a competitive advantage by increasing its employee's skills.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

BLI Co. in Salida assisted with development for a flat fee of \$8,000.

ADMINISTRATIVE SERVICES

BLI Co. will also perform administrative services for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200 Trainees may receive any of the following:

COMPUTER SKILLS

- Microsoft Office Suite (Intermediate/Advanced)
- Time & Attendance
- Human Resource Information Systems
- Share Point – Document Share (Cloud/Microsoft Platform)
- JET Reporting
- Docuware
- Material Resource Planning

CONTINUOUS IMPROVEMENT

- Quality Control
- Leadership Skills
- Change Management
- Communications
- Time Management
- Lean Manufacturing
- Problem Solving
- Employee Performance
- Productivity Improvement

HAZARDOUS MATERIALS

- Hazwoper Material Planning

MANUFACTURING SKILLS

- Operating Industrial Lifts
- Operating Standards
- Cheese Making System
- Whey Processing

Safety Training cannot exceed 10% of total training hours per-trainee

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



Training Proposal for:
Keysight Technologies, Inc.
Agreement Number: ET17-0231

Panel Meeting of: September 23, 2016

ETP Regional Office: Sacramento

Analyst: K. Smiley

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Sonoma	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 1,500	U.S.: 3,100	Worldwide: 10,500	
<u>Turnover Rate:</u>	7%			
<u>Managers/Supervisors:</u> (% of total trainees)	10%			

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$432,000		\$0	\$0		\$432,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$924,000
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Advanced Technology, Business Skills, Computer Skills, Continuous Improvement	500	8-200	0-21	\$864	\$20.00
				Weighted Avg: 48			

Minimum Wage by County: Job Number 1: \$15.60 per hour for Sonoma and Placer counties and \$17.02 per hour for Santa Clara County.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☐ Yes ☒ No ☐ Maybe

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Engineer		300
Technician		30
Scientist		60
Administrative Support Staff		60
Manager		50

INTRODUCTION

Founded in 2014 and headquartered in Santa Rosa, Keysight Technologies, Inc. (KT) is a manufacturer and distributor of electronic measurement instruments. These instruments are used in the design, development and production of electronic equipment. The Company's client base includes scientific research centers, computer hardware manufacturers and engineering firms. KT has locations throughout California; however, only the trainees at the Santa Rosa, Santa Clara and Placer facilities will participate in ETP-funded training.

PROJECT DETAILS

The technical complexity of the Company's products requires experienced and well trained staff to remain competitive in this industry. KT's customers include industries characterized by increased competition through frequent new products and service introductions, rapid technological changes, and changing industry standards. KT is investing in research and

development of electronic measurement instruments to provide their clients cutting edge products. Training will focus on innovation, development of new technologies and successful commercialization of new technologies.

Courses such as Product Quality and Reliability and Quality Fundamentals/Core Skills will ensure trainees become subject matter experts in their job functions. Trainees also need an understanding of the technical processes involved in developing new technology. Courses such as Measurement Sciences Practice and Theory and High Power Amplifier Training will ensure trainees fully understand the technology behind products and how their products serve other industries.

Training Plan

Class/Lab and Computer Based Training will be provided in the following:

Business Skills (20%): Training will be provided to all occupations to enhance project management and marketing skills. Courses will include Project Management, Finance and Accounting Skills and Product Knowledge and Market Validation. These courses will enable trainees to manage their workload and market KT products.

Computer Skills (15%): Training will be provided to all occupations to increase knowledge of internal software systems. Training will include Management Execution Software, Database and Technology and Materials and Logistics Software Development.

Continuous Improvement (50%): Training will be provided to all occupations to increase production and research efficiencies. Courses will include Lean Manufacturing, Process Modeling and Analysis, Good Laboratory Practices, Statistical Process Control and Blue Print Reading. Training will ensure trainees have the skills to be efficient and effective in their jobs.

Advanced Technology (15%)

Advanced Technology training will be provided to 200 Scientists, Engineers and Technicians. Trainees will receive up to 21 hours of Advanced Technology. Courses will include System Data Modeling and Architecture, Advanced Instrument Programming Development and Factory Automation Tools and Techniques. Trainees are responsible for engineering, researching and producing the highly technical products manufactured by KS. The majority of their work is done in proprietary biotechnology, bio-analytical and electronic measurement methods including: inorganic spectroscopy, organic spectroscopy, particle separations and life sciences tools and techniques. Courses will be taught by external vendors and highly compensated and highly skilled internal engineers at an estimated cost of over \$10,000 per day of training. The trainer-to-trainee ratio will not exceed 1:10 to ensure trainees receive more personal attention from the instructor. Due to the complicated nature of the course curriculum, the use of high-end equipment and software, and the high cost of experienced trainers, AT will be reimbursed at a higher rate (\$26 per hour for priority industries).

Computer-Based Training

KT plans on providing Computer Based Training (CBT) to all occupations. CBT courses will primarily consist of product, software and process knowledge. CBT hours are capped at 50% of total training hours per-trainee.

Commitment to Training

KT has an annual training budget of \$750,000 for CA. Training includes new-hire orientation, staff development, sexual harassment prevention and safety training.

ETP funds will not displace the Company's existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

KT's Corporate Training Department has a detailed training plan and nine staff members dedicated to monitoring this project. KT will use a combination of internal and external subject matter experts in the manufacturing industry. KT has also retained Herrera & Company to assist with administration of this Agreement.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

KT retained Herrera & Company of Stockton to assist with development services for a flat fee of \$7,500.

ADMINISTRATIVE SERVICES

Herrera & Company will also perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Project Management
- Presentation Skills
- Influencing Others
- Product Knowledge and Market Validation
- Finance and Accounting Skills
- Marketing Promotion and Position

COMPUTER SKILLS

- Management Execution Software (MES)
- Materials and Logistics Software Development
- Database and Technology
- Desktop Applications (not including Microsoft Office basics)
- Project Management Software
- Internal Corporate Systems and Communications

CONTINUOUS IMPROVEMENT

- Lean Manufacturing
- Six Sigma
- Process Modeling and Analysis
- Good Laboratory Practices
- Problem Solving
- Statistical Process Control
- Blueprint Reading
- ISO Compliance Training
- Quality Fundamentals/Core Skills
- Leadership / Coaching Skills
- Facilitating Groups
- Efficiency Workflow
- Facilitation Skills and Mentorship
- Strategic Sales Negotiation Techniques

AT Hours

0-21

ADVANCED TECHNOLOGY (Trainer-to-trainee ratio 1:10)

- System Data Modeling and Architecture
- Advanced Instrument Programming Development
- Application Engineering Services
- Factory Automation Tools and Techniques
- Instrument Modeling/Integration Software Development
- Measurement Sciences Practice and Theory
- Multipart Machine Automation Development
- Signal Generator Sources
- Spectrum Analyzer Functionality

- RF & Microwave Measurement
- High Power Amplifier Training
- Analog and Digitally Modulated Systems
- Internal Architecture, Calibration Testing Optimizing

CBT Hours

0-21

CONTINUOUS IMPROVEMENT

- | | |
|--|----------|
| • Product Quality and Reliability | 1.5 hour |
| • Quality Fundamentals/Core Skills | .5 hour |
| • Process Improvement Training | 1 hour |
| • Problem Solving Tools and Techniques | 1 hour |
| • Leadership / Coaching Skills | 1 hour |
| • Effective Teams | 1 Hour |
| • Facilitation Skills and Mentorship | 2 Hours |
| • Leading the Global Workforce | 1 Hour |

COMPUTER SKILLS

- | | |
|-------------------------------------|--------|
| • Advanced Desktop Applications | 1 hour |
| • ERP System Training and Reporting | 1 hour |
| • Project Management Software Tools | 4 hour |

BUSINESS SKILLS

- | | |
|---|--------|
| • Technical presentations | 1 Hour |
| • Customer communications and awareness | 1 Hour |
| • Market validation and decision modeling | 1 Hour |
| • Sales and negotiation skills | 1 Hour |
| • Finance and accounting skills | 1 Hour |
| • Marketing promotion and position | 1 Hour |

<p>Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee. AT is capped at 21 hours per-trainee.</p>



Training Proposal for:

Inland Training Fund dba Inland Empire Electrical Training Center

Agreement Number: ET17-0912

Panel Meeting of: September 23, 2016

ETP Regional Office: North Hollywood

Analyst: M. Webb

PROJECT PROFILE

Contract Attributes:	Apprenticeship Retrainee Priority Rate Veterans	Industry Sector(s):	Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Bernardino, Riverside, Mono, Inyo	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Intl. Brotherhood of Electrical Workers (IBEW) Locals 440 & 447		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	≤20%		

FUNDING DETAIL

Program Costs	+	Support Costs	=	Total ETP Funding
\$749,600		\$51,840 8%		\$801,440

In-Kind Contribution:	50% of Total ETP Funding Required	Inherent
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Journeyman	Business Skills, Computer Skills, Commercial Skills, OSHA 10/30	100	8-200	0	\$564	\$21.28
				Weighted Avg: 24			
2	Retrainee Apprentice Local 440	Commercial Skills	140	8-210	0	\$2,780	\$21.28
				Weighted Avg: 200			
3	Retrainee Apprentice Local 447	Commercial Skills	98	8-210	0	\$2,780	\$21.28
				Weighted Avg: 200			
4	Retrainee Apprentice Veterans	Commercial Skills	30	8-210	0	\$2,780	\$21.28
				Weighted Avg: 200			

Minimum Wage by County: \$21.28 per hour Statewide (Priority Industry).

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☐ Yes ☐ No ☒ Maybe

Participating employers may use health benefits to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Journey-level Electrician	*	100
Job Number 2-Local 440 (Riverside)		
Apprentice Electrician		140
Job Number 3-Local 447 (San Bernardino)		
Apprentice Electrician		98
Job Number 4-Veterans		
Apprentice Electrician	**	30

* Journeyman wages vary by occupational specialties and by region. This wage is for Wireman at Local 447 (San Bernardino). The wage is \$36.56 for the same occupation at Local 440 (Riverside).

** The Job Number 4 wages in this table reflect both Locals 440 and 447.

INTRODUCTION

The Inland Training Fund (ITF) was founded in 1985 to jointly manage the training trust funds for IBEW Local 440 (Riverside) and Local 447 (San Bernardino) (www.inlandempirejatc.org). Each Local sponsors a separate apprenticeship program, as registered with the Division of Apprenticeship Standards. The ITF manages Apprentice and Journeyman training for both programs. These programs were established through collective bargaining between Locals 440 and 447, and the Southern Sierras Chapter National Electrical Contractors Association (NECA).

The function of the ITF is to oversee and fund training expenses. Due to their closeness in proximity, Locals 440 and 447 share one main training site located in San Bernardino, known as the Inland Empire Electrical Training Center. Other training sites will include the City of Palm Springs, Blythe; and various locations, as new projects open with a need to train onsite. This is the first ETP Agreement with ITF.

Both programs prepare tradesmen for the electrical, transportation, and telecommunication industries. Local 440 (Riverside) currently serves approximately 218 Apprentices and 488 Journeymen. Local 447 (San Bernardino) serves approximately 151 Apprentices and 646 Journeymen.

According to ITF, the electrical industry faces an increased need for electricians to replace the high volume of Journeymen Electricians that are due to retire in upcoming years.

Apprenticeship Program

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). ETP funding is designed to supplement cost of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training. Depending on the type of trade, apprenticeship programs vary in length. In this case, both programs are for five years.

Apprentice programs are typically sponsored by a Joint Apprenticeship Training Committee (JATC). A JATC is created through collective bargaining, with an equal number of members appointed by union and management with employer contributions to a training trust fund. The employers are not “participants” but are signatories to the Collective Bargaining Agreement.

RSI is traditionally delivered as class/lab, and ETP does not reimburse CBT delivery for apprenticeship training. The curriculum is developed with input from DAS and a designated Local Educational Agency (in this case Norco College). The Apprenticeship Program allows reimbursement for up to 200 hours of RSI plus OSHA 10, per-apprentice, which may also include OSHA 30. (Journeymen are capped at 200 hours.)

For the building trades, it is not customary for workers to be employed for a standard retention period of 90 consecutive days with one employer. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

To ensure ETP does not displace Montoya Funds, Apprenticeship reimbursement is reduced by \$5, reducing the priority industry rate from \$18 to \$13 per hour. In addition, the Panel adopted a “blended rate” for Journeymen, reflecting the fact that they may be employed by a variety of

contractors over the two-year term of contract ranging from large employers, to small (≤ 100 employees). This is \$22 per hour, midway between the Priority Industry standard rate (\$18) and Small Business rate (\$26).

The ETP wage for Apprentices is no less than \$21.28 per hour, tracking the Special Employment Training wage as modified for priority industries. However, the actual wages paid are shown in the Training Plan Table and contract when they exceed \$21.28, for both Apprentices and Journeymen.

PROJECT DETAILS

Under this Agreement, training will follow, and expand upon, the RSI coursework for Apprentice, and will upgrade skill sets for Journeymen as requested by employers and property owners.

Employers in the Inland Empire require skilled Electricians to work on solar projects, schools, hospitals, and prisons. The signatory employers with Locals 440 and 447 have already begun work on the Indio Jail; a new tower at a local Casino/Hotel; new schools; a new community hospital, and remodels of two Kaiser Hospitals. Trainees will learn how to plan, layout, install, repair, and maintain electrical equipment.

Modernization, and expansion into new sectors of the industry, have resulted in major changes in coursework. Commercial Skills training under this Agreement enrich traditional classroom instruction in the following aspects:

1. Implementing conservation and recycling practices
2. Establishing OSHA and customer safety requirements
3. Using temporary power during construction
4. Installing electrical service for a buildings infrastructure
5. Installing and maintaining alternative energy generation systems
6. Planning and installing raceway systems
7. Energy Efficient lighting and equipment control systems

A shift from analog to digital equipment has also created a need for extensive training to remain up-to-date in technology and equipment. As well, recent changes in state energy requirements affect compliance with California's Building Energy Efficiency Standards. Training provided through ITF will ensure Apprentices are able to certify that electrical systems are in compliance with mandates for building occupancy. New mandates under SB 54 (Stats. 2013, Ch. 795; Hancock) require that at least 60% of the Journeymen working on specified sites (e.g. chemical waste) must be graduates of an apprenticeship program approved by DAS. This applies to all Journeymen working within an apprenticesable occupation.

Green training will be a focus of training, as needed to meet the demand for energy efficient construction methods and technologies. Advanced lighting controls and certified acceptance testing is becoming a required feature in large commercial buildings, pushing employers to train their electricians in green standards. The need for electrical vehicle infrastructure training is also growing as the purchase of electric vehicles continues to increase.

Training Plan

Training topics are focused on new and emerging technologies, as discussed above.

Business Skills (5%): Training will be offered to Journey-level workers to teach electricians to use collaborative bidding, manage construction projects, and improve project development practices.

Commercial Skills (80%) Training will be offered to all occupations to increase trainee knowledge and skill sets in the electrician industry.

Computer Skills (5%): Training will be offered to Journey-level workers to give Electricians the tools required to read and modify blueprints using AutoCAD. Training will also include utilization of computer software programs to schedule and manage projects, operation of job planning, and review project requirements, budgets, and timelines.

OSHA 10/30 (10%): Training will be offered to all Journeyman occupations in the basics of safety and health to assure workers are aware of workplace hazards and understand their rights as workers. This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level workers and 30 hours for frontline supervisors. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

Commitment to Training

Employers will continue to make contributions to the two training trusts administered by ITF, based on hours worked by Apprentices and Journeymen.

ETP funds will not displace the signatory employers’ existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Four administrative staff at ITF are dedicated to this training project. They will assist with marketing, recruitment needs assessment, and training schedules. Strategy Workplace Communications has also been hired to perform administrative services.

Veterans Apprentice

Military applicants with a DD214 who have a minimum of two years of electrical/electronic experience may become eligible following an oral interview and aptitude test. This applies to both apprenticeship programs (Locals 440 and 447).

Marketing and Support Costs

Journeyman training will be marketed through direct mailings, informational flyers, personal contacts, telephone calls, public service announcements, emails, and ITF’s website; class information will be disseminated throughout the year to all Apprentice and Journey-level workers within the Inland Empire. Application announcements for the Apprentice program are also provided to local, state, and federal agencies, high schools, community colleges, and community-based organizations, by way of recruitment. ITF is requesting 8% support costs to fund additional recruitment and assessment efforts that will ensue over the length of the project.

Curriculum Development

Signatory employers and union representatives provide continuous feedback to ITF in order to improve the Apprenticeship curriculum, and Journeyman skill-upgrade training program.

Feedback is based upon workplace performance, customer requests and needs of the industry, as well as trainee evaluations following completion of coursework.

Training Qualifications/Coordinator

ITF has a total of 28 instructors who provide all training for its Apprentice and Journeymen training programs. Instructors are former and current members of the trade, and are considered subject matter experts. Training is center-based, in San Bernardino; or provided at other ITF locations.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

ITF retained CalFED in Sacramento and Strategy Workplace Communications (Strategy) in Oakland to assist with development of this proposal at no cost.

ADMINISTRATIVE SERVICES

Strategy will perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**
Journeyman Training

8-200

Trainees may receive any of the following:

COMMERCIAL SKILLS

- Codeology
- National Electrical Code
- Other Recognized Standards (Installation Changes)
- Plan, Build, and Use
- Related Standards (Mandatory and Permissive Rules)
- Special Occupancies and Equipment
- Arc Flash

Analog/Digital Circuit (AC/DC) Principles

- Math for Electricians
- Ohm's Law
- Generators
- Inductance/Reactance
- Series/Parallel Circuits

Grounding

- Grounding and Bonding
- National Electrical Code Articles
 - 100-Definitions and Provisions
 - 110-Requirements
 - 90-Introduction
 - Chapters 1-4
- Significant Changes to National Electric Code

Fire Alarm Systems and Installations

- Definitions and Systems
- Initiating Devices and Notification Systems
- National Electrical Code and Installation Requirements
- Start Up and Check Out Procedures
- National Fire Protection Act, 1972 (NFPA 72)

Fire Life Safety

- National Electrical Code (Relating to Fire Alarms)
- National Electrical Code Article 725
- National Electrical Code Article 760
- NFPA 72
- Principles of Electronics

Industrial Motor Control

- Control Relays and Timers
- Jogging and Plugging Controls
- Manual Starters and Magnetic Coils

- Push Buttons, Selector Switches, and Mechanical Devices
- Solid State Electronic Devices
- Variable Frequency Drives

Programmable Logic Control (PLC)

- Developing Ladder Programming
- Introduction to Programmable Equipment
- Programming Programmable Logic Controllers
- Using Timers and Counters in Logic Programs
- Writing a Program

Electrical Design

- 3 and 4 way Switching
- Design of Electrical Circuits
- Magnetic Motor Control and the Code
- LonWorks and Building Automation
- Transformers and the Code

Voice, Data, and Video

- Audio Distribution
- CCTV Security Surveillance
- Computer Networking
- Fiber Optics
- Telephonic Interconnect

Industry Specific Skills

- Solar Panel Installation
- Solar Photovoltaics
- Building Automation Systems
- Confined Space Entry
- Specialized Tools
- Conduit Bending
- Rigging and Lifting
- Firestop Installation
- Blueprints and Schematics
- Work Flow and Resources
- Proper Installation and Use of Testing and Auditing Materials and Equipment (Green Training)
- Understanding New Technologies and Changes to Industry Standards (Green Training)
- Safe Working Practices*
- Advanced Instrumentation and Motor Controls
- Programmable Logic Controllers
- Advanced Welding
- Architecture Designs and Advanced Plan Reading
- Management and Monitoring of Materials
- Testing Materials and Equipment-Proper Set-Up and Use (Green Training)
- Understanding Changes to Industry Standards (Green Training)

CALCTP (California Advanced Lighting Control Program)

- Advanced Lighting control Systems
- Lighting Control Strategies
- Line/Low Voltage Switching Controls
- Dimming Controls
- Occupancy Sensors
- Photosensors

CALCTP Acceptance Testing

- Electric Vehicle Infrastructure Training Program (EVITP)

BUSINESS SKILLS

- Teambuilding Skills
- Green Awareness Training and Green Certifications
- Leadership Skills
- Customer Service Skills
- Conflict Resolution
- Problem Solving
- Decision Making Skills
- Inventory Checklist
- Advanced Time Management
- Filling Out Work Documents and Reports Accurately
- Project Management
- Creating Project Bids

COMPUTER SKILLS

- Auto Computer-Aided Design (AutoCAD)
- Job Tracking System
- Scheduling & Planning Jobs

OSHA 10/30 (OSHA Certified Instructor)

- OSHA 10 (requires completion of 10 hours)
- OSHA 30 (requires completion of 30 hours)

Apprentice Training**Class/Lab Hours**

8-200

Trainees will receive any of the following

COMMERCIAL SKILLS**2nd Year Curriculum**

- AC Systems
- AC Theory
- Blueprints
- Code and Practices
- Codeology
- Electrical Safety related work practices
- Test Instruments
- Transformers

- Estimating

3rd Year Curriculum

- Code and Practices
- Fire Alarm Systems
- Grounding and Bonding
- Rigging, Hoisting, and Signaling
- AC Theory
- Blueprint Reading
- Electrical Safety
- OSHA
- NFPA 70E

4th Year Curriculum

- Code and Practices
- Motor Controls
- Motors
- Code Calculations
- Electrical Systems
- Grounding and Bonding
- Test Instruments

5th Year Curriculum

- Rigging
- Torque
- Motor Control
- Code Calculations
- Pipe Bending
- Estimating
- Exam Prep
- Blueprint Reading

For All Years Curriculum

CALCTP (California Advanced Lighting Control Program)

- Advanced Lighting control Systems
- Lighting Control Strategies
- Line/Low Voltage Switching Controls
- Dimming Controls
- Occupancy Sensors
- Photosensors

CALCTP Acceptance Testing

- Electric Vehicle Infrastructure Training Program (EVITP)
- Supervising Skills

OSHA 10/30 (OSHA Certified Instructor (All Apprentice Years))

- OSHA 10 (requires completion of 10 hours)
- OSHA 30 (requires completion of 30 hours)

Note: Reimbursement for retraining in Job Number 1 is capped at 200 total training hours per trainee, regardless of the method of delivery. Reimbursement for retraining in Job Numbers 2 - 4 is capped at 210 total training hours per trainee.



Training Proposal for:

Los Angeles & Orange Counties Air Conditioning and Refrigeration Joint Journeyman and Apprentice Training Committee

Agreement Number: ET17-0908

Panel Meeting of: September 23, 2016

ETP Regional Office: North Hollywood

Analyst: M. Paccarelli

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Apprenticeship Veterans	Industry Sector(s):	Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange, San Bernardino, Riverside, San Diego, Ventura, Santa Barbara, San Luis Obispo	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Steam-Refrigeration-Air Conditioning-Pipefitters and Apprentices of the United Association of the United States and Canada, Local Union 250		
Turnover Rate:		≤20%	
Managers/Supervisors: (% of total trainees)		0%	

FUNDING DETAIL:

Program Costs	+	Support Costs	=	Total ETP Funding
\$562,200		\$38,860 8%		\$601,060

In-Kind Contribution:	50% of Total ETP Funding Required	Inherent
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Apprentice Priority Rate	Commercial Skills	130	8-200	0	\$2,502	\$25.47
				Weighted Avg: 180			
2	Retrainee Journeyman Priority Rate	Commercial Skills, OSHA 30	120	8-200	0	\$1,411	\$42.50
				Weighted Avg: 60			
3	Retrainee Priority Rate	Commercial Skills	40	8-200	0	\$1,411	\$21.28
				Weighted Avg: 60			
4	Retrainee Apprentice Priority Rate Veteran	Commercial Skills	20	8-200	0	\$2,502	\$25.47
				Weighted Avg: 180			

Minimum Wage by County: \$21.28 per hour Statewide (Priority Industry)

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$6.28 per hour may be used to meet the Post-Retention Wage in Job Number 3.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
JOB NUMBER 1 & 4		
Apprentice HVAC Technician		150
JOB NUMBER 2		
Journeyman HVAC Technician		110
HVAC Foreman		10
JOB NUMBER 3		
Mechanical Equipment Serviceman (MES)*		25
Tradesman**		15

*The MES classification includes personnel with experience, but little to no formal training. It is an intermediate classification created through collective bargaining, with salaries and skills lower than a journeyman. Workers in this classification neither complete an apprenticeship nor receive apprentice training.

**The Tradesman classification is for entry-level helpers, drivers, parts persons, and yard workers. Tradesmen may become apprentices and advance to journeyman status. Under the collective bargaining agreement, Tradesman may be paid a \$15.00 per hour base, although they are actually paid a higher

wage according to the JJATC. Tradesman will meet the SET Priority Industry wage of \$21.28 per hour if they participate in training funded by ETP.

Both occupations were created through collective bargaining under a lower wage scale that allows the union contractors to better compete. They are represented, and their scope of work is set forth, in the collective bargaining agreement. Their total compensation includes payment into the JJATC trust fund.

INTRODUCTION

The Los Angeles & Orange Counties Air Conditioning and Refrigeration Joint Journeymen and Apprentice Training Committee (JJATC) (www.hvacr-training.com) was founded in 1949 by a consortium of labor and management organizations to provide training for air conditioning and refrigeration technicians in Southern California. The JJATC administers a training trust fund created through collective bargaining and funded by signatory employers.

This will be JJATC's fourth ETP Agreement. However, this is the first time Veterans have been included as a discrete cohort of Apprentice trainees. In this proposal, training will continue for apprentices, journeymen, and workers in special "helper" classifications. Training includes inspection, service, maintenance, start-up, testing, balancing, adjusting, repair modification and replacement of mechanical and refrigeration equipment. These workers are represented by the Steam-Refrigeration-Air Conditioning-Pipefitters and Apprentices of the United Association of the United States and Canada, Local Union 250. Trainees work for contractors who serve a wide variety of industrial and commercial businesses throughout Southern California.

Employer Demand

The Air Conditioning & Refrigeration Contractors Association of Southern California represents employers in this project. Employer demand continues to be strong for experienced workers and new apprentices to install and maintain complex electronically-controlled equipment, and to meet new building standards for energy efficiency. Trainees work for contractors who serve a wide variety of industrial and commercial businesses throughout Southern California.

Energy efficiency regulations are changing the industry, especially in California. The California Building Energy Efficiency Standards, also known as Title 24, require higher levels of efficiency from air conditioning and refrigeration systems. This includes new types of equipment and controls (i.e. setting up zones so only occupied portions of a building are cooled). Title 24 also sets standards for commercial refrigeration including supermarkets. These standards are part of California's response to AB 32, the Global Warming Solutions Act of 2006, which mandates that California reduce its greenhouse gas emissions to 1990 levels by 2020.

Apprenticeship Pilot

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). ETP funding is designed to supplement cost of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training. Depending on the type of trade, apprenticeship programs vary in length. In this case the program is four years.

Apprentice programs are typically sponsored by a Joint Apprenticeship Training Committee (JATC). A JATC is created through collective bargaining, with an equal number of members appointed by union and management with employer contributions to a training trust fund. The employers are not "participants" but are signatories to the Collective Bargaining Agreement.

RSI is traditionally delivered as class/lab, and ETP does not reimburse CBT delivery for apprenticeship training. The curriculum is developed with input from DAS and a designated Local Educational Agency (in this case Los Angeles County Office of Education). The Apprenticeship Program allows reimbursement for up to 200 hours of RSI per apprentice. (Journeyman are capped at 200 hours.)

For the building trades, where it is not customary for workers to be employed for 90 consecutive days with one employer, the Panel may substitute hours worked for retention. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

To ensure ETP does not displace Montoya Funds, Apprenticeship reimbursement is reduced by \$5, reducing the priority industry rate from \$18 to \$13 per hour. In addition, the Panel adopted a "blended rate" for Journeymen, reflecting the fact that they may be employed by a variety of contractors over the two-year term of contract ranging from large employers, to small (≤ 100 employees). This is \$22 per hour, midway between the Priority Industry standard rate (\$18) and Small Business rate (\$26).

The ETP wage for Apprentices is no less than \$21.28 per hour, tracking the Special Employment Training wage as modified for priority industries. However, the actual wages paid are shown in the Training Plan Table and contract when they exceed \$21.28, for both Apprentices and Journeymen.

PROJECT DETAILS

Curriculum Development

The proposed training program was developed by a joint labor-management committee comprised of employer and union representatives to address the demands driven by new building standards for energy efficiency. The committee also continuously reviews and updates curriculum, training materials, and training facilities based upon the industry expertise of its membership.

The JJATC conducts assessments at the conclusion of each training session to evaluate program effectiveness. Trainees and employers are encouraged to provide feedback through their representatives on the Committee and directly to training personnel at the JJATC.

Training Plan

Training will give workers the skills they need to complete jobs quickly with the highest quality workmanship and give employers the capacity to expand in California as the economy improves. Training will be delivered by experienced journeyman workers in the trade at the JJATC's training facilities in Los Angeles, Bakersfield, San Luis Obispo, and San Diego.

Commercial Skills (97%) - Training will be offered to all occupations on installation, troubleshooting and repairing air conditioning and refrigeration components and systems. Training will include instruction in the use of electrical controls, digital controls, and new equipment. In-depth training in the principles of air conditioning and refrigeration, including thermodynamics, energy efficiency rating and coefficient of performance calculations, will also be provided. Workers who install and service supermarket refrigeration systems will receive specialized training.

OSHA 30 (3%) - Training will be delivered to Journeyman trainees to ensure safe working conditions and fulfill current mandates requiring 25% to 40% of an employer's on-site workforce be OSHA certified. This training is a series of courses "bundled" by industry sector and occupation consisting of 30 hours of training for journeyman trainees.

This training is not required as a condition of doing business in California. However, the coursework must be approved by, and the instructors must be certified by Cal-OSHA. When delivery is by CBT all training hours must be delivered in a classroom over a finite amount of time, and the vendor must have a certified instructor present to confirm attendance.

Completion of the training results in a certificate that expands employment opportunities. To ensure that each trainee receives certification, ETP will only consider payment earned upon completion of the full 30-hour course. OSHA 30 is not included in the 10% limitation on safety training.

Impact/Outcome

Apprentices will be certified as journeyman once they complete the entire apprentice curriculum. Journeymen will receive an industry certificate for completing the HVAC core course and an Energy Auditor certificate for completing the energy auditing course.

Marketing and Support Costs

Participating employers are notified of training through the Air Conditioning, Refrigeration and Mechanical Contractors Association of Southern California via websites, mailings and presentations. Workers are notified of training through their union local and directly by the training center through website postings and mailings.

The JJATC is requesting 8% support costs to assist in Apprentice recruitment, employer outreach, and assessment of employer-specific job requirements. Although many of the participating employers have already been notified, additional outreach and needs assessments will take place throughout the Agreement term. Staff recommends the 8% support costs.

Veterans

Training for Veterans in Job Number 4 will be the same as Apprentice training in Job Number 1. These trainees are in a separate Job Number to better track performance toward the goal of improved outreach for Veterans. Veterans who apply for an apprenticeship receive direct entry into the program, which includes training and assistance in finding work with employers throughout the area at no cost to them. JJATC is committed to supporting job-related training that helps Veterans transition into the California workforce.

Commitment to Training

Employers will continue to make contributions to the training trust for every hour worked by Apprentices and Journeymen. Safety training is, and will continue to be, provided by the participating employers in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Project administration will be performed by a partnership of the JJATC, the Los Angeles Unified School District (LAUSD) and Steve Duscha Advisories. The JJATC will handle class scheduling and completion of training rosters. The two administration vendors will assist

with employer liaison, documenting work hours, uploading training and enrollment data, ETP reporting, and related activities.

Electronic Recordkeeping

ETP staff has reviewed and approved the use of a Learning Management System for recordkeeping.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

The following table summarizes performance by the JJATC under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET15-0921	\$299,886	03/02/15– 03/01/17	174	251	17

JJATC's projected performance is 100% based on the total reimbursable hours of \$23,660 entered into the ETP Online System. These hours are sufficient to support earnings of the full encumbered amount (\$299,886). All trainees are expected to complete the retention period by the end of the 2016, at which time, JJATC will submit the Final Closeout Invoice.

PRIOR PROJECTS

The following table summarizes performance by the JJATC under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0905	Los Angeles	11/16/2013– 11/15/2015	\$443,690	\$443,690 (100%)
ET13-0902	Los Angeles	09/01/2012– 08/31/2014	\$415,381	\$415,381 (100%)

DEVELOPMENT SERVICES

Steve Duscha Advisories in Sacramento assisted with development of this proposal for a flat fee of \$10,000.

ADMINISTRATIVE SERVICES

Steve Duscha Advisories and the Los Angeles Unified School District in Los Angeles will perform administrative services for a total combined fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200

Trainees may receive any of the following:

Job Numbers 1 & 4 APPRENTICE**COMMERCIAL SKILLS**

- ✚ Air Conditioning HVAC Troubleshooting V
- ✚ Air Conditioning: Market Systems for HVAC Mechanics
- ✚ Compressors III
- ✚ Customer Relations II Lecture (9 Weeks)
- ✚ Direct Digital Controls III
- ✚ Electrical Controls II
- ✚ Electrical Controls III
- ✚ Heat Loads & Air Distribution IV
- ✚ HVAC Start Test Balance V
- ✚ HVAC Systems IV
- ✚ Hydronic Troubleshooting V
- ✚ Installation II
- ✚ Market Applications IV
- ✚ Pneumatics IV
- ✚ Safety
- ✚ Thermodynamics III
- ✚ Variable Frequency Drives V
- ✚ Water Chillers V

Job Number 2**JOURNEYMAN****COMMERCIAL SKILLS**

- ✚ Absorption Chillers
- ✚ Belimo Motors
- ✚ Boilers
- ✚ Centrifugal
- ✚ Combustion Analysis
- ✚ Compressors
- ✚ Customer Relations
- ✚ DDC
- ✚ ECM Motors
- ✚ Electrical Code
- ✚ Electrical Controls
- ✚ Electrical for Start-up
- ✚ Electrical Protocol Electronic Variable Speed Drives
- ✚ Energy Audit
- ✚ Energy Retrofit
- ✚ Evap. Cond/Cooling Towers
- ✚ Green Professional Building Skills-UA Certificate Program
- ✚ GreenChill
- ✚ HVAC Core
- ✚ Market Core
- ✚ Market EMS E-2/Control.

- + Mechanical Code
- + National Environmental Balancing Bureau (NEBB)
- + Pneumatics
- + Project Management
- + Refrigerant Piping
- + Screw Chillers
- + Solar
- + Thermal Energy Storage
- + Title 24
- + Vane Axial Fans
- + Variable Air Volume (VAV) Systems

OSHA 30 (OSHA Certified Instructor)

- + OSHA 30 (requires completion of full 30-hour course)

Job Number 3

MES/TRADESMAN

COMMERCIAL SKILLS

- + Electrical
- + Mechanical
- + Brazing & Soldering
- + Package Systems
- + Advanced Troubleshooting Techniques
- + Refrigerant Controls
- + Electrical Controls

Note: Reimbursement for retraining is capped at 200 total hours per trainee, regardless of method of delivery.
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Training Proposal for: **Southern California Resilient Floor & Decorative Covering** **Crafts JATC**

Agreement Number: ET17-0909

Panel Meeting of: September 23, 2016

ETP Regional Office: North Hollywood

Analyst: E. Wadzinski

PROJECT PROFILE

Contract Attributes:	Retrainee Apprenticeship Priority Rate	Industry Sector(s):	Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Statewide	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Southern California Resilient Floor & Decorative Covering Local Union 1247		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	N/A		

FUNDING DETAIL:

Program Costs	+	Support Costs	=	Total ETP Funding
\$215,040		\$14,800 8%		\$229,840

In-Kind Contribution:	50% of Total ETP Funding Required	Inherent
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Journeyman Priority Rate	Business Skills, Commercial Skills, OSHA 10/30	100	8-200	0	\$564	\$31.10
				Weighted Avg: 24			
2	Retrainee Apprentice	Commercial Skills, OSHA 10/30	160	8-210	0	\$1,084	\$21.28
				Weighted Avg: 78			

Minimum Wage by County: \$21.28 per hour Statewide (Priority Industry)

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$5.08 per hour may be used to meet the Post-Retention Wage in Job Number 2.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1 - Journeymen Carpet & Resilient Floor Covering Installer		100
Job Number 2 - Apprentice Carpet & Reilient Floor Covering Installer		160

INTRODUCTION

This will be the fourth Agreement between ETP and the Southern California Resilient Floor & Decorative Covering Crafts Joint Apprenticeship Training Committee (Flooring JATC) (www.dc36.org). The JATC was founded in 1953 pursuant to the collective bargaining agreement between Carpet, Linoleum, and Soft Tile Local Union 1247 (of the Brotherhood of Painters, Decorators and Paperhangers of America) and the Floor Covering Contractors Association of Orange County, Harbor Floor Covering Institute, and San Gabriel Valley Floor Covering. Local Union No. 1247 currently represents over 560 Floor Covering Installers in Southern California (approximately 184 Apprentices, 32 Material Handlers, and 344 Journeymen).

The Flooring JATC is a non-profit training organization dedicated to providing better job opportunities, up-to-date industry skills, and more secure employment for its members. It is a joint labor-management committee representing the floor covering industry throughout Southern California, administered by a Board of Trustees made up of four labor and four management members.

The JATC headquarters and training center are located in Santa Fe Springs. The JATC serves both large and small companies and workers in Los Angeles, Orange, Kern, Inyo, Mono, Riverside, San Bernardino, Ventura, Santa Barbara and San Luis Obispo Counties. All trainees are represented by Local 1247.

Apprenticeship Program

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). ETP funding is designed to supplement cost of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training. Depending on the type of trade, apprenticeship programs vary in length. In this case the program is four years.

Apprentice programs are typically sponsored by a Joint Apprenticeship Training Committee (JATC). A JATC is created through collective bargaining, with an equal number of members appointed by union and management with employer contributions to a training trust fund. The employers are not “participants” but are signatories to the Collective Bargaining Agreement.

RSI is traditionally delivered as class/lab, and ETP does not reimburse CBT delivery for apprenticeship training. The curriculum is developed with input from DAS and a designated Local Educational Agency (in this case Hacienda La Puente Unified School). The Apprenticeship Program allows reimbursement for up to 200 hours of RSI plus OSHA 10, per-apprentice. (Journeyman are capped at 200 hours.)

For the building trades, it is not customary for workers to be employed for a standard retention period of 90 consecutive days with one employer. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

To ensure ETP does not displace Montoya Funds, Apprenticeship reimbursement is reduced by \$5, reducing the priority industry rate from \$18 to \$13 per hour. In addition, the Panel adopted a “blended rate” for Journeymen, reflecting the fact that they may be employed by a variety of contractors over the two-year term of contract ranging from large employers, to small (≤ 100 employees). This is \$22 per hour, midway between the Priority Industry standard rate (\$18) and Small Business rate (\$26).

The ETP wage for Apprentices is no less than \$21.28 per hour, tracking the Special Employment Training wage as modified for priority industries. However, the actual wages paid are shown in the Training Plan Table and contract when they exceed \$21.28, for both Apprentices and Journeymen.

PROJECT DETAILS

The Flooring JATC is seeking funds to train Apprentices and Journeymen on significant changes associated with new products and materials, new installation techniques, and more complex work requirements. Training will target Apprentices and Journeymen who plan, prepare, install, and repair various types of floor covering in both residential and commercial locations.

Training Plan

All classes will be delivered at Flooring JATC’s training center in Santa Fe Springs by two full-time, expert trainers, both of whom are former or current floor covering installers. Trainers are certified by Hacienda La Puente Unified School.

Commercial Skills (85%) - Training will be offered to all occupations and include new installation techniques for various floor coverings including Linoleum, Laminates, Vinyl-Backed Carpet, Tiles, and Sheet Goods. The program will also offer Advanced Carpet Installation, Hard Surface Installation Testing, Carpet Installation Testing, Synthetic Turf, Heat Welding, and Trade Math. In addition, Armstrong Certification Training will cover work with new water-based (instead of solvent-based) adhesives, which completely alters the installation process.

Business Skills (5%) – Training will be provided to Journeymen and focus exclusively on customer service. Training will include how to work well with internal and external customers to identify customer needs, handle requests, and resolve complaints.

Certified Safety Training

OSHA 10/30 (10%) – OSHA 10/30 training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours and/or 30 hours of training for apprentices and journey level workers and frontline supervisors. This training is not required as a condition of doing business in California. Completion of the training results in a certificate that expands employment opportunities. Many employers are now requiring these class before workers are allowed onto a worksite. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA. ETP will only consider payment earned upon completion of the full 10-hour or 30-hour course. OSHA 10/30 is not included in the 10% limitation on safety training.

Curriculum Development

The curriculum was developed by the Flooring JATC with input from both union and employer representatives. It has been customized to address the needs of its members, participating employers, and the industry. Feedback comes directly from employer and union representatives based on workplace performance and student course evaluations.

Impact/Outcome

Those that successfully complete training may receive Armstrong, Nora, Mondo Rubber, OSHA 10, OSHA 30, CPR/AED and First Aid certifications. Trainees may also receive Certificates of Completion from the State of California Department of Industrial Relations and The United States Department of Labor.

Commitment to Training

Although employers deliver on-the-job training in a real work environment, they rely on the Training Center to provide a class/lab setting for basic and advanced industry education. In the past, employer contributions helped fund the apprenticeship program; but due to a slowdown in construction, contributions are low. This decline, along with reduced Montoya funds, has created a hardship which ETP's Apprenticeship funding will help alleviate. Funding will also encourage Journeyman workers to take more classes while working and/or during periods of unemployment. The proposed training will help employers become more competitive by giving workers up-to-date, marketable skills to help bid on and win new work, thereby improving job security, and reducing periods of unemployment for unionized floor covering installers.

ETP funds will not displace the existing employer financial commitment to training. Safety training is provided in accordance with all pertinent requirements under state and federal law.

Training Infrastructure

The JATC Training Coordinator will oversee the entire program. Three in-house staff will be responsible for employer marketing, recruitment, and needs assessments. They will also schedule classes, enroll trainees, collect and verify rosters, and perform all ETP data entry.

Marketing and Support Costs

The JATC publicizes the availability of training through direct mailings, brochures/flyers, personal contacts, telephone calls, and public service and e-mail announcements. It also promotes training at labor-management meetings and industry assemblies. Application announcements for union apprentice programs are sent to government agencies as well as to local high schools, community colleges, and community-based classes.

The JATC is requesting 8% support costs to market journeyman training to employers, to recruit and place apprentices, and to conduct ongoing assessments of employer-specific job requirements. While many participating employers are on board, outreach activities will also be ongoing. Staff recommends the 8% support costs.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

The following table summarizes performance by Flooring JATC under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET15-0910	\$196,972	09/02/2014– 09/01/2016	203	190	190*

*Based on ETP Systems, 15,946 reimbursable hours have been entered into online tracking, sufficient to support earnings of \$196,972 (100%). The Contractor completed retention on September 1, 2016.

PRIOR PROJECTS

The following table summarizes performance by Flooring JATC under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0900	Santa Fe Springs	10/08/2012– 10/07/2014	\$302,547	\$201,521 (67%)*

ET13-0900: Performance was lower than expected due to an overestimation of training hours requested by a third-party administrator. The administrator failed to update training information and billing which hindered the JATC's ability to stick to a solid training plan. In addition, some trainees that were eligible for training had been misclassified and wrongfully dropped.

In an effort to resolve the issues, the JATC opted to take control of the most recent Agreement (ET15-0910) and developed and administered the Agreement on its own. The Contractor has resolved the issues and is anticipating 100% completion on the Agreement (see Active Projects above).

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

Job Number 1: 8-200

Journeyman

Trainees may receive any of the following

COMMERCIAL SKILLS

- Armstrong Certification
- Nora Rubber
- Mondo Rubber
- Advanced Carpet Installation
- Advanced Installation (other than carpet, by product & location)
- Green Floor Covering Installation
- Vinyl Backed Carpet Installation
- Carpet Installation Testing
- Laminates
- Sheet Goods Installation
- Hard Surface Installation Testing
- Synthetic Turf
- Heat Welding
- Linoleum Installation Training
- Trade Math
- Self-Leveling

BUSINESS SKILLS

- Customer Service
 - Identifying Customer Needs
 - Handling Customer Requests
 - Resolving Customer Complaints

OSHA 10/30 (OSHA-Certified Instructor)

- OSHA 10 (must complete full 10-hour course)
- OSHA 30 (must complete full 30-hour course)

Apprentice**Class/Lab Hours**

Job Number 2: 8-210

Trainees may receive any of the following:

COMMERCIAL SKILLS

- Cove Sheet Goods
- Cove Sheet Vinyl
- Glue Down Borders
- Sheet Vinyl Seaming Techniques
- Rubber Flooring Products
- Hand Sewing

- Conventional Carpet
- Glue-Down Carpet
- Carpet Stair Installation
- Conventional Borders
- Carpet Banding
- Skirts, Treads, and Risers
- Vinyl Composition Tile
- Linoleum Installation
- Self-Leveling
- Heat Welding
- Synthetic Turf
- Foreman Training
- CPR/AED & First Aid

OSHA 10/30 (OSHA-Certified Instructor)

- OSHA 10 (must complete full 10 hour course)
- OSHA 30 (must complete full 30 hour course)

Note: Reimbursement is capped at 200 total training hours per trainee in Job Number 1 and 210 total hours per trainee in Job Number 2, regardless of the method of delivery.



Training Proposal for:

Northern California Construction Inspectors Joint Apprenticeship Committee

Agreement Number: ET17-0907

Panel Meeting of: September 23, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: D. Woodside

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Apprenticeship Veterans Pre-Apprentice	Industry Sector:	Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	46 Northern California Counties	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No International Union of Operating Engineers Local No. 3		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	N/A		

FUNDING DETAIL:

Program Costs	+	Support Costs	=	Total ETP Funding
\$263,600		\$18,220 8%		\$281,820

In-Kind Contribution:	50% of Total ETP Funding Required	Inherent
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Pre-Apprentice	Commercial Skills	40	8-200	0	\$3,764	\$22.75
				Weighted Avg: 160			
2	Apprentice	Commercial Skills	67	8-200	0	\$1,112	\$24.83
				Weighted Avg: 80			
3	Journeyman	Commercial Skills	65	8-200	0	\$564	\$41.60
				Weighted Avg: 24			
4	Apprentice Veteran	Commercial Skills	13	8-200	0	\$1,112	\$24.83
				Weighted Avg: 80			
5	Journeyman Veteran	Commercial Skills	10	8-200	0	\$564	\$41.60
				Weighted Avg: 24			

Minimum Wage by County: \$21.28 per hour Statewide (Priority Industry)

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☐ Yes ☒ No ☐ Maybe

Although health benefits are provided, they are not being used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Pre-Apprentice Construction Inspector		40
Apprentice Construction Inspector		67
Journeyman Construction Inspector		65
Veteran Apprentice Construction Inspector		13
Veteran Journeyman Construction Inspector		10

INTRODUCTION

The Northern California Construction Inspectors Joint Apprenticeship Committee (NCCIJAC) <http://teapprenticeship.org/inspector/> is a joint labor-management committee comprised of representatives from the inspection and testing industry through its trade association, the Council of Engineer and Laboratory Employers (CELE); and labor, which is represented on the JAC by the Operating Engineers (IUOE) Local 3. The JAC was established in 2005, and the current apprenticeship standards were enacted in 2012. Training will be conducted at the Operating Engineers' Rancho Murieta training center in Sacramento County, and satellite classrooms as needed.

NCCIJAC provides training for construction inspectors employed by third party inspection and testing contractors (employers) in 46 Northern California Counties.

Construction Inspectors ensure the structural integrity of commercial and industrial buildings, roads, and bridges and perform four main tasks: (1) Monitor materials and workmanship on the job site; (2) Assure that relevant codes and approved plans are followed; (3) Perform tests and job related duties required to carry out quality inspections; and (4) Communicate and work closely with building contractors, engineers, and city and county building departments.

Employer Demand

There is an increasing need for more skilled, experienced, and credentialed inspectors at all levels. Inspections must be thorough, fair, and cost effective. Well-trained inspectors are key to structural integrity and safety of construction projects. To win contracts and maintain employment levels, employers must have highly skilled and certificated workers.

NCCIJAC's goals are to:

- Provide employers with entry-level workers through its Pre-apprenticeship program;
- Train more Apprentices to be ready to work at a high skill level because of expanding work opportunities and to replace retiring journey-level workers. (The number of Apprentices has increased from 80 to 136 in the last two years.)
- Meet demand for a growing sector that are looking for journeymen with skills in emerging technologies that resulted from research/development of new building materials and processes.

This is the second ETP Agreement between ETP and NCCIJAC. However, this is the first time Veterans have been included as a discrete cohort of Apprentice and Journeyman trainees.

The JAC is requesting funding because all training has been delivered under its first Agreement. The additional funding is driven by the demand of employers for pre-apprentices, apprentices and journeymen Construction Inspectors in Northern California. The JAC needs to train more individuals to meet employer demand. Panel funding will assist the JAC to provide consistent, high-quality training to a growing population of construction inspectors.

Apprenticeship Pilot

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the DAS. ETP funding is designed to supplement the cost of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training. Depending on the type of trade, apprenticeship programs vary in length. In this case, the program is five years.

Apprentice programs are typically sponsored by a Joint Apprenticeship Training Committee (JATC). A JATC or in this case, a JAC, is created through collective bargaining, with an equal number of members appointed by union and management with employer contributions to a training trust fund. The employers are not "participants" but are signatories to the Collective Bargaining Agreement.

RSI is traditionally delivered as class/lab, and ETP does not reimburse CBT delivery for apprenticeship training. The curriculum is developed with input from DAS and a designated Local Educational Agency (in this case, it is the San Joaquin County Office of Education/ROC).

The Apprenticeship Program allows reimbursement for up to 200 hours of RSI plus OSHA10, per-apprentice. (Pre-apprentices and Journeymen are capped at 200 hours.)

For the building trades, it is not customary for workers to be employed for a standard retention period of 90 consecutive days with one employer. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

To ensure ETP does not displace Montoya Funds, Apprenticeship Pilot reimbursement is reduced by \$5.00, reducing the priority industry rate from \$18.00 to \$13.00 per hour. In addition, the Panel adopted a “blended rate” for Journeymen, reflecting the fact that they may be employed by a variety of contractors over the two-year term of contract ranging from large employers, to small (<100 employees). This is \$22 per hour, midway between the Priority Industry standard rate (\$18) and Small Business rate (\$26). [Note: This “blended rate” has been extended to Pre-Apprentices, for ease of administration.]

The ETP wage for Apprentices will be the SET Statewide rate as modified for priority industries (\$21.28 per hour). The actual wages paid are shown in the Training Plan Table and contract when they exceed \$21.28, for Pre-Apprentices, Apprentices and Journeymen. For Job Numbers 2 and 4, ETP funding will only apply to apprentices in Year 2+ to ensure commitment.

PROJECT DETAILS

All trainers employed by the NCCIJAC are qualified construction inspectors with extensive work and training experience.

Pre-Apprentice – Job Number 1

Completing the Pre-Apprentice program is a condition of entry into the Construction Inspector apprenticeship program. The Pre-Apprentice program is at least 160 hours of full-time class/lab training, scheduled twice a year. As a condition of ETP funding, Pre-apprentice trainees must be registered as Apprentices (Year 1) in order to meet retention.

Commercial Skills (100%) - Training will be provided in concrete field-testing and inspection, radiation safety and use of nuclear gauges, plan reading, and spray-applied fireproofing along with skills related to the reports, materials, and job site protocol for a construction inspector.

Apprentice – Job Numbers 2 and 4

Commercial Skills (100%) - Training will be provided in structural steel and welding inspection, structural masonry inspection, soils and asphalt testing, and pre-stressed and reinforced concrete inspection. The Apprenticeship program for Construction Inspectors is five-years in length due to the critical skills required and the complexity of testing and inspection procedures, tools, equipment, and materials. Apprentices receive 80 hours of class/lab training every year.

Journeymen – Job Numbers 3 and 5

Commercial Skills (100%)

The focus of journeymen training will be certification training in demand by area employers. For example, Construction Inspectors are often required to obtain more specialized certifications to

become “special” inspectors. Special inspection is the monitoring of the materials and workmanship critical to the integrity of building structures to ensure that plans and specifications are followed and codes and ordinances are observed. The special inspection process is in addition to inspections conducted by the municipal building inspector and by the design professionals responsible for a particular job. Special inspectors provide continuous or periodic inspection and testing, depending on specific job types and circumstances. Skills to be provided in this training program include applicable field applications, quality assurance and control, and techniques for roller compacted concrete, shotcrete, self-consolidating, and high-strength concrete.

Curriculum Development

Industry needs are determined by the JAC and the employer association which provides feedback on industry trends and new and evolving certification requirements. NCCIJAC also works with employers to perform assessments of employer-specific job requirements and collect feedback from labor and management teams that administer the program.

The JAC conducts assessments at the conclusion of each class. Trainees then take the certification tests on which they have been trained, and their passing rate provides the JAC with training efficacy data. In addition, trainees provide feedback through their union representatives. Likewise, employers may provide feedback directly to the training center on skills needed in their business and the effectiveness of the JAC in meeting their needs.

Veteran Apprentice

The Veteran training curriculum will be the same as the Apprentice and Journeymen training outlined above. These trainees are in separate Job Numbers to better track performance toward the goal of improved outreach for Veterans. Under the NCCIJAC, veterans get extra points in the rankings for admission into the apprentice program. The JAC works with Helmets to Hardhats and the veteran representatives in various One-Stop Centers to recruit veteran applicants.

Impact/Outcome

Depending on areas of specialization, trainees may earn one or more of these certifications:

- American Concrete Institute Field Testing Technician
- International Code Council Spray Applied Fire Proofing Special Inspector
- American Concrete Institute Lab Technician
- American Concrete Institute Base Aggregate Technician
- International Code Council Special Inspector
- International Code Council Reinforced Concrete
- International Code Council Structural Steel Bolt and Weld
- International Code Council Reinforced Masonry
- International Code Council Pre-Stressed Concrete
- International Code Council Commercial Building Inspector
- International Code Council Soils Special Inspector
- Nuclear Gauge Safety

Commitment to Training

The JAC represents that signatory employers will continue to pay into the Trust for Journeyman, Apprentice, and Pre-Apprentice training. In addition, employers must provide structured, on-the-job training for apprentices that meets DAS standards. Thus, ETP training funds supplement

and do not displace employer contributions to training. Safety training is provided by the participating employers in accordance with all requirements under state and federal law.

Marketing and Support Costs

NCCIJAC requests 8% support costs to assist in Pre-Apprentice, Apprentice, and Journeymen trainee recruitment, employer outreach, and assessment of employer-specific job requirements. Assessments and recruitment will take place throughout the duration of the Agreement. Four staff members will assist with training coordination, including but not limited to marketing, recruitment, needs assessments, and scheduling.

All training programs are marketed through the union and employer association websites, in addition to mailings of newsletters, emails, personal contacts, telephone calls, and advertisements via various industry websites. The JAC will disseminate class information throughout the year to all members within its jurisdiction. ETP staff recommends the 8% in support costs.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

The following table summarizes performance by NCCIJAC under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET15-0900	\$239,520	07/07/2014-07/06/2016	120	144	57

Based on ETP Systems, 14,952 reimbursable hours had been tracked as of July 27, 2016 which is sufficient to support earnings of \$250,150 (over 100% of the approved amount). The Contractor projects final earnings of 100% based on training completed in July 2016. Final invoices have not been received.

DEVELOPMENT SERVICES

Steve Duscha Advisories in Sacramento assisted with development for a flat fee of \$10,000.

ADMINISTRATIVE SERVICES

Steve Duscha Advisories will also perform administration services for a fee not to exceed 12.2% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200 (Job Number 1) Trainees may receive any of the following:

Pre-Apprentice**COMMERCIAL SKILLS****Introduction to Concrete Inspection**

- Fundamentals of concrete
- Fresh concrete
- Strength and durability of concrete
- Volume changes and other properties of concrete
- Cracks and blemishes in concrete
- Portland cement, aggregates, water and admixtures in concrete
- Batching and mixing concrete
- Hot and cold weather concreting
- Lightweight and heavyweight concrete

Concrete field-testing

- Temperature of freshly mixed concrete
- Sampling of freshly mixed concrete
- Slump of hydraulic cement concrete
- Unit weight, yield and air content of concrete
- Air content of freshly mixed concrete by pressure method
- Air content of freshly mixed concrete by volumetric method
- Making and curing concrete test specimens in the field

Radiation safety and use of nuclear gauges

- Principles of radiation safety and health physics
- Principles of nuclear physics related to moisture and density measurements
- Licensing and compliance with regulatory requirements
- Transportation and shipping
- Field service and maintenance
- Gauge operation and field practice

Introduction to Plan Reading

- Design-construction process
- Plan views, elevations and sections
- Isometric sketches
- Architects scale and plan scale
- Plane lines, symbols and reference marks for coordinating drawings
- Orienting sections, details and elevations to other plans
- Common structural steel shapes, reinforcing steel and their designations
- Indexes and keys on commercial construction drawings
- Grid systems to locate columns and piers
- Foundation plans, structural details and sections

Spray Applied Fireproofing

- Writing reports
- Interpreting plans
- Verifying materials used are type specified
- Preparation of substrates
- Identify structural elements to be fireproofed
- Minimum required coverage and thickness of fireproofing
- Sampling and testing
- Job site protocol

Class/Lab Hours

8-200 (Job Numbers 2 and 4) Trainees may receive any of the following:

Apprentice**COMMERCIAL SKILLS****Structural steel and welding inspection**

- Code and duties of inspector
- Using code books
- Correlation of codes to plans and specifications
- Code as applied to structural steel and welding
- Plan reading skills applied to structural steel and welding inspection
- Sheet steel codes
- Material sampling, testing and verification
- Plan reading skills applied to rebar welding
- Job safety
- Welding qualification requirements
- Weld types and locations
- Weld joint preparation and fit up
- Welding procedures and processes
- Welding equipment calibration
- Inspect of weld repairs
- Weld quality and tolerances
- High strength bolting
- Report writing
- Job site protocol
- Conflict resolution on the job site

Structural masonry inspection

- Code and duties of an inspector
- Code as it applies to structural masonry
- Plan reading skills applied to structural masonry
- Reinforcement, quality, tolerances, clearances, placement, spacing and quantity of reinforcing steel
- Verification of fabrication details and lap splices
- Masonry placement, substrate condition, mortar joints
- Masonry unit placement, type, quality, size, spacing and location of embedded items
- Weldment inspection
- Location and preparation of construction joints and protection of masonry from temperature extremes and adverse weather conditions

- Masonry quality
- Verification of materials, mixing of mortar and grout, time limits for placement and storage
- Masonry unit prism strength
- Types and frequency of material strength tests
- Grout placement, inspection of grout spaces
- Provision of cleanouts, methods of conveying and depositing grout
- Prisms, grout and mortar samples
- Preconstruction meetings to review plans and specifications
- Report writing
- Job site protocol
- Conflict resolution on the job site

Soils and asphalt testing and inspection

- Code and duties of an inspector
- Field identification of soils
- Safety on the job site
- Insuring properly prepared and weighed samples
- Methods of moisture determination
- Maximum density tests
- Sand cone testing
- Nuclear density testing
- Sieve analysis/grading
- Caltrans concrete sampling and testing standards
- Report writing
- Job site protocol

Prestressed concrete inspection

- Code and duties of an inspector
- Code as it applies to pre-stressed concrete
- Concrete quality
- Mix designs, water added, consistency, workability
- Sampling and field-testing
- Storage, protection and transportation of specimens
- Concrete placement, protection and curing
- Concrete conveying, depositing, consolidation and temperature extremes
- Concrete reinforcement, type, grade, size and fabrication
- Conformity with plans
- Placement of reinforcement, tolerances, supports, laps and verification of welds
- Tendons: type, grade, size and fabrication
- Placement of tendons, tolerances, supports, laps, profile
- Supplemental reinforcement, mechanical connections, pre-stressed rock and soil anchors
- Formwork, joints and embeds
- Pre-stressing and post-tensioning
- Verification of proper concrete strength
- Equipment calibration, stressing/tensioning sequences
- Jacking forces and acceptable elongations
- Grouting, proper sealing and protection of tendons and anchorages

- Recordkeeping
- Pre-construction meetings
- Report writing
- Job site protocol
- Conflict resolutions on the job site

Reinforced Concrete Inspection

- Code and duties of an inspector
- Code as it applies to concrete inspection
- Reinforcing steel
- Correlation of codes to plans and specifications
- Verifying steel mill test reports for mill markings and test data
- Checking steel mill testing against project specifications
- Sampling reinforced materials
- Checking reinforced steel for grade, size, spacing, clearances and splices
- Purpose and location of reinforcing steel in structural concrete elements
- Shotcrete inspection, placement and sampling
- Checking mix designs
- Correlating testing requirements with project specifications
- Report writing
- Job site protocol
- Conflict resolution on the job site

Class/Lab Hours

8-200 (Job Numbers 3 and 5)

Trainees may receive any of the following:

Journeyman

COMMERCIAL SKILLS

- Administration of building obstruction codes and standards
- Building construction
- Customer service for an inspector
- Emerging technologies in concrete
- Field applications
- High strength concrete
- Identifying and differentiating new materials
- Inspection for the design professional
- Interpreting specifications for new materials
- Quality assurance
- Research and development in concrete materials
- Roller compacted concrete
- Self-consolidating concrete
- Shotcrete
- Specialty building products
- Technical content of building codes and standards

Note: Reimbursement for retraining is capped at 200 total hours per-trainee, regardless of method of delivery.



Training Proposal for:

Santa Clara County Electrical Joint Apprenticeship and Training Trust

Agreement Number: ET17-0906

Panel Meeting of: September 23, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: D. Woodside

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Apprenticeship Veterans	Industry Sector:	Construction Green Technology Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Santa Clara	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No International Brotherhood of Electrical Workers (IBEW) Local 332		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	N/A		

FUNDING DETAIL:

Program Costs	+	Support Costs	=	Total ETP Funding
\$468,800		\$32,400 8%		\$501,200

In-Kind Contribution:	50% of Total ETP Funding Required	Inherent
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Journeyman	Commercial Skills, Business Skills, Computer Skills, OSHA10/30	100	8-200	0	\$564	\$32.37
				Weighted Avg: 24			
2	Apprentice	Commercial Skills, OSHA10/30	140	8-210	0	\$2,780	\$21.28
				Weighted Avg: 200			
3	Apprentice Veteran	Commercial Skills, OSHA10/30	20	8-210	0	\$2,780	\$21.28
				Weighted Avg: 200			

Minimum Wage by County: \$21.28 per hour Statewide (Priority Industry)

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$0.24 per hour may be used to meet the Post-Retention Wage for Job Numbers 2 and 3.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Journeyman Electrician/Inside Wireman		60
Apprentice and Veteran Apprentice Electrician/Inside Wireman		100
Journeyman Residential Electrician		40
Apprentice and Veteran Apprentice Residential Electrician		60

INTRODUCTION

The Santa Clara County Electrical Joint Apprenticeship and Training Trust (Santa Clara JATT) <http://www.ejatic332.org> was founded in 1958. The trust is funded through collective bargaining between signatory employers that are members of the National Electrical Contractors Association (NECA) and the International Brotherhood of Electrical Workers (IBEW) Local 332.

Santa Clara JATT currently serves approximately 490 Apprentices and 2,200 Journeymen. The JATT sponsors two apprenticeship programs: Inside Wireman (5 years) and Residential Electrician (3 years). Apprentices learn to work on electrical systems and component wiring, such as: power distribution systems, electrical panels, conduit, piping, test equipment, transformers, motors, grounding, over-current protection, security, solar, and home automation.

The JATT provides skills upgrade courses to keep Journeymen technologically current. Journeymen need new certifications and skills to install, maintain, and integrate a wide variety of electrical systems. The JATC must also prepare Journeymen and Apprentices to meet green electrical standards as they evolve under legislation, regulations and local initiatives.

Employer Demand

Apprentices and Journeymen will work in Silicon Valley, building and maintaining facilities for California's high technology companies. High profile projects include the ongoing expansion of Apple Corporation headquarters which is estimated to require up to 500 electricians working under three different construction contractors. There is also the BART extension into San Jose; the Lucille Packard Children's Hospital expansion; the new Stanford Hospital; and the Santa Clara Square office, retail, and residential development.

This proposal will emphasize advanced training to meet local employer demand for specialized skills and critical employer-mandated certifications. In addition, both Apprentices and Journeymen will gain skills in emerging technologies focusing on clean energy, the shift from analog to digital equipment, testing and auditing equipment, and new programmable control systems. In addition, changes in the California Energy Codes will require buildings to be more efficient by integrating lighting systems, HVAC systems and the building envelope to operate symbiotically. Electricians need to install, maintain, and integrate a wide variety of systems and because this industry is constantly evolving, upgrade training (which often leads to certifications) is mandatory.

This is the Santa Clara JATT's fourth ETP Agreement. However, this is the first time Veterans have been included as a discrete cohort of Apprentice trainees.

The JATT is returning to the Panel for funding at this time because all training has been delivered under its most recent Agreement. The additional funding is driven by the demand of employers for skilled apprentices and journeymen electricians in Northern California. The JATT needs to train more apprentices to meet employer demand. The number of apprentices has grown from 363 to 490 in one year.

Apprenticeship Pilot

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the DAS. ETP funding is designed to supplement cost of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training. Depending on the type of trade, apprenticeship programs vary in length. In this case, the programs are five and three years.

Apprentice programs are typically sponsored by a Joint Apprenticeship Training Committee (JATC). A JATC is created through collective bargaining, with an equal number of members appointed by union and management with employer contributions to a training trust fund. The employers are not "participants" but are signatories to the Collective Bargaining Agreement.

RSI is traditionally delivered as class/lab, and ETP does not reimburse CBT delivery for apprenticeship training. The curriculum is developed with input from DAS and a designated Local Educational Agency (in this case Foothill College). The Apprenticeship Program allows reimbursement for up to 200 hours of RSI plus OSHA10/30, per-apprentice. (Journeymen are capped at 200 hours.)

For the building trades, it is not customary for workers to be employed for a standard retention period of 90 consecutive days with one employer. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

To ensure ETP does not displace Montoya Funds, Apprenticeship Pilot reimbursement is reduced by \$5.00, reducing the priority industry rate from \$18.00 to \$13.00 per hour. The ETP wage for Apprentices will be the SET Statewide rate as modified for priority industries (\$21.28 per hour). ETP funding will only apply to apprentices in Year 2+ to ensure commitment.

The ETP wage for Apprentices is no less than \$21.28 per hour, tracking the Special Employment Training wage as modified for priority industries. However, the actual wages paid are shown in the Training Plan Table and contract when they exceed \$21.28, for both Apprentices and Journeymen.

PROJECT DETAILS

All training is center-based and trainers are qualified Journeymen with extensive practical and training experience. Journeymen will receive Commercial Skills, Business Skills, Computer Skills, and OSHA 10/30; Apprentices and Veteran Apprentices will receive Commercial Skills and OSHA 10/30 training.

Training Plan

Training will be conducted at the JATT Santa Clara Training Center in San Jose. This is a 30,000-square-foot, state-of-the-art facility with numerous computer and technical labs in addition to classrooms.

Journeyman

Commercial Skills (80%) – Training will improve electrician skills installing, maintaining and repairing various types of electrical and electronic equipment in commercial, industrial and residential establishments. They will also learn advanced skills for installing, connecting, and testing electrical wiring systems for lighting, heating, air conditioning, and communications in any building or structure. Trainees may receive specialized training that may include courses leading to certification. Santa Clara JATT has been certified by Electric Power Research Institute as the only nationally-certified lab and testing facility in Northern California to certify Level B Technicians.

Electricians are faced with understanding and following Title 24 requirements, new National Electrical Codes (NEC), higher safety standards and green practices. Electricians often work with high voltage, and the potential for injury or death for themselves and others is significant. OSHA training is no longer enough. For example, ARC-Flash 70E training will be offered so that trainees will be able to avoid electrical explosions and wear appropriate protection should an explosion occur. Also, in the NFPA-70E safety class electricians learn how to meet the electrical safe work standards set by OSHA. Many employers are now requiring that electricians take such classes before the workers are allowed on a worksite.

Business Skills (5%) - Training will focus on using more collaborative bidding and project development practices; meeting budgets; interacting with other types of construction workers; and implementing green solutions in traditional work environments. The proposed training will give trainees the tools to plan, organize, and manage construction projects so that they can complete them efficiently and on time. Training will also include team-building and leadership skills so that electricians can participate and lead teams in an effective and efficient manner.

Computer Skills (5%) - Training will include scheduling, planning and modeling software. AutoCAD and Job Tracking applications will provide trainees with the tools to modify blueprints,

look up project requirements, build budgets and timelines, design virtual buildings, and adjust computerized control systems.

OSHA 10/30 (10%) - Because electricians work under extremely dangerous conditions and on tight timelines, there is the potential for injury or death for themselves and other people in the work area vicinity. This work requires excellent hand/eye/foot coordination and quick decision-making. The participating employers and property owners need electricians to undergo additional training to ensure that they can perform their work efficiently and safely.

Apprentice

Commercial Skills (90%)

The apprentice electrician works directly under the supervision of a qualified journeyman electrician in installing or maintaining a variety of approved wiring methods for distribution of electrical light, heat, power, radio and signaling utilization systems in existing or new buildings including street and highway lighting, traffic signals and other outdoor above and below grade installations.

Inside Wireman Apprentices will learn to install, maintain and repair various types of electrical and electronic equipment in commercial, industrial and residential establishments. Training will also include installing, connecting and testing electrical wiring systems for lighting, heating, air conditioning and communications in any building or structure. The Inside Wireman Apprentice program is a five-year training program.

Residential Wireman Apprentices will learn to install and connect electrical systems in homes, condos and apartments. Today's homes are being equipped with computer networks, energy management systems, security systems, fire alarm systems, and new power distribution systems. Residential Wiremen must have the knowledge and the skills necessary to make these systems work for today's homeowner. Residential Wireman apprentice program is a three-year training program.

OSHA 10/30 (10%) This training provides a complete overview of occupational safety and health so that construction workers are more knowledgeable about workplace hazards. With OSHA30, apprentices will also learn how to respond to such hazards.

Certified Safety Training

OSHA 10/30: Training is a series of courses "bundled" by industry sector and occupation. This training is not required as a condition of doing business in California. However, the coursework must be approved by, and the instructors must be certified by Cal-OSHA. When delivery is by CBT all training hours must be delivered in a classroom over a finite number of time, and the vendor must have a certified instructor present to confirm attendance.

Completion of the training results in a certificate that expands employment opportunities. To ensure that each trainee receives certification, ETP will only consider payment earned upon completion of the full 10-hour or 30-hour course. OSHA 10/30 is not included in the 10% limitation on safety training, nor in the 50% limitation on CBT.

Veteran Apprentice

The Veteran training curriculum will be the same as Apprentice training outlined above. These trainees are in a separate Job Number to better track performance toward the goal of improved outreach for Veterans.

The JATT is committed to supporting job-related training that helps Veterans transition into the California workforce. It recruits Veterans in cooperation with Helmets to Hardhats, (<http://www.helmetstohardhats.org>), a national joint labor-management program that recognizes the link between skills acquired in military service and the building trades. Veterans who apply for an apprenticeship with the Santa Clara JATT can skip the first stage (the written assessment) and go the second stage (the interview).

Curriculum Development

Santa Clara JATT, with input from both labor and management representatives, has developed and customized the national electrical curriculum to address the local needs of its members, participating employers, and the construction industry. The apprentice program uses the National Joint Apprenticeship and Training Committee's Curriculum which was developed for the exclusive use of IBEW-NECA JATC'S. The Journeyman curriculum meets the needs of the participating employers because it is employer-driven and based on local hiring demands in Santa Clara County. An example of a customized course trains electricians to work with green materials on more technically advanced construction projects. Feedback on the curricula also comes directly from employers and union representatives based on workplace performance, customer requests, industry feedback, and course evaluations completed by trainees.

Impact/Outcome

Upon successful completion of the apprenticeship program, each Apprentice will receive Certificates of Completion from: National Santa Clara Electrical JATT; State of California DAS; and from Foothill Community College. Apprentices also receive an OSHA 10/30 certification upon completion of training.

Certifications for both journeymen and apprentices may also include Arc Flash Safety Awareness, Building Automation Systems, Green Audits, California Advanced Lighting Control Program (CALCTP) Installer and Lighting Acceptance Testing, and Title 24 Lighting Installation.

Commitment to Training

Signatory employers will continue to make contributions to the training trust for every hour worked by Apprentices and Journeymen. General safety training is, and will continue to be, provided by participating employers in accordance with all pertinent requirements under state and federal law.

Marketing and Support Costs

Santa Clara JATT is requesting 8% in support costs to fund recruiting and qualify additional participating employers for this program. There are five staff members in the JATC office assisting with the marketing, recruitment, and needs assessments. While many participating employers have already been recruited, additional recruitment and assessment activities with employers and the JATT must occur to support apprenticeship training. The projected budget costs for personnel alone will exceed the ETP support cost funding. The JATT will cover these additional costs.

Program information is disseminated through direct mailings, informational flyers, personal contacts, telephone calls, public service announcements, emails, and the website throughout the year. Application announcements for the apprentice program are disseminated to local, state and federal agencies as well as to local high schools and community colleges. Community-based organizations are also included in this effort (mailings and onsite job fairs). Staff recommends 8% support costs.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

The following table summarizes performance by Santa Clara JATT under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET16-0905	\$557,600	09/08/2015-09/07/2017	360	307	34

Based on ETP Systems, 33,314 reimbursable hours had been tracked as of August 4, 2016 for potential earnings of \$474,665 (over 85% of the approved amount). The Contractor projects final earnings of 100% based on training completed in August 2016.

PRIOR PROJECTS

The following table summarizes performance by Santa Clara JATT under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0915	San Jose	03/03/2014-03/02/2016	\$328,640	\$328,640 (100%)
ET13-0913	San Jose	10/22/2012-10/21/2014	\$360,907	\$360,907 (100%)

DEVELOPMENT SERVICES

Santa Clara JATT retained California Labor Federation in Sacramento and Strategy Workplace Communications in Oakland to assist with development at no cost.

ADMINISTRATIVE SERVICES

Santa Clara JATT also retained Strategy Workplace Communications to perform administrative services for an amount not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200 (Job Number 1)

Trainees may receive any of the following:

Journeyman**COMMERCIAL SKILLS**

Codeology

- National Electrical Code
- Other Recognized Standards (Installation Changes)
- Plan, Build, and Use
- Related Standards (Mandatory and Permissive Rules)
- Special Occupancies and Equipment
- Arc Flash

Analog/Digital Circuit (AC/DC) Principles

- Math for Electricians
- Ohm's Law
- Generators
- Inductance/Reactance
- Series/Parallel Circuits

Grounding

- Grounding and Bonding
- National Electrical Code Article 100-Definitions and Provisions
- National Electrical Code Article 110-Requirements
- National Electrical Code Article 90-Introduction
- National Electrical Code Article Chapters 1-4
- Significant Changes to National Electric Code

Fire Alarm Systems and Installations

- Definitions and Systems
- Initiating Devices and Notification Systems
- National Electrical Code and Installation Requirements
- Start Up and Check Out Procedures
- National Fire Protection Act, 1972 (NFPA 72)

Fire Life Safety

- National Electrical Code (Relating to Fire Alarms)
- National Electrical Code Article 725
- National Electrical Code Article 760
- NFPA 72
- Principles of Electronics

Industrial Motor Control

- Control Relays and Timers
- Jogging and Plugging Controls
- Manual Starters and Magnetic Coils
- Push Buttons, Selector Switches, and Mechanical Devices
- Solid State Electronic Devices

- Variable Frequency Drives

Programmable Logic Control (PLC)

- Developing Ladder Programming
- Introduction to Programmable Equipment
- Programming Programmable Logic Controllers
- Using Timers and Counters in Logic Programs
- Writing a Program

Electrical Design

- 3 and 4-Way Switching
- Design of Electrical Circuits
- Magnetic Motor Control and the Code
- LonWorks and Building Automation
- Transformers and the Code

Voice, Data, and Video

- Audio Distribution
- CCTV Security Surveillance
- Computer Networking
- Fiber Optics
- Telephonic Interconnect

Industry Specific Skills

- Solar Panel Installation
- Solar Photovoltaics
- Building Automation Systems
- Confined Space Entry
- Specialized Tools
- Conduit Bending
- Rigging and Lifting
- Firestop Installation
- Blueprints and Schematics
- Work Flow and Resources
- Proper Installation and Use of Testing and Auditing Materials and Equipment (Green Training)
- Understanding New Technologies and Changes to Industry Standards (Green Training)
- Proper Equipment Set-Up (Green Training)
- Safe Working Practices
- Advanced Instrumentation and Motor Controls
- Programmable Logic Controllers
- Advanced Welding
- Architecture Designs and Advanced Plan Reading
- Management and Monitoring of Materials
- Testing Materials and Equipment – Proper Set-Up and Use (Green Training)
- Understanding Changes to Industry Standards (Green Training)

CALCTP (California Advanced Lighting Control Program)

- Advanced Lighting Control Systems
- Lighting Control Strategies
- Line Voltage Switching Controls
- Low Voltage Switching Control
- Dimming Controls
- Occupancy Sensors
- Photosensors

CALCTP Acceptance Testing

- Electric Vehicle Infrastructure Training Program (EVITP)

BUSINESS SKILLS

- Teambuilding Skills
- Green Awareness Training and Green Certifications
- Leadership Skills
- Customer Service Skills
- Conflict Resolution
- Problem Solving
- Decision-Making Skills
- Inventory Checklist
- Advanced Time Management
- Filling Out Work Documents and Reports Accurately
- Project Management
- Creating Project Bids

COMPUTER SKILLS

- Auto Computer-Aided Design (AutoCAD)
- Job Tracking System
- Scheduling & Planning Jobs

OSHA 10/30 (OSHA Certified Instructor)

- OSHA 10 (requires completion of 10-hour course)
- OSHA 30 (requires completion of 30-hour course)

Apprentice

Class/Lab Hours

8-210 (Job Numbers 2 & 3)

Trainees may receive any of the following:

COMMERCIAL SKILLS

2nd Year

- Orientation, Level II
- Test Instruments, Level I
- Codeology, Level I
- AC Theory, Level I
- Blueprints, Level I
- Electrical Safety-Related Work Practices, Level I
- Transformers, Level I
- Application #5: Conduit Bending

- Application #6: Conduit Bending
- Application #7: Comb. Circuit Wiring
- Application #8: Transformer Connections

3rd Year

- AC Theory
- Blueprints
- Code and Practices
- Electrical Safety-Related Work Practices
- Fire Alarm Systems
- Grounding and Bonding
- Transformers
- Conduit Bending: Rigid & EMT, Chicago & 555
- Lighting Control Panels
- Motor Controls: Relays & Start/Stop
- Cad-Welding
- Ground Testing
- Transformer Wiring
- CPR/First Aid Refresher
- COMET

4th year

- Code Calculations
- Blueprints (& layout yard)
- Grounding and Bonding
- Motors
- Motor Control
- Lightning Protection
- Lighting Essentials
- Field Trip to Motor Repair Shop and Folsom Power House
- Motor Controls: mag starter & 3-wire control
- Programmable Logic Controls (PLC's)
- Variable Frequency Drive (VFD's)
- Motor control labs
- Code Prep

5th Year

- Code and Practices
- Code Calculations
- Motor Control
- Orientation
- Rigging
- Torque
- PV/Solar Installer
- CALCTP
- EVITP
- CPR/First Aid Refresher

- Leadership/Foreman Training: Managing the Work including NECA/IBEW presentations

OSHA 10/30 (OSHA Certified Instructor)

- OSHA 10 (requires completion of 10-hour course)
- OSHA 30 (requires completion of 30-hour course)

Safety training cannot exceed 10% of total training hours for any individual trainee. This 10% safety training cap does not apply to OSHA 10/30 training.

Note: Reimbursement for Job Number 1 training is capped at 200 total training hours per trainee, regardless of the method of training delivery. Reimbursement for Job Numbers 2 & 3 Apprentices is capped at 200 total training hours per trainee in Commercial Skills and 10 hours of OSHA10/30 for a total of 210 hours.



Training Proposal for:

Fresno Area Plumbers, Pipe and Refrigeration Fitters Joint Apprenticeship Training Committee

Agreement Number: ET17-0911

Panel Meeting of: September 23, 2016

ETP Regional Office: Sacramento

Analyst: K. Mam

PROJECT PROFILE

Contract Attributes:	Retrainee Apprenticeship Veterans Priority	Industry Sector(s):	Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Fresno, Madera, Tulare, Kings	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No UA Local 246		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	N/A		

FUNDING DETAIL

Program Costs	+	Support Costs	=	Total ETP Funding
\$222,400		\$15,400 8%		\$237,800

In-Kind Contribution:	50% of Total ETP Funding Required	Inherent
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Journeyman Priority Rate	Commercial Skills, Computer Skills, OSHA 10/30	40	8-200	0	\$941	\$38.40
				Weighted Avg: 40			
2	Retrainee Apprentice	Commercial Skills, Computer Skills, OSHA 10	66	8-210	0	\$2,780	\$21.28
				Weighted Avg: 200			
3	Retrainee Apprentice Veterans	Commercial Skills, Computer Skills, OSHA 10	6	8-210	0	\$2,780	\$21.28
				Weighted Avg: 200			

Minimum Wage by County: Statewide Priority Industry Wage of \$21.28

Health Benefits: ☒ Yes ☒ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$0.16 per hour may be used to meet the Post-Retention Wage in Job Numbers 2 & 3.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1 (Journeyman)		
Plumber and Pipefitter		20
Refrigeration and Air Conditioning Mechanic		20
Job Number 2 (Apprentice)		
Plumber and Pipefitter		42
Refrigeration and Air Conditioning Mechanic		24
Job Number 3 (Veterans - Apprentice)		
Plumber and Pipefitter		1
Refrigeration and Air Conditioning Mechanic		5

INTRODUCTION

Founded in 1942, Fresno Area Plumbers, Pipe and Refrigeration Fitters Joint Apprenticeship Training Committee (Fresno Area Plumbers JATC) trains Apprentices and Journeymen for the piping industry. The JATC serves 600 union members across 4 counties (Fresno, Madera, Kings and Tulare), and consists of three management representatives from the Mechanical

Contractors Association and three members from UA Local 246 representing labor. There are 18 signatory employers, 90% of which are small business.

The UA Local 246 maintains an 18,000 square foot building containing the Union Offices, Meeting Hall, and Training Center. Affiliated with Fresno County Office of Education/Regional Occupation Program, the Training Center offers apprentice programs (Plumber, Pipe and Refrigeration Fitter) accredited through the DAS.

This is Fresno Area Plumbers JATC's second ETP Agreement. This is the first time Veterans have been introduced as a distinct population of Apprentice trainees.

Apprenticeship Program

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). ETP funding is designed to supplement cost of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training. Depending on the type of trade, apprenticeship programs vary in length. In this case the program is four years.

Apprentice programs are typically sponsored by a Joint Apprenticeship Training Committee (JATC). A JATC is created through collective bargaining, with an equal number of members appointed by union and management with employer contributions to a training trust fund. The employers are not "participants" but are signatories to the Collective Bargaining Agreement.

RSI is traditionally delivered as class/lab, and ETP does not reimburse CBT delivery for apprenticeship training. The curriculum is developed with input from DAS and a designated Local Educational Agency (in this case Los Angeles Unified School District). The Apprenticeship Program allows reimbursement for up to 200 hours of RSI plus OSHA 10, per-apprentice. (Journeyman are capped at 200 hours.)

For the building trades, it is not customary for workers to be employed for a standard retention period of 90 consecutive days with one employer. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

To ensure ETP does not displace Montoya Funds, Apprenticeship reimbursement is reduced by \$5, reducing the priority industry rate from \$18 to \$13 per hour. In addition, the Panel adopted a "blended rate" for Journeymen, reflecting the fact that they may be employed by a variety of contractors over the two-year term of contract ranging from large employers, to small (≤ 100 employees). This is \$22 per hour, midway between the Priority Industry standard rate (\$18) and Small Business rate (\$26).

The ETP wage for Apprentices is no less than \$21.28 per hour, tracking the Special Employment Training wage as modified for priority industries. However, the actual wages paid are shown in the Training Plan Table and contract when they exceed \$21.28, for both Apprentices and Journeymen.

PROJECT DETAILS

Training will expand trainees' skills in preparation for projects in the area. New projects include a medical office building at the Fresno Community Hospital, a detention facility in Porterville, a surface-water treatment plant in Fresno, and an Army reserve facility at the Chandler Airport in Fresno.

Plumbers service, repair, and remodel existing plumbing systems in residential, commercial, and industrial buildings. Refrigeration and Air Conditioning Mechanics install and retrofit all types of refrigeration equipment, from small air conditioning systems to the air conditioning and refrigeration units used in hospitals, schools, and other complex installations. Pipefitters are responsible for designing and installing complex heating systems, special piping for acid, gas, oil, air, oxygen, nitrogen, and ultra-high-purity water and gas systems.

Trainees will receive training in the use of plumbing and piping equipment, updated building standards and green business practices necessary to meet commercial interest.

Training Plan

Commercial Skills (90%): Training will be offered to all occupations to develop high skills levels needed in the plumbing industry. Courses provided include topics such as the following: Orbital Welding, Brazing, and Pipefitting for Journeymen and Rigging, Plumbing Code, and Tube Bending for Apprentices.

Computer Skills (5%): Training will be offered to all occupations in computer software programs available while on the job. Topics include Computer-Aided Drafting, 3-D Drawings Software, and Basic Computers.

Certified Safety Training (5%)

OSHA 10/30. This training is a series of courses "bundled" by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level workers and 30 hours for frontline supervisors. The coursework is geared to construction work and manufacturing. Completion of training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and instructors must be certified by Cal-OSHA.

Veterans Program

The Veteran training curriculum will be the same as Apprentice training outlined above. These trainees are in a separate Job Number to better track performance toward the goal of improved outreach for Veterans.

Fresno Area Plumbers JATC recruits Veterans in cooperation with Helmets to Hardhats, a national joint labor-management program that recognizes the link between skills acquired in military service and the building trades.

Also, the Veterans in Piping (VIP) program offer by the National UA, offers high-quality skills training and jobs in the pipe trades to active duty military personnel preparing to leave the service. Since 2008, the UA has trained over 1,000 Veteran. The VIP program consists of 18 weeks of highly specialized, intensive training in highly marketable skills such as welding, heating, ventilating, air conditioning and refrigeration and sprinkler-fitting. The UA provides participants with additional skill training opportunities after the Veterans complete this program

by connecting them to established apprenticeship training programs. When they enter a local UA, the Veterans are given credit for the classes they have already taken.

The UA VIP Program has been recognized as one of the leading programs in the country for assisting Veterans. The VIP does all this at absolutely no cost to the military.

Marketing and Support Costs

The Fresno Area Plumbers JATC will disseminate class information throughout the year to all Apprentice and Journeymen plumbers and pipe and refrigeration fitters within the local's jurisdictions as well as the plumber, pipe, and refrigeration fitter contractors who employ them. The Fresno Area Plumbers JATC will market through newsletters, personal contacts, telephone calls, advertisements via the Internet, emails, its website and participation with the local Workforce Investment Board.

Some employers have already been recruited. Additional recruitment will be on-going. Assessment of employer-specific job requirements will continue during the contract term. The Fresno Area Plumbers JATC requests, and staff supports, the 8% support costs used for these purposes.

Commitment to Training

The Fresno Area Plumbers JATC's director along with the labor and management representatives have developed and customized the national plumber, pipe, and refrigeration fitter curriculum to address the local needs of its members, participating employers and the industry. The Fresno Area Plumbers JATC's instructors and journey level workers also works with the National Competency Testing Institute to created industry driven curriculum. UA Local 246 is directly involved in the development of the curriculum and is in full support of the training of their members. Safety training is provided by the participating employers in accordance with all pertinent requirements under state and federal law.

Trainer Qualifications and Training Coordinator

A Training Coordinator and administrative assistant will be responsible for marketing, conducting recruiting, needs assessments and scheduling training. There are over 10 part time-instructors with impressive credentials and vast field experience. Instructors attend special courses provided by the UA Instructor Training Program to stay current with industry changes.

Impact/Outcome

Certifications for Journeymen and Apprentice training include OSHA 10/30, Medical Gas Installer, Medical Gas Brazer, Foreman's Certification, Crane Signal Person Certification, Backflow Certification, Industrial Rigger Certification, HVAC STAR Certification and various welding certifications.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Fresno Area Plumber JATC under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0911	Fresno, Madera, Kings, Tulare	2/3/2014- 2/2/2016	\$179,420	\$130,432 (72%)

DEVELOPMENT SERVICES

California Labor Federation in Sacramento assisted with development of this proposal at no cost.

ADMINISTRATIVE SERVICES

Strategy Workplace Communications in Oakland will perform administrative services for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200 Job Number 1

Journeyman

Trainees may receive any of the following:

COMMERCIAL SKILLS

- ✚ Welding
- ✚ Hydronics Systems and Refrigeration
- ✚ Medical Gas Installation
- ✚ Welding and Burning
- ✚ Pipefitting
- ✚ Green Compliance
 - Energy Efficiency in Existing Equipment and Materials
 - Design & Installation of New Energy Efficient Equipment & Materials
 - LEED Standards
- ✚ BACnet Programming
- ✚ Johnson Controls Courses
- ✚ Robotic Total Station
- ✚ Start Test and Balance
- ✚ Solar Installations
- ✚ Specialty Seminars for Service Work
- ✚ Johnson DX9100 (Brand of Digital Controller)
- ✚ Compressor Overhaul
- ✚ Direct Digital Controls – Principals of Operation, Calibration, Documentation, Shutdowns
- ✚ Orbital Welding
- ✚ Brazing
- ✚ Safe Working Practices
 - Foreman and Worker Responsibility
 - Scaffolding
 - Fall Protection
 - Electrical Safety
 - Falling Objects
 - Working in Confined Spaces
 - Working Around Pipelines
- ✚ Industrial Rigging Certification
- ✚ Crane Signal Person Certification
- ✚ National Environmental Balancing Bureau Commissioning Certification
- ✚ Medical Gas Installation, System Testing, Maintenance, Repair, Standards and Brazing Certification
- ✚ Foreman Certification
- ✚ Backflow Prevention Certification
- ✚ Orbital Welding Certification
- ✚ HVACR UA Star Certification

COMPUTER SKILLS

- ✚ Computer-Aided Drafting
- ✚ 3-D Drawings Software

OSHA 10/30 (OSHA Certified Instructor)

- + OSHA 10 (requires completion of 10 hours)
- + OSHA 30 (requires completion of 30 hours)

Class/Lab Hours

8-210 Job Numbers 2 & 3

Apprentice**COMMERCIAL SKILLS****Plumbing and Pipefitters**2nd year

- + Oxy Fuel Cut & Weld
- + Rigging
- + Water Supply
- + Gas Installations
- + Pipefitting, Valves, Supports

3rd year

- + Plumbing Fixtures
- + Plumbing Service
- + Green Systems
- + Pumps
- + Plumbing Code
- + Drainage
- + Steam Systems
- + Pipefitting Layout
- + Welding for Certification
- + Related Science

4th year

- + Advanced Plan Reading
- + Hydronics
- + Advanced Plumbing
- + Backflow Prevention
- + Related Math
- + Plumbing Code Review
- + Exit Exam Review
- + Rigging for Certification
- + Crane Signal Certification
- + Tube Bending
- + Advanced Pipefitting
- + Crane Signal Person

5th year

- + Medical Gas
- + Foreman Training
- + AutoCad
- + AutoCad 3D
- + Instrumentation & Process Control
- + Review and Exit Exam

Refrigeration**2nd year**

- + Basic Electricity
- + Electric Motors
- + Electric Controls
- + Customer Service
- + A/C 1
- + A/C 2

3rd year

- + Refrigerant Controls
- + Refrigeration 2
- + Basic Computers
- + Customer Service
- + Hydronics

4th year

- + Pneumatics
- + Basic DDC/Advanced DDC
- + Start, Test, and Balance
- + Motor Alignment
- + Building Controls
- + Crane Signal Person
- + G-Pro
- + Air & Water Analysis
- + Energy & Water Audits

5th year

- + Boilers
- + Chillers
- + HVACR STAR Mastery Review and Certification
- + HVACR Review and Exit Exam
- + HVACR Performance & Compliance


COMMERCIAL SKILLS (All Trades)

- + Trade Math
- + Industry Math
- + Rigging
- + Drawing
- + Blueprint Reading
- + Welding
- + Cutting
- + Industrial Safety
- + Industrial Install
- + Medical Gas Install
- + Backflow Certification
- + Foreman Certification
- + Rigging Certification
- + Direct Digital Controls
- + Compressor Overhaul

COMPUTER SKILLS (All Trades)

-  Computer-Aided Drafting
-  3D Drawings Software

OSHA 10 (All Trades)(Certified OSHA Instructor)

-  OSHA 10 (requires completion of 10 hours)

Literacy Training cannot exceed 45% of total training hours per-trainee
Safety Training cannot exceed 10% of total training hours per-trainee (This cap does not apply to Hazmat, OSHA 10/30 or HAZWOPER)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee in Job Number 1 and capped at 210 total training hours per trainee, regardless of the method of delivery.



Training Proposal for:

Northern California Heat & Frost Insulators and Allied Workers Joint Apprenticeship and Training Committee

Agreement Number: ET17-0910

Panel Meeting of: September 23, 2016

ETP Regional Office: Sacramento

Analyst: K. Mam

PROJECT PROFILE

Contract Attributes:	Retrainee Apprenticeship Veterans	Industry Sector(s):	Construction Services Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Statewide	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Heat and Frost Insulators and Allied Workers Local 16		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	≤0%		

FUNDING DETAIL:

Program Costs	+	Support Costs	=	Total ETP Funding
\$234,000		\$16,200 8%		\$250,200

In-Kind Contribution:	50% of Total ETP Funding Required	Inherent
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Apprentice	Commercial Skills	85	8-200	0	\$2,502	\$21.28
				Weighted Avg: 180			
2	Retrainee Apprentice Veterans	Commercial Skills	15	8-200	0	\$2,502	\$21.28
				Weighted Avg: 180			

Minimum Wage by County: Statewide Average Wage (Priority Industry) \$21.28

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$1.47 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Insulation Mechanic Apprentice		85
Job Number 2 (Veterans)		
Insulation Mechanic Apprentice		15

INTRODUCTION

Founded in 1961 and headquartered in Benicia, Northern California Heat & Frost Insulators and Allied Workers Joint Apprenticeship and Training Committee (Insulators JATC) (<http://www.insulators.org>) administers the apprenticeship program created in collective bargaining between representatives from Local 16 and the Western Insulation Contractors Association. The JATC operates a state-of-the-art training center serving 47 counties in Northern California.

Apprentices in this trade insulate mechanical structures as gauged to ambient temperatures. A typical building has insulation on the hot and cold water pipes and equipment and on the heating and air conditioning system and related mechanical equipment. Insulation materials conserve energy, reduce overall energy demand, reduce pollution, control condensation, eliminate mold, and improve workplace safety. Insulators also perform asbestos removal. Customers generally include insulation, fire stop and asbestos removal contractors.

This is the third ETP Agreement with the Heat & Frost Insulators JATC within the last five years. This is the first time Veterans have been introduced as a distinct cohort of Apprentice trainees.

Apprenticeship Program

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). ETP funding is designed to supplement cost of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training. Depending on the type of trade, apprenticeship programs vary in length. In this case the program is five years.

Apprentice programs are typically sponsored by a Joint Apprenticeship Training Committee (JATC). A JATC is created through collective bargaining, with an equal number of members appointed by union and management with employer contributions to a training trust fund. The employers are not “participants” but are signatories to the Collective Bargaining Agreement.

RSI is traditionally delivered as class/lab, and ETP does not reimburse CBT delivery for apprenticeship training. The curriculum is developed with input from DAS and a designated Local Educational Agency (in this case Martinez Adult Education). The Apprenticeship Program allows reimbursement for up to 200 hours of RSI plus OSHA10, per-apprentice. However, in this proposal, the Heat and Frost Insulators JATC has not requested OSHA 10 training.

For the building trades, it is not customary for workers to be employed for a standard retention period of 90 consecutive days with one employer. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

To ensure ETP does not displace Montoya Funds, Apprenticeship reimbursement is reduced by \$5, reducing the priority industry rate from \$18 to \$13 per hour. In addition, the Panel adopted a “blended rate” for Journeymen, reflecting the fact that they may be employed by a variety of contractors over the two-year term of contract ranging from large employers, to small (≤ 100 employees). This is \$22 per hour, midway between the Priority Industry standard rate (\$18) and Small Business rate (\$26).

The ETP wage for Apprentices is no less than \$21.28 per hour, tracking the Special Employment Training wage as modified for priority industries. However, the actual wages paid are shown in the Training Plan Table and contract when they exceed \$21.28, for Apprentices.

PROJECT DETAILS

The proposed training is entirely center-based. A new cohort of Apprentice trainees are scheduled to begin in October 2016. The curriculum was developed by the insulation industry with national and local input. Union and management were consulted through joint committees at all levels.

The Insulator JATC apprenticeship program is facing a demand from the industry for more highly skilled Apprentices. As well, New mandates under SB54 (Stats 2013 Ch. 795; Hancock) require that at least 60% of the Journeymen working on specific sites (e.g. chemical waste) must be graduates of an apprenticeship program approved by DAS. This applies to all Journeymen working within an apprenticeable occupation.

Training Plan

Commercial Skills (100%) Training will educate trainees on production efficiencies, “green” expectations of customers and safety. Training will include topics such as insulation and its relation to heat transfer, standards for refrigeration and low temperature insulation, end caps and conicals, pumps, insulation materials and properties, and general application methods. Training will help apprentices gain the knowledge and skills necessary to become journey level.

Impact/Outcome

Apprentices will be certified Journeymen once they have completed the entire Apprentice curriculum.

Marketing and Support Costs

Marketing is done through announcements, emails, and web postings to members of Local 16 and signatory contracts.

The Insulators JATC is requesting 8% support costs to assist staff in training liaison with qualifying signatory employers. Recruitment and assessment activities for Apprentices will also be supported. Staff recommends 8% support costs.

Trainer Qualifications

Trainers will be experienced journeymen with formal instruction in training methods and subject matter.

Veterans Program

The Veteran training curriculum will be the same as Apprentice training outlined above. These trainees are in a separate Job Number to better track performance toward the goal of improved outreach for Veterans.

The Insulators JATC recruits Veterans in cooperation with Helmets to Hardhats, a national joint labor-management program that recognizes the link between skills acquired in military service and the building trades. The JATC's Coordinator also attends outreach programs for Veterans when available.

Electronic Record Keeping

Staff has approved the Heat & Frost Insulators JATC use of a Learning Management System for recordkeeping.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

The following table summarizes performance by the Heat & Frost Insulators JATC under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET15-0918	\$200,160	03/02/2015 – 03/01/2017	80	80	0

Based on entry in the ETP Online Tracking system, there are 17,878 reimbursable hours. This is sufficient to support earnings of \$200,160 (100% of approved amount). The Contractor projects final earnings of 100% based on retention currently committed to by employers.

PRIOR PROJECTS

The following table summarizes performance by the Heat & Frost Insulators JATC under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0923	Statewide	09/01/13 – 08/31/15	\$121,660	\$121,660 (100%)

DEVELOPMENT SERVICES

Heat & Frost Insulators JATC retained Steve Duscha Advisories in Sacramento to assist with development of this proposal for a flat fee of \$10,000.

ADMINISTRATIVE SERVICES

Steve Duscha Advisories will also perform administrative services in connection with this proposal for a fee of 12.2% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200 Trainees may receive any of the following:

COMMERCIAL SKILLS**Apprentice Training**

- + Orientation
- + Community Service
- + Math Review
- + Geometric Construction
- + Industry Related Formulas
- + Insulation and Its Relation to Heat Transfer
- + Standards for Refrigeration and Low Temperature Insulation
- + Blueprint Reading
- + Hand Saw Cutting
- + Rubatex, Armaflex and Rubber
- + Pattern Making
- + End Caps and Conicals
- + PVC Application
- + Boxing a Valve
- + Sheet Metal Develops & Layouts
- + Metal Layouts
- + Pumps
- + Stiffner Ring
- + Economic Thickness
- + Insulation Materials and Properties
- + Determining and Insulation System
- + General Application Methods
- + Supervision
- + High Temperature
- + Cold Work/Hot Work
- + Skill Upgrade
- + Safety
- + Effective Supervision Manual

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



**Amendment Proposal #2 for:
Employers Group
Agreement Number: ET16-0113**

Amendment Effective Date: September 23, 2016

Panel Meeting of: September 23, 2016

ETP Regional Office: North Hollywood

Analyst: M. Pacerelli

CURRENT PROJECT PROFILE

<p>Contract Type:</p> <p>Retrainee Priority Rate SB<100 HUA</p>	<p>Industry Sector(s):</p> <p>Manufacturing Engineering Services Technology/Other Transportation/Logistics</p>
<p>Counties Served: Statewide</p> <p>Union(s): <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Current Contract Term: August 4, 2015 to August 3, 2017</p>	<p>Repeat Contractor: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>Substantial Contribution: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>

CURRENT FUNDING

Current Funding	In-Kind Contribution
\$535,552	\$296,160

AMENDMENT FUNDING

Requested Funding	Support Costs	Amendment Funding	In-Kind Contribution
+\$262,340	+\$16,078	+\$278,418	+\$163,715

Total Funding
\$779,450

AMENDMENT TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Continuous Impr., Mfg. Skills; Business Skills; Computer Skills; Literacy Skills	50	8-200	0-40	\$1,443	\$15.07
				Weighted Avg: 90			
2	Retrainee Priority Rate	Continuous Impr., Mfg. Skills; Business Skills; Computer Skills; Literacy Skills	380	8-200	0-40	\$924	\$15.07
				Weighted Avg: 48			
3	Retrainee SB<100	Continuous Impr., Mfg. Skills; Business Skills; Computer Skills; Literacy Skills	25	8-200	0-40	\$800	\$15.07
				Weighted Avg: 34			
4	Retrainee Priority Rate SB<100	Continuous Impr., Mfg. Skills; Business Skills; Computer Skills; Literacy Skills	196	8-200	0-40	\$2,030	\$15.07
				Weighted Avg: 73			
5	Retrainee HUA Priority Rate	Continuous Impr., Mfg. Skills; Business Skills; Computer Skills; Literacy Skills	20	8-200	0-40	\$808	*\$11.30
				Weighted Avg: 42			

*It will be made a condition of contract that these trainees will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Hourly Wage by County: Job Numbers 1-4: \$16.44 for Alameda, Contra Costa, Marin, San Francisco, San Mateo and Santa Clara Counties; 15.97 for Los Angeles County; \$16.02 for Orange County; \$15.93 for San Diego County; \$15.75 for Sacramento County, \$15.56 for Alpine County and \$15.07 for all other counties. Job Number 5: \$12.33 for Alameda, Contra Costa, Marin, San Francisco, San Mateo and Santa Clara Counties; \$11.98 for Los Angeles County; \$12.02 for Orange County; \$15.93 for San Diego County; \$11.95 for Sacramento County, \$11.67 for Alpine County and \$11.30 for all other counties.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☐ Yes ☐ No ☒ Maybe

Participating employers may use health benefits to meet the Post-Retention Wage.

Job Numbers 1-4 Wage Range by Occupation	
Occupation Titles	Wage Range
Administrative / Support Staff	
Customer Service Staff I	
Engineer/Designer	
Finance/Accounting	
Inspector/Quality	
Lead	
Machine Operator/CNC Specialist	
Manufacturing Production Staff	
Material Handler/Operator	
Project Manager	
Technician	
Warehouse/Logistics	
Supervisor	
Manager	
Owner / Director (<i>For Small Business Only</i>)	

Job Number 5 Wage Range by Occupation	
Occupation Titles	Wage Range
Machine Operator	
Manufacturing Production Staff	
Lead	
Technician	
Warehouse / Logistics	
Supervisor	

INTRODUCTION

Founded in 1896, Employers Group is a non-profit trade association dedicated to Human Resources (HR) management. It offers several programs and services for its members including: telephone support and public workshops for HR professionals; consulting services on affirmative action planning and employee relations; surveys on compensation and benefits trends; and training in compliance, leadership, quality, productivity enhancement, and Lean Manufacturing.

Employers Group's funding is derived from membership and employer services. Members represent every industry from Fortune 500 companies to start-up ventures, the majority of members having 10 to 200 employees. Participating employers include manufacturing, engineering, technology, transportation, and headquarters operations to a multitude of other service-related businesses.

AMENDMENT DETAILS

Employers Group reports a demand for additional training from many employers currently participating in Job Numbers 1, 2 and 4. These employers are currently struggling to keep up with technology and their competitors. These employers need additional hours for existing trainees in Continuous Improvement, Computer Skills, Business Skills, and Manufacturing Skills. These employers have gone through soft skills-related training and are now moving into lean-related training topics and/or specific manufacturing training topics for larger segments of their employees.

Employers Group believes they can meet this demand if funding is increased by \$262,340. This reflects a higher “weighted average” of training hours in three Job Numbers as follows:

- Job Number 1 - 40 hours (from 50 to 90)
- Job Number 2 - 6 hours (from 42 to 48)
- Job Number 4 - 45 hours (from 28 to 73)

The remaining Job Numbers in this Agreement will be unchanged. There will be no change to the average number of trainees, curriculum or trainee wages. Employers Group has demonstrated employer demand to support the requested increased funding. The effective date of amendment will be upon approval by the Panel at this meeting of September 23, 2016. There is sufficient time remaining in the term of Agreement for the additional hours to be delivered, and for retention to be completed.

In summary, this Amendment will:

- Increase the Agreement amount by \$278,418 (from \$501,032 to \$779,450);
- Increase the support cost by \$16,078 (from \$34,520 to \$50,598);
- Increase the in-kind contribution by \$163,715 (from \$296,160 to \$459,875)
- Increase the average cost per trainee as follows:
 - ✓ Job Number 1 - \$641 (from \$802 to \$1,443)
 - ✓ Job Number 2 - \$116 (from \$808 to \$924)
 - ✓ Job Number 4 - \$1,252 (from \$778 to \$2,030)

RECOMMENDATION

Staff recommends approval of this Amendment.

SUMMARIZE PRIOR MODS/AMENDS

- Modification 1 – Moved funds/trainees from Job Number 4 to 3.

CURRENT CONTRACT PERFORMANCE

The following table summarizes performance by Employers Group under the current ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Average)	No. Completed Training	No. Retained
ET16-0113	\$535,788	08/04/15 – 08/03/17	669	315	315

Based on the ETP Online Systems, 20,330 hours have been tracked sufficient to support earnings of \$415,039 (77%). The Contractor projects final earnings of 100% based on training in progress and committed as of October 2016.



Amendment Proposal #3 for:
Professionals In Human Resources Association
Agreement Number: ET16-0166

Amendment Effective Date: September 24, 2016

Panel Meeting of: September 23, 2016

ETP Regional Office: North Hollywood

Analyst: L. Vuong

CURRENT PROJECT PROFILE

<p>Contract Type: Priority/Retrainee Priority/SB<100 SET/HUA - Retrainee</p> <p>Counties Served: Statewide</p> <p>Union(s): <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p>	<p>Industry Sector(s): Manufacturing Transportation/Logistics Technology/Other</p> <p>Repeat Contractor: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
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Current Contract Term: September 28, 2015 to
 September 27, 2017

Current Funding	In-Kind Contribution
\$475,353	\$410,000

AMENDMENT FUNDING

Requested Funding	Support Costs	Amendment Funding	In-Kind Contribution
\$256,160	\$17,778	\$273,938	\$547,760

Total Funding
\$749,291

AMENDMENT TRAINING PLAN TABLE

Job No.	Job Description (By Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/Retrainee	Business Skills, Computer Skills, Cont. Imp., Mgmt. Skills, Mfg. Skills, OSHA 10/30	211	8-200	0	\$1,155	\$15.07
				Weighted Avg: 60			
2	Deleted per Amendment 2						
3	Retrainee Priority Rate SB<100	Business Skills, Computer Skills, Cont. Imp., Mgmt. Skills, Mfg. Skills, OSHA 10/30	111	8-200	0	\$1,946	*\$15.07
				Weighted Avg: 70			
4	Deleted per Amendment 2						
5	Retrainee SET HUA	Business Skills, Computer Skills, Cont. Imp., Mgmt. Skills, Mfg. Skills, OSHA 10/30	18	8-200	0	\$352	*\$11.30
				Weighted Avg: 22			
6	Retrainee SB<100 SET HUA	Business Skills, Computer Skills, Cont. Imp., Mgmt. Skills, Mfg. Skills, OSHA 10/30	18	8-200	0	\$517	*\$11.30
				Weighted Avg: 22			
7	Priority Retrainee	Business Skills, Computer Skills, Cont. Imp., Mgmt. Skills, Mfg. Skills, OSHA 10/30	190	8-200	0	\$1,155	*\$15.60
				Weighted Avg: 60			
8	Retrainee Priority Rate SB<100	Business Skills, Computer Skills, Cont. Imp., Mgmt. Skills, Mfg. Skills, OSHA 10/30	28	8-200	0	\$1,946	*\$15.60
				Weighted Avg: 70			

*It will be made a condition of contract that the trainees in these Job Numbers will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Numbers 1 and 3: \$16.44 per hour for Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara Counties; \$15.97 per hour for Los Angeles County; \$16.02 per hour for Orange County; \$15.93 per hour for San Diego County; \$15.75 per hour for Sacramento County; \$15.56 per hour for Alpine County; and \$15.07 per hour for all other counties

Job Numbers 5 and 6 (SET-HUA): \$12.33 per hour for Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara Counties; \$11.98 per hour for Los Angeles County; \$12.02 per hour for Orange County; \$11.95 per hour for San Diego County; \$11.81 per hour for Sacramento County; \$11.67 per hour for Alpine County; and \$11.30 per hour for all other counties.

Phase II Wages: Job Numbers 7 and 8: \$17.02 per hour for Alameda, Contra Costa, Marin, San Francisco, San Mateo, and Santa Clara Counties; \$16.48 per hour for Los Angeles County; \$16.51 per hour for Orange County; \$16.46 per hour for San Diego County; \$16.10 per hour for Sacramento County; \$15.91 per hour for Alpine County; and \$15.60 per hour for all other counties.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☐ Yes ☐ No ☒ Maybe

Participating employers may use health benefits to meet the Post-Retention Wage and will vary by participating employer.

Wage Range by Occupation	
Occupation Title	Wage Range
Shipping Staff	
Operator I	
Operator II	
Engineer I	
Engineer II	
Production Staff I	
Production Staff II	
Maintenance Staff I	
Maintenance Staff II	
Shop Lead	
Technician	
Administration Staff	
Manager/Supervisor I	
Manager/Supervisor II	
Sales Staff I	
Sales Staff II	
Small Business Owners	

INTRODUCTION

Established in 1944, and headquartered in Gardena, Professionals In Human Resources Association (PIHRA) (www.pihra.org) is a non-profit membership organization dedicated to providing business education, networking and advocacy with an emphasis on the human resources environment. PIHRA has 17 locations throughout California, located in Los Angeles, Orange, Riverside, San Bernardino and Ventura counties and is the largest affiliate of the Society for Human Resources Management Organization. PIHRA serves approximately 4,000 members in California. This includes private businesses, non-profit organizations, government agencies and workforce services. [Note: Only private-sector for-profit businesses will participate in this proposal.] PIHRA works with various industries including aerospace, agriculture, automotive, biotechnology, pharmaceutical, construction, distribution, education institute, manufacturing, oil and gas refinery, restaurant and food services and technology.

PIHRA provides yearly educational seminars in human resources-related topics for existing and new members, for businesses to stay current and up-to-date on issues relevant to human resource professionals. In addition, PIHRA has indicated that members have expressed a need to be more competitive, enhance job skill sets, and maintain a healthy workforce.

AMENDMENT DETAILS

Phase II

According to PIHRA, the new funds in Phase II will accommodate employees of its existing participating employers who did not participate in Phase I training. These employers have been requesting ETP training from PIHRA. However, all the funds in Phase I have already been committed. PIHRA is requesting funds in Phase II to train an additional 218 incumbent workers in new Job Numbers 7 and 8. This will increase the estimated number of trainees from 358 to 576 and the Agreement amount from \$475,353 to \$749,291. The additional funding will allow PIHRA to implement its original training plan and accommodate more participating employers' demand.

As a new program participant, the initial proposal was funded at a conservative level. PIHRA has already demonstrated and provided 100% employer demand in its initial proposal, which is in excess of the amount in this request. PIHRA originally requested \$950,000 in funding, based on its assessment of employer demand. However, being a first time contractor holder, PIHRA agreed to be conservative at the beginning by reducing the funding amount. At this point in the term, PIHRA has already entered 93% of eligible hours into ETP Online Tracking.

Trainees are going through an aggressive training plan, including multi-day and multi-week classes (4 to 8 hours per day, 3 to 5 days per week). With eight months (06/27/2017) of training remaining in the contract term, PIHRA is confident that it can earn the increased amount. There will be no changes to curriculum or trainee wages.

As shown on page 1 of this proposal for Amendment, the Phase II training will be prospective only, to begin after Panel approval.

SUMMARY OF PRIOR MODS/AMENDS

Amendment #1: Restored the funding back to the original requested amount. (Funds were reduced 50% at the September Panel Meeting.)

Modification #2: Delete Job Numbers 2 and 4 and redistribute those funds to Job Numbers 1 and 3.

RECOMMENDATION

Staff recommends approval of this Amendment.

CURRENT CONTRACT PERFORMANCE

The following table summarizes performance by PIHRA under the current ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Average)	No. Completed Training	No. Retained
ET16-0166	\$475,353	09/28/2015– 09/27/2017	358	152	152

ET16-0166: As of August 15, 2016, the ETP Contract Status Report shows that 581 trainees have been enrolled; 152 trainees completed training and retention; and 356 trainees are still in training. The ETP Class/Lab Tracking System shows a total of 19,920 eligible hours for potential earnings of \$441,736 (93% of the Agreement amount).

DELEGATION ORDER



Training Proposal for:
Applus RTD USA Services, Inc.
Agreement Number: ET17-0206

Approval Date: August 26, 2016

ETP Regional Office: North Hollywood

Analyst: M. Paccarelli

PROJECT PROFILE

Contract Attributes:	Retrainee SET HUA Priority Rate	Industry Sector(s):	Services High-Tech Construction Aerospace Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Kern, Ventura, Orange	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 245	U.S.: 561	Worldwide: 20,000
<u>Turnover Rate:</u>	19%		
<u>Managers/Supervisors:</u> (% of total trainees)	10%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$99,792		\$0	\$0		\$99,792

In-Kind Contribution:	100% of Total ETP Funding Required	\$129,965
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SET HUA Priority Rate	Commercial Skills, Computer Skills, Cont. Impr., Business Skills, Hazardous Mat., OSHA 10/30, PL-Comml Skills	215	8-200	0	\$432	*\$11.70
				Weighted Avg: 24			
2	Retrainee SET Priority Rate	Commercial Skills, Computer Skills, Cont. Impr., Business Skills, Hazardous Mat., OSHA 10/30, PL-Comml Skills	16	8-200	0	\$432	\$21.28
				Weighted Avg: 24			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County:

Job Number 1: \$11.70 per hour for Kern County

Job Number 2: \$21.28 per hour Statewide

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$1.14 per hour may be used to meet the Post-Retention Wage in Job Number 1.

Up to \$1.92 per hour may be used to meet the Post-Retention Wage in Job Number 2.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Technicians		74
Assistant Technicians		68
Inspectors		14
Field/Office Support Staff		15
Administrative Staff I		13
Administrative Staff II		10
Frontline Supervisor I		16
Frontline Supervisor II		5

Job Number 2		
Technicians	\$19.36 - \$48.00	7
Assistant Technicians	\$19.36 - \$24.00	4
Inspectors	\$37.88 - \$38.40	2
Administrative Staff	\$19.36 - \$19.36	1
Frontline Supervisor	\$63.46 - \$74.53	2

INTRODUCTION

Founded in 1930, Applus RTD USA Services, Inc. (Applus) (www.applus.com) engages in testing, inspection, and certification, providing solutions to companies in construction, oil & gas, power, automotive, industrial, and telecommunications sectors to ensure that their assets and products comply with health and safety, quality, and environmental standards and regulations. Its customers include Underground Construction, Ortega Construction, Crosno Construction, SpaceX, Simplot Grower Solutions, Phillips 66, Chevron, Paso Robles Tank, KB Homes, Taft Manufacturing, Airgas, TransCanada Pipelines, Shell Pipeline, Southern California Gas Company to name a few.

The Company is a division of the Applus Group of Companies and a subsidiary of Libertytown USA 3, Inc., which has numerous divisions globally. Applus is seeking ETP funds to train employees in its California facilities in Bakersfield, Ventura, and Westminster, but the majority of training will be provided to its employees at the Company's new 25,000 sq. ft. facility in Bakersfield.

Applus is eligible for ETP funding under Special Employment Training (SET) provisions for frontline workers.

PROJECT DETAILS

Training Plan

This will be Applus' first ETP Agreement. There is a paradigm shift in the existing industry sectors. Customers are demanding a lean and more efficient method of collecting higher quality data and testing. Applus needs to advance employee skills to meet customer demands and requirements,. Although it is not required as a condition of employment, the proposed training will give its employees the certifications needed to remain competitive in the industry.

Training will be at the Company's California locations. Classes will be delivered by Applus' technical staff and other in-house subject matter experts.

Commercial Skills (75%) - Training will be offered to Technicians, Assistant Technicians, Inspectors, Field Support Staff, and Frontline Supervisor. Training will focus on Non-Destructive Training methods and techniques, equipment and operation processes.

Computer Skills (5%) - Training will be offered to Field/Office Support Staff and Frontline Supervisors in the automation of company functions and Advanced/Intermediate MS Office.

Continuous Improvement Skills (5%) - Training will be offered to all occupations in project management, total quality management, and leadership skills. Training will provide trainees the skills needed to improve productivity, quality, and overall work environment.

Business Skills (5%) - Training will be offered to all occupations focusing on customer service, conflict resolution, and interpersonal skills.

Hazardous Materials (5%) - Training will be offered to Assistant Technicians, Technicians, Inspectors, and Frontline Supervisors on safe handling of hazardous materials.

OSHA 10/30 (5%)

OSHA 10/30 is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of training for Assistant Technicians, Technicians, and Inspectors; and 30 hours for Frontline Supervisors. The coursework must be approved by, and the instructors must be certified by Cal-OSHA.

To ensure that each trainee receives certification, ETP will only consider payment earned upon completion of the full 10-hour or 30-hour course. OSHA 10/30 is not included in the 10% limitation on safety training.

Productive Laboratory (PL) – Commercial Skills

Trainees may produce goods or provide service for profit as part of the Productive Lab (PL) training in the courses identified under the Curriculum. PL training will be offered to Assistant Technicians, Technicians, and Inspector in Commercial Skills courses such as Set Up and Job Preparation, Equipment Operation, and Non-Destructive Testing.

Trainees will receive a combination of Class/Lab training along with up to 40 PL hours. First, trainees will attend classroom training on Commercial Skills courses. Then, the trainees will learn by observation, shadowing the trainer, and completing supervised work assignments. PL will be delivered with a trainer-to-trainee ratio of 1:1. Each PL training session is structured with specific skills that trainees must learn. Trainees are evaluated on knowledge, skill, and proficiency. Trainers must certify competency for each skill before trainees are allowed to work independently. To certify competency, each trainee is required to take three tests with passing score of 70% for each test and a combined score of 80% for all tests.

Trainers will be in-house subject matter experts who are exclusively dedicated to instruction for the entire reported training time. Upon completion of PL training, trainees will continue to receive “on-the-job” training at the employer’s expense.

Special Employment Training

Under SET, the employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention period.

Modifications

High Unemployment Area

All trainees In Job Number 1 work in a High Unemployment Area (HUA), a region with unemployment exceeding the state average by 15%, under the Panel’s standards. The Company’s location in the City of Bakersfield (Kern County) is in a HUA. Trainees qualify for the ETP Minimum Wage rather than the Statewide Average Hourly Wage.

HUA Wage Modification

The Panel may further modify the ETP Minimum Wage for trainees by up to 25% if post-retention wages exceed the start-of-training wages. Applus is requesting a wage modification from \$15.60 to \$11.70 for Kern County.

Frontline Worker

Applus will include 23 Frontline Supervisors in this training proposal. These employees supervise and do the work in conjunction with and of its field staff. These supervisors are frontline workers, non-exempt from overtime, and spend more than 50% of their time performing frontline work duties. Trainees meet the Panel's definition of frontline workers, qualifying for SET funding.

Commitment to Training

ETP funds will not displace the existing financial commitment to training. The Company's annual training budget is approximately \$480,000 which includes customer-specific training such as environmental, California Oil Producers (COPS), Passport, Smith driving, CAL-OSHA and voluntary career advancement training. The CAL-OSHA is a State-mandated training different from the OSHA 10/30 in the proposed training plan. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200 Trainees may receive any of the following:

COMMERCIAL SKILLS

- Acoustic Emission
- Electromagnetic Testing
- Ground Penetrating Radar
- Guided Wave
- Laser Methods
- Leak Testing
- Magnetic Flux Leakage
- Magnetic Particle Testing
- Penetrant Testing
- Radiological Testing
- Thermal/Infrared Testing
- Ultrasonic Testing
- Vibration Analysis
- Visual Testing
- 3D Scanning

BUSINESS SKILLS

- Customer Service

CONTINUOUS IMPROVEMENT

- Process Improvement
- Leadership
- Six Sigma
- Project Management

COMPUTER SKILLS

- Business Operations Software
- MS Word, Excel, PowerPoint (Advanced & Intermediate)

HAZARDOUS MATERIALS

- Hazardous Materials Handling
- Hazardous Waste
- Hazardous Monitoring/Clean-up

OSHA 10/30 (Certified OSHA Instructor)

- OSHA 10 (requires 10 hours completion)
- OSHA 30 (requires 30 hours completion)

Productive Lab

0-40

COMMERCIAL SKILLS (trainer-to-trainee ratio of 1:1)

- Set Up and Job Preparation
- Equipment Operation
- Non-Destructive Testing

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 40 hours per-trainee.

DELEGATION ORDER



**Retrainee - Job Creation
Training Proposal for:**

Cemcon, Inc.

Small Business

ET17-0209

Approval Date: August 18, 2016

ETP Regional Office: Sacramento

Analyst: K. Mam

CONTRACTOR

- Type of Industry: Construction
 - Number of Full-Time Employees
 - California: 98
 - Worldwide: 98
 - Number to be trained: 85
 - Out-of-State Competition: Competitors Outside CA
 - Special Employment Training (SET): ☐ Yes ☒ No
 - High Unemployment Area (HUA): ☐ Yes ☒ No
 - Turnover Rate: 1%
 - Repeat Contractor: ☐ Yes ☒ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☐ Yes ☒ No

FUNDING

- Requested Amount: \$83,980
- In-Kind Contribution: \$71,566

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills, Comm'l Skills, Computer Skills, Cont. Imp., Mgmt. Skills, OSHA 10/30, PL-Comm'l Skills	80	8-60	0	\$988	\$17.02
				Weighted Avg: 38			
2	Retrainee Job Creation SB <100 Priority Rate	Comm'l Skills, Computer Skills, Cont. Imp., OSHA 10, PL-Comm'l Skills	5	8-60	0	\$988	\$17.02
				Weighted Avg: 38			

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Contra Costa
- Occupations to be Trained: Concrete Finisher, Operator, Carpenter, Superintendent, Administration Staff, Post Tension Crew, Estimator, Safety Staff
- Union Representation: ☐ Yes
☒ No
- Health Benefits: N/A

SUBCONTRACTORS

- Development Services: Propel Consulting Group in El Dorado Hills assisted with development for a flat fee of \$6,298.
- Administrative Services: Propel Consulting Group will also provide administrative services for a fee not to exceed 7.5% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Headquartered in Pittsburg and established in 2008, Cemcon, Inc. (Cemcon) (www.cemcon.net), is a full service concrete company that specializes in concrete work, such as flatwork, driveways, patios and decorative concrete. Cemcon provides professional public works, commercial, residential, and industrial concrete contracting services to custom and residential home builders throughout Northern California. Training under this proposal will be delivered at the Company's site and at various customer locations. This will be Cemcon's first ETP Agreement.

Need for Training

As the construction industry demands more environmentally friendly products, Cemcon is introducing new products such as porous asphalt which offers long-term durability and low life-cycle costs. Unlike conventional concrete or asphalt, porous asphalt is eco-friendly and allows rainwater to seep into the underlying soil while retaining storm water runoff and replenishing local watershed systems. Trainees must learn to correctly pour, mix, and finish this new product.

Additionally, Cemcon is integrating new post-tension services, a process of reinforcing concrete. Employees will be taught new ways to install systems and proper stressing techniques. The Company will be able to offer services directly to customers. Cemcon will also introduce new chemical admixtures and additives such as air entraining, water-reducing, retarding and accelerating admixtures. Each admixture has its own usage and can improve the performance of problem concrete by modifying its characteristics. Cemcon is investing over \$500,000 in new equipment including post tension cables, excavators and backhoes. Training under this proposal will provide Cemcon's employees with the proper processes and techniques to deliver these new services.

Cemcon is also replacing their current business management software with a new program, Pro Contractor. Pro Contractor is an all-in-one software solution for estimating, project management and accounting. The new software will allow the Company to manage an entire project from bid to project completion. The implementation phase and initial conversion to the new software will require extensive planning and training.

Retrainee - Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

With the introduction of new eco-friendly products, Cemcon will expand its existing workforce. To meet the demand of these new services, the Company has committed to hiring five new employees (Job Number 2). The date-of-hire for all trainees will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Training will be delivered via classroom/laboratory and Productive Lab. In-house subject matter experts and external training vendors may be utilized to deliver training in the following:

Business Skills: Training will be offered to Administration Staff. Training includes cross-training staff on customer service and the payroll system. Topics include Communication Skills, Accounts Receivable Systems and Payroll Systems.

Commercial Skills: Training will be offered to Concrete Finishers, Carpenters, Operators and Post-Tension Crew. Training will focus on increasing employee's knowledge and expertise in the concrete and construction fields by ensuring that concrete is poured, mixed, and finished properly. Training topics will include Concrete Mix Techniques, Concrete Finishing Procedures, Equipment Operation, and Tool Operation.

Management Skills: Training will be offered to Superintendents. Training will focus on executing proper protocols and management of employees on the job site. Training topics will include Dispute Resolution, Team Building and Financial Management.

Computer Skills: Training will be offered to Administration Staff and Estimators. Training will focus on the American Contractor software, the current internal accounting software and the integration of the new software Pro Contractor. Training also includes Accounting Systems and Computer-Aided Design, Pro Contractor and Microsoft Office.

Continuous Improvement: Training will be offered to Concrete Finishers, Carpenters, Operators and Post-Tension Crew Members. Training will focus on problem solving and decision making protocols allowing employees to properly assess work environments. Topics include Project Management, Problem Solving & Decision Making and Construction Safety.

Certified Safety Training

OSHA 10/30. This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level workers and 30 hours for frontline supervisors. The coursework is geared to construction work, and also manufacturing. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

Productive Laboratory

Productive Laboratory (PL) trainees may produce goods for profit as a part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

Due to the nature of their services, certain training cannot be replicated in a class/lab environment. PL training will allow practical, real-world experience in a working environment without creating an excess of waste.

Cemcon is requesting PL training for their Concrete Finishers, Carpenters, Operators, Post-Tension Crew and Superintendents. Equipment to be used during PL includes Stressing Machines, Excavators, Backhoes, Cats, Saws, Levels, Compactors, Moisture Retarders, Trowels and Groovers. Training will be taught by subject matter-experts with demonstrated knowledge and expertise in the field. Cemcon is also requesting a trainer-to-trainee ratio of 1:3. Due to the nature of concrete pouring and finishing processes, the final product dries at a rapid rate. A 1:1 ratio would not allow the trainer to train the entire crew in a timely manner. Instructors will monitor trainee competencies before the trainee is deemed competent for each piece of equipment. PL will be capped at 24 hours per trainee.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 – 60

Trainees may receive any of the following:

BUSINESS SKILLS

- Communication Skills
- Accounts Receivable Systems
- Accounts Payable Systems
- Payroll System

COMMERCIAL SKILLS

- Concrete Mix Techniques
- Concrete Additive Analysis
- Concrete Pouring Procedures
- Concrete Finishing Procedures
- Rolling
- Cable Lay-Out
- Stress Testing
- Post Tension Installation
- Equipment Operation
- Tool Operation
- Site Preparation
- Site Clean-Up
- Carpentry Techniques

COMPUTER SKILLS

- American Contractor Software
- Pro Contractor Software
- Computer Aided Design
- Accounting Systems
- Intermediate/Advanced Microsoft Office Suite

CONTINUOUS IMPROVEMENT

- Problem Solving & Decision Making
- Construction Safety
- Project Management

MANAGEMENT SKILLS (Superintendent Only)

- Dispute Resolution
- Team Building
- Financial Management

OSHA 10/30 (OSHA Certified Instructor)

- OSHA 10 (requires completion of 10-hour course)
- OSHA 30 (requires completion of 30-hour course)

Safety Training cannot exceed 10% of total training hours per-trainee This cap does not apply to OSHA 10/30.

Productive Lab Hours

0 – 24

COMMERCIAL SKILLS (Ratio 1:3)

- Concrete Mix Techniques
- Concrete Additive Analysis
- Concrete Pouring Procedures
- Concrete Finishing Procedures
- Rolling
- Cable Lay-Out
- Stress Testing
- Post Tension Installation
- Equipment Operation
- Tool Operation
- Site Preparation
- Site Clean-Up
- Carpentry Techniques

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery. PL is capped at 24 hours per-trainee.

DELEGATION ORDER



**Training Proposal for:
CostTree, LLC**

Small Business

ET17-0200

Approval Date: August 22, 2016

ETP Regional Office: Sacramento

Analyst: K. Smiley

CONTRACTOR

- Type of Industry: Technology/Other
 - Number of Full-Time Employees
 - California: 10
 - Worldwide: 10
 - Number to be trained: 9
 - Out-of-State Competition: NAICS Code Eligible
 - Special Employment Training (SET): ☐ Yes ☒ No
 - High Unemployment Area (HUA): ☐ Yes ☒ No
 - Turnover Rate: 10%
 - Repeat Contractor: ☐ Yes ☒ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☐ Yes ☒ No

FUNDING

- Requested Amount: \$13,104
- In-Kind Contribution: \$14,823

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills, Computer Skills, Continuous Impr	9	8-60	0-7	\$1,456	\$16.10
				Weighted Avg: 56			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Sacramento
- Occupations to be Trained: Business Development Staff, Marketing Staff, Customer Service Staff
- Union Representation: ☐ Yes
☒ No
- Health Benefits: \$0.71 per hour

SUBCONTRACTORS

- Development Services: Sierra Consulting Services of Cameron Park assisted with development of this proposal for a flat fee of \$1,210.
- Administrative Services: Sierra Consulting Services of Cameron Park will assist with administration for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 2014, and headquartered in Sacramento, CostTree, LLC (CostTree) markets, supports and maintains cloud-based cost-allocation software. This cost-allocation software allows organizations of all sizes to analyze cost-structure and maximize cost reimbursements. After only two years in business, CostTree already has over 50 clients in public, private, and nonprofit sectors utilizing this software for their business needs.

Need for Training

The need for training arises from recent regulations changes. In December 2014, the Office of Management and Budget released new Uniform Guidelines that affects accounting, procurement, audit, and contracting procedures for government and nonprofit agencies. These regulations will be fully implemented January 2017. In order for CostTree to provide accurate and efficient cost allocation services to government and nonprofit clients, the Company must train its employees.

Additionally, CostTree will provide training in customer service, partnership development, and marketing and sales techniques. Building positive relationships with clients and providing stellar customer service will help the Company compete with larger accounting firms.

Training Plan

Trainees will receive Class/Lab, E-Learning and Computer-Based Training courses. The Company will use a combination of internal and external trainers to provide training.

Business Skills: Training will be offered to all occupations to increase customer satisfaction, product knowledge and operational efficiencies. Courses will include Cost Allocation, Customer Service and Relationship Building.

Computer Skills: Training will be offered to all occupations to increase understanding of internal software and marketing tools. Courses will include Client Relationship Management Software and Quickbooks.

Continuous Improvement: Training will be provided to all occupations specific to job duties to increase operational efficiencies. Courses will include Strategic Planning and Team Building.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum**Class/Lab, E-Learning Hours**

8-60

Trainees may receive any of the following:

BUSINESS SKILLS

- Communication Skills
- Cost Allocation
- Customer Service
- Leadership
- Marketing/Sales techniques
- Negotiating
- Product Knowledge
- Relationship Building
- Successful Selling Techniques/Sales

COMPUTER SKILLS

- Client Relationship Management Software
- QuickBooks

CONTINUOUS IMPROVEMENT

- Strategic Planning
- Team Building

CBT Hours

0-7

Trainees may receive any of the following:

BUSINESS SKILLS

- Cost Allocation Concepts and Techniques (7 hours)

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. CBT is capped at 50% of total training hours.

DELEGATION ORDER



RETRAINEE - JOB CREATION
Training Proposal for:
D.B. Building Fasteners, Inc.

Small Business

ET17-0214

Approval Date: September 9, 2016

ETP Regional Office: North Hollywood

Analyst: M. Pacerelli

CONTRACTOR

- Type of Industry: Manufacturing
 - Number of Full-Time Employees
 - California: 23
 - Worldwide: 23
 - Number to be trained: 27
 - Out-of-State Competition: NAICS Code Eligible
 - Special Employment Training (SET): ☐ Yes ☒ No
 - High Unemployment Area (HUA): ☐ Yes ☒ No
 - Turnover Rate: 0%
 - Repeat Contractor: ☐ Yes ☒ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☒ Yes ☐ No

FUNDING

- Requested Amount: \$42,120
- In-Kind Contribution: \$50,368

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB<100	Business Skills, Computer Skills, Mfg. Skills, HazMat.	23	8-60	0	\$1,560	*\$15.60
				Weighted Avg: 60			
2	Retrainee Priority Rate SB<100 Job Creation	Business Skills, Computer Skills, Mfg. Skills, HazMat.	4	8-60	0	\$1,560	*\$12.77
				Weighted Avg: 60			

*It will be made a condition of contract that the trainees will never be paid less than the State of local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. This highest minimum wage rate will prevail.

- Reimbursement Rate: Jobs # 1 & 2: \$26 SB Priority
- County(ies): San Bernardino; Sacramento
- Occupations to be Trained: Warehouse Staff, Production Staff, Sales Staff, Accounting Staff, Manager, Supervisor, Owner
- Union Representation: ☐ Yes
☒ No
- Health Benefits: Job #1: \$2.83 per hour

SUBCONTRACTORS

- Development Services: Training Funding Source (TFS) in Seal Beach assisted with development for a flat fee of \$2,900.
- Administrative Services: TFS will also perform administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1992, D.B. Building Fasteners, Inc. (DB Fasteners) (www.selfdrillers.com) started as a division of Duncan Bolt Company. In 1997, DB Fasteners incorporated as a manufacturer of foam enclosures used in metal building installation and distributor self-drilling fasteners, structural A325, and TC bolts for the metal building/roofing industries. The Company also assembles and custom paints self-drilling and sealing fasteners; and carries a full assortment of concrete wedge anchors and bolts.

This is DB Fastener's first ETP Agreement. The Company is eligible as a single employer for standard retraining and priority-industry funding under the out-of-state competition provisions as a manufacturer.

Need for Training

DB Fasteners is purchasing a 10,000 square foot building, which will double its manufacturing capabilities. The Company has invested \$109k in new machinery and equipment such as closure stamping machine, extension for wash line, paint booth and spray equipment. As a result, the Company is expanding all departments and must train workers to take on additional responsibilities with higher level of expertise.

The Company's goals are to reduce production errors by 50%, increase sales by 5%, reduce scrap/loss by 20%, and reduce order fill time to 24 hours. To meet these objectives and keep up with customer demand, DB Fasteners has developed a Training and Development Program with emphasis on cross-training and cultivating employees to operate at maximum efficiency.

Retrainee - Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Newly hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

DB Fasteners has committed to hiring four new employees (Job Number 2). As the Company continues to expand its business capacity with the purchase of new equipment, DB Fasteners is creating new jobs in existing departments to meet increased customer demands.

Trainees must be hired within the three-month period prior to Panel approval or during the term of contract. Newly hired employees will be reimbursed at a higher rate and subject to a lower post-retention wage. Trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Trainees will receive a combination of class/lab and E-learning delivered by in-house subject matter experts and outside vendors to be identified during the contract term.

Manufacturing Skills: Training will be provided to Owners, Production and Warehouse Staff in skills needed to operate new equipment and cross-train in different manufacturing processes.

Computer Skills: Training will be provided to all occupations. Training will focus on the Company's Enterprise and Manufacturing Resource Planning system and Computer-Assisted Design. Trainees will also learn inXsql software for inventory management, accounts receivable/payable, purchasing, general ledger, order processing and item fabrication.

Business Skills: Training will be provided to all occupations in communication, project management and customer service. Trainees will learn how to exceed customer expectations and create a culture of customer loyalty. Leadership training will also improve trainee accountability, empowerment, motivation, relationships and teamwork.

Hazardous Materials: Training will be provided to Production and Warehouse Staff on how to recognize, handle, store and process hazardous materials.

Temporary to Permanent Hiring

DB Fasteners intends to train up to four workers (Job Number 2) under Panel guidelines for the Temporary-to-Permanent program. The Company has retained these employees on a temporary basis with the intention of hiring them into full-time, permanent positions after training. The average

time for “converting” temporary workers into full-time permanent employment is six months. It is expected that these workers will receive employer-paid share-of-cost for healthcare premiums upon hiring into full-time permanent employment.

Under Panel guidelines for the Temporary to Permanent program, trainees are eligible to participate in ETP-funded training pursuant to Unemployment Insurance Code Section 10201(c). Moreover, they will not be enrolled as trainees until after they have been hired into full-time, permanent employment. Until they are so hired, retention and post-retention wage requirements cannot be satisfied.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum**Class/Lab/E-Learning Hours**

8-60

Trainees may receive any of the following:

BUSINESS SKILLS

- + Communication/Coaching
- + Customer Service
- + Finance/Accounting Procedures
- + Inventory Control
- + Leadership Effectiveness
- + Lead Generation and Lead Development Strategies
- + Negotiation Skills
- + Planning
- + Product Knowledge
- + Reports
- + Selling Tactics
- + Sales Process
- + Social Media
- + Supply Chain Management
- + Time Management
- + Up-Selling and Cross-Selling
- + Work Processes/Procedures

COMPUTER SKILLS

- + Computer-Aided Design
- + inXsql software
- + eCommerce
- + Electronic Document Control
- + Engineering/Design Software
- + ERP/MRP/Financial/Preventative Maintenance/Inventory/Testing System
- + Manufacturing Software Applications
- + MS Office/Project
- + Payroll System
- + Project Management
- + Statistical Analysis Software
- + Website Design

MANUFACTURING SKILLS

- + Bill of Materials
- + Distribution/Supply Chain
- + Equipment Operation—including Maintenance
- + Good Manufacturing Processes
- + Inspection Techniques
- + Inventory Flow Control
- + Line Set-Up
- + Material Handling
- + Order Picking/Packing/Shipping/Receiving
- + Problem Solving
- + Process Design/Layout

- ✚ Process/Quality Improvement
- ✚ Root Cause Analysis/Corrective Action
- ✚ Product Design/Fabrication
- ✚ Quality Control Procedures
- ✚ Reducing Delivery Time
- ✚ Special Order Tracking
- ✚ Standard Operating Procedures
- ✚ Tooling

HAZARDOUS MATERIALS

- ✚ Hazardous Material Handling/Processing/Manifests
- ✚ Hazardous Waste Compliance
- ✚ Hazardous Material Responder
- ✚ Spill & Leak Control

Safety Training cannot exceed 10% of total training hours per-trainee.

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery.
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DELEGATION ORDER



RETRAINEE - JOB CREATION

Training Proposal for:

Golden Star Technology Inc.

Agreement Number: ET17-0215

Approval Date: August 17, 2016

ETP Regional Office: North Hollywood

Analyst: L. Vuong

PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee Job Creation Initiative	Industry Sector(s):	Services Technology/IT Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 109	U.S.:120	Worldwide: 121
<u>Turnover Rate:</u>	5%		
<u>Managers/Supervisors:</u> (% of total trainees)	8%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$93,440		\$0	\$0		\$93,440

In-Kind Contribution:	100% of Total ETP Funding Required	\$151,350
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Commercial Skills, Computer Skills, Continuous Impr.	92	8-200	0	\$720	\$16.48
				Weighted Avg: 40			
2	Retrainee Priority Rate Job Creation Initiative	Business Skills, Commercial Skills, Computer Skills, Continuous Impr.	17	8-200	0	\$1,600	*\$13.73
				Weighted Avg: 80			

*It will be made a condition of contract that trainees will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: \$16.48 per hour for Job Number 1; and \$13.73 per hour for Job Number 2 (Job Creations) for Los Angeles County.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$0.93 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Service Technician		35
Engineer		7
Administrative Staff		2
Sales Staff		27
Operational Staff		14
Manager/Supervisor		7
Job Number 2		
Service Technician		6
Engineer		2
Administrative Staff		1
Sales Staff		6
Operational Staff		2

INTRODUCTION

Founded in 1985, Golden Star Technology Inc. (GST) (www.gstes.com) has over 30 years of experience providing Information Technology (IT) and Audio Visual (AV) integrated services and solutions for commercial enterprises, governmental agencies and educational institutions. The Company offers a wide variety of services such as designing, engineering, configuration, installation, integration, networking and wireless implementation, supply chain and logistics management, data storage and infrastructure, online E-Commerce tool, and help desk support. Headquartered in Cerritos, GST has two servicing facilities in California, Cerritos and Corona; and offices located in Nevada, Minnesota, Florida, Hong Kong, China, Taiwan and Japan. This training proposal will only target workers at Cerritos facility. Major customers include community colleges and school districts, County and City of Los Angeles, DreamWorks Animation, Wynn Hotels, Raytheon Corporation and the US Navy.

GST is eligible for standard ETP funding, meeting out-of-state competition provisions. The Company is also eligible for priority reimbursement as a NAICS eligible employer (Computer Systems Design Services). This is the Company's second proposal, first in the last five years.

PROJECT DETAILS

GST is operating in a highly competitive technology industry. The Company is continually striving to meet customers' expectations and demands by delivering the best IT solutions and services to increase productivity while also reducing operational costs. The Company's goal is to provide workers with the necessary technical skills required to integrate new services and products, adapt to new technologies and systems, improve customer services, design a quick response time and reduce costs.

In addition, GST must keep up with technology changes in a constantly changing environment to remain competitive:

- Increase skills to protect and secure clients' data and prevent computer hacks;
- Introduce Cloud Computing technology to customers;
- Implement electronic data infrastructure; and
- Expand wireless environment

Over the past year, GST has experienced a 20% growth in its customer base and an increase in its workforce from 93 employees to 109 employees at its Cerritos and Corona facilities. The Company anticipates additional growth of 20% over the next two years. The Company plans to open offices in Washington DC and/or Denver, CO by the end of 2016.

Retrainee - Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

GST will be expanding existing business capacity by hiring new employees. GST has committed to hiring 17 new employees at its Cerritos facility over the next two years (Job Number 2). GST will train these employees to learn and operate sophisticated equipment, technology systems, and computer programs. Trainees will also have a better understanding of the Company's business operations.

The date-of-hire for all trainees in Job Number 2 will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into “net new jobs” as a condition of contract.

Training Plan

To remain competitive as technology evolves, GST has developed a company-wide training and employee development program. Workers will receive skills necessary to better understand customer requirements, deliver sophisticated products and services and become more consistent and efficient. Training will take place at the Cerritos facility. Training will be provided by in-house subject matter experts, and outside vendors if needed.

Classroom/Laboratory and Videoconference training will be provided in the following:

Business Skills (20%): Training will be offered to all occupations, with emphasis on customer service standards, communication, team building, operation procedures and financial management. Trainees will gain the knowledge and skills to improve customer service, organize work and manage time more efficiently.

Commercial Skills (20%): Training will be offered to all occupations. Trainees will learn the Company's products and services to better serve customers which includes consultation, system design, programming, coding, installation and implementation.

Computer Skills (50%): Training will be offered to all occupations to support business operations. Trainees will learn to effectively use the Company's complex systems to provide efficient and effective customer service, resolve problems, maintain servers and navigate systems.

Continuous Improvement (10%): Training will be offered to all occupations to improve quality and service. Trainees will learn the necessary skills to improve performance.

Commitment to Training

GST provides basic computer skills, sexual harassment prevention, basic safety and new employee orientation training. Training is delivered via class/lab, and all training is both job specific and Company-wide. GST has a current annual training budget of approximately \$15,000 for its Cerritos facility.

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. ETP funds will help GST to implement new curriculum, related to new products and technologies, and to expand its training to its growing workforce.

➤ Training Infrastructure

Training is scheduled to begin upon Panel approval. GST has designated Human Resources staff to oversee ETP training and administrative responsibilities including scheduling training, coordinating with department management staff, and complying with all ETP requirements. GST will also utilize a third party administrator for enrollment, data tracking and invoicing. (See Administrative Services below)

Impact/Outcome

GST anticipates that approximately 52 Service Technicians, Engineers and Sales Staff will be trained and certified in multiple software and hardware systems. This will help the Company increase business and remain competitive.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

GST retained Training Funding Source (TFS) in Seal Beach to assist with development of this proposal for a flat fee of \$9,500.

ADMINISTRATIVE SERVICES

GST also retained TFS to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Budgeting and Financial Management
- Client Relations
- Equipment Operations
- Leadership
- Marketing, Proposal and Business Development
- Manufacturer/OEM Product and Sales Training
- Negotiations Skills
- Organizational and Time Management
- Planning
- Professional and Interpersonal Communication
- Product Knowledge
- Proposal Procedures & Writing
- Sales/Customer Acquisition
- Standard Operating Procedures
- Team Building
- Technical Editing and Writing

COMMERCIAL SKILLS

- Audio Visual Integration and Solutions (Consultation, System Design, Programming & Coding, Installation & Implementation, Service Repairs)
- Managed Services (Print, Technical, Consulting, Infrastructure Services, Deployment/Logistics, Business to Business (B2B) e-Commerce)

COMPUTER SKILLS

- 3D Modeling Software
- Adobe (PDF, InDesign, Photoshop, Illustrator, etc.)
- Applications Development & Knowledge
- AutoCAD
- Audio Visual Applications
- Backup Disaster Recovery
- Cloud Solutions
- Computer Graphics, Design & Drafting
- Copiers/Printers/Scanners
- Customer Related Portal
- Customer Relationship Management (CRM)
- Data Center Infrastructure/ Management
- Disk Encryption
- DNS - Domain Name Systems Networking
- Email Services
- Endpoint Security
- Data Center Security
- Electronic Data Interchange (EDI)

- Enterprise Resource Planning (ERP)
- Enterprise Servers & Networking
- Field Procedures
- File Sharing
- Firewalls
- Financial Accounting Systems
- IT Support for Healthcare
- IT Infrastructure
- Microsoft Office (Intermediate & Advance)
- Network Attached Storage (NAS)
- Payroll
- Project Management
- Quality Assurance/Management
- Storage Area Network (SAN)
- Servers (Hardware)
- Spam Filtering
- Surveillance
- Switches
- Storage and Disaster Recovery
- Uninterruptible Power Supply (UPS)
- Unified Communications
- Virtual Desktop
- Virtualization
- Voice/Data Applications
- Wireless
- Web Design and Graphics Software
- Workflow Software (Workamajig, etc)
- Wiring & Cabling
- Web Filtering
- Hewlett Packard Sales Certification
- Hewlett Packard Engineer Certification
- Aruba Sales Certification
- Aruba Engineer Certification
- Cisco Sales Certification
- Cisco Engineer Certification
- Microsoft Engineer Certification
- VMware Sales Certification
- VMware Engineer Certification
- Apple Sales Certification

CONTINUOUS IMPROVEMENT

- Quality Management & Improvement
- Process Improvement

Safety Training will be limited to 10% of total training hours per-trainee

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.

DELEGATION ORDER



**Training Proposal for:
HELIX Environmental Planning, Inc.**

Small Business

ET17-0210

Approval Date: September 9, 2016

ETP Regional Office: San Diego

Analyst: K. Campion

CONTRACTOR

- Type of Industry: Services
- Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees
 - California: 65
 - Worldwide: 65
 - Number to be trained: 99
- Owner ☐ Yes ☒ No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 4%
- Repeat Contractor: ☒ Yes ☐ No

FUNDING

- Requested Amount: \$51,480
- In-Kind Contribution: \$82,820

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills, Commercial Skills, Computer Skills, HAZWOPER, PL-Commercial Skills	99	8 - 60	0	\$520	\$15.60
				Weighted Avg: 20			

It will be made a condition of contract that trainees will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

- Reimbursement Rate: Job #1: \$26 SB Priority
- County(ies): San Diego, Orange, Riverside, and Sacramento
- Occupations to be Trained: Admin. Support Staff, Biologist, Geographic Information System Specialist, Planner, Project Leader, Technician/Technical Staff, Principal
- Union Representation: ☐ Yes
☒ No
- Health Benefits: Job #1: \$3.12 per hour

SUBCONTRACTORS

- Development Services: Training Funding Source (TFS) in Seal Beach assisted with development for a flat fee of \$2,900.
- Administrative Services: TFS will also provide project administrative services for an amount not to exceed 13% of payment earned.
- Training Vendors: Pacific Safety Center in San Diego will provide HAZWOPER training for an amount to be determined.

OVERVIEW

Established in 1991 and headquartered in La Mesa (San Diego County), HELIX Environmental Planning, Inc. (HELIX) (www.helixepi.com) is an environmental consulting company that provides environmental consulting and design services on a variety of project types located throughout California. HELIX's customers include public and private entities, and its services

include helping customers comply with environmental laws and regulations, manage natural and cultural resources, and design sustainable projects. HELIX has five facilities in California: San Diego County (2), Irvine, Riverside and Folsom; all of which are locations for the proposed training.

HELIX'S sister company, HELIX Environmental Construction Group (HECG), provides environmental construction services and is co-owned and co-located in La Mesa. Each entity has less than 100 employees; the total number of employees combined is 99 worldwide. HELIX will hold the ETP contract, and HECG will join as a participating employer for this Agreement. This will be the second Agreement between ETP and HELIX. HECG did not participate in the prior ETP Agreement.

In the first ETP project, training focused on expanding its renewal energy services. HELIX representatives report that the Company now has new training needs.

HELIX offers a full range of cultural resource management services to its customers including archaeological studies, management services, historic structure assessments, Native American consultation and coordination and interpretative display design. The Company reports that its clients are now demanding increased services in the area of special permits, which has propelled HELIX to expand its services and provide cutting edge technical and communication tools. In the past, the Company had to subcontract out some of the permitting processes for clients with Bureau of Land Management (BLM) permits; now this has been brought in-house, and allows HELIX to be able to work on all BLM-owned land throughout California, thereby reducing typical delays for clients. As such, some workers must be trained in new processes. Additionally, the Company has expanded its Telecommunications Group for environmental planning services, which will help customers minimize environmental risks, keep projects on task and reduce future costs, which requires training in environmental planning and habitat restoration.

The need for training is also being driven by the implementation of several new computer software programs and applications including new feature of Autodesk AutoCAD, and new electronic devices for fieldwork.

HELIX reports that, although some of the proposed curriculum topics appear similar to what was trained in the prior Agreement, most have been updated with new/different content. Only newly-hired employees or those trainees not trained in the previous Agreement will receive training in topics listed in the prior Agreement. Therefore, there will be no duplication of training for the same trainees delivered in the prior contract.

Training Plan

The majority of the training will be class/lab. However, due to the proximity of the five company locations, a small percentage of the training will be delivered via e-learning, virtual classroom. In-house instructors will conduct the majority of the training, but a training vendor will provide Hazwoper training. Other vendors may be identified and utilized during the term of the Agreement.

Business Skills – This training will be provided to all occupations to help trainees identify and understand client expectations, use client centric language, measure client satisfaction and take corrective action to improve client satisfaction. Trainees will learn Project and Product Management tools, Team Building, Budgeting and Time Management, and Strategic Planning to

increase employee collaboration. Employees will learn to set objectives, and implement action plans.

Commercial Skills – This training will be provided to Technicians, Biologists, Geographic Information System Specialists, Planners, Project Leaders, and Principals so employees can provide Wetland Restoration & Enhancement, learn Hydric Soils for Wetland Delineation and use Hydrology Tools for Wetland Restoration and Determination. Trainees will also learn Water Quality Monitoring techniques.

Computer Skills – This training will be provided to all occupations. Trainee will learn how to use air quality software including thermodynamics, chemistry, heat transfer, aerosol loading, and dense gas effects. AutoCAD training will include latest new features of Autodesk AutoCAD like Smart Dimensioning, enhanced searchable PDFs, so employees work faster, smarter and better and improve workflow.

Hazardous Waste Operations and Emergency Response Standard (HAZWOPER). This training will be provided to Technicians and Sr. Technical Staff who must learn workplace hazards associated with Hazard recognition/evaluation/control while working in the Field. This training is a series of courses specifically designed for workers who handle hazardous substances as first-responders, or clean up as needed at a hazard disposal or emergency site. It consists of 40 hours of classroom or CBT training, for workers stationed at the hazard site; and 24 hours for workers who visit the site (e.g., engineers). Field training is also required, although not funded by ETP. Completion of the training results in a certificate that expands employment opportunities. Each certification requires an 8-hour annual refresher course. This coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

Productive Laboratory (PL)

PL training will be provided to approximately 14 Biologists, Technicians and Technical Staff. These trainees may produce goods for profit as part of training in the courses identified under the Curriculum. All PL training will be in Commercial Skills and will supplement Class/Lab coursework. PL training is conducted in the field at the work job site.

To ensure trainees reach optimal skills levels to identify biological habitats and properly evaluate wetlands, identify animal and plant species and learn how to properly relocate animal and plant species. Trainees will receive up to 24 hours of PL-Commercial Skills training in Biological/Habitat Evaluation Skills, Plant Identification Restoration Skills and Wetlands Identification Skills.

The trainer's time will be dedicated to training delivery during all hours of training. Instructors will be subject matter experts. Trainers will demonstrate how to identify plants, animals, wetlands, habitants and will also demonstrate different restoration techniques. The trainer will then supervise the trainee conducting these same tasks, until the trainee is proficient in executing these tasks. Trainers will work directly with trainees at a 1:1 trainer to trainee ratio. The trainer's time will be dedicated to training delivery during all hours of training.

Request for 2-year Contract term

Given the scheduled delivery of training and the number of trainees to be trained, HELIX is requesting a 2-year contract term.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Helix Environmental Planning under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0136	San Diego	9/03/13 – 9/02/15	\$55,250	\$40,193 (73%)

Exhibit B: Menu Curriculum**Class/Lab &
E-Learning Hours**

8 - 60

Trainees may receive any of the following:

BUSINESS SKILLS

- + Budgeting and Financial Management
- + Client Relations
- + Leadership
- + Marketing, Proposal and Business Development
- + Organizational and Time Management
- + Project Management
- + Professional and Interpersonal Communication
- + Product Knowledge
- + Quality improvement Strategies
- + Strategic Planning
- + Team Building
- + Technical Editing and Writing

COMMERCIAL SKILLS

- + Air Quality and Permitting
- + Biological Permitting
- + Biological/Habitat Evaluations and Identification
- + Biology Operations
- + California Environmental Quality-Act (CEQA)
- + Construction Management
- + Environmental Risk Assessment
- + Environmental techniques
- + Gray Water and Rainwater Harvesting
- + Habitat Restoration/Revegetation Planning & Studies
- + Hazwoper
- + Landscape Irrigation
- + Railway Safety
- + Visual Impact Assessment
- + Wetlands Evaluations
- + Wildlife Techniques

COMPUTER SKILLS

- + Adobe Software Programs (Adobe PDF, InDesign, Photoshop, Illustrator, etc.)
- + Air quality and dispersion modeling including AERMOD
- + AutoCAD
- + ARC GIS and Specialized GIS software updates
- + Device Training (IPADs, GPS Units, Cameras, etc.)
- + Financial Accounting Systems
- + Google Earth Pro-Sketchup
- + Microsoft Software Programs (Excel, Word, Access)
- + Noise Modeling
- + Technical/Administrative Software Program Skills




OSHA – HAZWOPER (requires certified instructor)

- Hazardous Waste Disposal

Productive Lab Hours

0 – 24

PL - COMMERCIAL SKILLS (trainer-to-trainee ratio 1:1)

-  Biological/Habitat Evaluations Skills
-  Plant Identification/Restoration Techniques
-  Wetlands Evaluation Skills

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. PL is capped at 24 hours per-trainee.

DELEGATION ORDER



**Training Proposal for:
Innovative Machining, Inc.**

Small Business

ET17-0222

Approval Date: September 9, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: A. Nastari

CONTRACTOR

- Type of Industry: Manufacturing
 - Number of Full-Time Employees
 - California: 25
 - Worldwide: 25
 - Number to be trained: 13
 - Out-of-State Competition: NAICS Code Eligible
 - Special Employment Training (SET): ☐ Yes ☒ No
 - High Unemployment Area (HUA): ☐ Yes ☒ No
 - Turnover Rate: 16%
 - Repeat Contractor: ☒ Yes ☐ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☒ Yes ☐ No

FUNDING

- Requested Amount: \$19,604
- In-Kind Contribution: \$23,717

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100	Business Skills, Computer Skills, Continuous Impr, HAZMAT, Mgmt Skills, Mfg Skills	13	8 - 100	0-50	\$1,508	\$17.02
				Weighted Avg: 58			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Santa Clara
- Occupations to be Trained: Accountant, IT Staff, Project Manager, Management Representative, Owner/Programmer, Quality Staff, Setup Staff
- Union Representation: ☐ Yes
☒ No
- Health Benefits: \$1.02 per hour

SUBCONTRACTORS

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: Manex in San Ramon will provide training in Continuous Improvement for a fee to be determined.

OVERVIEW

Innovative Machining, Inc. (Innovative Machining) (www.lnnomachcorp.com), located in Milpitas, manufactures customized machined components for the semiconductor, medical device, aerospace and high-tech industries. Innovative Machining's Programmers uses CAD/CAM software to design, develop and produce high quality components based on customers' specifications. Production workers use CNC Equipment to machine component parts to close tolerances; and to manufacture parts, tools, prototypes, fixtures, assemblies, and gauges. The Company bonds malleable materials such as aluminum or plastic to more arduous materials such as stainless steel, titanium, vespel and torlon.

This is Innovative Machining's second ETP proposal. The last proposal laid the Company's foundation for a structured training program. Training focused on the Restriction of Hazardous Substances (RoHS) Directive requiring all medical devices be compliant by July 22, 2014. Workers received training in product knowledge specific to materials meeting RoHS manufacturing compliance and new processes required for implementation.

The Company also introduced its workforce to Lean Manufacturing and Sigma Six Principles in order to improve productivity, eliminate waste, and integrate supply chains. Programmers received basic skills in Solidworks, a program utilized by customers for the development and design of 3D modeling product drawings. Accounting Staff received introductory skills in QuickBooks and Excel. The training allowed the Company to integrate processes in-house rather than out-sourcing, thereby reducing costs.

Since the prior proposal, the Company has added a new manufacturing line, hired 12 new workers, added a second shift (where 10 of the 12 workers were placed), and purchased two new machines – a robotics system for inventory distribution and a new CNC machine. In order to maintain growth and expansion, Innovative Machining must train and cross-train its workers.

Training Plan

All workers will receive training in Continuous Improvement, updated ISO 13485 (medical standards), and Lean Manufacturing. Training in Business, Computer, HAZMAT, Management and Manufacturing skills. The training in this proposal does not duplicate training delivered in the previous curriculum. Training will be provided by the company's internal trainers and third-party vendors.

Business Skills - Training will be offered to the Accountant, Project Manager, and Quality Staff in Strategies on Increasing Sales which focuses improving marketing and sales strategies.

Computer Skills - Training will be offered to the Accountant in intermediate/advanced QuickBooks, and Excel. The Programmer will receive training in intermediate/advanced SolidWorks and Surfcam. Training in CMM program will be provided to the Programmer and Setup Staff.

Continuous Improvement – Training will be offered to all occupations in Lean Manufacturing and ISO 13845 and 90011. Training in ISO 13845 Internal Audit will be provided to the Management Representative who is responsible for the implementation of the Company's auditing processes. Leadership and Building Team Morale skills will be delivered to department leads.

Manufacturing Skills – Training in equipment Setup and Operations, along with Machining Principles will be delivered to all staff with the exception of Accounting Staff. Workers will receive training on new machine and equipment operations and maintenance.

Hazardous Materials – Training will be delivered to Setup staff as specific to their job functions. Training will focus on skills to aid employees in hazardous material handling.

Management Skills – Training will be delivered to the Quality and Project Managers who were promoted to management positions since the company's last ETP contract. As the company has grown its workforce, these managers now manage 10 employees each. New job responsibilities require training in effective leadership, teambuilding, and improving employee morale as the company continues on its business expansion goals.

Computer-Based Training

A portion of the Manufacturing Skills in Machining Principles will be delivered via CBT, not to exceed 50% of the overall training hours.

Modification to the 60-hour Cap for Small Business

Innovative Machining requests a waiver to the Small Business cap from 60 hours up to 100 hours for five trainees: Management Representatives, Owner/Programmer, Project Manager, and Quality Staff. These occupations are managers or leads in their departments responsible for ensuring workers are trained and equipped with the skills necessary to meet daily job responsibilities. Additionally, Management Representatives will receive training in auditing procedures and requirements as set by ISO 13485 and ISO 90011, which are highly complex courses and will require many hours to complete.

Each of the ISO training sessions consist of 40 hours. An additional 20 hours is required for the Internal Auditing procedures. These courses are essential for the company to maintain its ISO certifications. While not all five trainees will receive all of the courses, the company needs to have the flexibility to train up to 100 hours as they will also be taking courses in other areas. These individuals are in lead and management positions, are the company's core group of trainers, and are responsible for the day-to-day operations. Therefore, a higher number of hours warrants the company needs for its continued growth and expansion needs.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Innovative Machining under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0266	Milpitas	1/27/2014 – 1/26/2016	\$14,560	\$14,560 (100%)

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 – 100

Trainees may receive any of the following:

BUSINESS SKILLS

- Strategies to Increase Sales

COMPUTER SKILLS

- SolidWorks
- Excel Intermediate
- Excel Advanced
- Excel for Power-Users
- QuickBooks
- Surfcam
- True-Vu
- CMM

CONTINUOUS IMPROVEMENT

- Kaisen Lean Manufacturing/Six Sigma
- ISO 13845 Update 2016
- ISO 90011 Update 2016
- ISO13485 Internal Audit

HAZARDOUS MATERIALS

- Hazardous Waste Management

MANAGEMENT SKILLS (management trainees only)

- Management and Leadership
- Building Employee Morale

Safety Training cannot exceed 10% of total training hours per-trainee

MANUFACTURING SKILLS

- Setup for Machines: HAAS, Kiwa, Mitsubishi, Okuma
- Machining Principles

CBT Hours

0- 50

MANUFACTURING SKILLS

- Machining Center Programming, Set Up & Operation (6 hrs)
- CNC Machining Center Setup and Operation (4 hrs)
- CNC Turning Center Programming, Setup & Operation (6 hrs)
- CNC Turning Center Setup and Operation (4 hrs)
- Turning Center Programming (4 hrs)
- Advanced Techniques with Basic CNC Features (4 hrs)
- Setup Reduction for CNC Machining & Turning Centers (4 hrs 47 min)
- Cycle Time Reduction for CNC (6 hrs)
- CNC Router Programming, Setup and Operation (12 hrs 30 min)

Note: Reimbursement for retraining is capped at 100 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee.
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DELEGATION ORDER



Panel Amendment #1 Proposal for:
Integrated Media Technologies, Inc.
Agreement Number: ET16-0133

Amendment Effective Date: June 14, 2016

Approval Date: September 12, 2016

ETP Regional Office: North Hollywood

Analyst: M. Webb

CURRENT PROJECT PROFILE

Contract Type:	Retrainee Priority/SB<100	Industry Sector(s):	Technology/IT Services
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Priority Industry:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Current Contract Term:	August 24, 2015 to August 23, 2017	Substantial Contribution:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

CURRENT FUNDING

Current Funding
\$49,504

AMENDMENT FUNDING

Requested Funding	Total Funding
+\$49,504	\$99,008

AMENDMENT TRAINING PLAN TABLE

Job No.	Job Description (By Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/SB<100	Business Skills, Computer Skills, Cont. Impr.	34	8-200	0	\$2,912	\$16.00
				Weighted Avg: 112			

Minimum Wage by County: \$15.97 per hour in Los Angeles County.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☐ Yes ☒ No

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation	
Occupation Title	Wage Range
Administrative Staff	
Project/Systems Engineer	
Sales Staff	
Supervisor/Manager	
Owner	

INTRODUCTION

Integrated Media Technology, Inc. (IMT) (www.imtglobalinc.com) is an IT systems integrator, providing architecture, design, strategic business consulting, technical support, implementation, networking and cloud services. The Company provides in-depth technology support to customers looking to leverage technology through changes to network environments or new technology purchases. Headquartered in North Hollywood with two satellite locations in Los Gatos and Irving, TX, IMT serves the media & entertainment, IT, education, telecommunication, commercial real estate and healthcare industries.

AMENDMENT DETAILS

In mid-2015, IMT began planning and re-structuring the business to focus on the IT enterprise market segments; specifically Server Security, Cloud use and security, and collaboration of all software and hardware to be integrated into a cohesive system. As of 2016, the Company has also acquired eighteen companies, which include Intel Security, Tanium, Netskope and Cisco Collaboration. IMT will expand its services by shifting from a box sale and implementation/service support model to a consulting approach by providing customized services to meet customer needs. To support this transition to a new sales approach and model, IMT will increase training for Technical Sales Staff and Project/Systems Engineers to help them better understand client needs, and develop technology-based solutions.

These changes also require Support and Administrative Staff to learn new customer service techniques under a consultative model. Courses to be delivered are currently in the Curriculum and include business Development, Negotiation, Project Management, Cloud Management/Computing, Business Intelligence Tools, Integration Tools, Quality Improvement, and Marketing.

With eight months left to train, IMT would like to increase training hours and funding for the continued training of workers. The Contractor requests a retroactive effective date of June 14, 2016 for this Amendment. IMT has continued training workers beyond the original funding amount of \$49,504. Trainees are still receiving training in order to ensure staff is equipped with the knowledge and skills to provide services to clients on a continuing basis.

In Summary:

- The Agreement amount will increase by \$49,504, from \$49,504 to \$99,008.
- The In-Kind Contribution (\$78,371) and the number of trainees (34) will remain the same.
- The weighted average hours will increase from 56 to 112.
- The average cost per trainee will increase from \$1,456 to \$2,912.

RECOMMENDATION

Staff recommends approval of this Amendment.

CURRENT CONTRACT PERFORMANCE

The following table summarizes performance by IMT under the current ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees Enrolled	No. Completed Training	No. Retained
ET16-0133	\$49,504	08/24/15-08/23/17	41	TBD	TBD

To date, ETP Online Systems have tracked 1,986 eligible training hours, which equates to more than 100% of the current Agreement amount.



Panel Amendment #1 Proposal for:
Method Technologies, Inc.
Agreement Number: ET16-0237

Amendment Effective Date: June 21, 2016

ETP Regional Office: San Diego

Analyst: J. Davey

CURRENT PROJECT PROFILE

Contract Type:	Retrainee Priority/SB<100	Industry Sector(s):	Services Technology/Other
Counties Served:	Orange	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Priority Industry:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Current Contract Term:	November 3, 2015 to November 2, 2016	Substantial Contribution:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

CURRENT FUNDING

Current Funding
\$22,100

AMENDMENT FUNDING

Requested Funding	Total Funding
\$26,000	\$48,100

AMENDMENT TRAINING PLAN TABLE

Job No.	Job Description (By Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority/SB<100	Business Skills, Computer Skills	25	8-100	0	\$1,924	\$16.02
				Weighted Avg: 74			

Minimum Wage by County: Job Number 1 – Orange County (2015): \$16.02 per hour
Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.
Used to meet the Post-Retention Wage?: ☒ Yes ☐ No
 Up to \$0.93 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation	
Occupation Title	Wage Range
Administrative Support	
Engineer	
Technical	
Supervisor/Manager	
Owner	

INTRODUCTION

Founded in 2007, Method Technologies Inc. (MTI) (www.mtinc.net) is located in Cypress and employs 25. The Company provides various IT and other technology-related services such as help desk support, web design, web hosting, structured cabling, virtualization, surveillance, 24/7 monitoring, telecom, and technology relocation. The Company primarily serves clients in Southern California. However, it has several out-of-state clients in Texas, Florida, and New York.

MTI's Small Business proposal was approved at the November 2015 Delegation Order.

AMENDMENT DETAILS

MTI reached the maximum number of training hours at the end of May under current Agreement terms. In June, the Company reassessed its training plan and found there were essential knowledge gaps among its employees. Trainees needed more training in topics such as Standard Operating Procedures and Customer Interaction for its IT (Technical) staff, who not only develop the Company's products, but also interact with customers to ensure their needs are met. In addition Engineering and other non-IT Technical Staff need to learn Computer Skills in MS Office, E-Mail Services, Networking, and other software skills to become more efficient.

The Company determined that it will need an additional 1,000 hours of training, based on the performance of its current training plan (the Agreement term will be extended). This request will add more hours for existing trainees, rather than adding a new phase of training for additional trainees.

By this amendment:

- The Agreement amount will increase by \$26,000, from \$22,100 to \$48,100;
- The weighted average hours for Job Number 1 will increase by 40 hours, from 34 to 74;
- The average cost-per-trainee for Job Number 1 will increase by \$1,040, from \$884 to \$1,924;
- The maximum range of hours will increase by 40, from 60 to 100; and
- The term date of the Agreement will be extended by one year, to the full two-year term.

RECOMMENDATION

Staff recommends approval of this Amendment.

CURRENT CONTRACT PERFORMANCE

The following table summarizes performance by MTI under the current ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees Enrolled	No. Completed Training	No. Retained
ET16-0237	\$22,100	11/3/2015– 11/2/2016	26	0*	0*

*Because current trainees need additional training, there are no completions or retentions to report.

Method Technologies has completed 668 eligible training hours (78.6%), with another 240 hours that cannot be entered due to the 60 hour ceiling, for a total of 908 hours of training (106%). By the end of the current Agreement's last date of eligible training (8/4/16), the Company will have delivered at least another 92 hours of training.

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 – 100

Trainees may receive any of the following:

BUSINESS SKILLS

- + Customer Acquisition/Sales
- + Customer Interaction/Quality Control
- + Proposal Procedures
- + Standard Operating Procedures

COMPUTER SKILLS

- + Copiers/Printers/Scanners
- + Customer Related Portal
- + Disk Encryption
- + Domain Name Systems (DNS) Networking
- + Email Services
- + ESET
- + Field Procedures
- + File Sharing
- + Firewalls
- + Method BDR - Backup Disaster Recovery
- + Microsoft Office
- + Network Attached Storage (NAS)
- + Office 365
- + Paging Services
- + QuickBooks
- + SAN Storage Area Network
- + Servers (Hardware)
- + Spam Filtering
- + Surveillance
- + Switches
- + Telephony
- + Uninterruptible Power Supply (UPS)
- + Wiring Connectivity
- + Veeam
- + Virtual Desktop
- + Virtualization
- + Web Filtering
- + Wireless Connectivity

Note: Reimbursement for retraining is capped at **100** total hours per-trainee, regardless of method of delivery.

DELEGATION ORDER



RETRAINEE - JOB CREATION

Training Proposal for:

Orchard Machinery Corporation

Agreement Number: ET17-0218

Approval Date: September 1, 2016

ETP Regional Office: Sacramento

Analyst: D. Jordan

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate HUA Job Creation Initiative Veterans	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Sutter, Butte, Stanislaus, Tulare, Fresno	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 161	U.S.:161	Worldwide: 161
<u>Turnover Rate:</u>	5%		
<u>Managers/Supervisors:</u> (% of total trainees)	17%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$79,974		\$0	\$0		\$79,974

In-Kind Contribution:	100% of Total ETP Funding Required	\$85,800
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Advanced Tech, Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat, Mgmt Skills, Mfg Skills	125	8-200	0	\$558	\$15.60
				Weighted Avg: 31			
2	Retrainee Job Creation	Continuous Impr, Mfg. Skills, Commercial Skills, Computer Skills	10	8-200	0	\$600	\$15.00
				Weighted Avg: 30			
3	Veterans	Commercial Skills, Computer Skills, Continuous Impr, HazMat, Mgmt Skills, Mfg. Skills	8	8-200	0	\$528	\$15.60
				Weighted Avg: 24			

Minimum Wage by County: Job Number 1: \$15.60 per hour, Job Number 2: \$12.77 per hour, Job Number 3 \$15.60 per hour in Sutter, Butte, Stanislaus, Tulare, and Fresno Counties.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$0.60 per hour may be used to meet the Post Retention Wage for Production Technician in Job Numbers 1 and 3.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Administration Staff		15
Engineers		6
Production Technician		64
Service Technician		19
Managers		13
Supervisors		8
Job Number 2		
Production Technician		10
Job Number 3		
Production Technician		4
Supervisor		4

INTRODUCTION

Founded in 1963, Orchard Machinery Corporation (Orchard), (www.shakermaker.com) is a manufacturing company headquartered in Yuba City with locations in Chico, Ceres, Tulare and Firebaugh. Orchard specializes heavy agriculture harvesting equipment that includes Shockwave Tree Shakers and Aftershock Material Handlers. (The Company's Shockwave Tree Shakers assists farmers in harvesting their tree produce.) Orchard's customers include farm operators, agricultural companies, and farming operations harvesting tree crops. Training will take place at all five of their locations in California.

PROJECT DETAILS

In 2015, the revenue for Orchard increased by over \$13M and the growth is expected to continue for the next few years. In order to meet the demand, the Company has purchased new equipment: Robotic Welders, Fiber Laser Cutters, and Automated Band Saws. The Company is also adopting Aptean Advanced Planning and Schedule as its new production and scheduling software program to improve efficiency throughout and standardize processes.

Orchard is required to meet new regulations that will require extensive training in the Tier 4 Federal Emissions Standards. To meet Tier 4 standards, Orchard will need to abide by advanced emission control technologies to produce products that will meet standards and convert older models.

Retrainee - Job Creation

The Panel is offering incentives to companies that commit to hiring new employees. Under the Retrainee-Job Creation program, training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

Orchard is expanding existing business capacity by purchasing new equipment and adding newly-hired employees to help with the increase in demand. Orchard has committed to hiring 10 new employees (Job Number 2). The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Business Skills (1%): Training will be offered to all Managers and Administrative Staff on team building and communication to provide high-quality customer care. Supervisors/Managers will receive training on developing sales, marketing, and inventory strategies.

Commercial Skills (12%): Training will be offered to Production and Service Technicians on the newly purchased equipment. Trainees will learn to set-up, calibrate, and operate the equipment. Training will allow the staff to avoid mistakes and help them produce a better product.

Management Skills (2%): Training will be offered to all Managers and Supervisors. Trainees will learn to communicate better with other staff and leads. Training will also include leadership, motivation, and supervisory skills.

Computer Skills (6%): Training will be offered to all occupations. Aptean Advanced Planning and Schedule skills will improve communication between departments and increase efficiency.

Manufacturing Skills (26%): Training will be offered to all occupations except Administration Staff. Trainees will gain the skills and knowledge to operate and maintain production equipment to ensure product quality.

Continuous Improvement (48%): Training will be offered to all occupations except Administrative Staff to implement best practices and quality management. Training will help staff become more efficient.

Hazardous Materials (3%): Training will be delivered to Managers and Supervisors. Staff will learn the proper procedures for identifying, handling, storing and transporting hazardous materials.

Advanced Technology (2%):

Advanced Technology (AT) will be offered to highly skilled and highly paid workers. Courses such as Solidworks will increase staff technological capabilities and improve employee skill sets. Staff will learn up-to-date technologies in 3-D modeling software and equipment for designing and manufacturing. Engineers are the only occupation scheduled to receive AT training under this project.

This training will be conducted by subject matter experts (upper management) in the Engineering department. The trainer-to-trainee ratio is 1:10 for AT, to allow in-depth coverage and personal attention from the instructor.

Commitment to Training

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. The Company's annual training budget for all facilities is \$120,000. ETP funding will help Orchard look for more training opportunities for all occupations and more advanced training topics.

➤ Training Infrastructure

Orchard has retained Propel Consulting Group to assist with ETP project administration. Propel Consulting Group will collect and submit training rosters for data entry into the ETP systems.

Impact/Outcome

Orchard's goal is for trainees to be more efficient with Lean manufacturing with new and existing equipment. Another goal for Orchard is for trainees to become experts with the production and scheduling software so production will be more efficient. The ETP program will help Orchard implement an internal, formal certification program. The Company will provide training and internal certification (3 levels of competency).

High Unemployment Area

The 143 trainees in Job Numbers 1-3 work in High Unemployment Areas (HUA), regions with unemployment exceeding the state average by at least 25%. The Company's locations in Sutter, Butte, Fresno, Stanislaus, and Tulare counties qualify for HUA status under these standards. However, Orchard is not asking for a wage modification.

Temporary to Permanent Hiring

The 10 Production Technician trainees in Job Number 2 fall under Panel guidelines for the Temporary-to-Permanent program. The Company has retained these employees on a temporary basis, with the intention of hiring them into full-time, permanent positions after training. According to Orchard the average time for “converting” temporary workers into full-time permanent employment is 6 months. It is expected that these workers will receive employer-paid share-of-cost for healthcare premiums while on temporary status, and upon hire into full-time permanent employment. Orchard is using Express Employment Professionals for the temporary employees that are working at their locations. The trainees that are starting as temporary will then move over to full time and continue as Production Technicians. Trainees will be eligible for health benefits on the first day of the month following their hire date.

Under Panel guidelines for the Temporary to Permanent program, these trainees must be eligible to participate in ETP-funded training pursuant to Unemployment Insurance Code Section 10201(c). Moreover, they cannot be enrolled as trainees until after they have been hired by Orchard into full-time, permanent employment. Until they are so hired, retention and post-retention wage requirements cannot be satisfied and the Company will not receive progress payments.

Veterans Program

The Panel has established a higher reimbursement rate and other incentives for training California veterans. Higher support costs are also available to reach participants for this program. There are 8 Veterans that will receive training as part of the ETP program.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Orchard retained Propel Consulting Group in El Dorado Hills to assist with development of this proposal for a flat fee of \$5,998.

ADMINISTRATIVE SERVICES

Orchard also retained Propel Consulting Corporation in El Dorado Hills to perform administrative services for a fee of not to exceed 7.5% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200 Trainees may receive any of the following:

BUSINESS SKILLS

- Communication Skills
- Project/Business Management Skills
- Sales/Marketing Strategies
- Inventory Control Strategies
- Materials Management
- Team Building
- Leadership Skills
- Problem Solving and Decision Making

COMMERCIAL SKILLS

- Equipment Operations
- Tool Operation
- Assembly Procedures
- Equipment Repair Procedures
- Service Diagnostic
- Maintenance Procedures

COMPUTER SKILLS

- Microsoft Office (Intermediate/Advanced)
- Solidworks CAD Design Software
- Software Performance
- IT/Networking
- Aptean Advanced Planning and Scheduling Software

CONTINUOUS IMPROVEMENT

- Cross-Training
- Change Management
- Creating a Quality Organization
- Lean Manufacturing
- Production Scheduling
- Production Operations/Workflow
- Project Management
- Quality Measurement Systems
- Root Cause Analysis
- Statistical Process Control
- Systems Failure Analysis
- Team Building
- Leadership Skills

HAZARDOUS MATERIALS

- Hazardous Materials Handling
- Hazardous Waste Cleaning
- Hazardous Materials Cleaning

MANAGEMENT SKILLS (Managers and Supervisors only)

- Coaching/Mentoring
- Effective Meetings for Managers
- Finance for Technical Managers
- Leadership
- Teambuilding
- Conflict Resolution Skills
- Project Management and Methodology

MANUFACTURING SKILLS

- Production Operations
- Equipment Operations
- Assembly Procedures
- Purchasing Procedures
- Inventory Control
- Warehousing Procedures
- Manufacturing Practices
- Cross Training

ADVANCED TECHNOLOGY (limited ratio 1:10)

- Solidworks CAD Design Software

Safety Training will be limited to 10% of a trainee's total training hours per-trainee

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



Delegation Order

Training Proposal for: Parker-Hannifin Corporation Agreement Number: ET17-0201

Approval Date: August 22, 2016

ETP Regional Office: Sacramento

Analyst: K. Smiley

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate HUA	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Stanislaus	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 3,852	U.S.: 23,625	Worldwide: 50,000	
Turnover Rate:	1%			
Managers/Supervisors: (% of total trainees)	15%			

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$57,024		\$0	\$0		\$57,024

In-Kind Contribution:	100% of Total ETP Funding Required	\$100,000
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate HUA	Business Skills, Computer Skills, Manufacturing Skills	198	8-200	0	\$288	\$11.70
				Weighted Avg: 16			

It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: All trainees in Job Number 1 must earn at least \$11.70 per hour in Stanislaus County.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☐ Yes ☒ No ☐ Maybe

This employer does provide health benefits, but they will not be used to meet ETP Minimum wage requirements.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Managers		30
Production Staff		140
Administrative Staff		28

INTRODUCTION

Founded in 1968, and headquartered in Cleveland, Parker-Hannifin Corporation (Parker), manufactures and markets diesel fuel filters and water separators. The Company's products are used by clients in the truck and tractor manufacturing industry. Parker has locations throughout the country. Parker has several divisions that are responsible for manufacturing different components. However, only the trainees at the Racor Division, located at the Modesto facility, will participate in ETP-funded training.

Need for Training

This will be Parker's second ETP Agreement in the past five years. Under the previous Agreement, Parker's training plan focused on increasing customer satisfaction and employee product knowledge in an effort to provide better service to company clients. The training plan focused on upgrading the skill sets of Contract Administrators, Purchasing Staff and Administrative Support Staff.

Training in this proposal will focus on waste reduction and increasing plant efficiencies. Over the past year, Parker has identified several areas of waste at their Modesto facility. In an effort to reduce waste, Parker will provide training to employees on 5s Kaizan to increase efficiencies

and provide a better product for their clients. This training will also give trainees transferable skills that will make them more promotable in the manufacturing industry.

To further encourage production efficiency, Parker will also provide training on Problem Solving and High Performance Teams to all occupations.

Commitment to Training

Parker has an annual training budget of \$200,000 per facility. Training includes new-hire orientation, staff development, and safety training.

ETP funds will not displace their existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Parker has a detailed training plan in place and two staff members dedicated to monitoring this project. Training will be delivered by internal subject matter experts in the manufacturing industry.

High Unemployment Area

The 198 trainees in Job Number 1 work in a High Unemployment Area (HUA), a region with unemployment exceeding the state average by at least 25%. The Company's Modesto facility in Stanislaus County qualifies for HUA status under these standards. Parker is asking for a wage modification for the trainees in Job Number 1 from \$15.60 per hour to \$11.70 per hour.

Training Plan

Business Skills (10%): Training will be provided to all occupations related to job duties to enhance teamwork and problem solving skills. Courses will include Problem Solving, High Performance Teams and Business Strategy. These courses will increase trainee's skills, enabling them to promote within the Manufacturing industry.

Computer Skills (5%): Training will be provided to Administrative Staff and Managers on Excel to increase efficiency in tracking and shipping inventory.

Manufacturing Skills (85%): Training will be offered to Production Staff and Managers to increase efficiency and reduce production waste. Topics will include Kaizen training, 5s and Machine and Production Safety training to create a safe working environment.

TRAINING VENDORS

N/A

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0346	Irvine	06/30/2012 – 06/29/2014	\$99,792	\$56,937 (57%)

The first ETP Agreement, ET12-0346, only included trainees from the Aerospace Division of Parker. Shortly after ET12-0346 was executed, Parker experienced an increase in production contracts. Parker had to put training plans on hold to ensure production needs were met. The proposed ETP Agreement will only train trainees from the Racor Division of Parker. Parker is fully committed to the training plan in this proposal, and believes this training is imperative to increasing facility efficiency. Parker has two designated administrators to oversee the proposed ETP-funded training and has 3 internal trainers who will coordinate training and collect rosters. They have a detailed training plan in place to ensure training will occur as scheduled.

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Problem Solving
- High Performance Teams
- Business Strategy
- Conflict Management

COMPUTER SKILLS (Advanced/Intermediate Only)

- Office Excel

MANUFACTURING SKILLS

- Kaizen training
- Machine and Production Safety
- 5s

Safety Training cannot exceed 10% of total training hours per-trainee.

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.

DELEGATION ORDER



**Retrainee - Job Creation
Training Proposal for:
PenChecks, Inc.**

Small Business

ET17-0212

Approval Date: September 1, 2016

ETP Regional Office: San Diego

Analyst: H. Bernard

CONTRACTOR

- Type of Industry: Services
- Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees
 - California: 24
 - Worldwide: 26
 - Number to be trained: 26
- Owner ☐ Yes ☒ No
- Customers Outside CA
- Out-of-State Competition:
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 4%
- Repeat Contractor: ☐ Yes ☒ No

FUNDING

- Requested Amount: \$20,152
- In-Kind Contribution: \$41,986

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100	Business Skills, Commercial Skills, Computer Skills, Continuous Impr	24	8 - 80	0	\$748	*\$16.46
				Weighted Avg: 34			
2	Retrainee Job Creation Initiative SB <100	Business Skills, Commercial Skills, Computer Skills, Continuous Impr	2	8 - 60	0	\$1,100	*\$14.54
				Weighted Avg: 50			

*It will be made a condition of contract that trainees will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

- Reimbursement Rate: Job #'s 1 and 2: \$22 SB Non-Priority
- County(ies): San Diego
- Occupations to be Trained: Operations Staff, Client Services Staff, Software Development/IT Staff, Administrative Staff, Compliance Staff, Sales/Marketing Staff, Managers/Supervisors
- Union Representation: ☐ Yes
☒ No
- Health Benefits: Job #1 only: \$1.92 per hour

SUBCONTRACTORS

- Development Services: Training Funding Source of Seal Beach assisted with development of this proposal for a flat fee of \$1,900.
- Administrative Services: Training Funding Source will also assist with administraiton for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

PenChecks, Inc. (PenChecks) (www.penchecks.com), located in La Mesa, provides fully compliant retirement plan distribution services for benefit payment distributions, Default and Missing Participant IRA programs, uncashed check solutions and abandoned plan services. PenChecks serves customers such as the Florida Marlins Baseball franchise, Jelly Belly, Payless Shoes, YMCA and PayPal. The Company has only one facility located in La Mesa.

Need for Training

PenChecks has seen significant growth. In 2015, revenue increased 18% and the Company expects to see increases between 20-30% in 2016. In order to keep up with the growth, the Company plans to change the role of its Client Services Staff in the coming months to instill more responsibilities in a leadership role. Training will ensure that they have the soft skills and technical skills they need to perform at a higher level.

Additionally, PenChecks is updating its online benefit distribution processing service, P3, which allows clients to receive retirement distribution payments, monitor distribution requests and verify deposits. The update for this software will be released later this year to keep up with increasing client demands and growth. PenChecks will also be implementing new software programming methods including SCRUM methodologies and object-oriented programming.

As a provider of retirement distributions, PenChecks must ensure that the Company is in compliance with government regulations as mandated by the Department of Labor, the Internal Revenue Service and the Employee Retirement Income Security Act. These regulations are constantly updated requiring continuous training to ensure compliance.

Retrainee - Job Creation

Under the Retrainee-Job Creation program, training for newly-hired employees will be subject to a lower post-retention wage. PenChecks will be expanding business capacity, hiring new employees due to high growth in sales. The Company is committed to hiring 2 employees during the term of the Agreement.

Trainees must be hired within the three-month period prior to the Panel approval or during the term of the contract. Trainees will be hired into “net new jobs” as a condition of contract.

Training Plan

Business Skills – Training will be provided to all occupations. Training will focus mainly on Client Services Staff due to the changing roles. However, Sales/Marketing Staff will receive communication skills and Managers/Supervisors will receive leadership skills, communication skills and time management training in order to more effectively manage their teams.

Commercial Skills – Training will be provided to all occupations. Training for Operations, Administration, Client Services and Sales/Marketing Staff will focus on Product Knowledge to ensure staff are trained on the Company's new product offerings including its Qualified Termination Administration and its new Prepaid card offering. Additionally, all staff will receive training on governmental regulations.

Computer Skills – Training will be provided to all staff. Computer Skills training will include the updates to PenChecks P3 software, a new trust accounting software, and government regulation requirements. Managers/Supervisors will receive training on Advanced Excel and Tableau reporting.

Continuous Improvement – Training will be provided to Operations, Administrative, Client Services, and Sales/Marketing Staff and Managers/Supervisors. Training on process improvements, goal setting, and performance management will help the Company manage growth.

Modification to the Training Hours Limitation

PenChecks is requesting an exception to the standard small business cap of 60 hours per trainee for Job Number 1. The Company expects that Software Development Staff will need up to 80 hours of training during the term of the Agreement in SCRUM methodology, changes being made to P3 software, and a new trust accounting software. These topics are essential to the Company's growth and may require more hours of training.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 - 80

Trainees may receive any of the following:

BUSINESS SKILLS

- Customer Service
- Financial Statements
- Internal Procedures
- Leadership Skills
- Time Management
- Workflow Production

COMMERCIAL SKILLS

- 4019(a), 401(k), Pension Plans
- Case Management Review
- Abandoned Plans
- Client Billing
- Government Regulations
- IRA Distribution
- New Client Deliverables
- New Forms/Government Forms/Reporting Forms
- Retirement Distribution
- Trust Accounting & Distribution

COMPUTER SKILLS

- Customer Survey Tools & Reporting
- P3 Software
- Marketing Cloud
- Microsoft Office
- QuickBooks
- Salesforce/Customer Resource Management
- Tableau Reporting
- Trust Accounting Software

CONTINUOUS IMPROVEMENT

- Performance Management
- Goal Setting
- Process & System Improvement

Note: Reimbursement for retraining is capped at 80 total training hours per trainee, regardless of the method of delivery.
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DELEGATION ORDER



Training Proposal for:

R/C Metals Electronic, Inc. dba Freelance Electronics

Small Business

ET17-0217

Approval Date: September 12, 2016

ETP Regional Office: North Hollywood

Analyst: M. Niquet

CONTRACTOR

- Type of Industry: Wholesale Trade
 - Number of Full-Time Employees
 - California: 10
 - Worldwide: 10
 - Number to be trained: 10
 - Out-of-State Competition: NAICS Code Eligible
 - Special Employment Training (SET): ☐ Yes ☒ No
 - High Unemployment Area (HUA): ☐ Yes ☒ No
 - Turnover Rate: 17%
 - Repeat Contractor: ☐ Yes ☒ No
- Priority Industry: ☐ Yes ☒ No
- Owner ☒ Yes ☐ No

FUNDING

- Requested Amount: \$7,700
- In-Kind Contribution: \$11,245

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100	Business Skills, Computer Skills, Cont. Imp.	10	8-60	0	\$770	\$16.48
				Weighted Avg: 35			

It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

- Reimbursement Rate: \$22 SB Non-Priority
- County(ies): Los Angeles
- Occupations to be Trained: Administrative Staff, Sales Staff, Warehouse Staff, Supervisors/Managers, Owner
- Union Representation: ☐ Yes
☒ No
- Health Benefits: \$2.10 per hour

SUBCONTRACTORS

- Development Services: Assured Incentive Group, San Clemente, assisted with development for a flat fee of \$1,800.
- Administrative Services: Assured Incentive Group will also provide administrative services for a fee not to exceed 10% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1986 and located in Santa Fe Springs, R/C Metals Electronic, Inc. dba Freelance Electronics (Freelance) (www.rcfreelance.com) supplies military grade, surplus, difficult-to-find and obsolete electronic components. Components are designed and engineered into products such as computers, cell phones, airplane display panels and controls. These components are then integrated into commercial, industrial and military applications. Clients include those in federal/state/local government, healthcare, consumer products, automotive and telecommunication. This is Freelance's first ETP Agreement.

Need for Training

Electrostatic discharge (ESD) has become a problem in the electronics industry. Low level ESD is causing device failures and losses negatively impacting business. Freelance need to provide its workers training in ESD control procedures, compliance and certification.

In addition, Freelance will implement International Traffic in Arm record keeping process, as required by the State Department for military grade parts and components handling. This high level of record-keeping and compliance will help expand the Company's military grade packaging system. Implementation and training will lead to lower errors and costs, allowing the Company to increase production volume and to ensure that it can create and maintain jobs in California.

Training Plan

Training will be provided at the Company's only location in Santa Fe Springs, by in-house staff and outside vendors to be determined.

Business Skills: Training will be offered to all occupations. Training will improve strategic thinking, communication and assist the Company reach goals towards a high performance workplace.

Computer Skills: Training will be offered to Supervisors/Managers, Owners, Administrative and Sales Staff. Training is needed to improve inventory tracking, financial planning and performance management.

Continuous Improvement: Training will be offered to all occupation. Training will increase volume in internal packaging and procedures to ensure the required standards are met.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-60

Trainees may receive any of the following:

BUSINESS SKILLS

- Team Building
- Communication & Negotiations

COMPUTER SKILLS

- Advanced Microsoft Office
- Elec Parts Distribution System

CONTINUOUS IMPROVEMENT

- Counterfeit Parts Mitigation
- ESD 20.20 Best Practices
- ITAR Compliance Training
- MILSPEC Packaging Implementation & Compliance
- ISO 9001 Compliance & Corrective Actions
- Production Workflow

<p>Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery.</p>

DELEGATION ORDER



**Retrainee - Job Creation
Training Proposal for:**

Rudy's Auto Body, Inc. dba Fix Auto Fairfield - Suisun City

Small Business

ET17-0172

Approval Date: August 18, 2016

ETP Regional Office: Sacramento

Analyst: W. Sabah

CONTRACTOR

- Type of Industry: Services
- Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees
 - California: 13
 - Worldwide: 13
 - Number to be trained: 11
- Owner ☒ Yes ☐ No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): ☒ Yes ☐ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 4%
- Repeat Contractor: ☐ Yes ☒ No

FUNDING

- Requested Amount: \$14,520
- In-Kind Contribution: \$19,230

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 SET	Business Skills, Commercial Skills, Computer Skills, Cont. Imprpv., HazMat, PL- Commercial Skills	7	8-60	0	\$1,320	\$28.37
				Weighted Avg: 60			
2	Retrainee Job Creation Initiative SB <100 SET	Business Skills, Commercial Skills, Computer Skills, Cont. Imprpv., HazMat, PL- Commercial Skills	4	8-60	0	\$1,320	*\$13.00
				Weighted Avg: 60			

* It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

- Reimbursement Rate: Job #'s 1 & 2: \$22 SB Non-Priority
- County(ies): Solano
- Occupations to be Trained: Estimator, Technician, Owner
- Union Representation: ☐ Yes
☒ No
- Health Benefits: Job #1: \$1.87 per hour

SUBCONTRACTORS

- Development Services: Synergy Management Consultants, LLC in Grass Valley assisted with development of this project for a flat fee of \$1,150
- Administrative Services: Synergy Management Consultants, LLC will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1962 and located in Suisun City, Rudy's Auto Body, Inc. dba Fix Auto Fairfield – Suisun City (Rudy's Auto Body) (www.rudysautobody.com) is a full service automotive repair center. The Company specializes in automotive mechanical and collision repair services

including the sale of parts and accessories. Rudy's Auto Body's customer base includes residents of Suisun City and the surrounding vicinity.

Need for Training

Industry changes have impacted the collision repair business. Staff needs to train on new industry conditions to remain competitive. The automotive collision repair industry has changed in recent years as vehicles are being produced using different materials including aluminum, boron, ultra high strength steel and composites. Technicians and Estimators require updated skills on new vehicle materials and repair methods.

In addition, Rudy's Auto Body plans to further increase their clientele by having Technicians and Estimators obtain Inter-Industry Conference on Collision Auto Repair (I-CAR) and Automotive Service Excellence (ASE) certification for the new materials. Technicians and Estimators will be trained to become I-CAR and ASE certified to service new vehicle brands such as Toyota, Ford Aluminum, Volkswagen and Tesla. Rudy's Auto Body will also deliver training on customer service, updated operating procedures, marketing, sales, computer software skills and Lean concepts.

Job Creation

As customer demand increases, customer engagement and new vehicle repair skills are becoming necessary for Rudy's Auto Body to sell services more effectively. In addition, Rudy's Auto Body plans to expand its' market share within the next year by increasing insurer contracts and the ability to repair luxury-exotic vehicles such as Tesla. The Company plans to increase its shop sales by 20% by providing customers with faster and more efficient services. To support their growth plan, Rudy's Auto Body has committed to hiring four new full time permanent employees (Job Number 2). The new positions will fill needs in the Technician and Estimator occupations.

The Panel offers incentives to companies that commit to hiring new employees. Trainees will be subject to a lower post-retention wage. The date-of-hire for all trainees will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Training is scheduled to begin in August 2016, provided by in-house trainers and vendors not yet determined. Training will be provided in the following:

Business Skills: Training will be offered to all occupations. This training is necessary for employees to understand the sales, claims, and insurance claim transmitting process, to see how their function impacts the total customer experience. Estimators will learn skills to properly facilitate the claims process in an effort to create a better customer experience.

Commercial Skills: Training will be offered to all occupations and will cover maintenance-service, new vehicle technologies, aluminum, electric and hybrid repair, and extended I-CAR credentials for the collision center. Also included will be training for certification for VW, Toyota, Ford Aluminum, Tesla and other specific original equipment manufacturers (OEM).

Computer Skills: Training will be offered to all occupations. This training is necessary to accurately assess current conditions, set objectives, notice trends and communicate in a high-flow and often paperless environment. Computer Skills will enable the Company to use IT

systems to track costs, plan production and service flow while communicating with customers, potential customers and employees.

Continuous Improvement: Training will be offered to all occupations to improve quality, cycle time, and cost efficiency by implementing Lean Quality and Production Improvement systems. These processes identify service, production and flow issues and as well as the root cause. The training will provide solutions to improve quality, reduce waste and defects across all areas of the Company. Rudy's Auto Body expects to increase efficiency by 15% with continuous improvement training.

Hazardous Materials this training will be offered to Technicians and will cover hazardous materials handling, disposal.

Productive Lab (PL)

PL training will be provided to Technicians and Estimators to supplement Class/Lab training. The delivery of PL training is necessary as trainees will be given real life projects on which to perform. This training will strengthen employee understanding of how to complete automotive collision repair services. Estimators' PL training will focus on the correct diagnosis of damage and properly working through the documentation, insurance and pricing processes.

Trainees will use the following equipment in PL training: resistance spot welder, mig (metal inert gas) welder, frame rack and measuring system, paint spray guns, paint spray booths, estimating system and various hand tools. Staff will be trained on welding of structural parts, aluminum repair, measuring frames, glass replacement, unibody alignment, mechanical components and system diagnostics and repair. All PL training will take place onsite at Rudy's Auto Body in Suisun City. The trainer-to-trainee ratio for all PL training will be 1:1. Technicians will receive between 0–16 hours of PL training and Estimators will receive between 0–12 hours of PL training.

PL training will consist of a normal collision repair duties where the trainer will walk the trainee through the repair process. The trainer will observe the trainee complete the repair and will offer coaching and mentoring throughout the process. During the PL training, output is expected to decrease by 30%. Trainers will be journey level Technicians or Estimators who are considered to be subject matter experts. After the successful completion of a PL training course, the trainer will sign off that the trainee is competent.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum

Class/Lab Hours

8-60

Trainees may receive any of the following:

BUSINESS SKILLS

- Customer Care Skills
 - Customer Retention
 - Customer Engagement
 - Customer Relationship Building
- Advanced Sales & Marketing Skills
 - Prospecting & Closing
 - Sales Account Management
 - Sales Closing Techniques
 - Sales Procedures & Strategies
- Negotiation Skills
- Conflict Resolution
- Communication Skills
- Presentation Skills

COMMERCIAL SKILLS

- I-CAR Collision Repair Certification Skills
- Refinishing Skills
 - Trim & Hardware
 - Surface Preparation
 - Vehicle Priming/Sealing
 - Paint Spray Guns Maintenance & Set-Up
 - Corrosion Protection Process
 - Sand, Buff & Detail
 - Color Theory & Tints
 - Blending Techniques
 - New Technologies
- Structural Repair
 - Unibody Alignment
 - Three Dimensional Measuring
 - Repair & Replacement of Outer Body Panels
 - High Strength Steels
 - Aluminum Repair Processes
 - MIG Welding Skills
 - Straightening Structural Damage
 - Glass Replacement
 - Pillars, Rocker Panels, Rails, Front Structures & Floor Pan Replacement
 - Heating Cooling and AC Systems
 - Steering & Suspension Systems
 - Advanced Vehicle Systems
 - Composite Materials and Bonding Techniques
- Non-Structural Vehicle Repair Skills
 - Remove & Install Trim & Hardware

- Adhesive Bonding
- Diagnose Wind Noise & Water Leaks
- Aluminum Cosmetic Damage
- Spot Welding
- Composite Repair
- Estimating Skills
 - Steering & Suspension System Damage Analysis
 - Damage on Non-Drivable Vehicles
 - Electrical/Mechanical Systems
 - Stationary Glass
 - Advanced Materials
 - Advanced Vehicle Systems
- Vehicle Operation, Maintenance, & Troubleshooting
- Alternative Fuel & Hybrid Vehicle Repair Diagnostics
- Service Procedures & Scheduling
- Product Knowledge
- OEM (Original Equipment Manufacturer) Knowledge/Skills

COMPUTER SKILLS

- CCCone Software
 - Job Costing
 - Production Flow
 - Production Planning - ETA Times & Dates
 - Internal & External Customer Communication
- Michell & Michell Repair Center Software
- Audatex Software
- CCC Info Systems Software
- Alldata Software
- Microsoft Office Suite (Intermediate/Advanced)
- Quickbooks

CONTINUOUS IMPROVEMENT

- Leadership Skills
- Teambuilding
- Root Cause Analysis
- Kaizen Event Strategy & Implementation
- Lean Concepts
- Process/Quality Improvement
- Problem Solving/Decision Making Skills
- Inventory Control
- Standard Operating Procedures

HAZARDOUS MATERIALS

- Completing Material Safety Data Sheets (MSDS)
- Volatile Organic Compound (VOC) Tracking
- Emergency Clean-Up
- Registration, Evaluation, Authorization & Restriction of Chemical Substances

Safety Training will be limited to 10% of total training hours per-trainee.

Productive Lab

0-16

COMMERCIAL SKILLS (1:1)

- Body Filler Methods
- Structural Resistance Spot Welding
- Mig Brazing Techniques
- Color Tinting
- Spraying/Blending Techniques
- Measuring Vehicle Structures
- Alignment Process of Unitized Vehicles
- Alignment Process for Full Frame Vehicles
- Aluminum Repair
- Technical Estimating Skills
- Estimating Direct Repair Program (DRP) Skills
- Estimating System Software Skills

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. PL is capped at 16 hours per-trainee.



RETRAINEE - JOB CREATION

Training Proposal for:

Scaled Composites, LLC

Agreement Number: ET17-0186

Approval Date: August 29, 2016

ETP Regional Office: North Hollywood

Analyst: M. Webb

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative HUA	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Kern	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 560	U.S.: 560	Worldwide: 560	
Turnover Rate:	16%			
Managers/Supervisors: (% of total trainees)	0%			

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$69,120		\$0	\$0		\$69,120

In-Kind Contribution:	100% of Total ETP Funding Required	\$69,120
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate HUA	Mfg Skills, HazMat, PL-Mfg. Skills	180	8-200	0	\$324	*\$13.63
				Weighted Avg: 18			
2	Retrainee Job Creation Initiative Priority Rate	Mfg Skills, HazMat, PL-Mfg. Skills	10	8-200	0	\$1,080	*\$13.63
				Weighted Avg: 54			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1 (HUA): \$11.70 per hour for trainees in Kern County.
Job Number 2 (Job Creation): \$12.77 per hour for trainees in Kern County.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☐ Yes ☒ No ☐ Maybe

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Composite Fabricator		135
Composite Technician		40
Shop Assistant		5
Job Number 2 (Job Creation)		
Composite Fabricator		5
Composite Technician		4
Shop Assistant		1

INTRODUCTION

Founded in 1982, Scaled Composites, LLC (Scaled Composites) is an aerospace and specialty composites development company located in the City of Mojave. The Company designs and fabricates air/spacecraft structures and prototypes for developmental flight testing. Scaled Composites is a subsidiary of Northrop Grumman and provides services mainly in the aerospace industry.

PROJECT DETAILS

This will be Scaled Composites' fifth ETP Agreement, the fourth in the last five years. Previous Agreements only trained newly hired employees to expand the number of Composite Fabricators at the Mojave location. No incumbent workers in this proposal have participated in prior ETP-funded training.

The Company will train incumbent staff on new equipment/machinery and advanced skills. Course topics included in the Menu Curriculum are similar to curriculum provided in prior Agreements but will include new upgrades, methodologies, techniques, and materials to improve job performance and increase employee skills. A large number employees have not been exposed to all disciplines of composite fabrication which can include injection, molding (open, compression, resin transfer, vacuum-assisted resin transfer), new hand layups, casting, and curing (chemical, electron-beam).

Retrainee - Job Creation

Scaled Composites is expanding business capacity by hiring more employees. The Company has committed to hiring 10 new employees (Job Number 2). Newly hired trainees will receive a 54-hour training session on basic composite fabrication. Trainees will be taught basic concepts in fabrication such as wet lay-up, trimming, drilling, bonding, and tooling.

The date-of-hire for all trainees will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Training will take place at the Mohave facility. All training will be conducted by in-house instructors who have lead experience and 5-7 years of experience.

Manufacturing Skills (80%): Training will be offered to all occupations to introduce new methods in composite fabrication. Training topics will include secondary bonds, hot-wire, and tooling.

Hazardous Materials (10%): Training will be offered to all occupations to ensure they can properly handle hazardous chemicals such as alodine on the shop floor. This training will be conducted by in-house instructors.

Productive Laboratory (10%)

Trainees may produce goods for profit as part of Productive Lab (PL) training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

Composite Fabricators/Technicians, and Shop Assistants will receive up to 40 hours of PL training in Manufacturing. Scaled Composites requests a trainer-to-trainee ratio of 1:3. Trainees are often grouped together to work on similar parts being used for specific aircraft structures. Fabrication is conducted at a steady pace to ensure materials and components are being handled accurately. As a result, one instructor can be assigned to supervise up to three trainees while they lay and reinforce materials to create multiple shapes and parts as needed.

Under direct supervision of the instructor, trainees will demonstrate newly learned fabrication techniques (lay-up, bonding, etc.) on aircraft structures/parts. Instructors will assign the trainee specific parts to fabricate with composite materials. Trainees are provided a Manufacturing

Outline Traveler (M.O.T.) that gives specific steps that they must follow to build specific parts. Trainees will then follow instructions cutting, molding, and reinforcing materials. Trainers will ensure that trainees can handle various chemicals and components properly.

Commitment to Training

The Company spends approximately \$75,000 annually for training at this location. Training topics delivered are new hire, on-the-job, and all state mandated training.

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Scaled Composites has assigned staff members to administer this ETP Agreement (training, scheduling, enrollment, tracking data, etc.). The Manufacturing Trainer has administered all prior ETP Agreements and fully understands all requirements and administrative duties.

Prior Alternatively Funded Agreement

Scaled Composites has a previous alternatively funded Agreement (ET10-0708) in the last five years that ended March 31, 2012.

High Unemployment Area

All trainees work in Kern County, a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. For these trainees, the Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. The Company is requesting a 13% modification (from \$15.60 to \$13.63) for Job Number 1 trainees.

Substantial Contribution

The Company is on track to earn more than \$250,000 in prior ETP contracts in the last five years. However, Substantial Contribution does not apply to funds earned from Job Creation training (all prior Agreements were Job Creation only).

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Scaled Composites under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0141	Mojave	08/24/2013- 08/23/2015	\$99,360	\$69,100 (70%)
ET12-0359	Mojave	04/28/2012- 04/27/2014	\$145,800	\$134,036 (91%)

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200

Trainees may receive any of the following:

MANUFACTURING SKILLS

- Blind Flanges
- Clip Bonding
- Core Cut/Bevel
- Corner Taping
- Drilling
- Equipment Operation
- Hot-Wire
- Manufacturing Outline Traveler (M.O.T.'s)
- Oven Build and Operations
- Prepreg Lay-Up
- Repair Procedures
- S.P.'s Knowledge (Basic Instruction on Completing Tasks on M.O.T.s)
- Secondary Bonds
- Tooling
- Tow Machine
- Trimming
- Wet Lay-Up

HAZARDOUS MATERIALS

- Hazardous Material Handling
 - Alodine
- Hazardous Chemical Cleaning/Handling

Productive Lab Hours (1:3)

0-40

MANUFACTURING SKILLS

- Blind Flanges
- Clip Bonding
- Core Cut/Bevel
- Corner Taping
- Drilling
- Equipment Operation
- Hot-Wire
- Manufacturing Outline Traveler (M.O.T.'s)
- Oven Build and Operations
- Prepreg Lay-Up
- Repair Procedures
- S.P.'s Knowledge
- Secondary Bonds
- Tooling
- Tow Machine
- Trimming
- Wet lay-up

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 40 hours per-trainee.

DELEGATION ORDER



**Retrainee - Job Creation
Training Proposal for:
Shasta Cascade Forest Products, Inc.**

Small Business

ET17-0202

Approval Date: August 23, 2016

ETP Regional Office: Sacramento

Analyst: K. Smiley

CONTRACTOR

- Type of Industry:
 - Goods Movement
 - Warehousing
 - Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees
 - California: 5
 - Worldwide: 5
 - Number to be trained: 10
 - Owner ☐ Yes ☒ No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☒ Yes ☐ No
- Turnover Rate: 10%
- Repeat Contractor: ☐ Yes ☒ No

FUNDING

- Requested Amount: \$7,800
- In-Kind Contribution: \$8,000

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate HUA	Commercial Skills, Computer Skills	5	8-60	0	\$780	*\$11.70
				Weighted Avg: 30			
2	Retrainee SB <100 Priority Rate HUA Job Creation	Commercial Skills, Computer Skills	5	8-60	0	\$780	*\$10.00
				Weighted Avg: 30			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Shasta
- Occupations to be Trained: Production Staff, Administrative Staff, Information Technology Staff
- Union Representation: ☐ Yes
☒ No
- Health Benefits: NA

SUBCONTRACTORS

- Development Services: Law Offices of David Clark of Redding assisted with development services for a flat fee of \$780.
- Administrative Services: Law Offices of David Clark of Redding will also assist with administration for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1990 and headquartered in Redding, Shasta Cascade Forest Products, Inc. (Shasta) provides warehousing, transloading, and reloading services to clients utilizing the Union Pacific rail line to transport goods. Shasta has the capability of transloading goods from rail to truck, truck to truck and train to train.

Retrainee- Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

As a small transloading and warehousing operation, Shasta must remain competitive with larger companies with larger warehousing and transloading capabilities. To accomplish this, Shasta recently purchased a high capacity railcar transloader machine. This new machine will require Shasta to train Production Staff to safely and efficiently use this machinery.

Shasta will also develop their own website to market themselves and highlight advantages using the rail system for transportation of goods. To create this website internally Shasta will need to hire staff to develop, maintain and update the site.

Shasta has committed to hiring five new employees (Job Number 2). The date-of-hire for trainees will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into “net new jobs” as a condition of contract.

Modifications

Trainees work in a High Unemployment Area (HUA), with unemployment exceeding the state average by 25%. The Company’s locations in Shasta County qualify for the ETP HUA minimum wage rather than the Standard Wage. The Panel may modify the ETP Standard Wage for these trainees by up to 25% if post-retention wages exceed the start-of-training wages.

For retrainees in Job Number 1, Shasta is requesting a wage modification from \$15.60 to \$11.70 for incumbent staff. For retrainees in Job Number 2, Shasta is requesting a wage modification from \$12.77 to \$10.00 for newly hired trainees.

Training Plan

Training will be delivered via class/lab by in-house experts and outside vendors to be determined.

Commercial Skills: Training will be provided to Production Staff to enhance production efficiencies and safety. Courses will include transloader controls, machine maintenance and safety procedures.

Computer Skills: Training will be provided to Administrative Staff and Information Technology staff on Dream Weaver to develop a website to better market their services. Courses will include website planning, page design and page modification.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum

Class/Lab Hours

8-60

Trainees may receive any of the following:

COMMERCIAL SKILLS

- Transloader Controls
- Machine Maintenance
- Railcar Transloader Operation
- Safety Procedures

COMPUTER SKILLS

- Page Design
- Website Planning
- Page Modification
- Dream Weaver
- Uploading Pages

Safety Training will be limited to 10% of total training hours per-trainee.

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.

DELEGATION ORDER



RETRAINEE - JOB CREATION

Training Proposal for:

The Super Dentists, Inc.

Agreement Number: ET17-0205

Approval Date: August 31, 2016

ETP Regional Office: San Diego

Analyst: K. Campion

PROJECT PROFILE

Contract Attributes:	Retrainee SET Job Creation Initiative	Industry Sector(s):	Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	San Diego	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 140	U.S.: 140	Worldwide: 140
<u>Turnover Rate:</u>	7%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$72,200		\$0	\$0		\$72,200

In-Kind Contribution:	100% of Total ETP Funding Required	\$92,344
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SET Job Creation Initiative	Business Skills, Computer Skills, Commercial Skills	35	8 - 200	0	\$1,600	*\$13.72
				Weighted Avg: 80			
2	Retrainee SET	Business Skills, Computer Skills, Commercial Skills	18	8 - 200	0	\$900	\$28.37
				Weighted Avg: 60			

*It will be made a condition of contract that trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1: \$13.72 per hour for San Diego County (Retrainee Job Creation); Job Number 2: \$28.37 per hour SET Statewide Average Hourly Wage

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No ☐ Maybe

Up to \$0.72 per hour may be used to meet the Post-Retention Wage for Job Number 1 and up to \$1.86 per hour may be used for Job Number 2 to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1 (Retrainee Job Creation)		
Dental Assistant		6
Admin & Accounting/Billing Staff		11
Coordinator		4
Front Office/Customer Service Staff		10
Marketing Rep		2
Lead		2
Job Number 2 (Incumbents)		
Dental Assistant		6
Admin & Accounting/Billing Staff		4
Coordinator		3
Front Office/Customer Service Staff		2
Marketing Rep & Lead		3

INTRODUCTION

Founded in 1996, The Super Dentists, Inc. (The Super Dentists) (www.thesuperdentists.com) is a specialty pediatric dentistry and orthodontic company located in San Diego County. The Super Dentists provide care for the unique dental needs of children and teens which includes annual exams and fitting for braces. The Company has five dental offices in the cities of San Diego (2), Chula Vista (2) and Oceanside, all of which are participating in this proposed training.

PROJECT DETAILS

This will be The Super Dentists' second proposal. The first ETP Agreement was a small business Agreement with Dr. Keri, D.D.S. The Company trained to ensure all workers were consistent in applying procedures and working with customers and patients.

Since the first Agreement, the Company has grown from four dental offices to five and now has 140 full-time staff. Its newest office in San Diego now houses the corporate staff and will be expanded to include a new dental facility in 2016/17. The Company is also in the process of expanding its Oceanside and Chula Vista dental offices and extending hours of operations to meet high customer demand.

This rapid growth required the Company to develop and staff a new Customer Service Center. This center will improve customers' scheduling and it will allow the Company to more easily distribute important patient information. New Customer Service workers will receive comprehensive training to ensure consistency across the organization.

The need for training is also driven by the implementation of a new dental software computer system that was implemented on August 1. This system will improve operation efficiencies. All new and existing staff will need extensive retraining to be able to successfully operate this new system.

Some courses from the Curriculum may be duplicated from the previous Agreement. However, only newly hired employees and incumbent employees who did not participate in the previous Agreement will receive those courses. Training will not be duplicated.

Retrainee - Job Creation

The Super Dentists has hired 64 employees in the last 12 months and its Strategic Plan calls for the hiring of 40 – 60 new full-time workers in the next 12-18 months, of which 35 Job Creation, net new jobs are included in this proposal. The net new increase in jobs is intended to support the facilities expansion and operating hours' expansion, and to staff the Company's new Customer Service Center as discussed above.

The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

The majority of training will be delivered by in-house instructors. Training vendors may be utilized, but have yet to be determined.

Business Skills (25%) – This training will be provided to all occupations to continue to strengthen and improve business operations and customer service skills. Employees hired to

staff the Company's new customer service center will require customer service center satisfaction skills training.

Computer Skills (25%) – This training will be provided to all occupations to help trainees learn new dental software applications so that they can successfully navigate the Company's new computer system.

Commercial Skills (50%) – This training will be provided to all occupations in order to help trainees understand basic and advanced dental terminology to increase workers' knowledge base. These skills will help employees answer customer questions.

SET

As a service provider, The Super Dentists is eligible for ETP funding under Special Employment Training (SET) provisions for frontline workers; no dentists, supervisors or managers will be trained. Under SET, the participating employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage of \$28.37 at the end of retention (Job Creation trainees qualify at the Standard New Hire rate).

Commitment to Training

ETP funds will not displace the existing financial commitment to training. The Super Dentists spends approximately \$90,000 - \$105,000 yearly for training its workforce that includes sexual harassment prevention, new-hire orientation, dentist training, on-the-job training, OSHA mandated training, ergonomics training, HIPAA training, blood borne pathogens training, and CPR training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Dr. Keri, D.D.S. will have program oversight and will be assisted by a designated Practice Coordinator/Administrator who will schedule and implement the training plan. A designated lead and manager from each dental facility will be responsible for ensuring ETP attendance rosters are properly completed. The Practice Coordinator/Administrator will also be responsible for enrolling and tracking all trainees in the ETP on line systems. ETP Staff will provide technical assistance to the Super Dentists in the ETP online systems.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Keri, D.D.S. (The Super Dentists) under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0338	San Diego, Chula Vista, Oceanside	05/05/2014– 05/04/2016	\$33,440	\$32,813 (98%)

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 – 200

Trainees may receive any of the following:

BUSINESS SKILLS

- + Customer Service Center Satisfaction Skills
- + Treatment Coordinating Sales Skills
- + Marketing Techniques
- + Project Management and Strategic Planning
- + Patient Appointment & Confirmation Skills
- + Communication and Scripting skills
- + Team Development Skills

COMPUTER SKILLS

- + Dental/Orthodontic Operating System Application Skills
- + Inventory Control Software
- + Patient Flow/Communication Software Skills
- + MS Office: Excel, Outlook, Word (Intermediate & Adv.)

COMMERCIAL SKILLS

- + Dental/Orthodontic Technology Skills
- + Dental/Orthodontic Appliances
- + Dental/Orthodontic Procedures
- + Impression/Appliance Model Fabrication
- + Digital/Panoramic Radiographs
- + Sterilization Skills
- + Patient Flow Skills
- + Teeth Whitening Skills
- + Chairside Assisting Skills
- + Dental/Orthodontic Terminology Scripting Skills
- + Dental Terminology and Procedure Skills

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.

DELEGATION ORDER



**Retrainee - Job Creation
Training Proposal for:
usCalibration Incorporated**

Small Business

ET17-0225

Approval Date: August 31, 2016

ETP Regional Office: San Diego

Analyst: H. Bernard

CONTRACTOR

- Type of Industry: Services
- Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees
 - California: 34
 - Worldwide: 34
 - Number to be trained: 22
- Owner ☐ Yes ☒ No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 0%
- Repeat Contractor: ☐ Yes ☒ No

FUNDING

- Requested Amount: \$23,400
- In-Kind Contribution: \$38,872

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills, Commercial Skills, Computer Skills, Mgmt Skills	20	8 - 60	0	\$962	\$19.00
				Weighted Avg: 37			
2	Retrainee Job Creation Initiative SB <100 Priority Rate	Business Skills, Commercial Skills, Computer Skills	2	8 - 100	0	\$2,080	\$16.00
				Weighted Avg: 80			

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Engineers, Customer Service, Management, Sales
- Union Representation: ☐ Yes
☒ No
- Health Benefits: N/A

SUBCONTRACTORS

- Development Services: Welsh Advisors in Anaheim assisted with project development for a flat fee of \$1,661.
- Administrative Services: Welsh Advisors will also assist with project administration for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Located in Irvine, usCalibration Incorporated (usCalibration) (www.uscalibration.com) was founded in 1997 by Jim Simmons, when he converted his training consultancy into a customer-focused calibration service. The Company sells equipment and services all major equipment types: electronic, mechanical, pressure, temperature, force, acoustic, and more. Many of the Company's customers are industries that are regulated and required to have their measurement and test equipment calibrated to maintain adequate quality standards. The industries include manufacturing companies, biotech laboratories, research and development firms and defense-industry manufacturers.

Need for Training

The Company has tripled in size since 2008 and currently recruits 5-10 new customers per month. With high demand, the Company will need to hire constantly to keep up. However, the Company has been unable to hire qualified new staff due to the highly technical nature of the work. The Company has shifted its focus from only recruiting highly qualified, degreed graduates to hiring non-degreed technicians with little to no experience in the field. This plan allows the Company to hire and train applicants with high school diplomas and provide them employment opportunities in a highly technical field with advancement opportunities. The new employees are placed in a five-year training program to build skills. This program also allows the Company to train each staff member on different specifications. Technicians must go through extensive training to achieve competency with equipment specifications prior to working in the field.

Alongside extensive new employee training, usCalibration also performs significant training for its incumbent workers. Training includes new updates on metrology, advanced technical skills, project management and computer skills among others. These sessions ensure staff is up to date on new, updated procedures and equipment while making continual improvements to ensure quality and efficiency.

Retrainee-Job Creation

usCalibration is expanding business capacity by hiring new workers to help with increasing new business as discussed above. The Company has committed to hiring 2 new Engineers (Job Number 2). Trainees must be hired within the three-month period prior to the Panel approval or during the term of the contract. Trainees will be hired into “net new jobs” as a condition of contract.

Training Plan

Training will be classroom/laboratory-based and will be provided by both in-house trainers and vendors.

Business Skills: Training will be offered to all occupations and will include project management, communication skills and organization skills. Training will encourage all employees to assess, manage and drive improvements to increase performance across all teams.

Commercial Skills: Training will be offered to all occupations. All engineers will receive extensive training in commercial skills. These sessions will range from introductory to advanced technical skill sessions, calibration skills and metrology. Additionally, all non-technical occupations will receive training in calibration and metrology to ensure all staff have comprehensive knowledge of calibration services and products offered.

Computer Skills: Training will be offered to all occupations. Training will focus on XTrak, the Company’s online CRM software which tracks customers’ orders and equipment and allows the customer to track maintenance, repairs, upgrades and calibration services. The Company also expects to train in Microsoft Sharepoint and Dynamics.

Management Skills: Training will be provided to Managers only. This training will allow the Company to promote lower level staff into management and supervisory roles. The Company expects that this training will create a more cohesive and skilled team of managers who can motivate and engage staff.

Modification to Small Business 60-Hour Cap

usCalibration requests a modification to increase the small business cap on training from 60 hours to 100 hours for Job Creation trainees (Job Number 2). Trainees will receive an average of 80 hours but may receive up to 100 hours. As discussed previously, all newly hired employees go through a 5 year training plan with extensive training occurring in the first 8 weeks of employment. This training will be classroom-based and introduces engineers to the technical world of calibration.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum**Class/Lab Hours**

Job Number 1: 8-60

Job Number 2: 8-100

Trainees may receive any of the following:

BUSINESS SKILLS

- Project Management
- Organization Skills
- Communication Skills

COMMERCIAL SKILLS

- Calibration
- Metrology
- Introductory Technical Skills
- Intermediate Technical Skills
- Advanced Technical Skills
- Performance Management
- Quality Control
- Customer Service Product Knowledge

COMPUTER SKILLS

- xTrak
- Microsoft Sharepoint
- Microsoft Dynamics

MANAGEMENT SKILLS

- Goalsetting
- Decision Making
- Team Building
- Leadership Skills

Note: Reimbursement for retraining is capped at 60 total training hours per trainee for Job Number 1 and 100 total training hours per trainee for Job Number 2, regardless of the method of delivery.

DELEGATION ORDER



**Retrainee – Job Creation
Training Proposal for:
Valley CORF, Inc.**

Small Business

ET17-0174

Approval Date: August 22, 2016

ETP Regional Office: North Hollywood **Analyst:** J. Romero

CONTRACTOR

- Type of Industry: Healthcare
Services
Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees
California: 18
Worldwide: 35
Number to be trained: 12
Owner ☒ Yes ☐ No
- Out-of-State Competition: Significant Out-of-State Presence
- Special Employment Training (SET): ☒ Yes ☐ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 5%
- Repeat Contractor: ☒ Yes ☐ No

FUNDING

- Requested Amount: \$14,768
- In-Kind Contribution: \$19,500

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SET SB <100 Priority Rate	Business Skills; Commercial Skills	8	8-60	0	\$1,456	\$21.28
				Weighted Avg: 56			
2	Retrainee SB <100 Priority Rate	Business Skills	2	8-60	0	\$780	\$16.48
				Weighted Avg: 30			
3	SET Retrainee Job Creation Initiative SB<100 Priority Rate	Business Skills; Commercial Skills	2	8-60	0	\$780	\$13.73
				Weighted Avg: 30			

- Reimbursement Rate: Job #'s 1-3: \$26 SB Priority
- County(ies): Los Angeles, Riverside
- Occupations to be Trained: Respiratory Therapist, Physical Therapist, Administrative Staff, Billing Staff, Coding Staff, Owner
- Union Representation: ☐ Yes
☒ No
- Health Benefits: Job #2: \$1.48 per hour

SUBCONTRACTORS

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

OVERVIEW

Valley CORF, Inc. (Valley CORF) (www.valleycorf.com) provides holistic patient rehabilitation services such as orthopedic post-injury/surgery therapy, neurologic physical therapy, vestibular therapy, and occupational and cognitive behavioral therapy in a community-based setting. Valley CORF was founded in 2003 after Congress established Comprehensive Outpatient Rehabilitation Facilities (CORFs) to work as extensions to referring physicians. It responds to

the growing health needs of retiring baby boomers, and offers ancillary resources and services to hospitals (physical and occupational therapy, pulmonary rehabilitation, and social work). Valley CORF focuses on enabling patients to improve their quality of life and become more functionally independent in their daily activities. This, in turn, reduces re-admissions to hospitals and contributes to reduced healthcare costs.

Valley CORF has four California and three Washington affiliated companies. This proposal is for all four of the California affiliates: Rapid Therapy Center (Mission Hills); Burbank Therapy Center (Burbank); Cal Oaks Therapy Center (Murrieta) and Valley CORF (Tarzana). The corporate office (Job Number 2) provides support for the locations both inside and outside of California, and is eligible for standard retraining. Other locations (Job Numbers 1 and 3) lack out-of-state competition and will be funded under Special Employment Training funding.

This is Valley CORF's second ETP Agreement. With this proposal, the company plans to provide training upgrades to Business Skills and Commercial Skills training initiated in the first Agreement. Training in this proposal will not be duplicate training of the prior Agreement. The training proposed in this Agreement will focus on new requirements and improvements in patient documentation, evidence based charting, billing processes and patient engagement to achieve more effective results and ensure 100% compliance and customer satisfaction. Training will further improve employee skills in responding to the demands and continuous changes in the regulations and requirements of the healthcare industry created by the Affordable Care Act.

Retrainee/Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

Valley CORF has committed to hiring two new employees (Job Number 3). The date-of-hire for trainees will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

Valley CORF will recruit, hire, and train two Administrative Staff within the next two years in anticipation of the Company's growing workload in the operations department due to expanding existing business operations. Training will help newly-hired personnel work effectively and efficiently.

Training Plan

Workers will receive training in the latest updates in documentation requirements for evidence based outcomes, safe patient care, motivational skills in patient care, upgrades in the new coding methodology, tracking re-admissions while in therapy, and new software for billing accuracy.

Training will be delivered by in-house experts via class/lab in the following:

Business Skills: Training will be offered to all occupations. Training will include patient-focused concepts and on ways to improve patient relations to keep patients motivated and treatment regulation compliant, resulting in higher patient retention and satisfaction.

Commercial Skills: Training will be offered to all occupations. Trainees will help workers stay current with changes in the documentation process using quantitative analysis, and incorporating evidence and outcome based tests. Training will include charting, tracking,

evidence based tests and documentation, how to document co-treatment and comprehensive therapy, how to review and document physical and occupational therapy with respiratory therapy plans of treatment and daily chart notes.

Special Employment Training

Under Special Employment Training (SET), the participating employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention period.

➤ Wage Modification

Trainees in Job Number 1 are employed in a Priority Industry and qualify for a SET wage modification up to 25% below the statewide average hourly wage (\$21.28). The Company requests this wage modification for trainees in Job Number 1.

Trainees in Job Number 3 qualify for the ETP New Hire minimum wage of \$13.73 per hour for Los Angeles County. There is no post-retention wage increase required for the Job Creation trainees in Job Number 3.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Valley CORF under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0159	Tarzana	09/23/13- 09/22/15	\$18,920	\$14,586 (77%)

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 – 60

Trainees may receive any of the following:

BUSINESS SKILLS

- Communication Skills
 - Patient - Therapist Disease Management
 - Patient - Therapist ADLs (Daily Activity Living)
- Interactive Listening
- Cultural Diversity
- Customer Service
- Phone Etiquette
- Coding Accuracy
- Billing
 - Understanding/Impact of Bundled Payments

COMMERCIAL SKILLS

- Compliance
- Patient Charting and Documentation
- Improving of ADLs and function
- Re-Admission Reduction
- HIPPA/Computer Security
- Patient Safety

Safety Training will be limited to 10% of total training hours per-trainee.

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.

DELEGATION ORDER



**Retrainee - Job Creation
Training Proposal for:
Winslow Automation, Inc.**

Small Business

ET17-0207

Approval Date: August 22, 2016

ETP Regional Office: San Francisco Bay Area

Analyst: R. Jackson

CONTRACTOR

- Type of Industry: Manufacturing
Technology/IT
Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees
California: 76
Worldwide: 76
Number to be trained: 86
Owner ☒ Yes ☐ No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 12%
- Repeat Contractor: ☒ Yes ☐ No

FUNDING

- Requested Amount: \$42,172
- In-Kind Contribution: \$39,340

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills, Computer Skills, Continuous Impr, HazMat, Mfg Skills, Literacy Skills, PL- Mfg Skills	76	8-60	0-30	\$312	*\$17.02
				Weighted Avg: 12			
2	Retrainee SB <100 Priority Rate Job Creation Initiative	Business Skills, Computer Skills, Continuous Impr, HazMat, Mfg Skills, Literacy Skills, PL- Mfg Skills	10	8-60	0-30	\$1,846	*\$14.19
				Weighted Avg: 71			

*It will be made a condition of contract that trainees will never be paid less than the State or local minimum wage rate as in effect at the end of retention regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County: Santa Clara
- Occupations to be Trained: Production Staff, Engineers, Administrative Staff, Supervisor, Manager, Owner
- Union Representation: ☐ Yes
☒ No
- Health Benefits: Job #'s 1 and 2: \$3.61 per hour

SUBCONTRACTORS

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: Effective Management Associates in San Jose will provide Business Skills.

Safety Training Seminars in San Francisco will provide Hazardous Materials.

Big Joe Lift Handling in Hayward will provide Manufacturing Skills.

Valerie Ormano in San Jose will provide Literacy Skills.

NASA in Pasadena will provide Manufacturing Skills.

OVERVIEW

Founded in 1986 and located in Milpitas, Winslow Automation, Inc. (Winslow) (www.solderquik.com) provides physical alteration and testing services for microelectronic components to increase reliability, mitigate tin whiskers (a fault in electronic devices), and/or achieve RoHS (Restriction of Hazardous Substances) compliance. Winslow provides these services for aerospace, military, medical, and automotive industrial companies, semiconductor manufacturers, and original-equipment manufacturers.

Need for Training

This will be Winslow's fifth ETP-funded training project. Upgrades in procedures, equipment, and software occurred in the previous agreements, but this proposal also covers areas of training not delivered in previous Agreements. This proposal includes training on additional upgraded and/or new equipment, certified safety, security clearance, software, and procedures. The training content has been refreshed and no trainee will be attending the same topics previously offered.

Training will focus on improving the speed and efficiency of delivery in response to customer demands. The Company invested in new equipment, Pull Testers, X-Ray Fluorescence and Coordinate Measuring Machines, to improve delivery times. The Company will be expanding its current facility to accommodate the new equipment. Trainees must learn how to properly operate and maintain the equipment.

Additionally, the Company will train on ISO9001, AS9100, and MIL-PRF-38535 which are customer and government driven standards for manufacturing, which require significant employee training for the Company to remain competitive and compliant. Customers are constantly updating and revising specifications due to changes in industry standards and technology. With these certifications, employees will be trained and certified in each process to meet industry standards and customer requirements.

Retrainee - Job Creation

Winslow is expanding business capacity and increasing floor space by utilizing 10,000-square-foot, currently used for on-site storage, to provide room for new equipment and to make room for new employees. Winslow anticipates hiring 10 new employees (Job Number 2). Eight of the new employees will be allocated for Production staff, two for Technical occupations and one for Administration.

Trainees are subject to a lower post-retention wage. Trainees must be hired within the three-month period prior to Panel approval or during the term of contract, allowing time for training and the retention period. Trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Class/Lab, Computer-Based Training, and Productive Lab will be conducted by in-house staff and vendors. The current internal administrator and company representative has ETP experience and brought the last ETP agreement to a successful close.

Business Skills - Training will be provided to trainees from all occupations to improve communication, and provide staff with the tools needed to plan, organize, secure and manage resources. Production, Administration and IT staff will receive security related training to maintain compliance with International Traffic in Arms Regulations.

Computer Skills - Training will be offered to all occupations to learn new computer software and/or upgrade skills. Additionally, recent changes with Federal Acquisitions Regulations have prompted companywide training needs. Topics such as Database Design and Security Systems Applications will be given.

Continuous Improvement - Training will be offered to all occupations to implement process improvements and ensure customer requirements and industry standards are met. Topics such as Auditing, Problem Solving, and Quality concepts will be given.

Hazardous Materials - Training will be provided to Production Staff and Engineers to ensure safe handling of hazardous materials during production, storage, and disposal processes. The introduction of new materials is prompting the need for this training.

Literacy Skills - Training will be provided to Production Staff, and other trainees as needed, to improve English communication and basic math skills to fully participate in training; and to contribute to the Company's continuous improvement processes. Winslow finds some of its waste products have been attributed to miscommunication caused by employees' insufficient math and reading comprehension skills. By improving the workforce's English and Math skills, the company aims to increase delivery speed and lessen defects.

Manufacturing Skills training will be provided to Production Staff, Supervisors, Managers, and Engineering Staff to improve skills and cross-train for more flexibility. The skills and tools provided by this training are expected to improve costs, employee retention, safety, quality and productivity. A train the trainer model will be used in some instances. Topics such as Line Maintenance, Failure Analysis and Test Equipment will be given.

Certified Safety Training

Hazardous Materials (HAZMAT). This training is also a series of courses, specific to industry sectors involved in the transport of hazardous materials. The coursework varies in length depending on the industry and the occupational title, as organized in five levels ranging from "first responder" to "incident commander." It is generally a minimum of 24 hours with an 8-hour annual refresher, and may be delivered by classroom or CBT. In this proposal, Production and Engineering will receive up to 24 hours of training. Field training may be required, although not funded by ETP. Completion of the training results in a certificate that expands employment opportunities. This coursework is not under Cal-OSHA, but is administered under the Department of Transportation and CalTRANS. There are various certification entities for the coursework and instructors. In this proposal, certification is by Department of Transportation.

Computer-Based Training

The majority of the training will be in-house instructor led classroom training. Computer-Based Training (CBT) will also be delivered in Continuous Improvement, Business Skills, and Manufacturing Skills. CBT is restricted to no more than 50% of a trainee's total training hours.

Productive Laboratory

Productive Laboratory (PL) trainees may produce goods for profit as part of the training, in the courses identified under the Curriculum and with no more than one trainee per instructor. The instructor must be dedicated to training delivery during all hours of training.

PL training in Manufacturing Skills will allow an estimated 50 Production Staff, Supervisors, Managers, and Engineering Staff to learn new processes, cross-train, and learn to properly handle equipment. PL will be application-specific, on custom equipment. Certain functions can only be performed in a live setting. Winslow submitted a PL Worksheet and task list as a part of the application process. PL will be provided at a 1:1 trainer-to-trainee ratio. Trainees will receive no more than 24 hours of PL.

Modification to the Maximum Hours

Winslow is requesting to increase the maximum hour cap for Small Business from 60 to 100 hours. New employees will need considerable time in the classroom to acquire skills to be serviceable. Only a few employees who do not have much background in the industry will receive up to 100 hours.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Winslow under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0146	Milpitas	09/03/2013- 09/02/2015	\$49,140	\$42,121 (86%)
ET12-0264	Milpitas	12/28/2011- 12/27/2013	\$35,178	\$35,178 (100%)
ET10-0142	Milpitas	09/01/2009- 08/31/2011	\$49,764	\$20,278 (41%)

*ET10-0142: Due to production demands, the Company was unable to release employees for as much training as they originally planned. In subsequent Agreements, training program managers and trainers focused and prioritize training goals and significantly improved performance results as evidenced in the two last Agreements.

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-60

Trainees may receive any of the following:

BUSINESS SKILLS

- + Accounting
- + Communication
- + Contract Review
 - o Non-Disclosure Agreements (NDA)
 - o Certs & Reps
 - o Terms & Conditions
 - o Defense Priorities and Allocations System (DPAS)
 - o Qualified Manufacturers List (QML)
- + Customer Service
- + Document Control
- + Export Control
- + Resource Management
- + Project Management
- + Sales/Marketing
- + Security Systems Protocols
 - o Cyber Security
 - o Controlled Cryptographic Items (CCI)
 - o Trusted Program

COMPUTER SKILLS

- + Accounting Systems (DACEasy)
- + Customer Service Systems
 - o Customer Specs
 - o Purchase Orders
 - o Quotes
- + Database Design
- + Database User
- + Engineering Software
- + End-User Application
 - o Microsoft Office Applications
 - o Databases (Access, Filemaker)
- + Inventory Control Systems
- + MIS - Management Information Systems
- + Security Systems Applications
 - o Joint Adjudication Personnel System (JPAS)
 - o Facility Security
- + Web Design

CONTINUOUS IMPROVEMENT

- + Auditing (Internal Audits)
- + Decision Making
- + Problem Solving (Failure Analysis)
- + Process Improvement (Statistical Process Control)
- + Quality Concepts
 - o Non-conformance Reports
 - o Return Material Authorizations

HAZARDOUS MATERIALS

- + Basic Chemical Handling (Job-Specific)
- + Emergency Response
 - Chemical Spill & Cleanup
 - Emergency Evacuation
- + Hazardous Materials Handling (Job-Specific)
 - Chemical Mixing
 - Handling
 - Safety Datasheets
- + Hazardous Waste Management (DOT/EPA – Haz Waste Certified)
 - Classification
 - Transport
 - Disposal
 - Recycling

MANUFACTURING SKILLS

- + Engineering Skills
 - Manufacturing Instruction Writing
 - Design of Experiments
- + Electrostatic Discharge Generation and Prevention
- + Failure Analysis & Test Equipment
 - Coordinate Measuring Machine (CMM)
 - X-Ray Fluorescence (XRF)
 - Fourier Transform Infra-Red (FTIR)
- + Line Maintenance
 - Electrical Safety
 - Troubleshooting
- + Production & Manufacturing Equipment
 - CMM
 - XRF
 - Pincutter
 - Wavesolder
- + Production & Manufacturing Process
 - Post-clean
 - Ball Attach
 - Column Attach
 - Ball Grid Array/Column Grid Array Insertion
- + Quality Assurance
 - Foreign Object Debris
 - 5S Methodology and Practices
 - ISO9001
 - AS9100
 - MIL-PRF-38535

LITERACY SKILLS

- + Vocational English
- + Vocational ESL
- + Vocational Math

Literacy skills cannot exceed 45% of total training hours per-trainee.

Productive Lab Hours

0–24

MANUFACTURING SKILLS (limited ratio 1:1)

- ✚ Chemical Handling (Preclean Processes)
- ✚ Equipment Operations (XRF, CMM, Ionograph, Pull Tester)
- ✚ Failure Analysis & Test Equipment (FTIR, SEM-EDS, Acoustic Microscope)
- ✚ Production & Manufacturing Processes (Flexline Operation, Reflow Oven Operation, Screen-printer)
- ✚ Quality Assurance (Criteria Inspection, Certificate of Conformance)

Computer-Based Training

0–30

CONTINUOUS IMPROVEMENT

- ✚ Auditing – 2 hours
 - ISO 9001/AS9100
 - Foreign Object Debris

BUSINESS SKILLS

- ✚ Lead/Supervisor/Manager – 8 hours
 - Basic and Advanced Supervision
 - Management
- ✚ Security Systems CBT – 8 hours
 - Cyber Security
 - Controlled Cryptographic Item
 - Trusted Program

MANUFACTURING SKILLS

- ✚ Engineering Skills – 6 hours
 - Failure Analysis
 - Reliability Training
 - Qualified Manufacturers List
- ✚ Electrostatic Discharge (ESD) – 1 hour
 - Proper Handling of Integrated Circuits
- ✚ Failure Analysis & Test Equipment – 6 hours
- ✚ Line Maintenance – 8 hours
 - Troubleshooting
 - Electrical Safety
- ✚ Production & Manufacturing Equipment – 7 hours
- ✚ Production & Manufacturing Process – 6 hours
- ✚ Quality Assurance – 4 hours
- ✚ Safety – 8 hours

Safety will be limited to 10% of total training hours, per trainee (excluding Hazmat training).

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee excluding HAZMAT. PL is capped at 24 hours per-trainee.