



Employment Training Panel

STATE OF CALIFORNIA EMPLOYMENT TRAINING PANEL

CalEPA Headquarters Building
Sierra Hearing Room, Second Floor
1001 I Street
Sacramento, CA 95814
December 13, 2019
(916) 327-5640

Panel Members

Janice Roberts
Acting Chairperson

Gloria Bell
Member

Maral Farsi
Ex-Officio Member

Ernesto Morales
Member

Gretchen Newsom
Member

Rick Smiles
Member

Douglas Tracy
Member

Ali Tweini
Member

Executive Staff

Peter Cooper
Assistant Director

Jill McAloon
Chief Deputy Director

STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL
California Environmental Protection Agency
1001 I Street Sierra Hearing Room, Second Floor
Sacramento, CA 95814
December 13, 2019

I. PUBLIC PANEL MEETING CALL TO ORDER

Acting Chairperson Gloria Bell called the meeting to order at 9:31 a.m.

II. ROLL CALL

Present

Gloria Bell (Acting Chairperson)
Maral Farsi
Ernesto Morales
Gretchen Newsom
Rick Smiles
Douglas Tracy
Ali Tweini

Absent

Janice Roberts

Executive Staff

Peter Cooper, Assistant Director

III. AGENDA

Acting Chairperson Bell asked if the Panel Members reviewed the Agenda.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the Agenda. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 – 0.

IV. MINUTES

Acting Chairperson Bell asked if the Panel Members reviewed the Meeting Minutes from the last Panel Meeting.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the Meeting Minutes. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 – 0.

V. REPORT OF THE ASSISTANT DIRECTOR

Mr. Cooper welcomed the Panel Members, Applicants, and Stakeholders and reported that today's meeting is approximately \$15.5M with another \$276,000 in delegation orders, for a total of \$15.7M.

Mr. Cooper recognized the following persons in attendance: Amber Tarrac, San Diego Regional Office Manager; Ryan Swier, North Hollywood Regional Office Manager; Chris Hoover, San Francisco Bay Area Regional Office Manager; Lis Testa, Program Projects Unit Manager; and Jana Lazarewicz, Sacramento Regional Office Manager.

Regarding the Agenda, Mr. Cooper pointed out that after the Panel reviews and acts on training proposals, there will be a presentation on the STEPS program, which is the Summer Training and Employment Program for Students. It is a grant partnership with the Department of Rehabilitation and the Community College Chancellor's Office and it provides paid work experience and pre-vocational opportunities to students with disabilities.

Mr. Cooper stated that the new Labor Secretary, Julie Su, has asked for ETP contractors, employers, and stakeholders to share their personal stories of how ETP has positively impacted them. She would like to see how individual trainees and workers, small and large businesses, and the public personally benefited from ETP resources. Please contact Robert Meyer from ETP's Marketing Unit at Robert.Meyer@etp.ca.gov.

Mr. Cooper reported that Labor Agency would like ETP and other State agencies to think about how we can use our resources more strategically. Accordingly, ETP has begun consideration of possible program changes, such as shifting the first-in, first-out program style to a more competitive-based program. Staff is also finding new ways to fund the apprenticeship programs that are more effective, such as aligning academic and training calendars. Mr. Cooper pointed out that supporting apprenticeship is critical to the Newsom administration, and supporting both construction apprenticeship programs, as well as the expansion of apprenticeship to other sectors, is important.

In furtherance of the goal of becoming more strategic, ETP has contracted with an outside research firm to evaluate how the ETP program can be more effective. The firm will evaluate ETP contract data and Dun & Bradstreet data in coordination with a survey given to ETP customers and employers. The firm, Social Policy Research Associates, will be making a presentation at a future Panel Meeting.

Another way ETP is working toward being more strategic is by engaging in monitoring of the Future of Work Commission, which is planning on releasing a report in May 2020, which will include recommendation on the new direction of the Future of Work Department. ETP will be working closing in development of this new department with DAS (Division of Apprenticeship Standards), the California Workforce Development Board, DIR (Department of Industrial Relations), and the Employment Development Department's Workforce Services Branch. They will produce a report in the Spring which will discuss future focus goals, such as lifelong

learning, employer engagement, and apprenticeship.

Regarding ETP's new computer system and process improvements, Cal-E-Force is our new contract management system and will replace several of ETP's antiquated and legacy systems. The new system is being developed on the Salesforce Cloud. The building and deployment of Cal-E-Force has been a significant undertaking for Staff, facilitating ETP's ongoing efforts to automate, streamline, and simplify our program. This has included a very robust Stakeholder input process and measures to keep our public informed and participating.

Regarding Budget and Alternative Funds, in the California Energy Commission's Clean Transportation Program there are new projects already in the queue ready to go. Therefore, we do not have the need for any new applications this fiscal year, but we are in discussion with the Energy Commission regarding additional dollars for this program in the future years. ETP has begun discussions with the new CEC Commissioner, Patty Monahan, to explore innovative ways of partnering with CEC going forward. One idea is to use CEC funds for small grants to support capacity building in underserved communities. This is in line with the Newsom Administration's call for a California for All. This is an exciting new direction for ETP and a way to more strategically focus our funds. This program is a partnership with the California Energy Commission for \$2M, approved through an interagency agreement, of which, there is currently \$1.3M remaining.

Regarding Core Funds for this fiscal year, Mr. Cooper reported that if all Proposals were funded today, the Panel will have approved a total of \$66.2M in 185 projects. ETP will have approximately \$36.8M for the remainder of the year with a demand of \$82.5M remaining for FY 2019/20.

Mr. Cooper reported, regarding Legislation, the current focus has been on the bill language that will accompany the Future of Work department and the Legislature is set to reconvene on January 6th. The legislation is still in the preliminary stages pending approval, and ETP will continue working closely with Labor Agency and will have more communications regarding this in the coming months.

Mr. Cooper requested a motion to approve the Consent Calendar.

Acting Chairperson Bell added to the Consent Calendar that Tab #14 for the Valley Roofers Joint Apprenticeship Training Trust Fund the consulting fee is not \$10,000, it is \$2,500.

ACTION: Mr. Tweini moved and Mr. Tracy seconded approval of the Consent Calendar with the noted correction to Tab #14. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 – 0.

VI. POLICY COMMITTEE MEETING REPORT TO PANEL

Ms. Newsom reported that yesterday the Policy Committee met as part of our stakeholder process for getting feedback. Ms. Newsom noted that the report to the Committee about affiliates that had been on the agenda was moved to a future meeting.

Proposed Policy Committee meeting agenda items for future meetings were discussed, which included, in no particular order: wages, ETP 130/proposals, an update on electronic record keeping requirements, best practices (which is research that is conducted across the nation as to other programs like ours), and affiliates. If there are any ideas for additional policy committee agenda items, please email them to Lis Testa at Elisabeth.testa@etp.ca.gov. There was a few updates to the contract's general Terms and Conditions, there was a motion, and it passed unanimously. One such update was that ETP will now be accepting electronic reports.

Ms. Newsom reported that they also had an update about the Veteran Program and Guidelines, and what can we do to incentivize the hiring and training of more veterans. We heard a little bit about that and then we did approve updated guidelines on active duty and training and accepting military members that are in the last few months of their duty them actually receiving training and funding for that. Staff will continue to do research as to what other incentives are out there that we can provide.

Ms. Newsom reported they also heard a proposal regarding demographic information and we approved some new language related to AB 677 requiring state agencies to collect demographic information pertaining to sexual orientation and gender identity. ETP will be a statewide leader with this implementation. Providing this information is not required of the trainees, but it is a requirement by state law to ask the questions and try to collect that data.

Ms. Newsom then reported there was a very robust discussion on apprenticeship, which was just a discussion to gather some input and basic background information. The following items were discussed: contractor eligibility (who can hold an apprenticeship contract), trainee eligibility, trainee enrollment, funding, curriculum, post-retention wage, and then also heard a report from the California Apprenticeship Council Conference that was attended by some of our staff and some of the various items that were discussed there. One of the items that was of interest was graduation rates, so we might be taking a look at that and how that's reported in ETP applications. And also had an in depth discussion on traditional versus non-traditional apprenticeship and what that's going to look like. Allocation of funding, whether it would be potentially separate allocations for traditional versus non-traditional, a lot of discussion on that. What the application period would look like and when the apprenticeship programs are coming through Panel. And again, apprentice enrollment consideration, which will prompt further discussion regarding trainee enrollment in our various ETP contracts and who's training which applicant or trainee so that there's no overlap. We will be discussing that in a broader context besides just apprenticeship.

Ms. Newsom noted they received a lot of fascinating feedback and Staff is going to listen again to the recording and take all the notes that were compiled and come back to us with some suggestions and a timeline as to when we want to see some changes come before the Policy Committee. Ms. Newsom highly encouraged Staff, if possible, to tour our apprenticeship facilities and training programs. Ms. Newsom stated they also received some public comments about matters not on the agenda, such as a discussion regarding NAICS codes.

Ms. Newsom shared that it was really good to receive all that feedback. Ms. Newsom thanked ETP Staff and Stakeholders, and stated that the next Policy Committee Meeting will be in February.

VII. REVIEW AND ACTION ON PROPOSALS

SINGLE EMPLOYER CONTRACTS

Tab No. 15: Califia Farms, LLC

Mr. Swier presented a proposal on behalf of the Califia Farms, LLC which is requesting \$365,056 in ETP funding. The company manufactures, markets and distributes plant-based beverages. Califia is headquartered in Los Angeles, with a manufacturing facility located in Bakersfield. In this proposal, Califia requests ETP funding to train 265 full-time employees and 41 Job Creation trainees at its Los Angeles and Bakersfield locations, where all training will take place. Califia experienced a 20% growth in business in the last year and anticipates additional growth of at least 20% in the coming year. Additionally, they've recently invested approximately \$8M in new equipment and systems. The company's manufacturing facility in Bakersfield is located in an HUA and they are requesting a wage modification for these trainees.

Mr. Swier stated that Staff recommends approval of this project and introduced Emily Dickerson, Director, People Power and Karen Glifford, Chief People Officer.

Ms. Dickerson thanked the Panel Members and was happy to answer any questions that the panel members may have.

Mr. Tweini stated that it doesn't look like they have a strong veteran's program, asked why, and what they plan on doing to make it better.

Ms. Dickerson responded with that it does need to be better than what it is and pointed out that about 10% of their employee population is veterans. For herself, heading the Human Resource function, veteran hiring is really dear to her heart being that her husband is a retired military veteran, so they plan to ramp up veteran hiring. Currently, they use a couple different job posting sites which she believes is not enough, but more outreach is in their strategic plan for hiring in the next year.

Acting Chairperson Bell mentioned that this is their second contract and asked if she was there at the first contract.

Ms. Dickerson responded that she was.

Acting Chairperson Bell said they did a great job and asked if they learned anything to take into this next contract.

Ms. Dickerson said as far as learning, there is always opportunity within the employee base for more communications because as they look at the training that was done across the organization, by department there still is some opportunities and they are going to go after them this new contract.

Acting Chairperson Bell noted that she is glad Ms. Dickerson was there because that's going to make this contract more successful.

Acting Chairperson Bell asked if the Panel had any other questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the Califia Farms, LLC in the amount of \$365,056. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 16: EastWestProto, Inc. dba Lifeline Ambulance

Mr. Swier presented a proposal on behalf of the EastWestProto, Inc. dba Lifeline Ambulance (Lifeline), which has been designated a Critical Proposal by the Governor's Office of Business and Economic Development (GO-Biz) based on the Company's expanding operations and commitment to add 258 net new jobs in California with the requested funding amount of \$397,578. The Company provides ambulance services throughout Los Angeles and Orange County and plans to train 258 Job Creation trainees, including plans to hire and train at least 10 veterans under this proposal in Job Number 2. Lifeline is expanding its operations, many of these newly hired employees will be responsible for transporting patients associated with Lifeline's new service contract with L.A. Care Health Plan. This will be the Company's third ETP Contract, the third in the last five years. The previous two Contracts were not Critical Proposals. Both prior projects focused on skills training and quality improvement measures to help sustain the Company's growth and the most recent updated performance shows the organization has tracked 113% of the prior agreement and projects earnings of 100%.

Mr. Swier stated that Staff recommends approval of this project and introduced Max Gorin, Co-Founder and Bill Parker, National Training Systems.

Mr. Gorin stated that Lifeline currently serves Los Angeles County and specializes in serving underserved communities and the hospitals in Los Angeles County. Lifeline Ambulance will provide employment for at least 258 new jobs which will result in payroll in excess of \$9.3M plus all appropriate employee taxes, health insurance premiums, and equipment investments in excess of \$4M. Mr. Gorin stated that availability of this funding is a major part of their growth plan and thanked Diane Banchemo from GO Biz, Senior Business Development Specialist for all their help during this process.

Mr. Tweini acknowledged and thanked Mr. Gorin for their veteran's program and hiring of veterans.

Mr. Gorin thanked Mr. Tweini and stated that as a veteran himself, he thinks it is very important and they have been doing outreach to different military bases in the local area.

Ms. Farsi thanked them for creating jobs in California then asked to hear a little bit more about the communities that they serve.

Mr. Gorin responded that the communities they serve are within Los Angeles, some of the less funded communities, as well. Mr. Gorin explained that when a call comes in for transport, they don't look at the payer, they get the patients where they need to go. One of their specialties with the Critical Care Program is if 911 takes a patient to a smaller, local hospital, but it doesn't have the right surgical or technical capabilities for that patient's needs, Lifeline gets called out to transport them to the larger hospital and that requires either paramedics or usually nurses. Their Nursing Program has probably been their largest training component, and being able to help save patients' lives and that's what they do.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Tweini moved and Mr. Smiles seconded approval of the EastWestProto, Inc. dba Lifeline Ambulance in the amount of \$397,578. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 17: Northrop Grumman Systems Corporation

Mr. Swier stated that this is a proposal for Northrop Grumman Systems Corporation (Northrop Grumman). The Company is a global security company that develops innovative products and solutions in unmanned systems, cyber, and logistics for government and commercial customers worldwide. This proposal represents Northrop Grumman's Aerospace Systems Sector only, which focuses on developing, integrating, producing, and supporting manned and unmanned aircrafts; spacecrafts; high-energy laser systems; microelectronics and other systems/subsystems critical to maintaining the Nation's security. The Company is requesting \$642,620 to fund 410 retrainees and 350 Job Recreation trainees. Northrop Grumman is proud to employ more than 18,000 military service employees worldwide and demonstrates its commitment to veterans and plans to train 60 veterans under Job Number 2. Northrop Grumman has experienced a 20% growth in workforce in the past year and anticipates growth of 20% in the coming year. However, the Company continues to integrate environmental sustainability into its organizational culture by using less gas in manufacturing practices and operations. In striving for cleaner operations, the Company anticipates a 33% reduction in greenhouse gas emissions. This will be their third ETP agreement and the third in the past five years.

Mr. Swier stated that Staff recommends approval of this project and introduced Russell Mann, Director, Business Management and Michelle Rychener, Administrative Subcontractor.

Mr. Mann greeted the Panel and said they appreciate the support they've received from ETP over the last few years, and stated that it's allowed them to grow from almost 24,000 employees to over 35,000 employees here in California. This proposal specifically for the

aerospace systems locations throughout California, provides confidence in their ability to successfully perform on the new proposal based on several factors. They are planning to create over 550 net new jobs in California by 2021, keep pace with the production ramp up on several of their large restrictive programs as well as F35, B2 and autonomous systems and recently awarded space contracts. Their San Diego facility is designated one of only three engineering COE's in the nation and their Palmdale facility is one of only two Manufacturing Centers of Excellence. Both are located here in California and so it solidifies their commitment for the long term to the state. They're focused on modernization of their Palmdale and their Space Park campus, including investments in infrastructures and advancement in manufacturing capabilities and unmanned as well as robotic technologies, all of which are leading to new opportunities and driving the need to grow and train their workforce here in California. With the dedicated Centers of Excellence for Engineering and Manufacturing anchored here in California, and their newly secured contracts, their commitment to technological innovations in their hiring plans, and they are confident that they'll be able to execute their proposed training plan, as outlined in their proposal.

Mr. Tweini acknowledged and thanked them for their very strong veterans program.

Ms. Newsom added that she appreciates the high wages and stated that the training looks excellent. She also appreciated that the new hire veterans are being paid the same wages as the other employee and thanked them for taking note of that.

Mr. Smiles added that this is an excellent contract.

Ms. Farsi thanked them for expanding in areas that are especially a priority for the Governor around the Regions Rise Together initiative, in the Inland part of the State, Palmdale, and Mojave and thanked them for supporting the workforce in those communities.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Tweini moved and Mr. Smiles seconded approval of the Northrop Grumman Systems Corporation in the amount of \$642,620. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 18: Taylor-Listug, Inc. dba Taylor Guitars

Ms. Tarrac presented a proposal on behalf of the Taylor-Listug, Inc. dba Taylor Guitars in the amount of \$605,360. Taylor-Listug, Inc. dba Taylor Guitars specializes in the manufacture of high-quality acoustic and electric guitar and is a Repeat Single Employer and a Priority Industry project, which if approved, will include job creation for 80 new jobs and 458 retrainees, and this will be the fourth agreement between ETP and Taylor Guitars and the third in the last five years. While this proposal does not include a veteran's component, Taylor Guitars partners with Workshops for Warriors to help support veterans transitioning into manufacturing jobs in San Diego County. Taylor Guitars is requesting 60

hours of productive lab for all production, maintenance, tooling, and repair staff participating in the program. The project will be overseen by the Director of Training and Development and assisted by a Program Administrator in addition to a third party administrator.

Ms. Tarrac stated Staff recommends approval of this proposal and introduced Jo Ann Peterson, Director of Training & Development and Shaun Paluczak, Vice President of Human Resources.

Ms. Peterson thanked the Panel for the past support and stated that their last ETP contract really helped them build their company, and noted that they did have a record breaking last year in sales and revenue and they attribute that to their innovation and sustainability that they have going on within the company and it is because of the training dollars that they can continue to streamline their production facility and increase the training and development of all of their employees both on the production floor and overall throughout California. Some of the things that they have been able to do is implemented a brand new guitar shape, the first one in in eight years. They also have changed the way that they build their guitars, as far as sound, they used to be called an "X-brace" now it's a "V-brace". All these innovations could not have happened if they did not have their workers and their craftsmen working at their top level and developing and training, and these training dollars have helped them to accomplish that.

Mr. Tweini thanked them for what they do and all of the work, and suggested they try to get more veterans involved.

Ms. Peterson stated she appreciates that and that is one of the things that they are working on. They are very involved in their community, working with their skilled workforce, so they can consistently help to recruit veterans into their family.

Ms. Newsom asked them to describe the difference between Production Staff 1 and Production Staff 2 and asked if they are receiving training to advance to Production Staff 2, or if that is a separate unit and noted that the wages are higher for Production Staff 2.

Ms. Peterson stated that they would be remiss if they didn't mention that they changed their compensation plan for all of their employees.

Ms. Paluzak added that the funding has allowed them to put some structure in place that's been much needed at Taylor Guitar and now have structured minimum and maximum levels of compensation for everybody in their skilled workforce, and they haven't run that through the rest of the company that directly ties to the skills and ability that they need to produce their quality guitars and it allows them to really tie that compensation directly to somebody's abilities. And in 2019, they moved wages with their skilled workforce by \$750,000 over the course of the year, so that was something that they're very proud of and without the training dollars to support them putting in that kind of a structure, they wouldn't have been able to do that and that was a huge thing that they're very proud of.

Ms. Newsom then asked is there an equivalent to a percentage increase for the individual worker from the \$750,000 that they invested, just roughly.

Ms. Peterson responded that she doesn't know if she could answer that.

Ms. Newsom asked if, generally speaking, they are getting paid more.

Ms. Peterson responded absolutely they're getting paid more and explained that all \$750,000 went to their frontline workforce.

Acting Chairperson Bell said thank you because that's what they like to hear as well.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the Taylor-Listug, Inc. dba Taylor Guitars in the amount of \$605,360. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 19: Cepheid

Mr. Hoover presented a proposal on behalf of Cepheid which is a Priority Industry and a Repeat Contractor with total funding being requested of \$506,000. Cepheid develops, manufactures, and markets molecular testing systems for the detection of organisms and genetic-based diseases. ETP funded training will be delivered to trainees at its Sunnyvale and Lodi facilities. This will be Cepheid's third ETP contract and its third in the last five years. Cepheid works with a third party vendor, Orion Talent, to recruit and hire veterans. While Cepheid will continue its commitment to hire veterans, it is not requesting the Veteran Job Number at this time. There is a Job Creation component and Cepheid will hire 50 net-new employees under Job Number 2. Cepheid's Business Systems Leader, who is the dedicated administrator, will oversee all ETP funded training via its Training and HR Departments, which oversee the workforce training across the organization. ETP training will be delivered by approximately 23 in-house experts. There will be several full-time administration staff and one management employee assigned to this project to work with its Third-Party Administrator, Herrera & Company, and with ETP.

Mr. Hoover stated that Staff recommends approval of this proposal, and introduced Derek Beattie, Executive Director (Lodi Site Operations); Don Diestro, Training/Product Support Manager (Sunnyvale Site Operations); and Phillip Herrera, Herrera & Company.

Mr. Beattie said good morning and shared that Cepheid is a medical device manufacturing company specifically for molecular diagnostics, with products ranging from Anthrax detection in the United States since 2002, all the way to tuberculosis testing in high burden developing countries, as well as flu and many other tests and have about 30 different tests that they do around the world with more than 23,000 systems that are out there, utilizing those tests. They're a very high growth company, with about 15% compound annual growth rate over the past three to five years and continuing to see that moving forward. And particularly in Lodi, they're looking at doubling their capacity moving from about 50M cartridges to about 100M over the next five years and will be growing substantially, so very high growth rate. Mr. Beattie showed a sample of a cartridge they make, specifically, they provide the plastic components for, which is a lot of injection molding.

Mr. Beattie thanked the Panel for the support of their past two proposals because it's helped them significantly to train their workforce and to be able to produce these parts. Mr. Beattie

stated that this year alone in Lodi, they've had 22 internal promotions based on the training and the development and the opportunities that they've had as a result, which he believes it's because of the training program. They also have an apprenticeship program that they have had as a previous company (they were originally purchased by Cepheid back in 2012), which has been going on for over 40 years and as far as that goes, he is a huge supporter, and have two members of their staff that are in their apprenticeship program right now. They have three that just graduated within the last year and a half as journeyman mold makers. Mr. Beattie shared that he, himself, graduated from the apprenticeship program back in 1994 and he is a huge proponent of their apprenticeship program, that he has been with the company for 28 years and have ended up as Executive Director for the company. So they have a lot of promotion opportunities for those that go through the training and the apprenticeship programs as well as internships.

Mr. Tweini thanked them for coming and mentioned that since this is their third contract, he encourages them to include veterans and look for opportunities to hire and train more veterans.

Mr. Beattie agreed and stated that currently on his staff, he has two members that have military experience, not necessarily veterans, and also knows that throughout their Lodi site and in Sunnyvale, they have a number of veterans and ex-military personnel as well and definitely will continue to improve on that.

Acting Chairperson Bell asked speaking strategically, what is their objective or their plan to receive 100% performance on this contract?

Mr. Beattie explained that during their last project, they switched over to an electronic learning management system and thinks during that transition, they may have actually lost some of their training data. The second thing is between the end of 2018 and 2019, they were undergoing a period of rapid expansion where they were ramping up, validating new lines, and were training associates to be able to run those and once that was completed, they were essentially running and trying to maximize their production during that time. The good news is they are now also investing in more equipment, more lines, and they're going to be bringing those up over the next few years, which means they'll have to bring on more associates, will have more training and development opportunities moving forward and does believe that they will meet that goal.

Ms. Newsom added that she appreciates that the application has been right sized and asked if, at a later date, Mr. Beattie or Mr. Herrera could provide the Panel with additional information about their apprenticeship program - perhaps their outreach materials and what that looks like.

Mr. Beattie agreed.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of Cepheid in the amount of \$506,000. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 20: FM Industries, Inc.

Mr. Hoover presented a proposal for FM Industries, Inc.(FMI), which is a Priority Industry with total ETP funding being requested of \$362,250. Founded in 1989 and headquartered in Fremont, FMI is a contract manufacturer and supplier of precision-machine parts and components made for the semiconductor equipment industry. ETP-funded training will occur at its Livermore and Fremont facilities. This proposal will be FMI's first ETP contract. FMI works with a third party, Orion Talent, to recruit and hire veterans, however, it is not requesting a Veteran Job Number at this time. The company has successfully recruited military personnel leaving the service as well as veterans who have already transitioned and who are seeking a career change to fill machinists and inspector positions. The Manager of Corporate Training and Development, the dedicated administrator, will oversee the Contract, and ETP training will be administered by FMI's Training Department. There will be approximately 60 internal trainers ranging from Managers, Supervisors, Inspectors, Engineers, and Vice Presidents that will be delivering the ETP-funded training. One part-time administrative staff and a manager at each facility will be assigned to this project to work with the third-party administrator, Herrera & Company, and to meet with ETP staff.

Mr. Hoover stated that Staff recommends approval of this proposal, and introduced Tescha Borgstrom, Training and Development Manager and Phillip Herrera, Herrera & Company.

Ms. Borgstrom shared that FMI was founded 30 years ago as a machine shop with six people and in the last 30 years has grown to over 850 employees. They now have six locations throughout California and are viewed as one of the premium suppliers to the semiconductor industry. She joined FMI about a year and a half ago and comes to them with over 15 years of training and development experience, having worked for a global company and having extensive manufacturing experience. Ms Borgstrom thinks she is well equipped to understand the technical requirements for the ETP contract and how to use the monies to upscale their workforce to meet the innovations in the semiconductor industry.

Ms. Borgstrom added FMI is very much into community outreach programs and for the holidays, they've actually partnered with the Veterans Disability Association, and they're collecting toys and clothing and whatever they can.

Ms. Newsom asked about the wage progression connected to the training for the certifications that they're receiving. Ms. Newsom noted that their wages are higher, which is great, starting off in \$19.31 and going up to almost \$40.00. Ms. Newsom asked Ms. Borgstrom to elaborate on the machinists and asked if they all start at the lower end, and then when do they get bumped up?

Ms. Borgstrom explained that it depends on what area they're working in, that the more complex or skilled positions, the higher the compensation rate.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Ms. Newsom moved and Ms. Farsi seconded approval of FM Industries, Inc. in the amount of \$362,250. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 21: KLA Corporation

Mr. Hoover stated that KLA Corporation is a Priority Industry and a Repeat Contractor with total ETP funding being requested of \$546,250. KLA designs, manufactures, and markets process control and yield management solutions for the semiconductor and related Nano electronics industries. ETP funded training will be delivered at KLA's Milpitas location. This will be KLA's eighth ETP proposal and its third in the last five years. KLA enlists recruitment firms that specialize in hiring veterans but they are not including a separate Veteran Job Number in this proposal. KLA provides a web portal for veterans to share how experiences in the military may translate into careers within the Company. In this proposal, KLA has committed to hiring at least 125 net new employees under Job Number 2. The Operations Manager, who is the dedicated administrator, will oversee ETP training. Training will be administered by KLA Training Departments which oversee workforce training across the whole organization, two full-time administration training staff and one management employee will work with its third party administrator, Herrera & Company, and ETP staff.

Mr. Hoover stated that Staff recommends approval of this proposal and introduced Myrna Adame, Operations Manager and Phillip Herrera, Herrera & Company.

Ms. Adame greeted the Panel and explained that KLA is the supplier of the chip-making companies and an important role in the support of those companies is currently within the innovation that we see today, such as autonomous vehicles and clean electric vehicles, and their focus is ensuring that there is a safety component with the autonomous vehicles because zero-defect reliability is huge in this market space. Ms. Adame shared that KLA has benefited from prior contracts in training their personnel for the high-skilled machines that they operate, the machines that the chip companies use to ensure that they have quality products that they are putting out in the market.

Mr. Tweini noted that this is not their first contract and suggested they find opportunities for veterans and getting them into their program.

Ms. Adame responded that they have hired several veterans. In their own training organization, they have veterans that have been with the company 20-plus years. Ms. Adame said she was unsure of the exact percentage, but does know that they do have veterans and they do hire ex-military in the workforce.

Ms. Newsom thanked Ms. Adame for their high wages.

Acting Chairperson Bell added that they did well in their last contract and encouraged them to continue doing so.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of KLA Corporation in the amount of \$546,250. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 22: MASS Precision, Inc.

Mr. Hoover stated that MASS Precision, Inc. is a Priority Industry and a Repeat Contractor, with total ETP funding being requested of \$263,856. MASS Precision provides custom manufacturing of enclosures, racks, shelves, hardware components, electronic chassis, frames, fabrications, and electro-mechanical assemblies. The Company also provides a full-range of services including design and engineering, precision-making, painting and metal finishing, and a system of logistics to control complex component procurement. ETP funded training will be delivered at its three facilities in Santa Clara and Alameda Counties. This will be Mass Precisions fifth ETP contract and its second the last five years. MASS Precision will include one veteran in Job Number 2 to participate in training. The HR coordinator will oversee all project administration and all training coordination at the Fremont location. The training coordinator will be responsible for training administration and coordination at the San Jose facilities. ETP funded training will be delivered by in-house experts and vendors as needed.

Mr. Hoover stated that Staff recommends approval of this proposal, and introduced William J. Jones, Chief Financial Officer and Michael Chissell, MFG Training Coordinator.

Mr. Jones stated Mass Precision is a homegrown company and the owner was a production individual that grew with the company and took it over in 1984 and has grown since then. One of the greatest constraints to what they are doing is that of the hundred advanced manufacturing hubs United States, Santa Clara has been ranked number one and with that, conditional technological requirements are placed on them to make those advances all the way down to the root individuals in their shop floor. So, to meet those expectations of their customers and to be competitive in the Santa Clara Valley, as well as San Francisco and San Mateo, they need to train and the core value in that training is to retain people, as well as bring new people in. Mr. Jones explained that on average, 70% of the people that are in manufacturing are generally lower-educated, lower-income people. Mr. Jones stated that they brought their educational programs in-house because they found that to be more effective, and with it, they've established ranking within each job description to train people through those jobs based on the complexity of the jobs and also meeting certified programs within each constraint to meet their customer needs. And with it, the individuals who are able to take on the training are able to advance, at their pace, for higher wages, which they are more than happy to pay.

Mr. Jones stated that in 2019 alone, through these programs, their efficiency has increased by 3% and with that efficiency allows the company flexibility to raise the wages to meet the expectation of their employees. But also there's side benefits that are associated with it, they were able to keep their insurance cover for the employees premium. They pay on average 80% or above to keep those premiums low, because employees have stated that they need health insurance and can't afford the increases. So, the Company, through this educational program, are able to meet their customer base, but at the same time, are able to meet sufficient cash flows for technological advancements, because one of the things

they do is that on average 5% of their annual budget will go to capital improvements, and their associated with technology and technology is education. Mr. Jones shared that in the last 15 years, the majority of the manufacturing jobs in the San Francisco Bay Area have gone offshore and they feel the solution to this is education. Mr. Jones stated that they want to continue with their education program and these monies allow them to do that - to bring the training in-house to maximize the programs that they have to meet the demands of the company and the opportunities that come up as well as new constraints.

Mr. Tweini thanked them for the work they do in creating good jobs, which is the key to a viable economy and thanked them for their veteran's program.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Tweini moved and Mr. Smiles seconded approval of Mass Precision, Inc. in the amount of \$263,856. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 23: Penumbra, Inc.

Mr. Hoover presented a proposal on behalf of Penumbra, Inc. (Penumbra), a Priority Industry and Repeat Contractor, with total ETP funding being requested of \$473,340. Penumbra is a global healthcare company serving the neuro and vascular markets by designing, developing, manufacturing, and marketing medical devices. ETP funded training will be delivered at Penumbra facilities in Alameda and Placer counties. Even though veterans are not categorized under a separate Veteran's Job Number in this proposal, Penumbra is committed to increasing its number of veterans in its workforce and works with Orion Talent, a veterans recruiting company, and attends Travis Air Force Base's job fairs as parts of its outreach initiatives. This is Penumbra second ETP project and its second in the last five years. There is a Job Creation component and in this proposal Penumbra will hire 150 net new employees under Job Number 2. Penumbra Training Coordinator will be the dedicated administrator and oversee the project with support from the Director of Production, HR Director, HR Application Program Manager, HR Coordinator, Training Supervisors, Training Specialists, Training Coordinators, and Training Administrative Assistants for ETP administration coordination with ETP staff. The Company has approximately nine internal trainers who will deliver ETP training. Additionally, outside training vendors will be used to deliver ETP training.

Mr. Hoover stated that Staff recommends approval of this proposal, and introduced Jule Ann Garilao, Training Coordinator and Jimmy Garcia, Training Supervisor.

Mr. Garcia greeted the Panel and stated that Penumbra develops, designs, and manufactures medical devices for two markets: neuro- and peripheral vascular systems, specifically targeting stroke which is one of the leading causes of death. Mr. Garcia shared that this is their second ETP project and in their first, they used the funding for a variety of trainings around business skills and verbal and written communication skills. And the impact that they've seen from these training programs is that, with the employees who speak English as a second language, they have definitely shown a lot of improvement on the floor

with communication between engineers, supervisors and peers. In addition to that, they've expressed they're more fulfilled with their employment at the company. Additionally, Mr. Garcia stated that they've advanced other employees into higher roles and have a lot more in-process trainers, people are moving into production lead positions, and in certain situations, supervisor positions. Mr. Garcia noted that in their first contract, they actually had to amend it to account for those people that were moving up so rapidly. Mr. Garcia stated that if they are approved for their second ETP project, they will continue to offer those same trainings to advance their workforce and reskill a lot of their employees. In addition, they will be opening a new facility in Roseville in early 2020 and are expecting to hire a minimum of 150 net new employee for that location.

Mr. Tweini suggested they further their opportunity for hiring and training veterans and creating a path for them to get employment.

Mr. Garcia agreed and stated that they recognize the technical skills, as well leadership skills, that they're getting from their veteran employees and through the outreaches that they mentioned, actually one-third of their production leadership are veterans.

Ms. Newsom asked about the minimum wage range threshold of \$17/hour listed for a variety of different job positions. Ms. Newsom noted that the Proposal states up to \$2.31 per hour may be used to meet the Post Retention Wage, which would be \$17.70 and asked if it's really only .70.

Mr. Hoover responded that it is "up to" that because the other counties will need that amount to reach the post retention wage within Alameda County.

Ms. Newsom then stated that their minimum is already \$17.00.

Mr. Hoover responded that it's per county and depends on where they're training and they have to list the lowest one in the post retention.

Acting Chairperson Bell congratulated them on their past performance and hopes that this one does equally as well.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of Penumbra, Inc. in the amount of \$473,340. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 24: Ardagh Glass Inc.

Ms. Lazarewicz introduced the proposal for Ardagh Glass Inc. (Ardagh Glass) with the requested amount of \$243,156. Ardagh Glass produces and manufacturers glass bottles including wine, champagne, and water bottles. They also have over 1,000 different glass bottle molds customized for their clients. Ardagh Glass will train staff including veterans who are included in Job Number 1 on technology advancements, including the implementation

of new equipment and software. Training will take place at their Madera facility, the Cold and Reliability Engineer will oversee the ETP contract with assistance from the HR Manager and Assistant HR Manager. Additionally, Ardagh Glass has retained the services of a third party administrator. This is Ardagh Glass's first ETP project.

Ms. Lazarewicz stated Staff recommends approval of this proposal and introduced Hal Thompson, Cold End Engineer, and Mike Snead, Sierra Consulting Services.

Mr. Thompson greeted the Panel and shared that Ardagh makes about one million bottles a day, mostly wine bottles. Mr. Thompson stated that a few years ago they developed a kind of spin-off company, called Ardagh Direct, where they go after smaller wineries, higher margin, higher quality type customers, basically taking some brokers out of the business that have been there for many years. In doing so, what they have found is that they are now in direct competition with Mexican and Chinese glass, which has now made Ardagh become a little more involved in improving their quality and packaging processes to compete with that glass head on. ETP funding will allow them to provide the training needed for their employees to develop new practices, new processes, new packaging material, and new packaging solutions to compete with these companies and provide their customers with the quality that they expect.

Mr. Tweini acknowledged and thanked Mr. Thompson for including veterans in Job No 1.

Ms. Farsi asked how much of their glass is recycled.

Mr. Thompson responded that the great thing about glass is that it is 100% recyclable. In other words, it doesn't have any shrinkage value like plastic does. So you could take one bottle and crush it and make another bottle with it. So, currently they run about 65% recycled material in both of their furnaces and that helps with energy, as well. That lowers their energy costs because it is easier to melt recycled materials than it is to melt raw materials.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Smiles moved and Mr. Tweini seconded approval of Ardagh Glass Inc. in the amount of \$243,156. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 25: E. & J. Gallo Winery

Ms. Lazarewicz presented a proposal on behalf of E. & J. Gallo Winery (Gallo), with requested amount of \$649,980 to train 418 workers, including veterans and 47 new employees. Gallo is one of the largest exporters of California wine with a portfolio of over 100 unique brands. The company also produces glass bottles for its own winery and other wine companies. Training will take place at Gallo's fourteen locations throughout California. This is Gallo's seventh ETP project and the third in the last five years with good performance. Gallo has also invested in a new canning and Tetra Pack Lines and will train staff on the new equipment operation. The Company also implemented a new ERP software to streamline business operations. The Corporate Training Division Senior Manager will oversee this ETP project, and each facility has an assigned contact person to handle

communication between facilities. Additionally, Gallo has retained the services of a third party administrator and they also have in place an approved LMS to track the training.

Ms. Lazarewicz stated Staff recommends approval of this proposal and introduced Rebecca Bettencourt, Training Director and Rob Sanger, CMTA.

Ms. Bettencourt greeted the Panel and stated that Gallo is the world's largest winery, but their biggest focus is truly on California wine and promoting California wine throughout the world. They distribute out to 90 different countries worldwide. Ms. Bettencourt explained that they do make glass bottles, but what they're finding now, is flexibility for the consumer. So they're now finding alternative packaging is becoming a big piece for them where they're having to mold, literally, to the consumer market in a fast-paced environment to change for what the business is needing and what their consumers are needing. The other side that they're really heavily looking at currently within their business is how to really pay the maximum for every one of their employees and how do they upscale them to the best and the highest skill level. They have a lot of long term employees who've been with them 20 years but they don't see their skills staying still. They want them to be able to get the maximum of what the contract allows for each of their employees under the collective bargaining agreement. So they're looking at how to truly upskill that workforce as well as bring in the mechatronics movement and more mechanical pieces to their operators.

Ms. Bettencourt shared that they have a heavy veteran focus, particularly within their salaried workforce with recruitment efforts through Orion Talent, and also Cameron Brooks, for a lot of their salaried workforce. And they utilize their employee resource groups with their veteran's outreach in how they find their frontline team members within those veteran populations. So they really go to their veterans and ask how do they get these people in and where do they come from and they really support their employee resource group, as well. And they have many who go out on active service, come back again, and there are jobs for them when they come back.

Mr. Tweini thanked them for their veterans program and their higher wages.

Ms. Newsom added that this is a fantastic proposal, fantastic presentation, and thanked them for the high wages.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Tweini moved and Ms. Newsom seconded approval of E. & J. Gallo Winery in the amount of \$649,980. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 26: Foster Poultry Farms

Ms. Lazarewicz presented a Critical Proposal on behalf of Foster Poultry Farms. The requested amount of \$553,150 will train staff including 200 new employees. Foster Farms is the largest poultry producer in the western United States with twelve processing locations

throughout California. They are currently expanding operations at their Livingston location and training under this proposal will only include this location. Foster Farms will train staff on new and upgraded equipment, high quality manufacturing standards, and on the implementation of their self-inspection initiative. This initiative will give Foster Farms an extra layer of protection to ensure all things phases of inspection are performed during the production process. This is Foster Farms fourth ETP project and the third in the last five years with good performance. The Plant Manager and Vice President of Human Resources will be responsible for program oversight and administrative responsibilities in a team of supervisors and production leads will assist in the delivery of training. Additionally, Foster Farms has retained the services of a third party to assist with administration.

Ms. Lazarewicz stated Staff recommends approval of this proposal and introduced Jeff Segars, Facilites Manager and Michael Jester, Strategic Business Solutions.

Mr. Segars greeted the Panel and shared that they are in the final stages of completing a pretty significant expansion and investment in our Livingston facility, which is going to give them the ability to move into some new market opportunities here in California with more into the food service line. So it's given them an opportunity to pick up some new customers and in doing so they'll be retraining up to 400 current employees, who will be moving into some of these newer roles, and also creating 200 new jobs adding to the operation. So it's an exciting opportunity for them and the funding dollars would mean a lot.

Acting Chairperson Bell noted that their last performance was at 81% and asked what strategically they are planning to do to get this proposal to 100% performance.

Mr. Segars responded that with their last project was multi-facility and this one is going to be very specific to their site in Livingston and again it's a hands-on approach to the training right there on site.

Acting Chairperson Bell then asked if they have a seasonal workforce or year-round.

Mr. Segars responded that it is year-round.

Mr. Tweini suggested they increase their veteran recruitment.

Mr. Segars stated that hiring veterans is extremely important to them and between 10 and 15% of the total workforce is veterans and through their Human Resource Department, they do quite a bit of job fair type outreach and actually use some recruiters specifically to go after transition from the military, kind of more technical into maintenance supervision, mechanical roles, things of that nature that those individuals have really picked up the skills for in the military, and can bring forward and they are definitely committed to it.

Mr. Jester added that he is extremely proud to work with Foster Farms, and that every single one of their manufacturing locations is in a High Unemployment Area of the State, every single one without exception, so they are a shining example of providing jobs in underdeveloped parts of the State and noted that they hired him and he is a veteran himself.

Ms. Farsi wanted to just acknowledge the fact and thinks that's so important that they are serving communities and they are in communities, and they're not leaving California, they are here and are sticking it out. Ms. Farsi also noted that they are the largest employer in the Northern San Joaquin Valley hiring from a lot of different places a lot of unemployed folks and wanted to acknowledge that fact.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the Foster Poultry Farms in the amount of \$553,150. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 27: La Tortilla Factory, Inc.

Ms. Lazarewicz introduced the proposal for La Tortilla Factory, Inc. (La Tortilla); the requested amount of \$393,760 will train incumbent workers, as well as 10 new employees. La Tortilla produces, packages, and distributes a variety of tortilla products, including fat-free, low-carb, and gluten free tortillas. Training will take place at La Tortilla's six facilities throughout California and this is their second ETP project and the second in the last five years with good performance. La Tortilla is implementing a new AFS technologies to enhance distribution, which include a mega tortilla line and packing line. Training will provide staff the skills to operate and maintain the machines. La Tortilla will also focus training on the company's new ERP system. There is also an update to the prior contract performance, they are currently now at 100% as of yesterday. Also, the Human Resources Director and Facility Lead at each location will oversee the ETP project. Additionally, La Tortilla has retained the services of a third party administrator.

Ms. Lazarewicz stated Staff recommends approval of this proposal and introduced Carmen Padilla, Human Resources Supervisor and Meggie Chapman, Economic Incentives Advisory Group.

Ms. Padilla greeted the Panel and shared that La Tortilla was founded in 1977 by a small family and has grown now to almost 300 employees. It's a manufacturing company that specializes in healthier options of tortillas, and the Company is minority and veteran owned. And essentially what has happened is that they found out that their ERP system, which is their manufacturing system, needs a major overhaul, so to be able to do that they will need this ETP contract and doing this will involve essentially a lot of training for all aspects of their employees from basic positions all the way up to leadership. It also will include a significant change with their direct store delivery, as they also distribute their own tortillas and their team delivers all throughout California, North and South, as well as also deliver Nationwide and into Canada.

Acting Chairperson Bell wished them luck with the implementation of the new ERP.

Ms. Newsom asked about the development services and the administrative services and why it is being done by Economic Incentives Advisor Group out of Phoenix, Arizona and not someone in California.

Ms. Padilla responded that their Director of Human Resources was looking into this program that she learned about and interviewed several different companies and she's the one that made this decision.

Ms. Newsom added that she wanted to make sure that for administrative services, they're well aware of all the ETP practices and collaboration with Staff and making sure they get the contract done right.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the La Tortilla Factory, Inc. in the amount of \$393,760. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 28: Truck Accessories Group, LLC

Ms. Lazarewicz introduced the proposal for Truck Accessories Group, LLC (Truck Accessories); the requested amount of \$252,080 will train workers including 17 new employees. Truck Accessories manufactures and supplies fiberglass and aluminum truck caps and bedcovers. Truck Accessories has multiple locations throughout North America, but training under this project will be for the Woodland location only. This is their fourth ETP funded project and the third in the last five years. Truck Accessories has expanded their truck bedcover line to include rollable and foldable covers and implemented a new training plan aligned with their company's power strategy. Training will focus on the new products and on supporting the practice of production consistency and continuous improvement of production processes. The HR Manager and Safety Manager will be responsible for overseeing all administration duties of the project and additionally, Truck Accessories has retained the services of a third party administrator.

Ms. Lazarewicz stated Staff recommends approval of this proposal and introduced Luis Mendoza, Regional Director of Operations and Sindy Buford, HR & Safety Manager.

Mr. Mendoza greeted the Panel and thanked them for giving him the opportunity to represent the City of Woodland, represent the automotive industry in California, and also represent their company, Truck Accessories Group. Mr. Mendoza spoke about the different products they produce, such as camper shells for pickup trucks, including the fiberglass, paint, and assembly. They produce around 30,000 units a year and have been growing for the last five years. He has been with the company for four and a half years and the ETP program has helped him to turn this company from 35 million to 65 million dollars. So the growth that they have had in the last five years has been tremendous. Mr. Mendoza went on to explain the difference from their previous contract to this one and how training is ingrained in their strategy. They have a training facility where they train all their employees since they want everybody to be certified before they get onto a production line. Obviously, the automotive industry is pretty competitive and the quality standards are really high. They need to make sure that all their employees are really well trained so the employees know what safety and quality considerations they need to have so they can perform a good job. They also perform hands-on training and test all the different things that they want to implement. Since they service the automotive industry, every single year they have new products that they need to train their employees on. For example, last year they trained on the Ford Ranger 2019. Now they're training in the brand new Sierra 2020. Every time any OEM release a brand new truck, they need to train their employees, so they use these

training tools in order to do that. Their owner, Mr. John Poindexter, is a veteran who served in Vietnam and received several awards. He definitely promotes within their organization and also hires veterans. Mr. Mendoza stated that he is a firm believer of creating win-win situations and this program has helped him do that. Their strategies are power, perfect products, ownership, winning attitude, execution, and the right people. The right people, the right resources is done over training.

Mr. Tweini suggested they increase their outreach and hiring of veterans.

Mr. Smiles asked what the timeframe was for them to get the certification, because it was stated that all employees have to get certified.

Mr. Mendoza explained that they have different steps and after the first 90 days the employee gets the first certification and then after one year the employee get the second certification, which can also be multiplied throughout the years because you can get certified in your job, for example, to be to be a painter, but you can also get certified as an assembler, or in any in any other position. But their wage steps are when you get in, after 90 days, one year, and then multiply.

Mr. Smiles than asked if then there's a wage progression with each.

Mr. Mendoza responded yes.

Acting Chairperson Bell asked if the wage progression is after 90 days?

Mr. Mendoza responded with yes it is.

Acting Chairperson Bell then asked then a year from that 90 days.

Mr. Mendoza confirmed that there is a wage increase after every single year, and he just approved a couple weeks ago \$350,000 of increases that they're going to be doing next month. And the reason they can do that, and have been able to do that every single year for the last five years, is because obviously their employees are trained and they can they can perform the operations more efficiently and that has allowed them to be competitive in the market.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Smiles moved and Mr. Tracy seconded approval of the Truck Accessories Group, LLC in the amount of \$252,080. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

MULTIPLE EMPLOYER CONTRACTS

Tab No. 29: Associated Builders & Contractors Central California Chapter

Mr. Swier introduced a proposal for Associated Builders & Contractors Central California Chapter (ABC) which is requesting \$299,136 in funding, inclusive of support costs. This project will train approximately 152 retrainees in the Central Valley. ABC is a nonprofit, membership-based Trade Association formed by a group of Central Valley oil producers and contractors who recognized the need for a pool of skilled workers. This proposal will focus on retraining of incumbent workers for employers in the construction industry. Trainees can receive occupation certifications in electrician, welder, heavy equipment operator, ironworker, rigger, labor, carpenter, painter, HVAC and plumbing occupations. Employer demand is due to the lack of skilled labor entering in the workforce mostly in rural areas where ABC members operate. All trainees in Job Number 1 work in a High Unemployment Area - ABC is requesting a wage modification for 133 retrainees. This will be a ABC's first ETP agreement.

Mr. Swier stated that Staff recommends approval of this project and introduced Russell Johnson, Director of Government Affairs and Keith Brama, Consultant.

Mr. Johnson greeted the Panel and explained that ABC is a unique organization. It was formed in 1998, when the leaders in the Kern County construction industry got together to address a couple problems they noticed: (1) we have a lack of a skilled and trained and safe workforce and (2) we keep stealing each other's employees. They also realized they all performed private work. So they got together and they formed the Associated Builders and Contractors and their training program was born. Through the years the training program has been very successful, it's a voluntary program where their member companies participate by sending their employees and paying for the employees to attend classes at ABC. Also, with ABC success, they've continued to expand the program year after year.

{Ms. Farsi exits the room}

Ms. Newsom asked why they aren't a state-approved apprenticeship program like their other counterparts in the ABC.

Mr. Johnson explained that a state-approved apprenticeship program has a special designation in law and for their members, they do not dispatch, most of them do not perform public works. So since they do not perform public works, they're not required to dispatch apprentices. However, their member companies still feel the need for skilled, trained, and safe workforce, which is why they created the ABC training program, why they exist, and why they're working every day to ensure that they have trained craft professionals who can get careers in construction.

Ms. Newsom added that careers in construction also require certification and additional training. She stated that she is very familiar with the electrician and electrical background and this proposal states they are going to pay \$13.28 to electricians, roughly half of the prevailing wage for that, and from other ABC affiliated apprenticeship programs that are coming later in the Agenda, who are paying much higher wages and stated that's very unsettling for her and has never seen that proposed before and needs him to speak to that.

Mr. Johnson responded that he appreciates the question and explained that what ABC does is oftentimes, their member companies come to them with someone who has very few skills, if any, and what they see is as they progress through their programs, their wage rates

increase. Mr. Johnson also noted that the wage rate that Ms. Newsom referenced of \$13 is quite low, and there are very few, if any, trainees they would expect to utilize that wage.

Ms. Newsom pointed out that he proposed that same wage rate for all of the other Job Numbers and asked why \$13.28 is in the Panel Packet for all of them.

Mr. Johnson states that if you look at the wage rate range for all of the programs they went from where it could potentially start to all the way up to where it could potentially be after training. And the reality is that that wage rate is probably lower than most of what their enrollees will enter at.

Ms. Newsom asked Mr. Johnson why his position, Director of Government Affairs, is here today rather than Director of Training and asked where that person is or what that staffing level looks like.

Mr. Johnson responds that he was the one that was asked to attend because he was probably the one most prepared to attend the Panel today.

Ms. Newsom then asked if he provides the training.

Mr. Johnson stated that he does not provide the training and explained that they have instructors, who are subject matter experts in their fields, they're experts in construction, they also are certified through their NCCER curriculum provider and they take their NCCER curriculum very, very seriously. First, they have to get accredited and they're audited by NCCER, and their instructors are also audited not only by NCCER, but they're also audited by their member companies, who have the option to sit in and audit their instructors anytime.

Ms. Newsom asked how electricians become state-certified electricians through their program.

Mr. Johnson explained that they have a California Electrical Training Program and through that program the trainees are required to get classroom training as well as 8,000 hours on-the-job training in electrical work before they can take their State exam. So what they do is train using the NCCER curriculum, which ABC is certified to train through the State, and then the trainees matriculate through the program and take the State exam.

Ms. Newsom noted that it sounds very similar to apprenticeship without being an apprenticeship program.

Mr. Johnson agreed and explained that they're unique in that way, because their members perform private works and don't need to dispatch apprentices, but still have a need for skilled, trained, and safe workforce, they do have a need to train and as there is a State requirement for electricians that they must have, they must go in through an ETP program.

Ms. Newsom pointed out that they are like an apprenticeship, but not like apprenticeship, because they lack the wage progression and the oversight from DAS.

Mr. Johnson disagreed and stated that there is significant wage progression, when they look at the wage range they put in the Packet, as the trainee matriculates through the program, once they complete it, and they achieve their certifications there, they will end up with a higher wage rate at the very end. Mr. Johnson explained that what they see often in the industry is that because there's such a high demand for skilled, trained, and safe workers within their area, what you see is that as they go through the program, other employers will start to try to hire them away. So oftentimes member companies pay their

employees more as they progress through the program so they're retained and kept on staff at those member companies.

Ms. Newsom read a portion of ETP's statute: "In addition, it is further the intention of the legislature that programs developed pursuant to this chapter shall not replace parallel, supplant, compete with or duplicate in any way already existing approved apprenticeship programs." Ms. Newsom noted that ABC's curriculum and program itself, seems very duplicative of that and due to the severe and significant low wage in this contract, Ms. Newsom stated that she could not vote for this.

Mr. Johnson stated that their program is not apprenticeship because their members don't require apprenticeship, but they do require the skilled, trained, and safe workforce that they addressed earlier.

Ms. Newsom stated that apprenticeship is the best practice.

Mr. Johnson added they're willing to increase the bottom line wage rate if that's amenable and acceptable.

Mr. Tweini stated that he also cannot vote for this.

{Ms. Farsi returned to the room}

Acting Chairperson Bell asked for a motion and heard none.

ABC's proposal failed for lack of a motion.

Tab No. 30: Santa Monica Community College District

Mr. Swier introduced a proposal for Santa Monica Community College District which was requesting \$749,906 in funding, inclusive of support costs. This project will train approximately 428 retrainees and 210 Small Business retrainees in Southern California. Santa Monica training instructors work directly with companies to identify areas of improvement, then develop new processes and planning that will increase efficiencies and improve business operations. Approximately 90% of the training will be conducted on employer's work sites with the remainder 10% on campus. It's estimated that 50% of the employers receiving training underneath this proposal will be manufacturers. The contractor is seeking an HUA wage modification for 53 trainees and Job Numbers 4 and 5. This will be Santa Monica tenth ETP agreement and it's fourth within the past five years.

Mr. Swier stated that Staff recommends approval of this project and introduced Sasha King, Director of Business Development and Gordon Kirkpatrick, Consultant.

Ms. King greeted the Panel and shared that Santa Monica CCD is a very active and proud member of the Community College Collaborative and believe very, very strongly that the community college system should be directly plugged into all of the activity that's happening as far as upskilling and new trends and skilling in-house at the employer site, and it's just critically important for them to maintain those relationships so that community colleges as a brand, get closer and closer to what real working skills are.

Acting Chairperson Bell ask if the Panel has any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the Santa Monica Community College District in the amount of \$749,906. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 31: South Bay Workforce Investment Board, Inc.

Mr. Swier introduced a proposal for South Bay Workforce Investment Board, Inc. which was requesting \$396,888 in funding, inclusive of support costs. This project will train approximately 272 retrainees statewide. The South Bay Workforce Investment Board (SBWIB) provides employment and training services under the oversight of the US Department of Labor and the California Employment Development Department. SBWIB is requesting a wage modification for 30 trainees in Job Number 3 that work in a High Unemployment Area and 12 trainees in Job Number 4 that are SET Priority Industry Retrainers. The most recent updated performance shows the organization has tracked 87% and anticipates earning 100%.

Mr. Swier stated that Staff recommends approval of this project and introduced Chris Cagle, Regional Affairs Manager and Michelle Rychener, Consultant.

Mr. Cagle greeted the Panel and thanked them for the support on their first contract. It's been very successful, they've got lots of employers, and they are going to reach 100% earned on that. Mr. Cagle stated that because a lot has been said about wages, their average wage on their last contract, among all the employers, was \$35.85, so they're doing really well in that area. Another benefit from the ETP program is it has actually opened a lot of doors with the employers they work with because they're now building such strong relationships with them. For example, a bioscience company they work with, is now open to a whole bunch of other things, like programs for high school kids to get jobs and enter into an apprenticeship. Mr. Cagle noted that this next year, they might have the very first apprenticeship for high school kids in that industry and also, they're opening up to allow people to be hired without a degree and work around a flexible schedule so they can go to work and get a degree at the same time.

Mr. Cagle noted that workforce boards do a lot with veterans, especially SBWIB, including homeless veteran as well, they have many, many programs. One thing that's very unique with their workforce board, is that they have an office at the Los Angeles Air Force Base which they staff with their own personnel, at their expense, and allow service members to come into the Readiness Center and get assistance for job placement. They also arrange the quarterly job fairs for the Air Force and at the last one they had nearly 60 employers at that job fair. Additionally, the employers that are in this program also get offered that opportunity to come on the base and interact directly with the veterans. So that's a really great program because it's very difficult to get on a base and talk directly with veterans that are active service members. And also at the LA Air Force Base, there's about 80 servicemen that exit the military every month and an equal amount that come in. And so what happens is, the servicemen come in, and wherever they're coming from all over the world, their spouse has to quit. So they also help the spouses of the veterans get jobs as well. So there's a lot they do with veterans and they're looking forward to continuing to encourage

their employers to hire them.

Mr. Tweini acknowledged and thanked Mr. Cagle for the work they do with veterans, including homeless veterans.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Tweini moved and Mr. Smiles seconded approval of the South Bay Workforce Investment Board, Inc. in the amount of \$396,888. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 32: Studio Arts, Ltd.

Mr. Swier presented a proposal for Studio Arts, Ltd. which was requesting \$749,418 in funding, inclusive of support costs. Located in Los Angeles, Studio Artists is a private training company for high-tech, computer-based software and hardware for the motion picture, television, and post-production industries. The film and television industry is experiencing changes due to new technology transforming broadcast delivery to include streaming services while also virtualizing the computer environment in transitioning to cloud-based workflows. Studio Artists is requesting a waiver to exceed the standard cap of 200 hours for training to allow 240 hours of training for a small number of trainees. Included in the core group of employers are trainees represented by two collective bargaining units, ETP has received letters of support. This is Studio Arts eighth ETP proposal the sixth within the last five years. The most recent updated performance shows the organization has tracked in excess of 87% of the prior agreement and projected earnings of 87%.

Mr. Swier stated that Staff recommends approval of this project and introduced Eric Huelsman, President.

Mr. Huelsman greeted the Panel and stated it's his pleasure to represent Studio Arts, which he feels is the greatest little training school for entertainment industry folks. Mr. Huelsman thanked the Panel for having him here to answer any questions or anything they would like to know more about with Studio Arts.

Mr. Tweini suggested that whatever they can do in their capacity to create an opportunity for veterans to be employed, that would be greatly appreciated.

Mr. Huelsman responded that they have significant challenges in the entertainment industry and the margins for these companies are very, very thin despite what everyone thinks and he knows firsthand how thin they really are. But sometimes companies are forced to do things they don't necessarily want to do, but have to do, and among those things, has been to leave California and have production happen in Atlanta, and in other countries like Canada, in particular. It's a shame, what happens is it affects our workforce here in California most significantly, but it also affects a collateral industry, because they depend on those folks that have those jobs and it's been particularly harmful to the Los Angeles County area because that's where most the entertainment industry is located. Mr. Huelsman

noted that it has been significantly challenging for this industry to keep people employed and for a long duration.

Ms. Farsi added that she is sure he is aware of the California Film Commission; we have a great tax credit program to keep production in California and to encourage production companies to come back to California. So, as you work with production companies, please be mindful of that. For example, Captain Marvel received that benefit. The Ford versus Ferrari film got that benefit. It's great. Ms. Farsi said she understands Mr. Huelsman's reflection about LA County, but the film industry is starting to spread out, especially to the Inland part of the State, to Riverside and San Bernardino County. Ms. Farsi wanted to make sure folks are being mindful of that and all the good things we're doing for film in California.

Ms. Newsom pointed out that their wage range is from \$17.70 up to \$100 an hour and asked approximately what percentage roughly of the workforce that they're training is \$20 and up.

Mr. Huelsman responded that he would say at least 80% is above \$20 an hour. Those who are below \$20 an hour tends to be non-union; anybody who's union is going to make a better rate and they tend to be Production Assistants and things like that, but particularly those people who are new on a job and are learning a particular skill set. Mr. Huelsman noted that it's usually better than that, but they have seen people come in for \$17.70.

Mr. Smiles inquired about the average cost per trainee listed for four of the trainees, which was listed at \$6,674 per trainee.

Mr. Swier stated that there are four trainees that they've estimated that are going to get a certificate through the program and believe it's more than 240 hours and they are allowing 240 hours for those trainees to get that certificate and explained that's why that number is significantly higher than the others.

Mr. Tweini wanted to make a quick comment stating that Teamsters Local 399 in California represent the entertainment industry and are more than happy to help out with whatever they need to create opportunities.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the Studio Arts, Ltd. in the amount of \$749,418. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 33: American Education Systems Corp. dba American College of Healthcare & Technology

Ms. Tarrac presented a proposal for American Education Systems Corp. dba American College of Healthcare & Technology, which is a learning institution specializing in computer-aided design and building information modeling computer software programs. This is a Repeat Multiple Employer, Priority Industry project, which, if approved will include SET and Retrainees. They are requesting \$742,920 in ETP total funding, inclusive of support costs

and plan to train 302 trainees at their three campus locations. They're requesting the SET wage modification for Job Number 2 for 178 trainees. While this proposal does not include a veteran's component, the American College of Healthcare and Technology may work with Participating Employers who may include veterans. This project will be overseen by the Executive Director and two staff members who will administer the project.

Ms. Tarrac stated Staff recommends approval of this proposal and introduced Barry Maleki, Executive Director.

Mr. Maleki greeted the Panel and stated that the program works with 100-110 different employers and each of the employers may send them trainees in the area of computer aided design and building information modeling. Mr. Maleki explained that the majority of these employees are at high wages, above \$24 an hour, and they have three locations and also do on-site training in Los Angeles County. Mr. Maleki also stated that on their prior contract, they are expecting to perform hundred percent.

Ms. Farsi asked to clarify if American College of Healthcare and Technology provides training in both the healthcare front and, separately, the technology front.

Mr. Maleki responded that it is only in computer aided design and building information modeling and stated that "healthcare" is just in the name.

Mr. Tweini suggested they do more outreach and training of veterans.

Mr. Maleki stated that almost 7% of their trainees are veterans, but they are employed by the companies that they are training for.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Tweini moved and Mr. Smiles seconded approval of the American Education Systems Corp. dba American College of Healthcare & Technology in the amount of \$742,920. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 34: Associated General Contractors of America, San Diego Chapter, Inc. Apprenticeship and Training Trust Fund

Ms. Tarrac presented a proposal on behalf of the Associated General Contractors of America, San Diego Chapter, Inc. Apprenticeship and Training Trust Fund, which serves journeymen and apprentices in San Diego, Orange, Riverside, San Bernardino and Imperial counties. This is a Repeat Multiple Employer, Priority Industry project which will include retrainees and apprentices. This will be their second ETP agreement and second in the last five years. They are requesting \$297,528 in ETP funding, inclusive of support costs, and plan to train 168 trainees, the bulk of which will be apprentice laborers, carpenters, and cement masons. While this proposal does not include a veteran's component, the Associated General Contractors of America San Diego Chapter recently partnered with CareerConstruction.com and attends monthly career job fairs on San Diego military bases

to increase veteran recruitment. Further, they have made a concerted effort to recruit women into the program and partner with a National Association of Women in Construction and the San Diego Women's Construction Coalition. The training plan will be overseen by the Executive Vice President and five full-time and two part-time staff among agencies three training centers will execute and coordinate the training plan.

Ms. Tarrac stated Staff recommends approval of this proposal and introduced Glenn Hillegas, Executive Vice President and Dakota Anderson, Curriculum and Instruction Coordinator.

Mr. Hillegas greeted the Panel and shared that he spent 30 years in the San Diego Unified School District as a school teacher - first teaching students with special needs and then switched into construction, because the best way to teach children with special needs is to teach them construction. Mr. Hillegas explained that he built a career there and at the end of his career, was forced to be a principal and what they did, was partnered with the Associated General Contractors with the IBEW San Diego and Imperial Labor Council and Southwest Carpenters to form their own small high school. It was Construction Tech Academy and the idea was to give all kids this opportunity, whether they have a disability, whether they are a female, or any other underrepresented group. The school ended up with 80% population living under the poverty level and was highly successful. Mr. Hillegas stated that his mission was really to provide more opportunities to get underserved people into construction. So when he retired, they recruited him to work at the Associate General Contractors and his mission on the last ETP contract was to try to bring more opportunities to the veterans, to the women, and to underserved communities in San Diego.

Mr. Hillegas shared that their last ETP contract only earned 70% and explained that when they first started, they were very, very unclear, and didn't know about the very specific sign-in and sign-out sheet requirements. So they wasted about a year and a half of courses because the sign-in and out sheets were done improperly. Mr. Hillegas stated that was one big hit and the other thing they realized is they thought they were going to have access to journeyworkers wages whenever they graduated from the apprenticeship program for post retention purposes, and that was not the case. So they discovered that they had a whole component in there for a journey persons and couldn't use it because once they journey out, they don't keep track of their wages with their employers. Mr. Hillegas stated that they have six trades that they'd like to do again, even though we only got 70% at ETP, they did see a 10% increase in the number of apprentices, and did see a large increase in underrepresented folks. They had very high graduation rates for 2018 and six of the seven trades they have were the highest in their trades in their region and they are very, very proud of that. Mr. Hillegas said his mission this time, now that they know what they're doing, is to ask for the same amount of training they did last time -- it looks like more money because the training rate went up -- and be 100% effective to train more and to bring more opportunities to the underserved. Regarding wages, they are at 100% with meeting the requirement for California prevailing wages. In one of the trades, they had to do up to \$1.70 with medical benefit because the painters, believe it or not, have a lower wage than a lot of the other trades.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the Associated General Contractors of America, San Diego Chapter, Inc. Apprenticeship and Training Trust Fund in the amount of \$ 297,528. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 35: Chaffey Community College District

Ms. Tarrac presented a proposal on behalf of Chaffey Community College District, which operates four campuses in San Bernardino County: the main campus headquarters in Rancho Cucamonga, the Information Technology Center in Chino, and two Industrial Learning Tech Centers in Fontana. Training will be provided at the aforementioned locations and at Participating Employer's sites. Chaffey Community College District is a Repeat Multiple Employer, Priority Industry project which will include Retraitees, Small Businesses, and HUA. Although this doesn't include a veteran's component, Chaffey training population may include veterans. If approved this will be the ninth agreement between ETP and Chaffey, the fifth in the last five years. They were requesting \$749,994 in ETP Funding inclusive of support costs and plan to train 678 trainees. They were requesting a modification of the maximum training hours from 200 to 300 in Job Number 4, for 15 Maintenance Mechanics and Industrial Maintenance Electrician trainees, in addition to an HUA wage modification for Job Number 5 for 20 trainees. This project will be overseen by the College's Director of Economic Development and will be administered by Chaffey staff.

Ms. Tarrac stated Staff recommends approval of this proposal and introduced Sandra Sisco, Director of Economic Development in the InTech Center and Jon Fox, Business Liaison.

Ms. Sisco greeted the Panel and thanked ETP Staff for helping them develop a winning proposal.

Ms. Farsi asked ETP Staff how the High Unemployment Areas are defined, whether by county, zip code, or other?

Ms. Testa explained that they have a calculation for how to calculate the HUA areas, and it's actually a sub-county level. So first they figure out what the average unemployment rate is for California, and then the average unemployment rate for each county, and then they have a calculation that adds a couple percentage points to that unemployment rate and then they compare that unemployment rate to each county and to the cities within each county and if they're at or above that unemployment rate, then they are considered a high unemployment area.

Ms. Farsi explained that just in looking at the list of counties here, they all have pretty low unemployment rates and wondered how nuanced Staff gets with that.

Ms. Newsom added that it's still up to the Panel whether or not they accept the HUA wage modification and reduce the base wage from \$15.20 down to \$12.00 and that's up to their determination and asked how necessary is that and it's her personal preferences for higher wages.

Ms. Sisco responded that this was a last minute add with a potential employer partner that

was referred to them. And so they haven't really explored fully what the training project will be like but wanted to make sure they included it just in case they decided to partner with them and offer training.

Mr. Tweini wanted to add that with the educational institution like theirs, he thinks it's a key to a strong veteran's programs and they could play a role in talking to the employer and people who've come to attend these trainings.

Ms. Sisco responded that most of their advanced manufacturing employers have a veterans-attraction program and just in their current project they have already trained 133 veterans, which represents about 10% of their current project.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the Chaffey Community College District in the amount of \$749,994. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 36: JobTrain, Inc.

Mr. Hoover presented a proposal on behalf of JobTrain, Inc., which is a Priority Industry and a Repeat Contractor with total ETP funding being requested of \$381,250. JobTrain is a private non-profit training agency that empowers low income individuals to gain job skills needed to obtain sustainable employment in high-demand growth industries. ETP-funded training will be delivered out of its Menlo Park headquarters facility. This is JobTrain sixth ETP contract and second within the last five years. In this proposal, they are requesting ETP funds to train 125 New Hire trainees including Ex-Offenders/At-Risk Youth or Individuals with Multiple Barriers to become entry-level Healthcare Workers including Medical Assistants, Certified Nurse Assistants, or Allied Health Professionals. JobTrain's program also includes training for Construction Workers, Information Technology Technicians, and Food Service Workers. Even though there is not a veteran's component in this project, JobTrain partners with the Employment Development Department (EDD) to serve clients including veterans. EDD operates its main office for San Mateo County at JobTrain's Menlo Park headquarters, and EDD has a Veteran's program via its Workforce Services Branch that refers eligible trainees to JobTrain. JobTrain's Chief Executive Officer and Chief Operating Officer will provide administrative oversight. It's Director of Career Center Services (who will be the dedicated administrator), Client Services Manager, two Career Development Specialists, and the Finance Director will also assist in administering the project. It's CNA Site Director and four in-house experts will coordinate training delivery. Additionally, JobTrain has retained Steve Duscha Advisories to assist with administration.

Mr. Hoover stated that Staff recommends approval of this proposal, and introduced Ruben Avelar, Director of Career Center Services; Hayam Demian, Director of Instruction and Career Development; and Steve Duscha, Steve Duscha Advisories.

Mr. Avelar stated that JobTrain is looking at Silicon Valley, which faces the paradox of been one of the fastest growing, most productive economies in the world, located alongside

stubborn poverty and communities left behind. Even though unemployment rates are at or near record lows, many potential workers lack the skills needed to take open jobs. Their mission is to transform lives and communities in Silicon Valley by helping those who are most in need to reclaim their lives from poverty and unemployment by preparing them for successful sustainable careers.

Mr. Tweini stated he really wanted to acknowledge the program and believes in second chances and has seen these people get back to society and contribute. So, this is a great program and as far as the veterans program, he knows that they don't have a current number, but thanked them for what they do.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Tweini moved and Mr. Smiles seconded approval of the JobTrain, Inc. in the amount of \$381,250. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 37: Associated Builders and Contractors Los Angeles/Ventura Merit Training Trust Fund

Ms. Testa presented a proposal on behalf of the Associated Builders and Contractors Los Angeles/Ventura Merit Training Trust Fund in the amount of \$247,600. Founded in 1974, ABC Los Angeles provides electrical worker training for apprentices in Los Angeles and Ventura Counties. ABC Los Angeles actively recruits veterans and has requested a separate Veterans Job Number for their veteran apprentices and Staff recommends approval of the 20% support costs for this Job Number. ABC Los Angeles also actively recruits women into their 4-year apprenticeship program. Trainees can earn multiple certifications over the course of their studies, and ABC Los Angeles has internal staff dedicated to the administration of this contract. This will be ABC Los Angeles's first ETP contract.

Ms. Testa stated that Staff recommends approval of this proposal, and introduced Michelle Perez, Vice President of Operations.

Ms. Perez greeted the Panel and shared that ABC Los Angeles is approved by the Department of Labor as a nonprofit, governed by ERISA for the exclusive purpose of administering an apprenticeship program. Their program is approved by the State of California and is also federally recognized for the training of Inside Wireman in the Los Angeles and Ventura Counties. This contract will assist in funding for the current training of 80 apprentices that they have in the program - four of which are veterans, and three of which are females. Funds from this contract will be used to incorporate cutting-edge learning technologies and specialized certifications. One such example is to provide an extensive OSHA 30 safety training in lieu of the OSHA 10. In addition, they will use these funds to upgrade their lab equipment and provide more real time, hands-on stimulation for the facet of their apprentice's education. The ABC Los Angeles apprentices are paid, at minimum, the State's prevailing wages. They also receive full medical coverage for them and their dependence and in most cases participate in the 401k plan retirement program.

These wages meet or exceed those required by the ETP. Their apprentices are also dispatched to contractors who become their employers, to which they have a contractual obligation to adhere to providing on-the-job training for the agreed work processes. Typically, this employment and training is done during normal construction hours. These apprentices then come to their 30,000 square foot training facility one night per week to receive the classroom and lab training component of their apprenticeship program, sometimes referred to as Related Classroom Instruction. They utilize the NCCER curriculum, which is widely recognized across the country as a gold standard. Their graduating apprentices then continue on as journey-level men or women who are highly skilled and trained electricians. Many will return to their program as instructors in order to develop the next generation of electricians and improve the workforce needed in their industry, some will even go on to own their own companies. This funding will help them ensure their apprentices' training of the trade and help their community grow.

Acting Chairperson Bell stated that this is their first contract and asked if their Vice President of Operation is going to be in charge.

Ms. Perez confirmed.

Acting Chairperson Bell stated that that was concerning and asked if anyone else would be helping.

Ms. Perez explained that she has been with ABC Ventura for 13 years and has gone from the student intake to different roles, such as Education Coordinator, Director of Education, and now the VP of Operations. Ms. Perez stated that at the current time, she will be the one overseeing the program and, as they hope to obtain the ETP funding, that will also allow her to bring on a staffer who can assist with the oversight.

Ms. Newsom stated she is a little more familiar with the JATC model than the UAC and asked what happens to the apprentice, if they're working their way through the program and then their contractor, that has kind of adopted them for the program, lays them off because they're out of work. Ms. Newsom asked if the apprentices come back to them to be assigned to another contractor.

Ms. Perez stated that when an apprentice is released, they come back to ABC, and ABC dispatches them to another contractor.

Ms. Newsom asked if they are always paying prevailing wages, with health care.

Ms. Perez confirmed.

Ms. Newsom stated that she pulled up their graduation rate from DAS and it looks like their five-year rate was 59.9%, so hovering around 60%, and then in 2018 it dropped down to 28.6%. Ms. Newsom asked Ms. Perez if she knew anything about that.

Ms. Perez responded that she doesn't have those numbers with her, but knows that they had been meeting with new DAS reps because their old DAS rep recently retired, so she is not sure if all of that information was entered into the system.

Ms. Newsom suggested they contact DAS to correct the rates.

Mr. Tweini acknowledged and thanked Ms. Perez for their veterans program.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Tweini moved and Ms. Newsom seconded approval of the Associated Builders and Contractors Los Angeles/Ventura Merit Training Trust Fund in the amount of \$247,600. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 38: Associated Builders and Contractors of Southern California, Inc. Merit Training Trust Fund

Ms. Testa presented a proposal on behalf of the Associated Builders and Contractors of Southern California, Inc. Merit Training Trust Fund in the amount of \$745,330. ABC SoCal runs five apprenticeship programs, in the Plumbing, Electrical, HVAC, Sheet Metal, and Electronic Systems Technician trades. All but the HVAC program will participate in this proposed project. ABC SoCal actively recruits both veterans and women into their programs, however they are not requesting a separate Veterans Job Number for this project. Trainees can earn multiple certifications over the course of their training, including OSHA 30, Power Activated Tools, and butt-fusion process for joining pipes. ABC SoCal's last project earned its full contract value.

Ms. Testa stated that Staff recommends approval of this proposal and introduced Christina Burdick, Senior Director of Education, and Ryan Verb, Finance Manager.

Ms. Burdick greeted the Panel and stated that ABC SoCal currently has 560 apprentices across the four different trades that they're seeking funding for, and that includes 11 veterans and 6 females. ABC is currently working with their local National Association for Women in Construction to recruit women into the program and also with their local Veteran Affairs Offices to get additional veterans into the program. Ms. Burdick explained that the funds from this contract would be used to update their lab equipment and bring new certifications in for the different trades. For example, Title 24 Certification for their electricians is something that they're actively pursuing at the moment. ABC SoCal Merit Training Trust apprentices, much like they just heard from LA, are paid the State's prevailing wage rate. There is also a benefit component for them and their families and most of them participate in retirement plans as well. The apprentices come to their facility for the in-classroom RSI training, and then are dispatched out to their contractor members for their on-the-job training. ABC SoCal is also a State and federally-approved apprentice program, so they do have that oversight component as well.

Ms. Newsom asked what happens to the apprentice if they get laid off and if they would have to start the program over.

Ms. Burdick responded that it is a state requirement for the apprentice program, that if an apprentice is released from their contractor, they have to be re-dispatched out to another county and they do not have to start over. That's actually part of ABC's responsibility in

ensuring that they're getting the RSI hours as well as the on-the-job training hours.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Smiles moved and Mr. Tweini seconded approval of the Associated Builders and Contractors of Southern California, Inc. Merit Training Trust Fund in the amount of \$745,330. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 39: California Labor Federation AFL-CIO

Ms. Testa presented a proposal on behalf of the California Labor Federation in the amount of \$375,320. Founded in 1901, CalFed is an umbrella organization composed of 1,200 unions which represent 2.1 million members in Manufacturing, Construction, Healthcare, and other industries within California. For this proposal, CalFed seeks training programs to support multiple smaller apprenticeship programs in many trades, including electricians, plasterers, plumbers, and more. CalFed will train pre-apprentices, journeyworkers, and apprentices in this proposal. They have also requested a separate Veterans Job Number for veteran apprentices. CalFed has been a strong performer in their past projects, and their current contract is set to earn the full contract value.

Ms. Testa stated that Staff recommends approval of this proposal and introduced Nica Constante, Project Coordinator.

Ms. Constante greeted the Panel and stated that CalFed represents over 1,200 unions in California and over 2.1 million workers in the State. What they stand for, and part of what they do, beyond the collective bargaining agreement, is promote high-road jobs. And what that means is jobs with good wages, wage increases, health and pension benefits, safe work conditions, and of course, quality joint labor management training programs. Their ETP contract serves as an incubator for smaller JATCs who do not have the full capacity to get their own contract and come on their own. The goal is to get these smaller JATCs to eventually come out on their own and get their own contract, one of which happened a few months ago when to Tri County Sheet Metal Workers Local 104 came to contract and got their own. Ms. Constante thanked the Panel for that and stated that she would now share the mic with her brother from Local 595.

Mr. Garrett Greer introduced himself as the Training Director for the San Joaquin and Calaveras County Electrical JATC and thanked ETP for making these funds available and for the opportunities that it affords their apprentices. Mr. Greer also thanked the Cal Labor Federation for assisting them in applying for these funds. Under their umbrella of the incubator program, they use the Helmets to Hardhats and their Local Veterans Employment representative to actively recruit veterans and they also use Trades Women Inc., local high schools and other local resources to actively recruit qualified female applicants. Mr. Greer shared that their second year apprentices, which are those that can participate in each ETP funding, start at \$21 an hour with a full package of \$44.89, progressing through and graduating out as journeymen, which is a rate currently of \$38.25 with a package of \$67.13. They also have scheduled wage increases of \$7.25 over the next three years and their

wages continually increase.

Mr. Tweini stated that he is so grateful for their strong veteran's program and thanked them for what they do.

Ms. Newsom had a question for Ms. Constante, and pointed out that it's a significant reduction from the previously awarded contracts and asked if that is because of the incubation that she is talking about, as more of the programs under their umbrella have moved on to their own, because the amount requested is roughly about half of what it was.

Ms. Kelly Greer introduced herself from Strategy Workplace Communications and stated that the reduction is because with this project they wanted to make sure they got funded in January, which is just going to be used for Spring 2020, and then the incubator program hopes to get back in line with one in probably August or September. So in the future, these small programs will be on their academic year, because they don't want to start a program that's in the middle of their academic year or in the middle of a semester. So this is just to fund Spring.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Tweini moved and Mr. Smiles seconded approval of the California Labor Federation in the amount of \$375,320. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 40: Local Union 250 of the Southern California Pipe Trades District Council No. 16 of the United Association

Ms. Testa presented a proposal on behalf of the Local Union 250 of the Southern California Pipe Trades District Council No. 16 of the United Association in the amount of \$375,310. Founded in 1945, Local 250 provides training for Steamfitters and Pipefitters who primarily work in oil refineries in Southern California. Apprentices learn to lay out, fabricate, assemble, install, maintain, and repair piping systems that transport oil and other fluids, including fluids under high temperatures and high pressures. Both receive high-hazard safety training to work safely in refineries. This will be Local Union 250's second ETP Contract, and the second in the last five years. Although Local 250 actively recruits veterans, they are not requesting a separate Veterans Job Number for this project. Local 250's current contract has already tracked over 100% of potential training hours and is projected to earn the full contract value.

Ms. Testa stated that Staff recommends approval of this proposal and introduced Bill Wood, Training Director; Preston Rhiel, Training Coordinator; and Steve Duscha, Consultant.

Mr. Wood greeted the Panel and shared that their prior ETP funding has been going great and they're looking at some expansion coming up, looking to keep it going, and keep everything that they have intact.

Mr. Tweini thanked Mr. Wood for what they do in creating good jobs and keeping them in California. Mr. Tweini stated that he sees they have a little bit of a veteran's program, but suggested the stronger the program, the better.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Tweini moved and Mr. Smiles seconded approval of the Local Union 250 of the Southern California Pipe Trades District Council No. 16 of the United Association in the amount of \$375,310. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

Tab No. 41: Professionals in Human Resources Association

Ms. Testa presented a proposal on behalf of the Professionals in Human Resources Association in the amount of \$747,500. Established in 1944, and headquartered in Gardena, PIHRA 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 located in Los Angeles, Orange, Riverside, San Bernardino and Ventura Counties and works in various industries including aerospace, agriculture, automotive, biotechnology, pharmaceutical, construction, warehouse, distribution, education institute, manufacturing, oil and gas refinery, restaurant and food services, and technology. This project will address the needs and demands of PIHRA's members, who have requested training to help upskill their workforce. Training will include topics in business skills, continuous improvement, computer skills, manufacturing skills, and management skills. Please note that one company listed on the 100B, De Rigo REM, has mistakenly been listed twice. This is PIHRA's fourth ETP contract in the last 5 years. Their past projects were all very high performing, and their current contract has tracked over 90% of the potential training hours, and is expected to earn the full 100% of the contract value.

Ms. Testa stated that Staff recommends approval of this proposal and introduced Brian Allain, Deputy Executive Director, and Deborah Imonti, Consultant.

Mr. Allain greeted the Panel and thanked the ETP staff and Panel for this opportunity.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the Professionals in Human Resources Association in the amount of \$747,500. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

ADMENDMENTS

Tab No. 42: College of the Sequoias

Ms. Lazarewicz presented an amendment to request additional funding for College of the Sequoias in the requested amount of \$253,882. Founded in 1940 and headquartered in Visalia, College of the Sequoias is a 2-year community college that provides educational and training classes to the local community. COS operates a full-service Training Resource Center in the City of Hanford in addition to the main campus in Visalia. The College specifically provides training serving employers in the manufacturing, healthcare, and service sectors. Originally, COS created a conservative training plan to maximize training for employers. But through continuous marketing and training plan development, Participating Employers' interest in customized training programs has increased. Additionally, COS has added an additional Certified Nurse Assistant (CNA) class to serve participating employers in the healthcare industry. There is also an update to their current contract performance, they are currently at 87%.

Ms. Lazarewicz stated Staff recommends approval of this proposal and introduced Jorge Zegarra, Director-College of the Sequoias Training Resource Center.

Mr. Zegarra greeted the Panel and thanked them for supporting the California community colleges' Multiple Employer contracts. For the ones who may not be familiar with College of the Sequoias, they have a main campus in the city of Visalia, with two additional campuses in the cities of Hanford, and Tulare - all three at the center of the California Central Valley. As of last Friday, they were at 87% performance rate and probably they're going to hit close to 100% by the end of the year. Under this contract, which is their second contract, they have been assisting in serving 34 employers - 28 of those in the Priority Industries. Again, this is their second contract and with their first contract they were able to serve 19 employers, so this has been a progression on their part.

Acting Chairperson Bell asked if the Panel had any questions.

Hearing none, Acting Chairperson Bell asked for a motion.

ACTION: Mr. Tweini moved and Mr. Smiles seconded approval of the College of the Sequoias amendment in the amount of \$253,882. Acting Chairperson Bell called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 7 to 0.

VIII. STEPS PRESENTATION

Ms. Testa introduced an exciting presentation to the Panel and stated they're very proud of the STEPS program, which stands for Summer Training and Employment Program for Students. Last year, in fiscal year 18/19, through a partnership with the California Department of Rehabilitation, ETP issued \$1.5 million to six awardees chosen from the California Workforce Development boards for the STEPS grant. To be eligible to participate in this program the students must be between 16 and 21 years old, be enrolled in school, and have some type of disability. They receive pre-vocational and workforce training in subjects such as interview skills, customer service, and communication skills. They are then placed for up to 230 hours of work experience in businesses such as offices, gyms,

restaurants, nonprofits, retail establishments, daycare centers, and more. In the first year of the grant, 332 students received just shy of 7,000 hours of training and nearly 60,000 hours of work experience. This year, in fiscal year 19/20, the California Community Colleges Chancellor's Office became an additional partner, along with ETP and the Department of Rehabilitation. The grant this year increased in size to a total of \$3.15 million and there were nine awardees, instead of just six like last year.

Today, three of those awardees are here to present their grant activities and progress to date. The presenters include the San Joaquin Workforce Development Board, which was awarded \$500,000 to serve 100 students with disabilities; the Workforce Investment Board of Tulare County, which was awarded \$375,000 to serve 75 students with disabilities; and the Fresno Regional Workforce Development Board, which was awarded \$500,000 to serve 100 students with disabilities.

IX. OPPORTUNITY FOR PANEL MEMBERS TO REQUEST AGENDA ITEMS FOR FUTURE PANEL MEETINGS

Acting Chairperson Bell asked for any future agenda items Panel Members.

None were given.

X. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

Acting Chairperson Bell asked for public comment on matters not on the Agenda.

None were given.

XI. MEETING ADJOURNMENT

Acting Chairperson Bell adjourned the meeting at 12:51 p.m.