



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL**

Zoom Virtual Meeting
June 26, 2020

Panel Members

Janice Roberts Acting
Chairperson

Gloria Bell
Member

Chris Dombrowski
Ex-Officio Member

Ernesto Morales
Member

Gretchen Newsom
Member

Rick Smiles
Member

Douglas Tracy Member

Ali Tweini Member

Executive Staff

Peter Cooper Assistant
Director

Michael Cable
Legal Counsel

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I. PUBLIC PANEL MEETING CALL TO ORDER

Acting Chairperson Janice Roberts called the meeting to order at 9:48 a.m.

II. ROLL CALL

Present

Janice Roberts
Gloria Bell
Chris Dombrowski
Gretchen
Newsom
Rick Smiles
Douglas
Tracy

Absent

Ernesto Morales
Ali Tweini

Executive Staff

Peter Cooper, Assistant Director
Michael Cable, Legal Counsel

III. AGENDA

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

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

IV. MINUTES

Motion carried, 6 to 0 Acting Chairperson Roberts 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, with the following edits to be made: adding the word "not" on page 26 and on page 27. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0

V. REPORT OF THE ASSISTANT DIRECTOR

Mr. Cooper welcomed the Panel Members, Applicants, and Stakeholders and reported that today's meeting is approximately \$9.3M with another \$840,729 in delegation orders, for a total of approximately \$10.1M.

Mr. Cooper recognized the following persons in attendance: Diana Torres, San Diego Regional Office Manager; Ryan Swier, North Hollywood Regional Office Manager; and Jana Lazarewicz, Sacramento Regional Office Manager.

Mr. Cooper stated this is our second panel meeting with Zoom and we are trying to improve it to make function better for everyone. The July Panel meetings will also be held virtually with Zoom, and, most likely, the August Panel meeting as well. It is in partnership and with urgency that we are pivoting ETP's resources to address the major crisis facing California and the world—the COVID Pandemic. The pandemic has caused the worst economic recession since the Great Depression and has heightened economic and racial inequality across the state. By focusing resources on supporting workers and employers impacted by the COVID Pandemic, ETP can support disproportionately affected communities across the state and economic recovery efforts that are inclusive and equitable, and promote high-road job training. Responding to COVID and the Recession are of paramount importance to ETP now and for the coming fiscal year. This is reflected in our Draft Strategic Plan for 2020-21, which Mario Maslac will be presenting shortly.

Mr. Cooper stated the ETP COVID Response plan and our COVID Pilot have been well received and we are starting to get more contracts that have these components. We have processed nearly 200 COVID amendments – for example, today you will see one from CMTA to support small businesses during the pandemic and expand economic development efforts throughout the state. Over the next few months, we will also see more COVID Pilot proposal come before you from a variety of sectors. We already have several million dollars in COVID Pilot applications being processed. ETP continues to play a critical role in supporting the state's efforts around Covid tracing, with 6 staff re-assigned for this work, and in processing of UI claims.

Mr. Cooper reported that regarding the Budget and the Legislature: The Budget has passed and we are waiting for it to be 'Chaptered' into code but we know our funding appropriation is intact at \$103M and that we got an additional \$1M for the Paid Family Leave grant program for Small Businesses on an on-going basis. However, we are going to see a decrease in our revenue with the recession --- the employer taxes collected that go into the Employment Training Fund – and we should know what they are in October when we see the data from the 2nd quarter of this year reflected. We are planning for at least a 20% reduction. The Trailer Bill that will create the new workforce department called the Department of Better Jobs and Higher Wages has been passed but there is no funding attached to it. This means we will continue to move toward consolidation/alignment with DAS, CWDB, EDD WSB, but not as quickly as originally planned. We have collaborated on a DOL Grant application for expansion of apprenticeship with the DAS and CWDB and we will know in early July if we got it.

Mr. Cooper then reported regarding the New Computer System and Process Improvements. Work continues on developing the pre-application and application

processes within Cal-E-Force -- the replacement system for ETP's legacy systems. The system is being deployed in stages. The team is completing the testing of migrating existing legacy contracts to the new platform including multiple employers' contractors (MECs) and other single employer contractors migrated from yet another legacy system. We have had and will continue to solicit stakeholder input for system features. One of the great aspects of the Salesforce cloud system upon which Cal-E-Force is base is that it is flexible and will allow us to make adjustments easily once the system is in place. Regarding Staff and Operations: We are continuing to do business and are open but majority of staff are working remotely, for the most part. We have been instructed by the Administration/CalHR to move toward 25% of staff in the office each day. We will move forward in a very careful, slow process that puts staff safety at the forefront and relies largely on volunteer participation over the months ahead.

Mr. Cooper also reported regarding Core Funds for this Fiscal Year that if all FY 19/20 proposals are funded today, the Panel will have completed the Fiscal Year by approving just over \$92.8M in 318 projects. If all FY 20/21 proposals are funded today, the panel will have approved just over \$6.9M in 21 projects to date. ETP will have approximately \$73.0M for the remainder of the FY 20/21 with a demand of \$109.1M. Under Delegation Order for these proposals will all be capped at \$75K to be approved under the Delegation Order on a continuous flow basis, which as of today we have approved a total of 88 delegations.

Mr. Cooper then reported that regarding Demand and Allocations: Single Employer Contracts: requests in Regional Offices and AAU \$67.5M. MEC requests: \$11.7M in demand. Small Business: \$9.4M demand. Critical Proposals: \$235,617 in demand. Apprenticeships: \$20.3M in demand. Overall demand is currently around \$109.1M, with around \$73M left for FY 20/21.

Mr. Cooper requested a Motion to Approve the Consent Calendar.

Acting Chairperson Roberts asked if there any other questions from the Panel regarding the Consent Calendar and asked for a motion.

Ms. Newsom added she had a concern about one of the items on the Consent Calendar, which would be Tab No. 1 on the consent calendar, California Harvesters. They have an exciting new concept that they are going to go into. First, wanted to get clarification from staff. It says that they are not priority industry, but it lists agriculture and services and it looks like they would be a priority industry.

Acting Chairperson Roberts stated she asked the staff to look at that and they said they were looking at it and not sure what they resolved on that. You have any idea on what that where we came with that conclusion.

Mr. Cooper stated their status whether priority or not priority is based on the way they are doing worth of services as listed under agriculture and kind of their operations. The way they are set up is where those NAICS codes are applicable and sure that staff might have some more input on that, if you would like some more information, but it is just the way if they are purely agricultural then, they would have been priority industry.

Ms. Newsom noted in their proposal that they are creating a labor trust agreement to improve wages, working conditions and job opportunities for farm work and workers will become members of the trust to participate in major business decisions. It's a really exciting concept and also noticed, though, that their proposal is right size and reduced by 50%, so if the applicant is meeting their training goals and seeks to have more funding from ETP, rather than coming in under an amendment, encouraged them to come before the full panel with an update, because she is excited to hear about their concept of new business.

Ms. Bell stated she was impressed about their curriculum around, especially that the panel know that the field workers are experiencing amount of coven and positive testing, especially area as well. So I was pleased to see their curriculum around COVID 19 training and their process and what they're going to do with their workers as well as I agree, it does seem like it looks like they've come back after the last time and pretty pleased on what I see this time.

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

Motion carried, 6 – 0.

I. POLICY COMMITTEE MEETING REPORT TO PANEL

Ms. Newsom reported that the Policy Committee met Thursday afternoon on June 18 via Zoom; we had an update on our STEPS program, which is a reminder, Summer Training and Employment Program for students program and congratulations to the nine awardees towards STEPS grant this year, which has increased from the original allocation of \$1M to \$4M outstanding job. We also reviewed a list of potential policy committee agenda items for future meetings. If there are any ideas for additional policy committee agenda items, please email them to Liz Testa at Elisabeth.testa@etp.ca.gov. Then our committee approved the creation of a standalone eligibility checklist and the addition of eligibility specific questions to ETP FAQ. This information is going to prove helpful to potential applicants for the ETP program to help them see more at a glance of whether or not ETP is a good fit for them.

Ms. Newsom then reported the committee approved moving the paid family leave small business grant guidelines to full panel for July vote. This grant funded through general fund dollars will be administered by ETP and is designed to aid small businesses that have been impacted by one or more of their employees utilizing the extended leave time granted under the paid family leave program. A draft solicitation for proposals for this grant will be presented at a future committee meeting most likely in July. Then committee took action on the following two items extending the non-party industry moratorium to also include non-party industry participating employers in MEC contracts and then a revision to the repeat contractor role.

In the past week, however, staff has received a multitude, maybe an avalanche of public comments and questions on these two proposals, and it is apparent that we need some additional discussion on these items. I would therefore like to make a motion to refer both of these items back to the policy committee for further discussion and clarification. And then, depending upon the timing of the next policy committee meeting, to bring back these items to the then next available panel meeting; which may be July or August, depending on how soon we can have our next policy meeting so that these matters may be placed on the panel Agenda.

Acting Chairperson Roberts thanked Ms. Newsom and thinks that is a great suggestion.

Ms. Newsom asked whether the panel needs an actual motion to move these issues back to the policy committee.

Acting Chairperson Roberts inquired if they need to make such a motion.

Legal Counsel Michael Cable stated no. You do not need a motion to move these issues back to the policy committee. We are just going to notice them for the next Policy Committee. Essentially, there was the recommendation to move forward, but if the Panel does not want to move on the matters now, that is totally fine and we don't need a motion to move them back to the policy committee.

VI. SOCIAL POLICY RESEARCH ASSOCIATES PRESENTATION

Acting Chairperson Roberts introduced Marian Negoita who will be presenting our social policy. He is from our Social Policy Research Associates, who thanked Acting Chairperson Roberts for the introduction. Mr. Negoita explained that in 2017 -2018, we conducted a study of ETP that consisted of qualitative interviews with ETP staff and clients and the analysis of administrative data from ETP databases. At that point, we found that employers reported many benefits to ETP participation, such as the ability to retain and motivate workforce, the ability to formalize and enhance internal training systems and the ability to stay competitive by keeping up with changes in technology. Employers also reported some challenges specifically around, ETP administrative processes and information systems that appeared sometimes cumbersome, but then they were getting better is what we heard.

Mr. Negoita reported in the next phase of the study, which we are reporting on today, we expanded on the findings from the first study in two ways. First, we wanted to test whether these perceived benefits could be measured quantitatively. To do this, we conducted what we call a Quasi-experimental impact analysis of ETP training investments, where what we did is we compared the results of ETP Funding companies with a comparison group of companies that were not funded by ETP, but were otherwise similar. The idea being, the comparison group looked like what ETP companies would have looked like if they did not get ETP funding and that allows you to calculate the impact, what was the real benefit of participating in ETP. Then we also conducted a survey of training practices and skills needs of more than 2000 employers who received the ETP funds. So the idea is that, yes,

we heard many good things from employers, but can we get more of a representative image of what employers needs were.

Mr. Negoita then reported we are going to start reporting the findings from the impact study and the idea again, is to compare ETP companies with non-ETP companies. You can see that generally, the ETP funded companies had on average, 22% more employees at the funding site two years after receiving ETP training funds, and this result was statistically significant. In addition, our analysis indicated that ETP funded companies had 30% more employees overall and for sales; found a positive impact of about 47%. The reason you see the bars with the whiskers is what we call a confidence interval. Therefore, we calculated the predicted estimate, but that in reality can vary between those bounds. All of them three, though, are positive and significant. Although we are not exactly sure what the size is, it varies between those bounds. We are sure that they are significant and positive. The explanation for all of this is that ETP may actually contribute to a couple of things. First, it may contribute to productivity and also you can contribute to more competitiveness and both of these would be expected to increase in both size and sales revenue.

Mr. Negoita then stated we wanted to take a deeper look and see how ETP impact companies, by type of company, so we kind of get a more of an X ray into what really is going on. The results by company size, suggest that ETP participation was strongly beneficial to small and medium companies, between roughly 19 to 100 employees and these are significant estimated boosts in employment and sales. Even higher in the sort of 19 to 50 category and this is an encouraging result because almost half of all ETP companies in the sample were in this range. This finding is also consistent with the insights that we gained from the previous qualitative interviews, which also suggests that ETP participation tended to help the small and medium companies by helping them to formalize career pathways and training systems where they may not have had them before. It is consistent with what we know. With the large companies, there is a positive impact there, but it is not significant, we do not really know. More research is needed to understand why program participation did not appear to benefit very small companies. It may just be that they require a different type of intervention, there are not many companies in this rage, and less than a fifth of all companies were in this very small category. However, that is the findings suggest just that you know rather than stopping to help these companies because, you know, there is no effect. The idea is to concentrate and see what works for them, maybe they are different in some ways and so I think, as usual for researchers, further research is needed. Another relevant dimension of variation of our companies is their age. We were trying to see if impacts vary by the number of years that companies had been in operation, the significant impacts. The findings are somewhat inconclusive, however, if participation appeared to be associated with a negative result for employment, again for very young companies, and they were not very many in the sample, it is still there when we meet to talk about it. What we found also was a positive sales impact for medium age company, so companies that were between 10 and 30 years of age that kind of tells us that ETP appears to be particularly effective for these sort of middle range companies from the perspective of both size and age. That

probably is because these companies have some formalized and some sort of strategies in place, but not they are not quite there yet in terms, they can still be happy. But you kind of have to be ready for that in a sense, and think that is what that's telling us and I think if you see the findings from the survey just a tiny bit later, you kind of see how that is connected.

Mr. Negoita then switched gears, and talked about some key results from the employer surveys. Employers were asked to report on various common training methods they were currently using and they reported using a mix of training methods. This was a multiple-choice question so they could indicate multiple answers and employers reported using a variety of training methods, both in person and virtual instructor led and work based. The most common training method that's Employers are currently using was on the job training, which 77% of respondents reporting using that method which is not really that surprising, because we know that it tends to be the preferred choice for employer training or incumbent worker training. The one interesting thing here, which connects back to the previous analysis is that we found differences in the use of worked based training methods by company size, specifically 36% of large companies reported using productive labs compared to just 17% of small companies. Similarly, 32% of large companies reported having registered apprenticeships compared to 70% of mid-sized companies and a 19% of small company. What that tells us is that small, medium companies tend to under invest in training, certainly compared to larger companies. That is really the place where ETP might actually be particularly helpful and we found these consistently. There is a survey brief that we prepared that will be made available at some point soon, where you're going to see these differences popping up all over the place, but because the space, we don't have really time to go into all of these detailed findings, but think this one was particularly sort of relevant to us.

Mr. Negoita stated we also asked employers about the content of the trainings they provided and soft skills with 61%, managerial skills 54% and specialized technical skills with 54% or the most popular and that really do seem to differ by size. So this was pretty much across the board which tells you, also where the most needs are in terms of needs for training. One of the other things that we wanted to see is how employers thought about and how ETP's ability to support them and so employees generally reported that support from ETP was beneficial, which mirrors the findings from the previous qualitative study. We only report on the percentage of employers who strongly agreed with ETP positive effects. We did not include the somewhat agreed sort of portion of it, if we did, everything would be close to 90%. Which is why we took it out because it would rather overwhelm the reader and you would not really understand what is going on. In any event, these are for somebody who has been in survey research for a while, these are very strong and positive assessments of ETPs impact with particularly the idea of expanding training opportunities to more employees, and increase the quality of existing trainings. Some differences, again, by company size here, in that, small and medium companies are more likely to report that the effect of ETP expanding training opportunities. That aligns to what we would expect based on what we know. We also had a couple of open-ended questions in the survey, we were somewhat asking respondents to just write in their answers. As far

as you know, what they thought that ETP contribution, support or talked about how ETP held all of this stuff consistent with the previous findings from that we heard from employers in the previous phase of the study.

Mr. Negoita then stated in conclusion, we are finding that ETP has a broad positive role. There may be some further research into how different types of companies respond to ETPs support then how they may differ in their the needs and the way they need to be approached. I think also that, there are some data limitations. So if we can perhaps include data from more than one program here and perhaps a bigger sample, then you would see a more precise estimation, potentially. We are happy to share the findings. There is a paper that we just wrote and we had a presentation last week, a Brookings webinar, where we talked about the impact findings. In addition, that is available, on request, and the survey brief should be available soon that is a nice one. We are proud of that and those can be shared upon request. If there is any questions, I am happy to answer.

Acting Chairperson Roberts asked if that were coming into the new fiscal year and sure, the statistics would be very different with all the different COVID pilots and COVID response. It would be interesting to see how that all works out, as we present maybe over the next 18 months or so.

Mr. Cooper added he is planning to share the memo that was discussed the Brookings paper with a panel and on the website. If you remember back a couple of years ago, Stewart and I were mentioning, going into this effort to have this evaluation and our statute requires us to do an evaluation periodically every few years. That is why we engaged with Social Policy Research Associates. It has been a good collaboration multiyear; they have really dug in into our processes, our program. What is unique and I want the panel to notice is that they were able to draw on the huge amount of data that we have because of our performance model. All the contract information and statistics with some of the other data sources they had. That is one reason why it was of great interest to the Brookings foundation and got that national attention. It is also an evaluation that Secretary Su has asked me about a couple of times, she is very interested in the data, and what we can learn from this kind of research. What direction does it point in, and when we do have funds, which employers do we want to market to.

Acting Chairperson Roberts thanked Mr. Negoita again for coming and sharing this information with us and it will be posted on the ETP website for everyone to preview.

Eldon Davidson stated the California Community Colleges and ETP collaborative have just finished their statewide study and like the data that Marion presented, we should have this to the panel very soon. That it, it adds a sampling compared to all of the ETP, that it but this is all the colleges and the companies that we serve and the students but it has a sort of a different twist. You know, it focuses on the persons working in as an incumbent worker for the next 30 to 40 years and what benefit that actually brings to the company, not just the company, but for the state of California as well. In addition, it raises the

question why there should not be more investment in programs like this to keep our workers competitive, healthy, which keeps our companies healthy as well as keeps the state healthy. So I just wanted to put a side note, we did send as a summary to Peter a couple of days ago. We will be making sure that everyone gets a copy of this study and we go deeper when it comes into study and we do it by age group, by degree level and so it goes in a little more depth, so you might find that helpful.

II. STRATEGIC PLAN UPDATE

Acting Chairperson Roberts then introduced Mario Maslac, Chief of Research and Analytics Unit.

Mr. Maslac presented to the Panel a power point presentation highlighting the Strategic Plan, and explained that the Strategic Plan will be available on ETP's website. Mr. Maslac then provided an overview and explanation describing how the current plan is visually different in style and format. This is the second year that we have used the new design for the strategic plan and it is mostly follows the same format as it did in the last year.

Mr. Maslac then went through the Table of Contents and explained each section in detail, Including: Vision and Mission Statement; Introduction and Overview; Goals and Objectives; Improvements and Funding; ETPs COVID response Priority Industries; Labor Force Priority Populations; Strategic Partnerships; and Appendices.

Mr. Maslac again noted that the Strategic Plan and Appendices are all available online at ETP's website. Upon completion of Mr. Maslac's presentation of the Strategic Plan.

Acting Chairperson Roberts, thought there was another change in the vision and just wanted to make sure, before we take a motion on this, that when we go to the final version of this that we had changed some of the wording and asked whether any Panel Members have any questions.

Mr. Maslac then stated the panel has the ability to change any of these things. So please let us know what edits or suggestions if you want us to go back to the old vision statement or change anything. We can have that discussion now or we can wait until we get to the end.

Mr. Cooper added ETP would support future economic development and job training in California through strategic partnerships with business, labor and government. Now, that is the same as it was before. It is just adding this future language and that kind of the idea behind that is looking at the labor agency has created a future of work commission before the COVID pandemic kicked in and there are many changes in the workforce. We want to talk that we are trying to figure out what the best way is for ETP to help with a workforce of the future.

Ms. Newsom also wanted to include, as you have here the words equitable, inclusive in that vision statement too and does not want to lose that.

Ms. Maslac wanted to summarize that we are keeping the mission statement with the additional bullet point and the vision will change with the wordsmithing.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the Strategic Plan as presented by Mr. Maslac, and to delegate the authority for finalizing and submission of the Strategic Plan to the Executive Director. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion Carried, 6 – 0.

REVIEW AND ACTION ON PROPOSALS SINGLE EMPLOYER CONTRACTS

Tab No. 10: Alliance Environmental Holdings, LLC.

Ms. Torres presented a proposal on behalf of Alliance Environmental Holdings, LLC, which is a first time contractor to ETP and they requested a total of \$436,172. The total retrainees is 502, that also does include 56-job creation and additional two designated veterans in Los Angeles County. With regard to modifications, they are requesting that SET priority industry wage modification for Job Number 1, as well as the HUA wage modification for Job Number 2 for 12 retrainees in Imperial, Fresno, Santa Cruz counties.

Ms. Torres stated that Staff recommends approval of this project and introduced Jeannette Terriquez, Director of Training.

Ms. Newsom inquired how long it would take for the new hires to advance in their wages because they start off at a low \$14 an hour up to \$50 to \$62 an hour and asked how long does it take for them to start advancing.

Ms. Terriquez responded that it would take 90 days.

Ms. Newsom then asked how much does it increase by generally speaking

Ms. Terriquez asked depending on how much training that they go through.

Ms. Newsom responded yes.

Ms. Terriquez answered usually \$2 to \$4.

Ms. Newsom then asked at what stage are they making the \$50 an hour.

Ms. Terriquez responded that would be foremen and journeymen.

Acting Chairperson Roberts inquired on the wages as well. I mean, I'm thinking if I'm a production staff operator, and I'm a new hire, and I get paid \$14 an hour, but I'm working together with people are been there for a while and they're getting seven \$8 more than I am. I think there might be some disparity there. I do not know what kind of morale you have regarding that, but I certainly would not feel comfortable making it.

Ms. Terriquez responded it would be some experience obviously, the ones that are the lower it would be non-experienced. Therefore, there is always room to grow.

Mr. Murphy added essentially the lowest wage that would be someone that came off the street with zero experience, someone that would have to be completely trained and get all their licenses as far as their certification as far as all their training, which as a company we pay, we provide and we pay for. Obviously, if someone comes in that has previous experience, they are put up in this range is the current workers. So when you're looking at the very bottom weight range, that's someone that comes in, no certifications, no experience and someone that we are going to invest our time in training them to get them up to that higher dollar amount.

Ms. Newsom then asked about job number one, and the range is \$20 to \$51 an hour, how long would it take? Like what is the level of expertise and experience that those that are in job number one or have to earn \$20 an hour as opposed to \$40?

Mr. Murphy responded that essentially, you had to category one, you would have to have multiple certifications such as your hazmat has washed Whopper, OSHA 10, OSHA 30. All the computer training. It obviously depends on the individual. If an individual comes in and they have talent, and they are driven, I mean, it could happen within a 12 month. It all depends on obviously the individual, what their learning curve is how fast we can get them up to speed. In addition, from our perspective, the faster we can get them up to speed, the better because they are more productive for us. In addition, what we do is we have categories that go up. Therefore, as you get more experience or you obtain this type of cert, it indicates and gives you an automatic pay increase. So I think it's in our the way we've set up our business, it's mutually beneficial for the employee, as well as us as the employer to try to get them up as fast as possible because it gives us opportunities to put them on more jobs, because of the certifications required and the type of industry that we're in.

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

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of Alliance Environmental Holdings, LLC in the amount of \$436,172. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 11: CRI ES, Inc. dba California Rehabilitation Institute, LLC.

Ms. Torres stated this is CRI ES, Inc. dba California Rehabilitation Institute, LLC, they are a first time contractor and a Priority Industry. Total ETP funding being requested is for the amount of \$496,432 to train 376 retrainees and 56 job creation. They are trading in Los Angeles and they are requesting the SET priority industry rate wage modification.

Ms. Torres stated that Staff recommends approval of this project and introduced Leslie Brady, Director of Education.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the CRI ES, Inc. dba California Rehabilitation Institute, LLC in the amount of \$496,432. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 12: Procore Technologies, Inc.

Ms. Torres introduced Procore Technologies, Inc. They are a Priority Industry and Repeat Contractor: Total ETP funding being requested is for the amount of \$649,704 to train 524 retrainees and 205 Job Creation. The proposed training will be provided to employees in its California locations in Carpinteria, Santa Monica, San Diego, and Alameda.

Ms. Torres stated that Staff recommends approval of this project and introduced Greg Gills, Senior Director of Learning & Development.

Ms. Newsom asked Mr. Gills to elaborate a little bit more about his last contract which was a critical contract and he hired 200 new workers in California facilities, what that was like. If you have any feedback on that from the worker perspective.

Mr. Gills wanted to thank the Panel and GO-Biz for being such a good partner. We get tremendous response from our employees for training. It's one of the key factors listed in all of our engagement services for why they chose Procore and stay with Procore. We are very fortunate to be one of the larger employers in Santa Barbara County; an employer of choice. And a lot of that is just due to the fact that we provide career development and growth and learning opportunities for our employees, as well as we pay well. I think that is why, but that that's kind of the feedback from me, and the response has been tremendous. Association for Talent Development has interviewed us, and chief learning officer magazines for our programs and our employees, and that give us high marks.

Ms. Newsom responded yes, it does.

Acting Chairperson Roberts stated she was actually scheduled to come out to visit your facility in April but with the you know the COVID 19 issue going on we canceled moved to a different date. So hopefully by the end of this year, I will be able to come out and view what is going on. I know Gretchen was also interested in coming, along with Robert Meyer. So hopefully, that will happen one of these days as I'm interested to see what your facility looks like so.

Mr. Gills responded absolutely. I would love for all of you to come out and see what we do, once our campus reopens. I have to tell you, employees come first. Therefore, we are not on the leading edge of trying to get back into the office. However, once we do, we will definitely make sure that we extend that same invitation and bring you out. Thank you. Thank you.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the Procore Technologies, Inc. in the amount of \$649,704. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 13: Walsh Construction Company II, LLC.

Ms. Torres presented a proposal on behalf of Walsh Construction Company II, LLC in the amount of \$499,928. They are a first time contractor proposal to train 570 to retrainees. Training will be provided to employees of Walsh in Corona and Concord; as well as employees of its affiliate, Archer Western Construction, LLC (Archer Western) located in San Diego. This is Walsh's first ETP Contract. Construction Support Staff are represented by Southwest Regional Council of Carpenters Locals 213, 562, 619, 661, 714, 721, 805, 909, 951 and 1607; Carpenters 46 Northern California Counties Conference Board; and Laborers' International Union of North America Local 652. The Unions have submitted letters of support for this training project.

Ms. Torres stated Staff recommends approval of this proposal and introduced Jeff Lemna, Director of Career Development.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Newsom moved and Mr. Dombrowski seconded approval of the Walsh Construction Company II, LLC in the amount of \$499,928. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 14: A.M. Ortega Construction, Inc.

Ms. Torres presented a proposal on behalf of A.M. Ortega Construction, Inc. They are a first time proposed contractor. Training will be delivered at the Company's facilities located in Lakeside, Corona, and El Cajon.

Ms. Torres stated Staff recommends approval of this proposal and introduced Dave

Dantuono, Compliance Manager.

Ms. Newsom stated she comes from IBEW 569 in San Diego, and your proposal says that it is going to be serving San Diego. I just want to ask you, make sure that the electricians that you are going to be training do not include the IBEW 569 members.

Mr. Dantuono responded with at this time that is correct.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Bell moved and Mr. Smiles seconded approval of A.M. Ortega Construction, Inc. in the amount of \$327,060. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 15: H.M. Electronics, Inc.

Mr. Hoover presented a critical proposal for H.M. Electronics, Inc., with total ETP funding being requested of \$339,710. Estimated number of trainees is 634 in Job Number One for retraining, and 74 in Job Number Two, and training will be delivered at its Carlsbad and Alameda locations.

Mr. Hoover stated that Staff recommends approval of this proposal, and introduced Diem Nguyen-Lewis, Director of Organizational Effectiveness; Jack Farnan, VP of Human Resources.

Ms. Newsom inquired for the job creation and asked how long does it take for the newly employed workers to progress in their wages starting them off lower than the retrainees.

Acting Chairperson Roberts asked Ms. Newsom which job was certainly a lot lower.

Ms. Newsom stated it is not a lot lower and going to just take back my comments, I circled the wrong things.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Bell seconded approval of H.M. Electronics, Inc. in the amount of \$339,710. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 16: Herman Weissker Power, Inc.

Mr. Hoover stated that Herman Weissker Power, Inc., with total ETP funding being requested of \$215,625. They are not a repeat; this is the first time applicant. There was an error on the turnover rate, it should not reflect zero they have been scrambling to work on that after we caught it a little late, and they can speak to that. I think they are closer to around 6 or 7% from what I was kind of helping guide them through, but I will let them speak to that finalized. In this proposal, HWP has committed to include five Veterans Job Number 2. Concerning recruitment for filling open positions within HWP, the Company actively works with a local union that utilizes programs like Helmet to Hardhats and Hire a Vet to identify and offer fast-track processes to become an apprentice. The training project is supported by IBEW Local 47's union whom represent the Construction Worker, Foremen, Engineers, and some Project Lead's occupations within HWP's workforce and within this proposal. The union has submitted a letter of support for this training project.

Mr. Hoover stated that Staff recommends approval of this proposal and introduced Mike Ross, Safety Director; Brian Davis, President; Chris Christy, VP of Operations; Rebeca Christy, Risk Management (Meruelo Group, LLC); Paul Jeske, VP of Environmental Health and Safety (Meruelo Group); and Lisa Douglas, California Training Administration (Subcontractor).

Ms. Newsom stated Tab 16 and looking at Tab 17 and there is similarity in the name. I was wondering who's presenting on top 17. Is it the same team?

Mr. Hoover stated there are two individuals that are from the parent company Morello group. Therefore, there will be two Rebeca Christy and Paul Jeske are going to be on the other one but all the other individuals will be different because they are separate entities.

Ms. Newsom stated it looks a little weird as a panel member when you have back-to-back proposals with the same name almost the same. Well the word power is missing from the second one.

Acting Chairperson Roberts also wanted to make a comment on that as well because Tab 20 is also the same, Morello enterprises as well and just going to make a blanket comment, but t you are a first time proposal and you're all go up to the same entity which is with publicly traded company Morello industries. All your union letters have copies of the same person in Morello enterprises. So that is kind of what we've been talking around affiliations and I'm going to let this because this is your first time coming before the panel, but just FYI, in the future, the staff may go ahead and put this all under one contract versus three separate contracts. In addition, because with the total you are about \$850,000 with the three projects together, which is over our cap. Therefore, those are kind of things that we have to look at. That is how we run these programs and again, Gretchen said when you see two names that are similar but then I went back to your website and also saw Select Electric was also part of your program as well. Therefore, having three contracts, all under the same affiliation is the problem.

Acting Chairperson Roberts asked if the Panel had any questions

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Newsom moved and Mr. Dombrowski seconded approval of the Herman Weissker Power, Inc. in the amount of \$215,625. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 17: Herman Weissker, Inc.

Mr. Hoover stated that this is for Herman Weissker, Inc., with total ETP funding being requested of \$435,183. The estimated number of retrainees is 350 for Job Number One and seven for Job Number Two for veterans. ETP training will be delivered at HWI's facilities in Riverside, Bakersfield, Long Beach, Visalia, Arroyo Grande and Ventura. The training project is supported by IUOE Local 12; Cement Masons' Local 600; U.A. Local 250; Teamsters Local 986; Construction Teamsters Local 166; Operating Engineers Local 3. Unions represent the Construction Worker, Foreman, Engineers, and some Project Lead occupations within this proposal, and the unions have submitted letters of support for this training project.

Mr. Hoover stated that Staff recommends approval of this proposal and introduced Sylvester Williams, Safety Director; Manuel Parada, HR Manager; Quinton Karst, President; Rebeca Christy, Risk Management (Meruelo Group, LLC); Paul Jeske, VP of Environmental Health and Safety (Meruelo Group); and Lisa Douglas, California Training Administration (Subcontractor).

Ms. Newsom inquired about the construction members that you are training and asked if any of the training that you are offering duplicative of what they receiving with their apprenticeship programs.

Mr. Karst responded, no it is not or basic skills training that is available through the unions. However, we have specific industry related training that is not offered by the apprenticeships that we have to take on ourselves.

Ms. Newsom so apprenticeship takes priority training and then if they do not offer it, then it goes to you.

Mr. Karst responded more or less, yes.

Ms. Newsom stated she hopes more.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Bell moved and Ms. Newsom seconded approval of Herman Weissker, Inc. in the amount of \$435,183. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 18: Peterson Holding Company

Mr. Hoover stated that this is a proposal from Peterson Holding Company; with the requested amount of \$299,000, estimated number of trainees are 300 for Job Number One, retraining 25 for Job Number Two, retraining 10 for Job Number Three veterans. ETP training will be delivered to employees working in the Alameda, Santa Clara, Sonoma, Mendocino, Humboldt, Shasta, Butte, and Solano County. The majority of the training will be conducted at the Peterson University in San Leandro with some training at PHC's facilities throughout northern California. Operating Engineers Local 3 represents technicians. The union has submitted a letter of support for this training project.

Mr. Hoover stated that Staff recommends approval of this proposal and introduced Mace Gjerman, Training Manager; Christina Alatorre, California Employee Development Coordinator; and Rob Sanger, California Manufacturers & Technology Association (Subcontractor).

Ms. Newsom inquired for the applicant to elaborate on the higher wages for veterans and perhaps the rest of the public can hear that.

Mr. Gjerman, the Training Manager stated they aggressively tried to recruit veterans, we find that they come to us with a lot of skills and experience pertain to our industry so that we are able to offer them higher right wages and a pretty fast track to journey levels. In the way, the economy has been up until these last few weeks. It is a very competitive market to hire veterans, but we are certainly part of that competition doing our best. It is not operate engineers, we are an open house, we hire whom we want that is willing to join the operating engineers, and we provide our own training. Due to the fact that as a caterpillar dealer we need caterpillar specific training, not just generic earth moving equipment training of other brands.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Bell seconded approval of Peterson Holding Company, in the amount of \$299,000. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 19: Select Electric, Inc.

Mr. Hoover stated that this is a proposal from Select Electric, Inc. with the requested amount of \$212,750 estimated number of trainees is 110 for Job Number One retrainees and 75 for Job Number Two retrainees. ETP training will be delivered at the Vista and Cerritos facilities.

The International Union of Operating Engineers, Southern California District Council of Laborers Affiliated with Laborers' International Union of North America, and IBEW represents Engineers, Field Workers, Estimators, and Electricians, which is in support of this training program. The union-support letters have been received and on file with ETP for this proposal.

Mr. Hoover stated that Staff recommends approval of this proposal and introduced Jeremy Coriale, President; Lori Norton, Safety Director; Rebeca Christy, Risk Management (Meruelo Group, LLC); Paul Jeske, VP of Environmental Health and Safety (Meruelo Group); and Lisa Douglas, California Training Administration (Subcontractor).

Acting Chairperson Roberts stated around the Union letters, we did get the Union letters just recently I think either yesterday or today. It is just FYI, we need to have those union letters in our panel packet prior to almost the meeting time so if there is any issues with that. Then, that's problem we need to pull the contract. We just need to make sure that the Union letters are there so we can see them as we review the packet.

Ms. Newsom inquired whether any of the electricians that you are going to be training are from San Diego and 569 because you do not have a union letter of support from them; and we wanted to make sure that none of the training was duplicative with their training program.

Mr. Coriale responded it is not, and correct.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of Select Electric, Inc. in the amount of \$212,750. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Ms. Newsom inquired if Tab 19 was skipped

Acting Chairperson Roberts responded that it is a MEC.

Tab No. 20: VHSD ES, Inc. dba Select Specialty Hospital – San Diego

Mr. Hoover stated that this is a proposal from VHSD ES, Inc. dba Select Specialty Hospital San Diego. This is not a repeat contractor, and they are first time applicant. The requested amount of \$439,300 estimated number of trainees is 236 for Job Number One retraining and 10 for Job Number Two. ETP Funding training will be delivered at Specialty Hospital San Diego.

Mr. Hoover stated that Staff recommends approval of this proposal and introduced Michael D. Hanlon, Nurse Development Specialist, BSN, RN, CCRN-K; William K. Parker, CEO- National Training Systems, Inc. (Subcontractor).

Acting Chairperson Roberts wanted to thank all the health workers for all their hard work during this crisis.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Bell moved and Mr. Smiles seconded approval of VHSD ES, Inc. dba Select Specialty Hospital – San Diego in the amount of \$439,300. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 21: Diamond Foods, LLC

Ms. Lazarewicz stated that this is a proposal from Diamond Foods, LLC. which is a repeat contractor the requested amount of \$499,836 will train a total of 444 workers, which includes veterans and new employees. Training will take place at their Stockton location, a union letter of support has also been submitted for the leads quality control technicians' production warehouse in maintenance staff.

Ms. Lazarewicz stated that Staff recommends approval of this proposal and introduced Hector Bolanos, Human Resources Manager; and Angela Jones, Training Grants Intelligence, Inc. (Consultant).

Acting Chairperson Roberts wanted to make one comment on this around your performance from last year, I noticed that it was 86% but I believe that had to do with your substantial contribution at that time. Also you're asking for quite a bit more but I think that has to do with the raised and wages, if I'm not, if I'm not mistaken, but you can elaborate on that.

Mr. Bolanos thanked the panel for allowing him to speak and stated they had a substantial contribution of 50% and the reimbursement rate was at \$15.20 the hours that were requesting the same as we did in the contract. But obviously, the radius entity higher at \$23 an hour.

Acting Chairperson Roberts thanked Mr. Bolanos and thought that was the case but was not sure.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Bell seconded approval of Diamond Foods, LLC in the amount of \$499,836. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 22: Baxalta US Inc.

Ms. Miguel stated that this is a proposal from Baxalta US Inc. The company is a first time proposed contractor with the ETP and is requesting \$414,000 in funding to serve 450 trainees. The company has two manufacturing sites in Los Angeles and Van Nuys.

Ms. Miguel stated that Staff recommends approval of this proposal and introduced Elizabeth Schulz, Director of Human Resources; and Michelle Rychener, Training Funding Partners (consultant).

Ms. Newsom stated that she likes the high wages.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of Baxalta US Inc. in the amount of \$414,000. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 23: Land O'Lakes, Inc.

Ms. Miguel stated that this is a proposal from Land O'Lakes, Inc. with the requested amount of \$649,911 to serve 595 retrainees, eight job creation trainees and 18 veterans. The company is requesting an HUA wage modification for Job Number One. In addition, the company is requesting an increase in safety training from the standard 10% to 25% to focus on safety training related to COVID-19. Finally, the company has received a union support from the Teamsters Local 517 for the represented occupations of maintenance mechanics, operators and warehouse staff. Takeda Pharmaceutical Company is Baxalta's parent company, but only Baxalta employees at its two manufacturing sites in California, Los Angeles and Van Nuys, will participate in ETP training. This will be Baxalta's first ETP Contract.

Ms. Miguel stated that Staff recommends approval of this proposal and introduced Jeff Gaines, plant manager; and Angela Jones of training grants intelligence.

Ms. Newsom stated she is glad the company has removed the controversial Native American imagery from their packaging in April.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Mr. Dombrowski seconded approval of Land O'Lakes, Inc. in the amount of \$649,911. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 24: Greater San Fernando Valley Chamber of Commerce

Ms. Torres stated this is a proposal from Greater San Fernando Valley Chamber of Commerce. They are a repeat multiple employer contractor and they are requesting \$599,440 inclusive of the 8% support costs to train 508 retrainees, 108 planned retrainees, and those retrainees are from small business participating employers. They are training in multiple counties statewide.

Ms. Torres stated that Staff recommends approval of this proposal and introduced Nancy Hoffma, Vanyek, CEO.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Bell seconded approval of Greater San Fernando Valley Chamber of Commerce in the amount of \$599,440. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 25: San Bernardino Community College District.

Mr. Hoover stated this is a proposal from San Bernardino Community College District. The requested amount of \$749,005, estimated number of trainees is 888 for Job Number One, retraining 52 for Job Number Two, retraining and 689 for Job Number Three for the Small Business. SBCCD represents its curriculum and the curriculum delivered by the following participating colleges are all currently certified: Cerritos Community College District, Napa Valley Community College District, Rancho Santiago Community College District, San Diego Community College District, and Saddleback Community College District.

Mr. Hoover stated that Staff recommends approval of this proposal and introduced Deanna Krehbiel- Director, Economic Development & Corporate Training.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Bell seconded approval of San Bernardino Community College District in the amount of \$749,005. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 26: California Tire Dealers Association, Incorporated

Ms. Lazarewicz stated this is a proposal from California Tire Dealers Association, Incorporated. The requested amount of \$189,031 will train a total of 396 workers throughout California. This would be California Tire Dealers Association's first ETP project.

Ms. Lazarewicz stated that Staff recommends approval of this proposal and introduced Marc Connerly, Executive Director; and Keith Brama, Propel Consulting Group (Consultant).

Ms. Newsom stated this is a non-priority industry, which is why she pulled it from the Consent Calendar last time. Ms. Newsome stated she just doesn't have the comfortable threshold of being supportive of this given all of our other priorities.

Acting Chairperson Roberts stated she agrees with Gretchen on this one, and is also worried about the wages. Acting Chairperson Roberts then went on to clarify their wages, as for example looking at Alameda County in the proposal, and Job Number One and Four is just about \$20 an hour and \$19 an hour, and you're paying \$16 an hour even if we add the \$2.50. It doesn't look like your proposal comes even come close to the required ETP minimum wage.

Mr. Connerly stated he is the Executive Director, and thanked the Panel Members for letting him share with the panel their story. First, he stated they are a first time applicant, apologizes if there were some things that were not conveyed properly in the application. These are literally mom and pop shops, and one of their board members is a retired veteran, and they have past board members who were women, past presidents who were women. In fact, the current board member is a Armenian second generation immigrant. Therefore, Mr. Connerly stated they have a high emphasis on diversity within their organization. They are very proud of that and one of the things that he thinks was conveyed improperly in the application is that the wages start in the range of \$14 to \$18 an hour, and that is lower cost of living portions of the state in places like the East Bay. It really starts in the neighborhood of \$18 to \$20 an hour, but before benefits, and after training like this, they would see a bump of about \$4 an hour, so they would be looking at low to mid \$20s including benefits. The challenge that they are facing now is the training that we are trying to provide is available through the Tire Industry Association. They are based in Baltimore, Maryland. Their members have to travel to Baltimore for four to five days to get the training. This will provide them an opportunity to provide the training here in California. They have a large Hispanic workforce and the training is offered through Tia back in Maryland, almost none of it has a Spanish speaking component. Therefore, they are very excited about the opportunity to take this training translated into Spanish and present it in Spanish and English, again, to the workforce here that is predominantly it's probably 50% or slightly more than 50%. Spanish speaking. So again, he apologizes if there were some numbers in the application that were incorrect because nobody would be making less than the required threshold.

Acting Chairperson Roberts thanked Mr. Connerly for that information, but what we see in front of us is that you may not see that but I am only seeing \$16 an hour, but you are saying that is \$18 an hour.

Mr. Connerly asked if Acting Chairperson Roberts is talking post training or pre training.

Acting Chairperson Roberts replied that she is talking the wage range by occupation and by job number.

Mr. Connerly stated before training, it is going to be probably in the \$16 to \$17 range, but after the training is where they are going to be getting up into the \$20 plus range.

Acting Chairperson Roberts stated she understands that but when she sees Alameda county, and this is all we see, she does not know this business and this is all she is looking at, so she is going to question it when she sees all the wages are the same for every job. When she is looking down the proposal, it just looks suspicious, when you see \$16 an hour in a county where the minimum wage for ETP is over \$20 an hour. If you take health benefits for \$2.50 that gets you up to 18.50 an hour. So you're saying that in the course of the two year contract that you're going to be making that minimum ETP wage through retention?

Mr. Connerly responded exactly and that the training is, what is really preventing us the lack of training from getting into those higher wages that we'd like to be able to reach for employees in the in the \$20 to \$25 range.

Acting Chairperson Roberts then stated some things for them and their consultant to consider; such as when the panel sees these kind of wages that look like this, it will make them generally to give a little pause, and asking questions about it. She would suggest going forward that they make sure they have accurate wages in the proposals, and not a bucket full of wages projections that are lower than what is required for minimum wage by county. Given performance requirements, Acting Chairperson Roberts stated they will not be funded if they do not make the ETP minimum wage requirements at the time of retention, which is something to think about.

Mr. Brama added he is the consultant on the project and appreciates all the feedback; and his intention is never to not provide the panel with the accurate information. Therefore, he stated to get clarification, not just for this project, but going forward for all projects; he thinks he sees where the panel is saying \$60, but he doesn't see it in the proposal, but he think he knows where they've got that, then the post retention wage. The highest one they are showing is \$18.34 or higher?

Acting Chairperson Roberts responded that you're correct and then what she sees, if you look under the minimum wage by county, it says \$20 an hour for Alameda, Contra Costa, Marin, San Mateo, Santa Clara and San Francisco Counties, \$20 is the number.

Ms. Newsom inquired if Acting Chairperson Roberts is saying \$16.

Mr. Brama stated that at some point maybe when the proposal was developed behind the scenes, it got to the \$20 it was plugged in, it became more granular and then it became a mistake. He overlooked the separation by county like that; he was looking at more of the higher-level \$18.34. However, he would be happy to go back with Mark and get it in a more granular format so the panel can see that their intent is to meet all of those wage

requirements at the higher wage by accounting. Mr. Brama said he knows that was something that Mark and he discussed, and they have been working on this for a year, and Jana and her team, they've met several times. Therefore, he knows they know that personally. But he understands the panel is not seeing that, and maybe it's just a misunderstanding with all the moving parts on the day, and so his apologies again, if he didn't represent something properly to the panel.

Acting Chairperson Roberts stated not a problem, it is just that when they see something that has been pulled, there has been a lot of controversy around it being a non-priority industry, and they have kind of a moratorium going into our new strategic year to put a moratorium on non-priority industries. She knows this has been going about for probably over a year now, so it has probably been looked at and rehashed. For many, she appreciates if that they just look back at the wages, because as if she said, if they do not meet the minimum requirement with the \$2.50 health benefits, they are not going to get funded on those employees. However, it is not a lot of dollars in it, even though it is a non-priority industry. She understands the Small Business component to that and she appreciates that. Even with most of the employers that they're going to service are non-priority industries as well that's also something that they're going to be looking at the panel doesn't actually got it in stone at the moment, but that's something they will also be looking at.

Mr. Connerly wanted to add one more thing which is the way they can be right sized because of conversations with Jana and her team, understanding that they are a first time contractor, and all other variables. So, from his perspective, the panel should rest assured that Mark and his group have the training hours and they would not negatively impact your budget. Then the other piece regarding non-private industry pays. Again, he said he's always tried to bring proposals and contracts to the panel that meet their needs and back when he initiated this process a year and a half, two years ago, it was the policy that small MECs no matter what industry, they serve all businesses and in all industries, but they kept small businesses. Therefore, that is why we are funding them and so that we were just working under that guideline. So he states he understands now that things are changing, but again, he just wanted the panel to rest assured that they're just bringing projects which at the time were acceptable, and now they're kind of caught up in the changes. Therefore, again, they are trying to meet the panel's needs, and they will do what they can to make sure this looks good for you.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a second and vote.

ACTION: Ms. Bell moved and Ms. Newsom seconded the denial of California Tire Dealers Association, Incorporated in the amount of \$189,031. Acting Chairperson Roberts called for a vote, and two Panel Members present voted in the affirmative, and four voted against the motion.

Motion carried, 2 - 4.

AMENDMENTS

Tab No. 27: California Manufacturers and Technology Association

Ms. Miguel stated that this is a proposal from California Manufacturers and Technology Association. CMTA is a repeat contractor with good prior performance and is requesting an additional \$199,997 in funding for a total award amount of \$949,426. This project has been designated a critical proposal by the governor's office of Business and Economic Development.

Ms. Miguel stated that Staff recommends approval of this proposal and introduced Rob Sanger, Manager of Training Services.

Mr. Sanger thanked the Panel for taking this proposal today with the COVID-19 onset, and are just trying to really ramp up our training on the multiple employer contract and serve our member companies with their unique needs during this time.

Mr. Dombrowski wanted to say thanks to you and Lance for all you guys are doing.

Mr. Cooper added ETP is very happy to collaborate with CMTA and this is a very good example of how we are working with them and trying to help businesses. They are impacted by COVID. Rob and Lance and everybody at CMTA thanks for working with ETP.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Mr. Dombrowski seconded approval of the California Manufacturers and Technology Association's request for Amended Funding in the amount of \$199,997. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 28: CHA Hollywood Presbyterian Medical Center, L.P. dba Hollywood Presbyterian Medical Center

Ms. Torres stated that this is a proposal from CHA Hollywood Presbyterian Medical Center, L.P. dba Hollywood Presbyterian Medical Center. This is funding for a phase two amendment for an additional \$92,000, bringing the total agreement amount up to \$291,680 with an additional 250 retrainees in Job Number 2. The training will occur in Norwood and they are requesting a SET/Priority Industry wage modification.

Ms. Torres stated that Staff recommends approval of this proposal and introduced Deanna Ramos, Healthcare Educator and Clinical Rotation Liaison.

Acting Chairperson Roberts commented around the healthcare industry and thanked all

of them for what they are doing around COVID. Therefore, my appreciation to you and admiration for all the work you do.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of CHA Hollywood Presbyterian Medical Center, L.P. dba Hollywood Presbyterian Medical Center's Request for Amended Funding in the amount of \$92,000. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

Tab No. 29: Simpson Strong-Tie Company, Inc.

Ms. Torres stated that this is a proposal from Simpson Strong-Tie Company, Inc. and have a requested amount of \$339,315. This is an amendment for Phase Two funding for an additional \$140,415 for a total amount of \$339,315 for Job Number 2 for 165 priority retrainees with a weighted average hours of 37 hours. The Riverside facility is also the sole manufacturer of SST's Structural Steel Special Moment Frames (SMF) product set. Sheet Metal Air Rail Transportation (SMART) Local 170; and Communications Workers of America Local 9415 have provided letters of support for the second phase of training, which includes the following occupations: Fabricators, Shippers, Mechanics and Production Staff.

Ms. Torres stated that Staff recommends approval of this proposal and introduced Ahmet Ogut, Superintendent; and Andre El-Khoury, Production Manager.

Ms. Newsom asked whether any of their training in the proposal duplicative of the training offered by SMART Local 170.

El-Khoury responded that they do not duplicate the union training.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the Simpson Strong-Tie Company, Inc.'s request for Amended Funding in the amount of \$140,415. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative.

Motion carried, 6 to 0.

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

Acting Chairperson Roberts thanked everyone for all of the work to put on this virtual meeting, and asked the panel if there are any agenda items, either at the panel meeting or at the policy committee meeting. Acting Chairperson Roberts stated that Gretchen mentioned that they will talk more about affiliates at the policy committee meeting, but then asked whether there was anything else. There was nothing said.

X. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

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

Susan Minato, from Unite Here Local 11 co president in Southern California, LA and are in Orange County and actually in Arizona too. Therefore, as you people know, hospitality and tourism is the single largest sector in the state and devastated at this time. We have approximately 32,000 people we represent; we have thousands of people laid off right now, or significantly reduced hours. In addition, we have the faith that this sector will rebound with sports and entertainment and when tourism comes back online. However, we have had the experience, because we have been training people who are doing work for the pandemic, so feeding seniors and homeless and others. Therefore, we have actually performed some training already in this arena. In addition, it is critical that the workers themselves, of course, feel very safe to work, but also the people who receive the product in the end feel safe. So right now, I am just addressing a small, a small item. However, right now, I think you have it listed as a four hour training as the mandatory amount. In addition, we are getting a lot of resistance from some of our employers who have had the experience already with a two-hour training. And so I think we would like for you to consider a two hour versus a four hour training but and up to four hours for certain specialty items, and right now what we're facing is that we need to train all 30,000 of the people. Then 4000 are in LA alone. Therefore, we have a large team of trainers, but we are just, we think from a pragmatic point of view that the four hour length may be a little too long, especially based on the experiences we have had in training our own people. In addition, we have had, I think we took back to work between three and 500 people. Therefore, I think we got some good feedback on the two versus four hour.

Adine Forman, the Executive Director of the Hospitality Training Academy, noticed that in the COVID pilots, you do not have hospitality leisure tourism sector, as listed as one of the priority industries. In addition, it is our hope that knowing what is going on with the tourism industry, you have seen this great debate regarding Disneyland recently, but it is our hope that you will add this in critical industry. Because it is vital that both the workers are trained the managers are trained in these facilities so that not only are the guests safe, but the workers themselves and these workers that were specifically talking about our with Unite Here, Local 11. These are essential workers currently and they have they are not if we do not step up and do this training, they are not going to be trained and so that is not helpful for the situation and you know what's going on in LA County with our escalating numbers. We have trained over 320 workers in our senior and homeless Meals Program and we have trained over 315 folks who have voluntarily workers that train down the road, just so that they know what is going on with COVID before they go into the employers. We have many employers looking to reopen in July, and we want to

make sure that everybody is safe in the hotels, in the airport in airline catering in all aspects of Local 11 properties. So with this, we're hoping that ETP will include our important industry in the COVID pilots, and also work with us to see if we can lower the amount of time required for the training due to the massive number.

Kyle Frandsen stated he submitted their pre application in February of 2019 and we have continued to reach out, every few months and hear back that it is still in flux. However, I just wanted to make sure if there is anything I could or should be doing, given the duration, we are fortunate to be in a priority industry, we are in construction. We have 55 active projects in California now, even despite COVID-19 and we are a repeat client, we have been successful on two previous ETP contracts and we are just really eager to start this program up again. We always utilize it to the fullest potential, and it really helps us with making sure that helps us in our growth pattern and the training that we give to our employees. Especially currently with all of our projects up and running and with COVID-19 active where given all new training, we are trying to ramp up as much as we possibly could. So I am just trying to enquire on our determination of eligibility and if there is a different avenue that I should be taking in order for us to be considered.

Steve Duscha wanted to thank the panel for referring the two items back to the policy committee. He said he knows there were a number of them, including himself, who did not understand the full implications of those items when they were before the committee and they will certainly benefit from further consideration.

VI. MEETING ADJOURNMENT

Acting Chairperson Roberts adjourned the meeting at 12:09 p.m.