

# PANEL PACKET

## JANUARY 2016





## **NOTICE / AGENDA**

### **MEETING TIME/PLACE**

Friday, January 22, 2016 at 9:30 a.m.  
California Environmental Protection Agency, 1001 I Street  
Sierra Hearing Room, Second Floor  
Sacramento, CA 95814  
Phone: (916) 327-5640

### **AGENDA**

9:30 a.m.	Call to Order by Chair <ul style="list-style-type: none"><li>• Roll Call</li><li>• Agenda</li><li>• Minutes</li></ul>	Barry Broad
9:45 a.m.	Report of the Executive Director <ul style="list-style-type: none"><li>• Legislative/Budget/Other</li><li>• Request Motion to Delegate in Event of Loss of Quorum/Action</li><li>• Request Motion to Adopt Consent Calendar Projects/Action</li></ul>	Stewart Knox
10:00 a.m.	Report of General Counsel	Maureen Reilly
10:15 a.m.	Review and Action on Proposals	Gregg Griffin Diana Torres Creighton Chan Willie Atkinson
11:45 p.m.	New Temp-to-Perm Policy/Action	Stewart Knox
12:00 p.m.	Public Comments	
12:30 p.m.	Public Meeting Adjourns	

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

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 Other changes may also occur (e.g. withdrawn).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

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

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

## **REVIEW AND ACTION ON PROPOSALS**

These funding proposals are listed by Regional Offices and do not reflect the actual order of presentation. They will be considered by the Panel in accordance with a Table of Contents to be published on the ETP website no later than Monday, January 18, 2016 although the Panel may still change the order at the meeting.

### **North Hollywood Regional Office**

Alliant Techsystems Operations LLC -----	\$212,340
Beachbody, LLC -----	\$243,450
Bricklayers and Allied Craftworkers Local #4 California Joint Apprenticeship Committee -----	\$99,114
Coca-Cola Refreshments USA, Inc. -----	\$361,530
DreamWorks Animation SKG, Inc. -----	\$394,695
Golden State Foods Corp. -----	\$426,352
Lollicup USA Inc. -----	\$248,664
PRL Glass Systems (Amendment)-----	\$55,080
Ready Pac Produce, Inc. dba Ready Pac Foods, Inc. -----	\$178,848
SkillServe, Inc. -----	\$295,488
Sturgeon Services International, Inc. -----	\$404,984
The Anthem Companies, Inc. -----	\$495,000
Westech College-----	\$948,697
Wonderful Pistachios & Almonds, LLC (Amendment)-----	\$214,200

### **San Diego Regional Office**

Architects Orange -----	\$212,760
Comprehensive Training Systems Incorporated-----	\$250,243
Edwards Lifesciences LLC-----	\$472,000
GreatCall, Inc. -----	\$261,000
James R. Glidewell, Dental Ceramics, Inc. (Amendment) -----	\$252,000
KML Enterprises, Inc. dba New Horizons Computer Learning Centers of Southern California-----	\$325,860
South Orange County Regional Chambers of Commerce, Inc.-----	\$1,180,212
Tenet Healthsystem Medical, Inc. -----	\$599,760

### **San Francisco Bay Area Regional Office**

Northern California Surveyors Joint Apprenticeship Committee-----	\$186,104
Sheet Metal Workers' Local No. 104 and Bay Area Industry Apprentice and Journeyman Training Fund -----	\$949,932



**Sacramento Regional Office**

Certified Stainless Service, Inc. dba West-Mark-----	\$340,560
Duarte Nursery Inc. -----	\$333,000
E. & J. Gallo Winery, A Wholly-Owned Subsidiary of Dry Creek Corporation-----	\$719,000
Foster Poultry Farms -----	\$249,840
Gallina LLP-----	\$173,190
Sacramento Area Electrical Workers Joint Apprenticeship and Training Committee -----	\$738,155
Western Electrical Contractors Association, Inc. (Amendment) -----	\$73,392

**PROPOSALS APPROVED**  
**BY DELEGATION ORDER FOR 11/19/2015 – 01/12/2016**

**≤ \$100,000**

**Approved  
Date**

**Approved  
Amount**

**North Hollywood Regional Office**

C & H Machine, Inc.	12/09/15	\$61,152
California Quality Plastics, Inc.	12/23/15	\$39,520
Calpipe Industries, Inc.	12/23/15	\$99,900
Charles E. Thomas Company, Inc.	12/11/15	\$29,120
Dennis Silletto & Associates dba Glendora Chrysler Jeep Dodge	12/30/15	\$49,786
Detorotics Corp.	12/30/15	\$23,660
Evolution Fresh, Inc.	12/29/15	\$52,064
Green Commuter, Inc.	12/14/15	\$11,440
Maxim Healthcare Services, Inc.	11/20/15	\$82,080
Merex Aircraft Company, Incorporated dba Kellstrom Defense, A Merex Group Company	12/29/15	\$41,340
Metro R.F. Services, Inc.	12/21/15	\$49,920
Temple Park Convalescent Hospital, Inc.	12/30/15	\$98,172
Tropicana Manufacturing Company, Inc.	12/29/15	\$67,390
Ultimate Formulations, Inc. dba Best Formulations	12/30/15	\$93,600
Vital Research, LLC	12/11/15	\$11,616

**San Diego Regional Office**

B/E Aerospace, Inc. dba Teklam	12/23/15	\$81,120
Chopra Enterprises, LLC dba The Chopra Center	12/21/15	\$49,764
Chrome Collision, Inc. dba Fix Auto Poway	12/09/15	\$35,046
Dempsey Construction, Inc.	11/24/15	\$20,280
Hero Nutritionals, LLC	12/18/15	\$21,580
Inspec Testing, Inc.	12/18/15	\$40,768
Prime Tech Cabinets, Inc.	12/15/15	\$74,400
Renovo Solutions, LLC	12/21/15	\$99,220
Southwest Materials Handling, Inc.	12/17/15	\$72,000
Sparton Irvine, LLC	11/19/15	\$24,120
Tucker Autobody & Towing, Inc.	12/23/15	\$28,600
White Labs, Inc.	12/11/15	\$19,136

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**San Francisco Bay Area Regional Office**

Lam Research Corporation	12/11/15	\$48,816
Watsonville Auto Body, Inc.	11/25/15	\$42,900
XYZ Graphics, Inc.	11/19/15	\$34,944

**Sacramento Regional Office**

Agate Group, Corp.	12/18/15	\$40,560
Cichon Accurate Auto Body, Inc. dba Accurate Auto Body	11/23/15	\$18,392
EIII California, Inc. dba E3 California	12/21/15	\$23,400
Four Wheel Campers, Inc.	12/30/15	\$63,804
KRC Safety Co., Inc.	12/29/15	\$54,510
Maricopa Orchards, LLC	12/23/15	\$36,660
Owen & Company dba Owen-Dunn Insurance Services	12/31/15	\$33,440
RuffStuff, Inc.	12/22/15	\$50,128
Stanford Medical Billing Services, Inc.	12/29/15	\$7,700
Top of the Third, Inc.	12/29/15	\$10,780
Zinc Financial Inc.	12/29/15	\$22,770



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Dennis Silletto & Associates dba Glendora Chrysler Jeep Dodge  
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Zinc Financial Inc.



# M e m o r a n d u m

To: Panel Members Date January 22, 2016

From: Stewart Knox Executive Director File: Panel Memo Doc.

Subject: **Directions to Meeting Site**

The Employment Training Panel will meet on FRIDAY, **January 22, 2016 at 9:30 a.m.**

**California Environmental Protection Agency  
Sierra Hearing Room, 2nd Floor  
1001 I Street  
Sacramento, CA 95814  
Telephone (916) 327-5640 (ETP Central Office)  
FAX: (916) 445-5972 (ETP Central Office)**

## **Directions to the California Environmental Protection Agency - Sierra Hearing Room**

### **From Sacramento International Airport:**

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

### **From San Francisco**

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





# M e m o r a n d u m

To: Panel Members

Date January 22, 2016

From: Stewart Knox  
Executive Director

File: Mtg. Site Memo

Subject: **Future Meeting Sites**

<b>January 22, 2016</b>	<b>California Environmental Protection Agency</b> <b>Time: 09:30 AM</b> <b>Sierra Hearing Room, 2nd Floor</b> <b>1001 I Street</b> <b>Sacramento, CA 95814</b>
<b>February 26, 2016</b>	<b>California Environmental Protection Agency</b> <b>Time: 09:30 AM</b> <b>Sierra Hearing Room, 2nd Floor</b> <b>1001 I Street</b> <b>Sacramento, CA 95814</b>
<b>March 25, 2016</b>	<b>California Environmental Protection Agency</b> <b>Time: 09:30 AM</b> <b>Sierra Hearing Room, 2nd Floor</b> <b>1001 I Street</b> <b>Sacramento, CA 95814</b>
<b>April 22, 2016</b>	<b>New City Hall – Sacramento</b> <b>Time: 09:30 AM</b> <b>Council Chambers, Room 1103, 1<sup>st</sup> Floor</b> <b>915 I Street</b> <b>Sacramento, CA 95814</b>



**STATE OF CALIFORNIA  
EMPLOYMENT TRAINING PANEL MEETING**

New City Hall – Sacramento  
915 I Street  
Council Chambers, Room 1103, 1<sup>st</sup> Floor  
Sacramento, CA 95814  
December 4, 2015

**PANEL MEMBERS**

Barry Broad  
Chair

Janice Roberts  
Vice-Chair

Gloria Bell  
Member

Sonia Fernandez  
Member

Leslie McBride  
*Ex-Officio* Member

Edward Rendon  
Member

Sam Rodriguez  
Member

**Executive Staff**

Stewart Knox  
Executive Director

Maureen Reilly  
General Counsel

**STATE OF CALIFORNIA**  
**EMPLOYMENT TRAINING PANEL MEETING**  
New City Hall – Sacramento  
915 I Street  
Council Chambers, Room 1103, 1<sup>st</sup> Floor  
Sacramento, CA 95814  
December 4, 2015

**I. PUBLIC PANEL MEETING CALL TO ORDER**

Chairman Broad called the meeting to order at 9:33 a.m.

**II. ROLL CALL**

Present

Gloria Bell  
Barry Broad  
Sonia Fernandez  
Leslie McBride  
Edward Rendon  
Sam Rodriguez

Absent

Janice Roberts

Executive Staff Present

Stewart Knox, Executive Director  
Maureen Reilly, General Counsel

**III. AGENDA**

Chairman Broad asked for a motion to approve the Agenda.

ACTION: Ms. Bell moved and Mr. Rendon seconded the motion that the Panel approve the Agenda.

Motion carried, 6 - 0.

**IV. MINUTES**

ACTION: Ms. McBride moved and Ms. Bell seconded the motion that the Panel approve the Minutes from the November 5, 2015 meeting.

Motion carried, 6 - 0.

## **V. REPORT OF THE EXECUTIVE DIRECTOR**

Stewart Knox, Executive Director said, good morning Panel members, applicants and stakeholders. Following the last Panel meeting in November, we have a smaller Panel meeting today with approximately \$8.5M in projects with an additional \$1.6M in Delegation Orders for a total of just over \$10.1M. I will also give you an update on how we are doing on funds for the Fiscal Year 2015/16.

Today we have a mix of single employer and multiple employer projects. Regional Office Managers Diana Torres, Creighton Chan, and Willie Atkinson are here today to present those proposals.

Regarding the budget for Alternative Fuels in partnership with the California Energy Commission, we started off this year with \$2.8M. Should the Panel approve all of today's projects, we will have about \$438,000 remaining in this FY. The \$2M of drought funding (RESPOND) has been completely encumbered, and we were not allocated additional funds for the new FY.

In regards to the CORE funding for the FY 2015/16, to date, the Panel will consider an additional \$8.5M in projects with another \$1.6M approved by Delegation Order. Should the Panel approve all the projects today, the Employment Training Panel (ETP) will have approximately \$31.8M for the remainder of the FY 2015/16.

Under the Delegation Order, all project proposals would be capped at \$100,000 to be approved by the Executive Director on a continuous flow basis, and as of today, we have approved 34 projects totaling over \$1.6M.

For the FY 2015/16 program funding, to date, we have approximately 590 projects submitted in the first and second round; some of the projects are still in the pre-application stage with a value of just over \$95M. The Panel has already approved over \$59M. Financially, we look very strong with just over \$31M remaining this FY.

In regards to the FY 2015/16 Fund Status Report, there are no changes or difference in the amounts. The results are about \$4 million more in revenue, which is about what we anticipated, and there is \$31.8M available. As I mentioned at the last meeting, revenues for this FY are looking good, and we also have increased our appropriations by \$10M. We will monitor this closely, since the appropriations are higher than last year, to make sure each year we are not dipping to the funds at a high rate, and when the economy lapses, we still have funding to smoothly ease off, rather than have a drastic cut.

Regarding applications for contracts that are still in the regional offices: Single Employer Contract requests are at \$40M in demand; \$20M in allocations. Multiple Employer Contract (MECs) requests are at \$8M in demand; \$2.8M in allocations. Small Business has \$3.5M in demand; \$4.1M in allocations. Critical Proposals are at \$619,000 in demand; \$2.2M in allocations. Apprenticeships are at \$4.1M in demand; \$3.2M in allocations. Overall demand is approximately \$55.8M. The demands are very high, and we have over 100 new pre-applications that came in from the previous month.

Regarding the number of projects remaining in the regional offices today: Single Employers 120, MECs 13, Small Business 81, Critical Proposals 2, Apprenticeships 5; total of 221. AAU by category: Single Employers 64, MECs 19, Small Business 62, Critical Proposals 0, Apprenticeships 15; total of 160. Total number of projects left: 381. The Panel has already funded 209 projects to date with a total of 590. Staff is currently working very quickly to get those projects out of the Applications and Assessment Unit (AAU) and out into the regional offices.

In regards to the legislative update, there is nothing new to report since our last meeting.

Mr. Knox said, please make note that we have an amendment on our Consent Calendar for one of the projects this month, BAE Systems San Diego Ship Repair, Inc. (BAE-SDSR), in the amount of \$63,800. The amendment will add additional funding for Veterans Job Number 3 for 29 trainees. Given the Panel's inquiry on the subject of hiring Veterans, staff reached out to BAE-SDSR to add a veteran component to the ETP Agreement. I also would like to point out that TriWest Healthcare Alliance Corp., which is included in the single employer proposal, has a veteran component. Staff has been very diligent about working with the Veterans and people with disabilities, so you will see more proposals in the future that will have these components.

**VI. MOTION TO ADOPT CONSENT CALENDAR PROJECTS**

Mr. Knox asked for a motion to adopt Consent Calendar Items #1 through #11.

Anritsu Company.....	\$173,875
BAE Systems San Diego Ship Repair, Inc. (Amendment).....	\$63,800
Farmers Group, Inc.....	\$186,400
Greater Oxnard Economic Development Corporation.....	\$186,690
Hospital of Barstow, Inc. dba Barstow Community Hospital.....	\$243,810
Lumileds LLC.....	\$182,160
PVH Corp.....	\$145,728
The Cheesecake Factory Bakery Incorporated.....	\$244,000
Unison Comfort Technologies, LLC, a Division of Greenheck Fan Corporation.....	\$161,100
University Rx Specialists dba University Compounding Pharmacy.....	\$174,150
Weber Metals, Inc.....	\$196,220

ACTION: Ms. McBride moved and Mr. Rodriguez seconded the approval of Consent Calendar Items #1 through #11.

Motion carried, 6 – 0.

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

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

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

Motion carried, 6 – 0.

## VIII. REPORT OF THE GENERAL COUNSEL

Maureen Reilly, General Counsel, said, following what Mr. Knox just mentioned about our Veterans Campaign, I'd like to call your attention to the fact that we do have a proposal with training for Individuals With Disabilities (IWD) this month, Karma Automotive, LLC, which is out of the in the San Diego Regional Field Office, and as Mr. Knox noted in regard to the veterans, we are also adding the IWD training for two companies approved last month: Northrop Grumman Systems Corporation and Lockheed Martin Space Systems Company.

We are promoting the IWD aspect of the new **No More Barriers** program, although we know that the number of trainees may be small; with Karma Automotive, LLC, it's only eight trainees. The IWD are not grouped into a separate Job Number for confidentiality reasons. However, you will see the write up under a separate subject heading matter under the ETP 130. In this proposal and others, the Employment Training Panel (ETP) will also be funding training for employees who are involved in the company's efforts to recruit, hire, train, and retain IWD, such as human resources staff, affirmative action staff, coworkers, or managers. You will see this reflected in Exhibit B: Menu Curriculum, under a separate subject matter heading.

There are many large companies, especially federal contractors that have ongoing recruitment efforts for IWD as well as Veterans. They have clear training goals and objectives that are already developed, and we're here to fund that training. As Mr. Knox mentioned earlier, we are going to be adding **ETP Salute Feature** to our website, and recognize companies that have a Veterans Training and IWD aspect to their proposal. This will become a regular feature under **What's New** in our website to recognize those companies.

Mr. Broad said that is a great idea.

## **IX. REVIEW AND ACTION ON PROPOSALS**

### **Single Employer Proposals**

#### **Alta Hospitals System, LLC**

Diana Torres, Manager of the San Diego Regional Office, presented a Proposal for Alta Hospitals System, LLC (Alta) in the amount of \$665,080. This is Alta's second ETP Agreement.

Ms. Torres introduced Keith Levy, Administrator, and William Parker, President and CEO National Training Systems.

There were no questions from the Panel.

**ACTION:** Ms. Bell moved and Mr. Rendon seconded the approval of the proposal for Alta Hospitals System, LLC in the amount of \$665,080.

Motion carried, 6 – 0.

#### **Applied Technologies Associates, Inc.**

Ms. Torres presented a Proposal for Applied Technologies Associates, Inc. (ATA) in the amount of \$296,298. ATA designs and manufactures oil industry technology products. The Company was founded in 1986 and is located in Paso Robles.

Ms. Torres introduced Sarah Kennedy, Senior Human Resources Generalist.

Ms. Bell asked, how did you hear about ETP? Ms. Kennedy said, I have served at the Local EAC Board, WIB, and Human Resources. This is a new company for me; I have been with them for a year, and they have not utilized the funds in the past.

Ms. Bell said, if you need assistance, please reach out to our staff. Ms. Kennedy said, I have utilized Angela Jones with TGII, she is unable to be here today, and we are leaning on her for assistance.

Mr. Rodriguez asked, can you tell me a little more about your company? Ms. Kennedy said, our company manufactures the drilling and surveying instruments that go down into the ground for measurement of oil and gas.

Mr. Rodriguez asked, do you provide the machine and instruments to oil and gas companies? Ms. Kennedy said, yes. Mr. Rodriguez said, thank you.

**ACTION:** Ms. Bell moved and Mr. Rodriguez seconded the approval of the proposal for Applied Technologies Associates, Inc. in the amount of \$296,298.

Motion carried, 6 – 0.

## **Big 5 Sporting Goods Corporation**

Ms. Torres presented a Proposal for Big 5 Sporting Goods Corporation (Big 5) in the amount of \$358,440. Big 5, founded in 1955 and headquartered in El Segundo, is a sporting goods and outdoor retailer with 438 locations spread throughout 11 western states. The Company has multiple locations in California participating in this ETP Agreement, but most of the training will be provided at the Company's locations in El Segundo and Riverside.

Ms. Torres introduced Dan Shultz, Regional Supervisor Northern California, and Judith Kreisman, President of Judith Training Services.

There were no questions from the Panel.

**ACTION:** Mr. Rodriguez moved and Mr. Rendon seconded the approval of the proposal for Big 5 Sporting Goods Corporation in the amount of \$358,440.

Motion carried, 6 – 0.

## **L-3 Communications Electron Technologies, Inc.**

Ms. Torres presented a Proposal for L-3 Communications Electron Technologies, Inc. (ETI) in the amount of \$741,000. ETI designs, manufactures, and tests electronic products used in communication satellites. ETI is best known for its top performing traveling wave tubes (TWT), electronic power conditioners, and fully integrated traveling wave tube amplifiers (TWTA). This will be the first ETP Agreement for L-3 Communications ETI's Torrance facility.

Ms. Torres introduced Glenn Grindstaff, Vice President of Human Resources and Administration.

Mr. Broad said, you were more involved in the previous project that underperformed. Please tell us what would be different with this proposal. Mr. Grindstaff said, the other company was a much smaller organization that had 160 employees. The current proposal is nearly 3 times that size. Revenue wise, we're about a \$200M division of L-3, so were about five times the size in revenue. The smaller division in Folsom went through a lot of management changes at the time. There were three presidential turnovers that took place in a two year period which made it very difficult to keep the training a priority because they kept changing the regimes. The timing and the delivery of the training that we had intended and anticipated was pushed aside. I don't anticipate that challenge with this organization. We have a very stable tenure workforce with a very mature and seasoned leadership team that has been there for a while. I don't expect the same kind of turnover challenges that we had in the past.

Mr. Broad said, the amount requested has doubled. I would like to ask the staff about right-sizing this project. Due to their previous performance, I would like to suggest that we reduce the funding in half. Once you have shown performance, then you can return for the other half of the funding that you have requested. Typically, what the staff does is right-size the amount for the project, which is to move it down to what you have earned from the previous contract. An Amendment is relatively an easy process, and this allows you to demonstrate that your performance is on track. We want you to earn the full amount of funding, that's the point



here. Would that be an issue for you? Mr. Grindstaff said, I certainly understand your consideration. The differences between the two divisions are two completely separate entities that have two different product lines and two different leadership teams. I do not anticipate the challenges we had before, as I had mentioned, for the training that we'll be providing the employees. In fact I would not be surprised if we would hit the requested amount during the first year of the contract given the aggressive training and continuous improvement schedules that we have set forth. We would prefer to have the full amount, but I will leave that to your judgment.

Ms. Torres said, in looking at their training plan, they have a high weighted average so that would be easy to bring the agreement down to whatever the Panel think is reasonable, and we would still leave the same number of trainees. Once they show initial performance, it would be very easy to add the additional monies.

Mr. Broad said, so what you're saying is we can reduce the program cost. Ms. Torres said we can back it down to the proposed dollar amount. Mr. Broad said, that would work for me. Ms. Torres said, we can right-size the amount to whatever number the Panel decides. Mr. Broad said, \$350,000.

Mr. Broad said, Mr. Grindstaff, is that an agreeable amount? Mr. Grindstaff said, yes.

Mr. Rodriguez asked, you mentioned that there are different divisions, but is it the same company? Mr. Grindstaff said yes. L-3 is a large decentralized company; it's like a holding company. They have a lot of different companies that they have acquired over the years.

Mr. Rodriguez asked, was your previous contract under a subsidiary, or a division of the company? Mr. Grindstaff said, it was a division of the company. Mr. Rodriguez asked, so this proposal is a division, not a subsidiary of the company. Mr. Grindstaff said, that is correct

**ACTION:** Ms. Fernandez moved and Mr. Rodriguez seconded the approval of the proposal for L-3 Communications Electron Technologies, Inc. in the reduced amount of \$350,000.

Motion carried, 6 – 0.

### **Michael Kors (USA), Inc.**

Ms. Torres presented a Proposal for Michael Kors (USA), Inc. (MKors) in the amount of \$503,520. MKors produces a range of products by or under the signature of designer Michael Kors. The Company manufactures and sells Michael Moore's labels that include the Michael Kors collection and MICHAEL.

Ms. Torres introduced Patricia Vincent, Process Engineering Training Specialist, and Rick Grenig, Director of Processes Engineering.

Mr. Broad asked, we have had an ongoing set of questions about the temporary hire to permanent employees. What we're mostly concerned with is the arrangement of temporary hire to permanent employees which exists in some industries, particularly in the warehouse

and logistics, and some other industries where essentially there is temporary hire to permanent employees for years. Companies that have developed this hiring strategy, in which they use a temporary agency to place the employees, and really end what would be a short probationary period, when they would become full time employees of the company. I just want to ask you, what is your model? Ms. Vincent said, we do not have any timeframe or probationary period with the temporary associates. With our quick growth, we are converting our temporary associates. We do have a plan in place to hire 300 associates, and that is just forecasting; that happened to us before, were we had to go bigger. There are positions available, we go back to our Veteran associates, hiring them first, and then bring on as tenured associate.

Mr. Broad asked, does this mean that some of the people that are receiving this training have been temporary employees for a long time? Ms. Vincent said, they have been, but we did not forecast this much growth, and so now we're bringing them on as a full-time associate. We did not realize how quickly the company would grow in a three-year period.

Mr. Grenig said, with the more developed supply chain, one of the things we have done as a culture, we brought in technology, systems, and systemic efforts. We are more diverse as far as what we can do, and we are culturally strong. What we're bringing on is a population of up to 60% of our hourly associates as full time Michael Kors employees with dedicated medical insurance and retirement benefits. We do have a lot of volatility in our performance with the ups and downs of the market in retail, wholesale, and E-commerce. Because of the volatility, the population of temporary employee will go in and out as a temporary service based on our needs, but 60% of our population will be full-time dedicated Michael Kors employees.

Mr. Broad asked, are those people receiving the training? Mr. Grenig said, yes, those people are getting the training. Even though we will be providing the training to the agency associates as a benefit to Michael Kors organization, it doesn't mean we will be asking for funds for that training. Mr. Broad said, we would not fund that training.

Mr. Broad asked, Ms. Vincent mentioned that you are bringing on 300 new employees, are you hiring them directly, will they answer an advertisement for Michael Kors, or will it be through a temporary agency? Ms. Vincent said, they are currently in place now through our temporary agency, so they are within our facility.

Mr. Broad asked, do all of your hourly associates start out as temporary employees? Mr. Grenig said, majority of them do, but we do hire from outside and we do have our internal HR organization that does the recruiting for specific reasons, mostly for general labor population to start as sales associate and move up.

Ms. Bell asked, do you run a 24 hours seven days a week operation? Mr. Grenig said, we're relatively close to a 24-7 operation. Obviously this time of year we are; other operations are two shifts, seven days a week, and the two shifts is now a three shifts operation.

Mr. Rodriguez asked, is your 133 company stores nationwide, or is it just in California? Mr. Grenig said, the 133 stores is a growth map, and so the stores nationwide are approximately 500. Again, that's the retail aspect of our business, and also half of our business is wholesale, which is Macy's and other department stores.

Mr. Rodriguez asked, how many retail stores do you have in California? Mr. Grenig said, I'm not sure, we're not representing the California retail stores; we're just representing our distribution facility. I don't have that number offhand. Mr. Rodriguez said, I'm trying to understand where in the chain do you guys sit in the retail industry, can you expand on that? Do you consider yourselves wholesalers, manufacturers, or distributors? Mr. Grenig said, manufacturing is conducted primarily overseas for us, mostly in the Asian market. The manufactured product is brought into the port of Los Angeles or Long Beach. Our distribution facility is the key hub nationally in the United States for all the retail stores, and all wholesale stores. The wholesale stores would be the department stores that we supply.

Mr. Rodriguez asked, are you supplying clothing and accessories? Mr. Grenig said, that is correct. Mr. Rodriguez asked, do you own your E-commerce function or do you have a third-party? Mr. Grenig said, it is ours now, up until August of this year, it was through a vendor out of Columbus Ohio. We decided that we can do the business better ourselves, so we brought it internal and expended \$3M to bring it into a brand new facility, and that warehouse is at our Whittier campus.

Mr. Rodriguez asked, in that brand-new facility, are the employees being hired through the company, temporary agency, or a combination of both? Mr. Grenig said, because of the growth, it's a combination of both. It's mostly leadership, lead associates, and clerks that are hired directly into Michael Kors. The general labor population and equipment operators are hired through the temporary agency.

Ms. Fernandez asked, when the temporary employees are hired, do they receive benefits through the temporary agency that hires them, and once they become permanent employees, is there a waiting period before they receive benefits? Ms. Vincent said, the temporary employees are offered benefits through the temporary agency and when they become permanent Michael Kors employees their benefits begin on the first of the following month. Ms. Fernandez said, thank you.

Mr. Broad said, we really don't have a policy in place, and we have to develop one for temporary hire to permanent; this is problematic. A company can show up here and say because of the nature of our business, we have temporary employees. We would like to train the temporary employees and hire them as permanent employees, but some of the temporary employees have been there for years. If this is happening in your company, this could be viewed as a negative social consequence in the workplace. This feels to us like we are using the ETP training funds for temporary employment. Our funding isn't meant for temporary employment. The temporary employees are holding on to the possibility that they will become an actual employee of the company, and then the company comes in to ETP and collects the employment training dollars.

Mr. Broad said, I understand the seasonal business concept where you would need to hire temporary employees during Christmas or the holiday season in order to fulfill and juggle the amount of orders that you might have had in July; that totally makes sense. There are a lot of businesses, especially in retail, that have seasonal fluctuation and need temporary employees. The issue here is, the temporary employees really don't know when or if they will become permanent employees of the company. It's the lack of a systematic nature that seems wrong in some sense, and it sounds like you have a mixture of all that, and you have

a situation of massive growth in addition to that. Correct me if I'm wrong, in which you're actually not at your final system because you've had a lot of growth; you've responded at different periods. I don't know how to treat this proposal. Maybe we should say that we'll fund the training for employees who have been there for six months or less, because that seems to be the main concern. This is a major issue, and I want to see how you would respond.

Mr. Grenig said, I appreciate your concerns greatly. As a young supply chain, we grew up throwing bodies, basically laborers, at the task, and now that we have become more systemically stable in our organization with training in place, standard operating procedures, investment of HIRS Systems, labor management system (LMS), and improved warehouse management (WM) systems, those are the kind of things that we have developed now that we are more level. We are more predictable in what we do so we feel comfortable bringing in associates to Michael Kors because we do have base functionality that is in place, and we can grow those associates. We can't grow the associates without additional training, and we see additional training is needed. We feel that we're holistically void of training at times, and now we're trying to make up some ground in this training to grow associates internally to not only be regular Michael Kors associates but also Michael Kors leaders in the future.

Mr. Broad asked, the 700 employees that were talking about here, how many of those employees been in the company for six months or less? How many employees would be removed out of the 700? Mr. Grenig said, my guess would be based on normal population, and the rate of turnover, 60% would qualify.

Ms. Torres asked, out of the 240 trainees in the job creation, can you give us an estimate of how many would fit into the parameters? Mr. Grenig said, it would be 50 to 60%.

Mr. Broad said, I don't know the perfect number; it could be 3 to 6 months. That's a policy decision that the staff is going to have to determine. Obviously, you can train anybody else you want on your own nickel anytime you want. We are not asking you to change your system. It's really a question of what we philosophically believe is appropriate to pay for. What I'd like to do for this proposal is to exercise our discretion and propose six months. It's going to affect some numbers of those temporary employees, but I think it's going to reinforce what we intend here, which is that were not supporting temporary to permanent structures. I would like to make a motion to approve this proposal with the limitation that the temporary employees receive the training within six months after beginning their employment.

**ACTION** Mr. Broad moved and Mr. Rodriguez seconded the approval of the proposal for Michael Kors (USA), Inc. in the amount of \$503,520

Motion carried, 6 – 0.

### **PennyMac Financial Services, Inc.**

Ms. Torres presented a proposal for PennyMac Financial Services, Inc. (PennyMac) in the amount of \$331,000. PennyMac is a mortgage lender and servicer headquartered in Moorpark. The Company's goal is to provide clients with innovative mortgage solutions that make it easier to purchase or refinance a home.

Mr. Torres introduced Nick Shauer, Executive Vice President of Human Resources, Candice Shehorn, Director of Training and Development, and Paul Johnson, President, COO Expert Resource.

Mr. Broad said, it's obviously clear that you are responding to the poor performance from your previous contract. What steps have you taken this time to make sure that you earn all the funding you have requested? Mr. Shauer said, in August 2014, we were two and a half years younger, the Company was only in its 5th year of existence, and we were very much growing up then. We're still growing, and we still have a lot of growing to do. At that time, our budgeting and planning process was nowhere near as sophisticated as it is today. We are now in a better position to predict what can happen in the future. In August 2014, we did not realize that the federal government was going to increase the interest rate, and that affected our market; we were very susceptible to the interest rate fluctuation. Only a couple weeks after that, the federals announced that the interest rates were going to increase; it never did but the market reacted anyway. That affected the volume of business coming our way.

Mr. Shauer said, I hope we are all investing wisely. Without a question, we were very aggressive with the growth expectation last year, which didn't contemplate the potential of interest rate fluctuation such as now, we are very aware of what to expect going forward. In addition to that, the size of our organization, our growth expectation is in the line with what we have experienced in the past when we experienced changes in the macroeconomic condition.

Mr. Broad said, let's say the federal government increases the interest rate, and that has a depressing effect on the housing market, and the volume of loans that you can write gets reduced. Is your proposal right-sized enough to respond to the changes and anticipate layouts? Will you come back to us, and say we only have 62% performance after we received the funding, because the interest rate went up, and there was a general slowing down of the housing market. That leads to the second question for staff. If a business that is sensitive to market conditions, like this, and their profit and loss depends on extraneous events that they can't control, can they come to us and then later on return and say we don't need this much money, or ask for an amended amount so they could still continue the training with fewer trainees?

Ms. Torres said, we used to do that in the past, but it also depends on how you want to look at it. It's called an amendment to performance, which gives you the ability to gauge how much amount to request. Mr. Broad said, I get the point exactly because you are trusting their reasons but you can't really judge the motive then because there is no performance gauge.

Mr. Broad said, given the current scenario, do you anticipate that you would be able to fully perform on this proposal given the possibility that there might be an interest rate increase? Mr. Shauer said, I'll go back to our budgeting process. We rely heavily on estimations made by the US Mortgage Bankers Association (MBA), and they are the industry trade organization that works closely with the federal organizations. They look at the data and predict what the business volume is expected to be for the industry and the amount of loan originations and

amount of refinances that may take place over time. They can predict what can happen in the secondary market, which we play heavily in, and so we examine all that information and we use that budget going forward. In the last two years, the average amount of funding that has taken place has been about \$1.3 trillion in the United States. It's predicted to be a little over \$1.2 trillion in the next couple of years. So it's almost flat; a little bit of a drop. We interconnect that expected business volume increase which we are going to share more highly in, in terms of our market share. We've increased our market share notably year after year. We expect that to continue, and we interconnect that information with the fact that we already have a lot more staff on hand, so we are building our percentage growth rate on that. Our actual amount of new employees, as well as re-hires that we'll have to make here and there for a relatively low turnover rate, will justify the need for the amount we are asking today. A big part of our training is career pathing for our employees. We build a career path framework and our module will allow people to grow their career overtime. We are just rolling this out next week, so it's a very attractive feature. Mr. Broad said that is a good point, which is what we'd like to hear.

Mr. Shauer said, we have an electronic solution for this and build off of that through an organization called Cornerstone On Demand. We have a roll out process over the next six months to make sure that everyone in the leadership position in our company has scheduled conversations to ensure that everybody in the company knows where their career can go, what trainings are available to grow their careers, perform rate on the job, and seek people to come into the business to fit the pathing mode.

Mr. Rodriguez asked, Ms. Torres, what did you see from this proposal that's different from the last one that allowed recommendation of approval from staff? Ms. Torres said, looking back, it was a very large agreement amount. Initially, in their prior agreement that began in 2013, it was supposed to be the start of the recovery. They had huge initiatives. Mr. Shauer said, the previous project was a Critical Proposal. Ms. Torres said, typically that dollar amount would not have been proposed. This proposal is more in line with the volatility of business and one of the things that we look at is that people have huge training needs. We can't argue with the training needs, but how they can fit it into the ETP Agreement, given all the changes in business with the ups and downs, and so forth. Sometimes when you're too busy, you're not able to train, and sometimes when you're not busy enough, then you lose people, and then the people that remain have to do more work and can't be released for training. All those things typically fit into a proposal that we can negotiate back and forth with, and I think what happened is, when we're comparing the last contract to this one, it's not a good comparison because the last one was an isolated situation where it was part of a Critical Proposal and in line with the economy. We were expecting a recovery at that time. This proposal, if you ask me, is more in line with all of the variables that we take into place.

Mr. Rodriguez asked, what percentage of the secondary market do you plan to compete in 2016? Mr. Shauer said, we have three different plans on competing with the secondary market. The first one is the correspondence base. In this industry, the correspondence play means that the developed relationship with community banks, credit unions, small originators of loans, who never intended to own those loans, as they're going through the learning process, and they are required by law to do this, they tell the borrower that their first payment is going to somebody else because they are going to sell your loan to a larger player in the secondary market. We're the third largest acquirer of those loans in the United States,

behind Wells Fargo and US Bank. That business is going to continue strongly; we've increased our market share. When we were here 28 months ago, we were about 7% of the market, now we are about 13%, and we expect to be 50 and 60% next year. Mr. Rodriguez said, that answers my question. Thank you.

**ACTION:** Mr. Rodriguez moved and Ms. Fernandez seconded the approval of the proposal for PennyMac Financial Services, Inc. in the amount of \$331,000.

Motion carried, 6 – 0.

### **The Procter & Gamble Paper Products Company**

Ms. Torres presented a Proposal for The Procter & Gamble Paper Products Company (P&G – Paper) in the amount of \$493,020. P&G – Paper is a division of the Procter & Gamble Company in Cincinnati Ohio. This multinational corporation operates two facilities in California.

Ms. Torres introduced Juvernardo Ramirez, Education and Training Pillar Leader, and Justin Burklander Operating Department Leader, Oxnard Logistics.

There were no questions from the Panel.

**ACTION:** Ms. Bell moved and Mr. Rendon seconded the approval of the proposal for The Procter & Gamble Paper Products Company in the amount of \$493,020

Motion carried, 6 – 0.

### **WWF Operating Company**

Ms. Torres presented a Proposal for WWF Operating Company (White Wave) in the amount of \$430,720. White Wave is a consumer packaged food and beverage company that manufactures, markets, distributes and sell branded plant-based foods and beverages, coffee creamers, frozen desserts, premium dairy and organic products.

Ms. Torres introduced David Voorhees, Operations Site Leader.

**ACTION:** Mr. Rendon moved and Ms. Bell seconded the approval of the proposal for WWF Operating Company in the amount of \$430,720.

Motion carried, 6 – 0

### **Esterline Technologies Corporation**

Ms. Torres presented a proposal for Esterline technologies Corporation (Esterline) in the amount of \$440,226. Esterline is a global manufacturer principally serving aerospace and defense market.

Ms. Torres introduced Diana Bourcier, Vice President of Human Resources, and Paul Johnson, President, Cal Training Inc.

Mr. Broad asked, is Esterline a holding company? It seems like each of these manufacturing plants have a separate company name. Ms. Bourcier said, Esterline has been around for many years. We prided ourselves in the past of being a strand of pearls where every single organization was a pearl in the necklace. That did not work well for us as we've grown over \$2B. We needed to look at ourselves as one company, although they all are subsidiaries of Esterline technologies. They all have their own specific names; names that people recognize. We have kept the names that are popular or marketable in the business landscape.

There were no further questions from the Panel.

**ACTION:** Ms. Bell moved and Mr. Rodriguez seconded the approval of the proposal for Esterline Technologies Corporation in the amount of \$440,226.

Motion carried, 6 – 0.

### **Illumina, Inc.**

Ms. Torres presented a proposal for Illumina, Inc. (Illumina) in the amount of \$575,000. Illumina develops and manufactures equipment and instruments for genetic analysis, sequencing, genotyping, gene expression, and protein analysis. These products are widely used in the pharmaceutical, biotechnology, academic, and government fields. This will be Illumina's third project in the last five years.

Ms. Torres introduced Tanya Larabee, Leadership and Professional Development Specialist, and Lorie Chapa, Senior Manager Leadership and Professional Development.

Ms. Reilly said, Mr. Broad has recused himself from this proposal due to his direct financial interest, and that's according to the Political Reform Act requirement. The gavel has been passed to Ms. McBride to act as Chair, and Mr. Broad will return right after the decision has been made.

Ms. McBride said, I have visited your facility, and your campus; it's amazing and the culture there is really unique and interesting. Thank you for being here.

Mr. Rodriguez asked, what are the types of occupations do you hire for your company; can you give us a snapshot? Ms. Chapa said, it varies from administrative staff, manufacturing, engineers, scientists, and PhD's; it's a pretty mixed population.

Mr. Rodriguez asked, do you consider yourself a biotechnology company? Ms. Chapa said, we consider ourselves as a bioscience company.

Mr. Rodriguez asked, do you have laboratory technicians on staff? Ms. Larabee said, yes we do. We're really at the intersection between biology and technology. A lot of that technology goes into the instrument, but then we have people working on things like microfluidics and



biochemistry, so it's not only the sequencing instruments that get manufactured, but we engineer and create all of the chemistry that go into the flow cells that we are able to amplify and replicate the DNA; it's a pretty complicated process.

Mr. Rodriguez asked, do you hire students from community college? Ms. Chapa said, yes we do. We hire a little bit from everywhere and we have a phenomenal internship program, and we have an MBA program as well. Mr. Rodriguez said, thank you.

ACTION: Ms. Bell moved and Mr. Rendon seconded the approval of the proposal for Illumina, Inc. in the amount of \$575,000

Motion carried, 5 – 0. (Mr. Broad recused himself.)

### **Karma Automotive, LLC**

Ms. Torres introduced a proposal for Karma Automotive, LLC (Karma Auto), formerly Fisker Automotive and Technology Group, LLC in the amount of \$835,218. This project has been designated as a Critical Proposal by the Governor's Office of Business and Economic Development (Go Biz) based on Karma's planned business expansion and commitment to adding new jobs in California.

Karma Auto is passionate about hiring veterans and feels they will bring a unique set of skills and abilities to the company. As such, the Company is including a separate Veteran Job Number for training 15 newly hired Veterans.

Ms. Torres introduced Rod Hanks, Vice President of Human Resources, Julianna Kirby, Training Funding Partners.

Mr. Broad said, we really appreciate your commitment to veterans. That's a major priority for our Panel. Mr. Broad asked, are you starting to manufacture cars, or have already manufactured cars? When are they going to be available in the market? Mr. Hanks said, the first vehicle, or job one, is scheduled to roll out of the assembly line in late 2016. Karma was created as a result of an acquisition from Fisker Automotive, our parent company, Wanxiang, which is a Chinese Corporation, had previously acquired a battery company, A123 Systems, located in Livonia, Michigan, who looked into getting into the car business and acquired Fisker. Fisker had been acquired in 2013. We acquired the assets at an auction, which means we got the tools, fixtures, and intellectual property. Included in that, are a number of vehicles that we're using for prototyping and development of the next generation platform. The vehicle is iconic; it's regarded throughout the vehicle design community as one-of-a-kind. It's world-class and configured as a luxury brand. It will be a low-rate production, but it will be highly crafted. The goal is to take that to market in 2016.

Mr. Broad asked, is it a smaller electric vehicle or a hybrid? Mr. Hanks said, it is a hybrid. Mr. Broad asked, is it a plug-in hybrid? Mr. Hanks said, it's a hybrid 4-door sports vehicle. When the vehicle was first designed, it was designed as a head-on competitor to Tesla. Tesla has more of a sedan configuration. We are more of a 4-door sports car kind of configuration.

Mr. Broad asked, is it like a Chevrolet Volt hybrid that you plug-in; is it in the plug-in hybrid category? Mr. Hank said, yes it's a plug-in and gas electric. The gas generator in our vehicle charges and the battery runs off of that, which makes our vehicle unique. We also have solar panels installed on the roof that run the microprocessors on board the vehicle as well.

Mr. Broad asked, how long of a charge does it have? Mr. Hanks said, a full charge can go up to 30 miles without recharging. Over all range, if we use it combined with the motor, it could go approximately 300 miles.

Ms. Fernandez said, I really like your proposal. I am also a Marine Corps Veteran and also a mother of a disabled child. It's nice to see opportunities, for those with disabilities, because they're usually not taken into account. I am really excited about your proposal and that you would be bringing jobs into an area where they are much needed. I would like to make a motion to approve.

**ACTION:** Ms. Fernandez moved and Mr. Rendon seconded the approval of Karma Automotive, LLC in the amount of \$835,218.

Motion carried, 6 – 0.

### **International Business Machines Corporation**

Creighton Chan, Manager of the Foster City Regional Office, presented a Proposal for International Business Machines Corporation (IBM) in the amount of \$388,378. IBM provides information technology (IT) products and services worldwide.

Mr. Chan introduced Stephen Dodd, IBM Certified Project Executive, and Rob Sanger, CMTA.

There were no further questions from the Panel.

**ACTION:** Ms. McBride moved and Ms. Bell seconded the approval of the proposal for International Business Machines Corporation in the amount of \$380,370.

Motion carried, 6 – 0.

### **Foster Poultry Farm (Withdrawn)**

### **TriWest Healthcare Alliance Corp.**

Willie Atkinson, Manager of the Sacramento Regional Office, presented a Proposal for TriWest Healthcare Alliance Corp. (TriWest) in the amount of \$391,200. Triwest, founded in 1996 and headquartered in Phoenix, Arizona, manages health benefits. The Company is currently contracted by the US Department of Veterans Affairs (VA) to manage and administer the Patient-Centered Community Care (PC3) Program and Veterans Choice Programs.

Mr. Atkinson introduced Robert Wolpert, Vice President and Controller, and Jeanne Ong, Vice President Human Capital.

Mr. Broad asked, so in terms of the temporary to permanent employees, you probably heard our discussion earlier. If we put a limit that they have been temporary to permanent employees for no longer than six months, would that be problematic for you. Ms. Ong said, no, not at all. And just for us to take that step back, I've been with the company for 12 years and Mr. Wolpert has been with the company for 10 years. Our temporary to permanent strategy is just a short-term strategy that we had to adopt to meet the immediate needs of the growing client volume that's coming our way. So we've always done permanent hiring as a strategy. We see the pros and cons, and we are definitely investing the same resources and training in our contract and to our employees as we do the permanent employees. So it's in our best interest to convert them as fast as possible. Our target date is about 90 days.

ACTION: Ms. Fernandez moved and Ms. Forrest seconded the approval of the proposal for TriWest Healthcare Alliance Corp. in the amount of \$391,200.

Motion carried, 6 – 0.

### **Multiple Employer Proposals**

#### **Northern California Plasterers' Joint Apprenticeship Training and Trust Fund**

Mr. Chan presented a Proposal for Northern California Plasterers' Joint Apprenticeship Training and Trust Fund (NorCal Plasterers JATTF) in the amount of \$169,820. NorCal Plasterers JATTF was created in 2014 as a result of a trust merger between the Bay Area Plastering Industry JATC and the Northern California Plasterers JATC.

Mr. Chan introduced Robert Nato, Program Administrator and Jan Borunda, California Labor Federation.

There were no further questions from the Panel.

ACTION: Ms. Fernandez moved and Mr. Rodriguez seconded the approval of the proposal for Northern California Plasterers' Joint Apprenticeship Training and Trust Fund in the amount of \$169,820.

Motion carried, 6 – 0.

### **X. PUBLIC COMMENTS**

There were no public comments.

### **XI. MEETING ADJOURNMENT**

Mr. Broad adjourned the meeting at 11:28 p.m.

## Single Employer Contractor

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

- Unless funded under Special Employment Training (SET), a single employer must face out-of-state competition.
- A single employer must be subject to the Employment Training Tax.
- The employer must also make an “in kind” contribution toward the cost of training, as follows: 1) 100 or fewer employees, at least 50% of the ETP-funded amount; 2) more than 100 employees, at least 100% of the ETP-funded amount.
- The employer must provide union letters of support for employees who are represented. The employer should also be able to show how the training will enhance job security and improve opportunities for advancement.
- A single employer must establish the need for the particular training curriculum proposed.
- The employer must establish its ongoing commitment to training and represent that ETP funds will not displace existing resources.
- All single employer contracts are capped at \$425,000 (no variations).

These features apply to core program funding.

## Multiple Employer Contractor

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

- Up to 8% of program costs may be approved as additional funding for recruitment, placement and assessment activities. For New Hire training, the MEC may receive up to another 4% (total 12%). These costs must be justified.
- The project may be retraining or new hire training, or a combination of both. Training may take place at the worksite or a training center, or both.
- All MECs are capped at \$650,000.

### *Retraining*

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

### *New Hire Training*

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

These features apply to core program funding.

## Delegation Order Process

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



# Memorandum

To: Panel Members

Date: 1/22/16

From: Stewart Knox  
Executive Director

File: Panel Memo

Subject: Temp-to-Perm Program

This memorandum presents options for the Panel's consideration of a revision to the current Temporary-to Permanent Program.

## **Background**

ETP currently allows training to begin for Temporary Agency staff while on assignment to a contracting employer or participating employer. Under the Temp-to-Perm Program, trainees must be hired on a permanent full-time basis before they can be enrolled in the ETP-funded project, and before any invoicing may begin.

The current program is expressed in regulation Section 4427, as amended March 2011. That amendment is shown below, with emphasis added:

### 4427. Temporary Agency

(e) On a case-by-case basis, Temporary Workers may be trained so long as they are hired by a single employer under a single-employer contract, or by a participating employer under a multiple-employer contract, for purposes of full-time retention and related requirements. The Panel may approve this type of "temporary to permanent" hiring model based on the extent to which the training is designed to further overall goals and objectives of the ETP program.

The reason for amendment was to recognize a shift in workforce practices, whereby employers recruit staff from Temporary Agencies with the goal of eventually hiring them into full-time permanent employment. The decision to "convert" Temporary Agency staff may not take place until after orientation and training, although the time period differs by employer.

## **Issue**

In recent months, the Panel has expressed concern over the Temp-to-Perm hiring model, as to whether employers are retaining staff from Temporary Agencies on an indefinite basis.

As a result of this concern, the Panel asked staff to research a possible revision to the current program. *The purpose of the proposed revision is to further incentivize employers to “convert” trainees from temporary to permanent full-time status as a condition of ETP funding.*

## **Analysis**

As noted earlier, under the current program, Temp-to-Perm workers must be hired into full-time permanent employment prior to enrollment or invoicing. Put another way, ETP funds cannot be earned while a trainee is still on payroll with the Temporary Agency. The period of time for training would be further limited under the proposed policy revision.

There are two key factors for analysis:

### **1. Time Period for Training**

The time period for all training is limited by the term of contract. Typically, this is two years for a standard-size business and one year for a Small Business. The employment retention imposes another limitation. In general, this is 90 consecutive days, regardless of business size. Both training and retention must be completed within the term. This leaves two “window periods” to complete training: 21-months for a standard-size business and 9 months for a Small Business.

Any further limitation should be based on facts and circumstances unique to each proposal, in keeping with case-by-case analysis per regulation Section 4427. However, it is customary to establish a guideline or benchmark in such matters, for purposes of administrative feasibility. [Note: Temp-to-Perm Program guidelines will be posted on the ETP website, as revised.]

Staff invites the Panel to consider a six-month (180-day) time period, as a reasonable benchmark for the use of ETP funds under the Temp-to-Perm program. This is because less than three months does not give sufficient time for recruitment and training, and more than 21 months (nine months for Small Business) does not leave time for retention.

Furthermore, based on knowledge and experience in monitoring training projects, staff believes six-months is sufficient time for the employer’s recruitment and training prior to deciding whether to convert Temporary Agency staff into full-time permanent status.

Although a shorter time period could be used as a benchmark for one-year contracts, this would run counter to the goal of fostering access to ETP funds for Small Business. (See UI Code Section 10205(b)(4).)

### **2. Measurement of Time Period**

Measurement could begin at any of three different checkpoints: 1) Start of Contract, 2) Start of Training, and 3) Date of Hire. However, the first one may be too limiting for employers, given their need to schedule and complete training with adjustment for business needs. And, the second checkpoint would be difficult for staff to monitor on a per-trainee basis.



In comparison, Date of Hire by the contracting employer (or participating employer) directly correlates to the completion of training. As such, it shows the value-added by ETP funds insofar as the training leads to full-time permanent employment. Moreover, Date of Hire is tied to enrollment in the ETP database; it can be retrieved by ETP on a per-trainee basis prior to the first payment, and monitored at each point in the “progress payment” cycle.

Of necessity, the six-month (180 day) time period would be measured on a retroactive basis within the term of contract. In other words, ETP would “look back” from Date of Hire, allowing employers to schedule training on a rolling basis when workers are retained through a Temporary Agency. In this scenario, the potential for earning ETP funds would act as an ongoing incentive for conversion into full-time permanent employment.

### **Monitoring**

The ETP Fiscal Unit would measure the first day of training against the Date-of-Hire benchmark, for all trainees enrolled under the Temp-to-Perm Program. This measurement would be made after enrollment and prior to the first payment, per-trainee. Only those hours delivered and reported within that time period would be eligible for reimbursement. Invoices for training hours delivered outside that period would be denied payment.

### **Effective Date**

Changes in ETP policy or programs that restrict funding are usually implemented on a prospective basis, in keeping with the need for advance planning in the proposal development cycle. This cycle is ordinarily 90 days (60 days for a Small Business).

### **Recommendation**

Staff recommends adopting a six-month (180-day) time period for the use of ETP funds under the Temp-to-Perm Program. As a guideline or benchmark, that time period would be measured from Date of Hire into a full-time permanent position, looking back to the first day of training, per-trainee. The same time period and measurement process would apply to one-year and two year terms of contract. Staff recommends that this revision should be implemented as a guideline, allowing for case-by-case analysis based on the facts and circumstances of each individual proposal.

Staff recommends a prospective effective date for this revision, such that it would only apply to proposals approved on and after April 1, 2016. The same effective date would apply to approval by Delegation Order, as by the full Panel.

###



## RETRAINEE - JOB CREATION

Training Proposal for:

**Alliant Techsystems Operations LLC**

**Agreement Number: ET16-0347**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** E. Fuzesi

### PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Priority Rate HUA Veterans	Industry Sector(s):	Aerospace and Defense Engineering Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Kern	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 224	U.S.: 12,000	Worldwide: 12,000
<u>Turnover Rate:</u>	8%		
<u>Managers/Supervisors:</u> (% of total trainees)	0%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$212,340		\$0	\$0		\$212,340

In-Kind Contribution:	100% of Total ETP Funding Required	\$284,550
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills Computer Skills Cont. Impr. HazMat OSHA 10/30	124	8-200	0-60	\$1,350	\$20.00
				Weighted Avg: 75			
2	Job Creation Initiative Priority Rate	Business Skills Computer Skills Cont. Impr. HazMat OSHA 10/30	18	8-200	0-20	\$480	\$20.00
				Weighted Avg: 24			
3	Retrainee Priority Rate Veterans	Business Skills Computer Skills Cont. Impr. HazMat OSHA 10/30	22	8-200	0-60	\$1,650	\$20.00
				Weighted Avg: 75			

**Minimum Wage by County:** Job Number 1 (Retrainee) and 3 (Retrainee Veterans): \$16.48 in Los Angeles County, and \$15.60 in Kern County. Job Number 2 (Job Creation): \$13.73 in Los Angeles County, and \$12.77 in Kern County.

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

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

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

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Assembler		10
Contract Specialist		4
Engineer		77
Information Technology Staff		2
Administrator		8
Analyst		10
Quality Control Staff		7
Technician		3
<b>Job Number 2</b>		
Engineer		11
Technician		2

Administrator		2
Analyst		3
<b>Job Number 3</b>		
Engineer		11
Technician		4
Administrator		3
Analyst		1
Assembler		2
Information Technology Staff		1

## **INTRODUCTION**

Founded in 1990, Alliant Techsystems Operations LLC (ATO) ([www.orbitalatk.com](http://www.orbitalatk.com)) is a wholly owned subsidiary of OrbitalATK, Inc. (Orbital) [Note: The parent company is not participating in this proposal.] ATO has two facilities. Its main facility is located in Northridge. It also has a testing facility in Ridgecrest. Both facilities will participate in the ETP Agreement.

Orbital is a global leader in aerospace and defense technologies. It designs, builds, and delivers space, defense, and aviation-related systems to customers worldwide. Its main products include launch vehicles, satellites, aerospace structures, missiles, defense electronics, precision weapons, armament systems, and ammunition. Headquartered in Dulles, VA with facilities in 20 states across the U.S. and several international locations, Orbital is comprised of three operating groups: flight, defense, and space systems. Its operations focus on precision weapons; tactical rocket motors used in air, sea, and land based systems; missile-warning systems; and ammunition and gun systems. The Company is the largest producer of small-caliber ammunition for the U.S. and it is a primary manufacturer of medium- and large-caliber ammunition. ATO also develops advanced capabilities for missile-defense interceptors, fuses and warheads, weaponized special-mission aircrafts, and propulsion control systems.

### **Veterans**

ATO belongs to the Defense System Group serving the U.S. Army, Navy, Air Force, Marines, NASA, various federal civilian agencies, allied foreign governments, and commercial technology companies throughout the world. The Company is committed to the hiring and recruitment of Veterans.

## **PROJECT DETAILS**

U.S. Government defense and aerospace spending has recently been cut, especially for military and space platforms. ATO is aware of the unpredictability and fluctuations in U.S. Government spending for these industries and has planned a number of initiatives to help deal with the fluctuations.

To cut down on costs, ATO is consolidating facilities, combining facilities with similar functions. The Company recently consolidated its Clearwater, FL facility to Northridge and will be building facilities to house equipment and technologies from the Clearwater facility. Training will be necessary for employees using this equipment.

Additionally, ATO is taking an aggressive approach to enhance efficiencies, quality, and production processes; implement Lean principles; and increase on-time product delivery. Training will give California's workforce transferrable skills, in-depth technical knowledge, and business acumen to achieve business goals and deliver quality products and services.

### **Retrainee - Job Creation**

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

ATO has invested over \$1.2 million into consolidation and expansion. The Company is in the process of constructing a building to house the new equipment, and hiring a team to run it. The Company has committed to hiring 18 new employees (Job Number 2). The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

### **Training Plan**

**Business Skills** (30%) – Training will be offered to all staff to provide ways to identify customer needs, solve problems, learn new business development skills, and improve product delivery.

**Computer Skills** (30%) – Training will be offered to all staff to help trainees become proficient in navigating the Company's internal systems and improved/upgraded platforms. MS Office is also necessary for trainees to perform general job functions.

**Continuous Improvement** (30%) – Training will be offered to all staff to provide quality concepts. Training will focus on quality assurance and quality management principles. Process Improvements will ensure that employees maintain the necessary skills to perform their jobs functions effectively. Engineers will gain skills associated with product creation and/or assembly.

**HazMat** (5%) – Training will be offered to all staff to provide environmental protection procedures. Training will focus on proper ways to handle hazardous materials and chemicals, and the correct way to clean/dispose of such materials. This training is a series of courses, specific to industry sectors involved in the transport of hazardous materials. The coursework will be 8 hours, and will be delivered by CBT. Completion of the training results in a certificate that expands employment opportunities. This coursework is will be provided by certified in-house personnel.

### **Certified Safety Training**

**OSHA 10/30** (5%) – OSHA 10/30 is a series of courses "bundled" by industry sector and occupation. It consists of 10 hours for frontline workers and 30 hours for administrators. This training is not required as a condition of doing business in California; however, the coursework must be approved by, and the instructors must be certified by Cal-OSHA. To ensure that each trainee receives certification, ETP will only consider payment earned upon completion of the full 10-hour or 30-hour course. OSHA 10/30 is not included in the 10% limitation on safety training.

For this project, OSHA 10/30 will be provided to all staff to ensure compliance with regulations about emergency action plans, personal safety equipment, recordkeeping and reporting, and becoming safety leaders. The courses will cover accident prevention, emergency response procedures, and monitoring the work area to ensure compliance with safety guidelines.

**Commitment to Training**

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

ATO's training budget is \$100,000 for the Northridge and the Ridgecrest facilities. This includes new-hire orientation and training, basic safety training, compliance, sexual harassment prevention, OSHA, and training for job-specific functions including OJT. The proposed contract will allow ATO to implement more training initiatives and increase training efforts on a larger scope.

➤ **Training Infrastructure**

ATO's in-house Training and Development Executive will administer the ETP project, facilitate the courses, and coordinate vendors.

**High Unemployment Area**

Five trainees in Job Number 1 work in a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. The Company's location in Ridgecrest (Kern County) qualifies for HUA status under these standards. However, ATO is not asking for a wage modification.

**Impact/Outcome**

ATO's goal is to enhance employee competencies that are vital to the long-term success of the organization and within the aerospace industry in California by delivering superb quality products, increase revenue which will help increase future training budgets.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

To Be Determined

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

8-200 Trainees may receive any of the following:

**BUSINESS SKILLS**

- Business Development
- Business Process Management
- Capturing International Business
- Capturing New Business
- Cost Accounting Standard Rules
- Cost Price Analysis
- Defense Federal Acquisition Regulation Supplement
- Earned Value Management System (EVMS)
- Economics for Business
- Estimate At Completion (EAC) Project Management
- Federal Acquisition Regulation – Government Compliance
- Integrated Project Teams (IPT)
- Managing Negotiations
- Opportunity Creation

**COMPUTER SKILLS**

- .Net with C#
- ABACUS
- ADAMS – Engineering Software
- Cognos Business Intelligence
- Cognos Business Intelligence for Consumers
- EPIC
- ESD
- MS Excel (Advanced)
- MS PowerPoint (Advanced)
- MS Word (Advanced)
- Pro Engineer
- SharePoint Administration
- Systems Improved Numerical Differencing Analyzer (SINDA)

**CONTINUOUS IMPROVEMENT**

- AS9100 Quality Management Systems
- CAM Responsibilities
- Capability Maturity Model Integration (CMMI)
- Foreign Object Debris (FOD) 5S
- Geometric Dimensioning and Tolerance
- IPC/WHMA-A-620 Certification
- IPC-A-610 Certification
- ISO 14001
- ITAR (International Traffic in Arms Regulations)
- J-STD-001 Requirements for Soldered Assembly
- J-STD-001 Requirements for Soldered Electrical Assembly
- Optical Telescope and 3D Scanner
- Project Management

- Quality Management System (QMS) L113 Control of Nonconforming Material
- Quality Management Systems
- Radar Principles
- System Engineering

**CBT Hours**

Job Number 1: 0-60

Job Number 2: 0-20

Job Number 3: 0-60

**BUSINESS SKILLS**

- Business Financial Management (24 hrs.)
- Efficient Productivity (1 hr.)
- Fundamentals of Earned Value Management (40 hrs.)
- Policies & Procedures (24 hrs.)
- Security Strategic Planning (16 hrs.)

**COMPUTER SKILLS**

- CMMI/ESSP (8hrs.)
- Information Technology Infrastructure Library (ITIL) 3.0 Foundations (24 hrs.)
- OOP/UML/Rhapsody (1 hr.)

**HazMat**

- Hazardous Material Handling (8 hrs.)

**OSHA 10/30** (OSHA certified instructor)

- OSHA 10 (requires completion of the full 10-hour course)
- OSHA 30 (requires completion of the full 30-hour course)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee excluding OSHA 10/30 or HAZMAT.
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## Training Proposal for: Architects Orange

**Agreement Number: ET16-0341**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** San Diego

**Analyst:** J. Davey

### **PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Construction Engineering Green Technology  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Orange	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 208	U.S.: 208	Worldwide: 208
<u>Turnover Rate:</u>	9%		
<u>Managers/Supervisors:</u> (% of total trainees)	19%		

### **FUNDING DETAIL**

<div style="background-color: #ffffcc; padding: 5px; border-bottom: 1px solid black;">Program Costs</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">\$212,760</div>	-	<div style="background-color: #ffffcc; padding: 5px; border-bottom: 1px solid black;">(Substantial Contribution)</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">\$0</div>	=	<div style="background-color: #ffffcc; padding: 5px; border-bottom: 1px solid black;">Total ETP Funding</div> <div style="border: 1px solid black; padding: 5px; text-align: center;">\$212,760</div>	
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In-Kind Contribution:	100% of Total ETP Funding Required	\$430,500
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, PL-Comm Skills	197	8-200	0-30	\$1,080	\$16.75
				Weighted Avg: 60			

**Minimum Wage by County:** Job Number 1: \$16.51/hr. for Orange County

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

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

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

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Accounting/Administrative Staff I		8
Accounting/Administrative Staff II		11
Associates		13
Designer I		28
Designer II		2
Draftsperson		12
IT Professionals		3
Job Captain		56
Project Manager I		11
Project Manager II		49
Project Manager III		4

**INTRODUCTION**

Founded in 1974 and located in the City of Orange, Architects Orange is a full-service architectural and construction planning firm that specializes in retail, residential, industrial, food service, and hospitality projects. The firm's services include program development and site planning, architectural building design, project management/scheduling, construction drawings/specifications, construction administration, and jurisdictional approval processing. The firm competes for business with companies located out-of-state. Customers include contractors, trade workers, and city planners.

## **PROJECT DETAILS**

The architectural industry is constantly changing as design technology and tools keep evolving. To remain competitive, Architects Orange has developed a comprehensive company-wide program to increase worker skills. Training was developed to respond to company growth, standardize best practices, and stay proactive with customer needs. This includes the most up-to-date architectural design software. Training will also focus on energy-saving, sustainable, and green design to meet industry and government mandates.

### **Training Plan**

Training is intended to not only teach workers new skills, but to also update their old skills, which may have become redundant/obsolete. This will ensure that the entire workforce stays relevant and continues delivering great value.

**Business Skills (10%):** This training will be offered to all occupations in skills such as accounting, business plan, communication, leadership and other related skills. Training will help employees manage projects with greater knowledge and develop better communication skills with internal staff and external customers.

**Commercial Skills (10%):** This training will be offered to Associates, Project Managers, Designers, Job Captains, and Draftspersons. Skills such as building construction standards, structural systems, design standards, and other skills will focus on comprehension, key terms, practical and technical skills of architecture, and construction/how to get a design built.

**Computer Skills (30%):** This training will be offered to all occupations to effectively utilize the Company's new and existing automated systems, support projects and manage overall business operations. Training will be provided in Bluebeam Revu, Revit, AutoCAD, Rhino, BIM and other related software training. In addition, IT Professionals will receive training in the most recent networking, system security, and server skills.

**Continuous Improvement (10%):** This training will be offered to all occupations in quality control and team management. Training will promote company-wide teamwork and improve services that will help save time and enhance delivery processes.

### **Productive Laboratory - Commercial Skills (40%):**

Productive Laboratory (PL) trainees may produce goods or services for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training, and special attendance rosters will be used to assist in monitoring.

PL will be delivered to all occupations. The trainees will work one-on-one (trainer-to-trainee ratio 1:1) with an experienced Architect, Senior Project Manager III or Job Captain learning how to properly assemble a set of architectural-record drawings required for permitting and construction of various building types.

Tasks will be structured around five major areas: design, design development and production, construction documentation, construction administration, and project management. Each task will be taught as a stand-alone and as part of a standardized system of observable and measureable skill competencies.

The trainer (Project Manager III or Job Captain) will have a checklist of tasks and will check off once a trainee accomplishes the task. The trainer will observe the tasks, provide necessary feedback and direction, and certify proficiency via the checklist. Trainees will receive up to 40 hours of PL.

### **Computer-Based Training**

Architects Orange will provide up to 30 hours per trainee in supplemental Computer-Based Training (CBT) in Computer Skills. CBT will allow trainees to improve their skills in these areas at their own pace.

### **Commitment to Training**

Architects Orange represents that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. Architects Orange spends \$42,000 annually to train staff in skills such as computer software (mandatory based on job-specific needs), sustainability, LEED certification, business, and other as-needed courses. Training is provided mostly on the job but also in class/lab venues. The Company is committed to ongoing education initiatives and will continue training on an ongoing and as needed basis to meet the demands of clients.

#### ➤ Training Infrastructure

Administration of the project will be shared among the Training Manager, HR Coordinator, and Controller.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

N/A

### **ADMINISTRATIVE SERVICES**

N/A

### **TRAINING VENDORS**

To Be Determined



**Training Proposal for:**  
**Beachbody, LLC**

**Agreement Number: ET16-0351**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** M. Paccarelli

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing Multimedia/Entertainment Services  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 842	U.S.: 850	Worldwide: 872
<u>Turnover Rate:</u>	8%		
<u>Managers/Supervisors:</u> (% of total trainees)	20%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$243,450		\$0	\$0		\$243,450

In-Kind Contribution:	100% of Total ETP Funding Required	\$216,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills; Continuous Imp., Mgt. Skills; Adv. Technology	541	8-200	0-40	\$450	\$16.48
				Weighted Avg: 25			

**Minimum Wage by County:** \$16.48 per hour in Job Number 1 for Los Angeles County

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

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

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

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Staff I		32
Administrative Staff II		4
Research & Development Staff I		16
Research & Development Staff II		2
Call Center Staff		60
Training Staff		10
Technology Staff I		56
Technology Staff II		51
Technology Quality Assurance I		15
Technology Quality Assurance II		3
Marketing & Sales Staff I		115
Marketing & Sales Staff II		33
Finance & Accounting Staff I		28
Finance & Accounting Staff II		7
Supply Chain Planning Staff I		42
Supply Chain Planning Staff II		8
Strategic Planning & Business Analysis Staff I		31
Strategic Planning & Business Analysis Staff II		8
Manager/Supervisors		20

## **INTRODUCTION**

Founded in 1998, and headquartered in Santa Monica, Beachbody, LLC (Beachbody) ([www.beachbody.com](http://www.beachbody.com)) is the creator of a DVD series for fitness and weight loss, including the following brand names: P90X<sup>®</sup>, Insanity<sup>®</sup>, Focus T25<sup>®</sup>, PiYo<sup>®</sup> and Hip Hop Abs<sup>®</sup>. Beachbody programs combine DVD-based workouts with diet guidelines, along with nutritional supplements including its health shake Shakeology<sup>®</sup>.

The Company has also launched “Beachbody on Demand” as a new digital fitness product. It will provide customers with a streaming digital access to its fitness product catalog from any device (i.e. television, desktop, tablet, or mobile device). Beachbody is also involved in the research and development of technology, digital product design, and new web-based platforms (Roku<sup>®</sup>, Apple TV<sup>®</sup>, Fire TV<sup>®</sup>).

Beachbody has three main product lines: DVD, digital streaming programs and nutrition products. The DVDs are produced at its Santa Monica location, and the digital streaming content is produced at its Westlake Village location. The Operations/Call Center, Inventory Management and Research & Development are in El Segundo. The proposed training will be provided to trainees in all three locations.

In 2015, Beachbody spent over \$88.6 million on new systems and technology. This included new software or upgrades to several systems and platforms. The installation and implementation of the new systems and technology will continue through the next two years. The training cost is not included in the purchase price.

This is Beachbody's first ETP Agreement. The Company is eligible for standard retraining as a manufacturer facing out-of-state Competition, and is eligible for priority industry reimbursement.

## **PROJECT DETAILS**

### **Training Plan**

Beachbody is expanding into new markets. Its products, along with the methods in which it delivers products to customers, are constantly evolving. The Company is committed to providing all employees with best-in-practice opportunities to improve their skills and understands that a highly skilled employee workforce is critical to its continued growth. ETP funding will be a key aspect in ensuring that Beachbody delivers on that commitment to its employees.

In addition, Beachbody has undertaken a massive systems enhancement project to support its business initiatives and to ensure that it continues to provide the high level of service to its customers. These efforts represent a major shift in the way Beachbody delivers its content to customers and have an impact on the internal processes utilized to conduct and report business activities. A highly trained employee workforce with appropriate skillsets to address these initiatives is a critical component to the continued success of the company.

**Business Skills** (30%) – Training will be offered to all occupations on topics such as Communication Skills, New Product Knowledge and Problem Solving among others. With the dramatic change on how Beachbody delivers content, trainees need to understand the new products and effectively communicate to both internal staff and customers.

**Computer Skills** (30%) – Training will be offered to all occupations focusing on the system changes resulting from the Oracle Reimplementation, introduction of new proprietary software

and other software needed to navigate the rapidly changing environment of digital streaming as opposed to the prior DVD delivery method.

**Continuous Improvement (30%)** - Training will be offered to all occupations with emphasis on Process Improvement, Project Management and Frontline Leadership. The goal is to provide trainees with the skills needed to adapt with the new ways Beachbody will deliver its content and changes in processes as a result of the Oracle Reimplementation.

**Management Skills (4%)** – Training will be provided to Managers and Supervisors focusing on skills needed to be effective in leading and managing people.

**Advanced Technology (AT) (6%)** – Training will be offered to Technology Staff and Technology Quality Assurance Staff. With the switch to a digital delivery method, Beachbody must have a technical workforce skilled across many platforms and types of technologies. AT will be delivered in highly technical learning environments, including special curricula, instructors and training labs. The costs for delivering AT training range from \$500 to \$1,000 per day, plus hardware, software, and setup costs. Additional software licensing will be purchased so trainees can have as much training time as possible. The trainer-to-trainee ratio for AT training is 1:10 to allow for in-depth coverage and personal attention from the instructor.

### **Computer-Based Training**

Computer-Based Training (CBT) will serve as a supplement to the Business Skills, Computer Skills, Continuous Improvement and Management Skills class/lab training either as a prerequisite or as a follow-up to ensure trainee's competency in the subject matter. CBT is capped at 50% of the total training hours per trainee.

### **Commitment to Training**

ETP funds will not displace the existing financial commitment to training. In support of continuous employee development, The Company's current training budget is approximately \$300,000 and covers New Hire Orientation, Sexual Harassment Prevention, OSHA-mandated training, on-the-job training and mentoring programs. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

### **Impact/Outcome**

ETP-funded training will enable Beachbody to provide access to learning and training for employees who want to set the pace in their field for the next decade. As the Company grows and expands, trainees will develop the skills to adapt and excel in new markets, exhibiting their best skills in various technologies and platforms.

#### ➤ Training Infrastructure

Beachbody's Executive Director of Training & Development will oversee the internal project administration. There are also dedicated internal training personnel who will be in charge of scheduling, trainee enrollments, tracking hours and monitoring with ETP staff. In addition, the Company retained an outside consultant to assist in the project administration.

### **RECOMMENDATION**

Staff recommends approval of this proposal.



**DEVELOPMENT SERVICES**

Beachbody retained Tax Credit Co. in Los Angeles to assist with development of this proposal for a fee of \$7,303.




**ADMINISTRATIVE SERVICES**

Tax Credit Co. will also perform administrative services in connection with this proposal for a fee not to exceed 10% of payment earned.




**TRAINING VENDORS**

To Be Determined

**CONTINUOUS IMPROVEMENT**

-  Getting Things Done (1 hour 32 Minutes) – Productivity tips
-  Project Management Fundamentals (2 hours 7 minutes)
-  Influencing Others (1 hour 21 minutes) Project Management

**MANAGEMENT SKILLS** *(For Managers & Supervisors Only)*

-  Decision-Making Fundamentals (47 minutes 56 seconds)
-  New Manager Fundamentals (1 hour 12 minutes)
-  Leadership Fundamentals (1 hour 24 minutes)

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



## Training Proposal for:

# Bricklayers and Allied Craftworkers Local #4 California Joint Apprenticeship Committee

**Agreement Number: ET16-0919**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

## PROJECT PROFILE

Contract Attributes:	Apprenticeship Retrainee Priority Rate	Industry Sector(s):	Construction  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange, San Diego, Imperial, Riverside, San Bernardino, Inyo, Mono, Tulare, Kern, Ventura, San Luis Obispo, Santa Barbara	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Bricklayers and Allied Craftworkers Local #4		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	≤20%		

## FUNDING DETAIL

<b>Program Costs</b>	+	<b>Support Costs</b>	=	<b>Total ETP Funding</b>
\$92,688		\$6,426 8%		\$99,114

In-Kind Contribution:	50% of Total ETP Funding Required	Inherent
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Apprentice	Commercial Skills	40	8-200	0	\$2,002	\$21.28
				Weighted Avg: 144			
2	Retrainee Priority Rate Journeymen	Commercial Skills, OSHA 10/30	16	8-200	0	\$564	\$26.12
				Weighted Avg: 24			
3	Retrainee Apprentice Veteran	Commercial Skills	5	8-200	0	\$2,002	\$21.28
				Weighted Avg: 144			

**Minimum Wage by County:** \$21.28 per hour Statewide (Priority Industry).

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

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

Up to \$6.66 per hour may be used to meet the Post-Retention Wage for Job Number 1.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Apprentice Brickmason		40
<b>Job Number 2</b>		
Journeymen Brickmason		16
<b>Job Number 3 (Veteran)</b>		
Apprentice Brickmason		5

**INTRODUCTION**

Bricklayers and Allied Craftworkers Local #4 California Joint Apprenticeship Committee ([www.bac4ca.org](http://www.bac4ca.org)), located in the City of Arcadia, sponsors a training program for Southern California Brickmasons through its JAC (Brickmasons JAC or JAC).

Brickmasons JAC currently trains 465 journeymen and 91 apprentices in the brickmason trade. "Brickmasons" is the occupational title, but this encompasses numerous trades: Bricklayers, stone and marble masons, cement masons, mason finishers, plasterers, tile setters, terrazzo and mosaic workers, and pointers/cleaners/caulkers.

This will be the JAC's first ETP Agreement.

## **Apprenticeship Program**

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). It is designated to supplement cost of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training.

RSI is traditionally delivered as class/lab, and ETP does not reimburse CBT delivery for apprenticeship training. The curriculum is developed with input from DAS and a designated Local Educational Agency; in this proposal the LEA is the Los Angeles Unified School District. All training will be delivered at the JAC facility in Arcadia. The Apprenticeship Program allows reimbursement for up to 200 hours of RSI plus OSHA10, per-apprentice. The Brickmasons undergo apprenticeship for 42 months, except for the Mason Finisher trade. All apprentices must be in years 2+ except for Mason Finishers (who may start at year 1 since the program length is only 24 months).

For the building trades, it is not customary for workers to be employed for a standard retention period of 90 consecutive days with one employer. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

To ensure ETP does not displace another source of government funds, the fixed fee rate is reduced by \$5.00 to account for adult education funding appropriated each year for Apprentice training through the California Community College Chancellor's Office and Department of Education. This changes the ETP Priority Industry Rate from \$18.00 to \$13.00 per hour for Job Number 1 (Apprentice). The post-retention wage has been standardized to \$21.28 per hour reflecting the Special Employment Training (SET) wage for Priority Industry.

## **PROJECT DETAILS**

To meet industry demands, the masonry trade trainees must find ways to reduce costs and improve the quality and precision of their work. Apprentices and Journeymen will need to acquire technical and high-level performance skills to meet standards required to complete job duties on job locations.

The Apprenticeship program offered by Brickmasons JAC teaches Apprentices the basics of the trade that include safe working conditions and procedures, materials, the use of concrete in masonry construction, laying bricks, and building walls and other particular structures. The program offers Journeymen training to learn more advanced subjects including safe working conditions and use of advanced materials.

### **Veterans**

Brickmasons JAC has committed to training five Veterans (Job Number 3). The JAC works with Helmets-to-Hardhats and other Veterans programs for recruitment.

### **Training Plan**

**Commercial Skills** (70%) – Training will be offered to all occupations to help workers develop high skill levels in the masonry industry. Training topics will include Brick Paving Techniques, Blueprints, Trade Math, and Cement Blocks.

## **Certified Safety Training**

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

## **DAS Completion Rates**

The average completion rate for Apprentices in the masonry industry is 17% as measured by DAS over the most recent five-year reporting period: CY2009 through CY2013. When the average completion rate for an apprenticeship program is less than half the industry average (benchmark), the Panel requires a justification for funding. The DAS completion rate for Brickmasons JAC is 27%, which exceeds the benchmark.

## **Commitment to Training**

Employers will continue to make contributions to the training trust for every hour worked by Apprentices and Journeymen. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

## **Training Coordination**

Training is provided at training facilities throughout the state and will be delivered by qualified in-house Journeymen staff. Instructors have extensive practical and training experience in the masonry industry which qualifies them to deliver training under this Agreement.

Administration will be performed in a partnership between Brickmasons JAC, the Los Angeles Unified School District, and Steve Duscha Advisories. Class scheduling and completion of training rosters will be conducted solely by Brickmasons JAC. Administrative vendors will assist in employer liaison, documentation of work hours, uploading training and enrollment data to ETP, and all other related administrative activities. Training will begin January 2016 and conclude approximately 18 months later.

## **Marketing and Support Costs**

Brickmasons JAC requests 8% support costs to assist in recruitment, employer outreach, and assessment of industry job requirements. The Apprenticeship program is marketed through association web sites, mailings, and presentations. Employers participate as members of the joint committee and trust. They then develop a training curriculum that will meet employer and industry demand. In addition, the International Masonry Training and Education Foundation will assist in the design of the programs curriculum. Assessments and recruitment will continue to take place throughout the duration of the Agreement. Staff recommends the 8% support costs.

## **Learning Management System**

Staff has reviewed and approved Brickmasons JAC's Learning Management System for recordkeeping.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

Brickmasons JAC retained Steve Duscha Advisories in Sacramento to assist with development of this proposal for a flat fee of \$5,000.

**ADMINISTRATIVE SERVICES**

A representative from the LEA will participate in training delivery and project administration. As such, the administrative fees will be split between the LEA and Steve Duscha & Associates, capped at 13% of payment earned in total.

**TRAINING VENDORS**

The LEA will provide some training, as part of its agreement to perform administrative services (see above). As stated earlier, all training will take place at the JAC facility in Arcadia. Other trainers will be identified for ETP record-keeping purposes as they are retained.

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

8-200

Trainees may receive any of the following:

**Apprentice Training****COMMERCIAL SKILLS**

- Advanced Blueprint Reading
- Arches (Types, Hands-On Project)
- Bricklaying Terminology
- Brick-Paving Techniques
- Building a Straight Wall
- Building Codes-Reinforced Grouted Masonry
- Cement Blocks and Bricks
- Complete a Masonry Wall
- Components and Shell Bricks
- Concrete in Masonry Units
- Construction of Jambs
- Construction of Pilasters
- Custom Residential Work
- Glass Blocks
- Glazed Tiles
- Interpret and Use Blueprints
- Job Layouts/Steps Related to Layout
- Journeyman Duties
- Learn How to Construct a Firebox
- Learn How to Construct a Fireplace Flue
- Learn How to Construct Fireplace and Footings
- Learn How to Construct Hearths
- Learn How to Construct Roof Anchors
- Learn the Code Requirements for Construction of a Fireplace
- Learn the Communications Skills Required of a Job Supervisor
- Learn the Construction of Fireplaces, Kilns, and Furnaces by Using Refractory or Fire Brick
- Learn the Duties of a Foreman and His/Her Career Advancement Possibilities
- Learn to Construct a Fireplace Throat
- Materials -Veneer Construction
- Materials-Residential Masonry Design
- Parging in Masonry Construction
- Patterns -Bonded Masonry
- Planning and Construction of Custom Masonry
- Recognize the Terms Used with Reinforced Grouted Masonry
- Responsibilities of a Job Supervisor
- Safety, Health and Employment Rules and Procedures
- Scaffolding Safety Practices
- Shop Safety Rules and Procedures
- Shop Safety Rules for Operating Tools and Equipment



- Solve Problems in Masonry Mathematics
- Stick-On Veneer
- Stones
- Techniques for Setting and Laying Bricks
- Trade Math
- Various Types of Veneer Applied to a Fireplace

## **Journeyman Training**

### **COMMERCIAL SKILLS**

- Advanced Materials
- Safe working procedures and practices
- Scaffold Safety

### **OSHA**

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

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.
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## Training Proposal for: Foster Poultry Farms

**Agreement Number: ET16-0284**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** Sacramento

**Analyst:** K. Smiley

### PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee HUA	Industry Sector(s):	Manufacturing Agriculture Goods Movement  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Fresno, Merced, Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No    Machinists Automotive Trades No.190; Teamsters Local Union No. 63; United Food & Commercial Workers International Union 8			
Number of Employees in:	CA: 9,000	U.S.: 12,500	Worldwide: 12,500	
<u>Turnover Rate:</u>	15%			
<u>Managers/Supervisors:</u> (% of total trainees)	9%			

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	=	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$249,840		\$0		\$0		\$249,840

In-Kind Contribution:	100% of Total ETP Funding Required	\$302,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate HUA	Business Skills, Computer Skills, Continous Impr, Mfg Skills	634	8-200	0	\$360	\$11.70*
				Weighted Avg: 20			
2	Retrainee Priority Rate	Business Skills, Computer Skills, Continous Impr, Mfg Skills	60	8-200	0	\$360	\$16.00
				Weighted Avg: 20			

\*It will be made a condition of contract that the trainees in Job Number 1 will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

**Minimum Wage by County:** Job Number 1 (HUA): \$11.70 per hour for Merced & Fresno Counties and \$12.36 for Los Angeles County; Job Number 2: \$15.60 per hour for Merced & Fresno Counties and \$16.48 for Los Angeles County.

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

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

Up to \$2.36 per hour may be used to meet the Post-Retention Wage for Job Number 1 and up to \$0.48 per hour may be used to meet the Post-Retention Wage for Job Number 2.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Quality Assurance Staff		19
Distribution Staff		38
Operations Staff		502
Sanitation Staff		30
Administrative Staff		45
<b>Job Number 2</b>		
Front-Line Managers		60

**INTRODUCTION**

Foster Poultry Farms (Foster Farms) ([www.fosterfarms.com](http://www.fosterfarms.com)) was founded in 1939 in Livingston and is the largest poultry producer in the Western United States. The Company's operations handle all phases of the poultry process, from hatcheries to the finished products. Foster Farms operates 12 locations within the State of California. Their product line includes fresh chicken, frozen chicken and turkey, poultry deli products, frozen Mexican entrees, frozen appetizers, hot dogs, and corn dogs. These products are sold at grocery stores and restaurants across the United States.

## **PROJECT DETAILS**

This will be Foster Farms' second ETP Agreement within the last five years. The prior Agreement focused on increasing operational efficiencies and reducing waste through a Computer-Aided Cost Estimating System. The system provides a direct connection between plant floor and business operations, allowing the Company to gain real-time visibility of manufacturing performance.

For this proposal, in an effort to increase international sales, Foster Farms will focus on implementing the quality and safety standards set by the British Retail Consortium (BRC). The BRC is a leading safety and quality certification program used by over 23,000 certificated suppliers in 123 countries. Foster Farms' goal is to have BRC standards fully implemented by December 2016.

Foster Farms is also instituting an in-depth Animal Welfare Training program with the intent of creating a culture of humane treatment for all poultry livestock. The Company is making Animal Welfare Training an integral part of their business plan.

### **Union Support**

All union letters of support for this training project have been received.

### **Training Plan**

Training will take place at three California locations in Merced, Fresno, and Los Angeles Counties.

**Business Skills (5%):** Training will be provided to Administrative Staff and Front Line Managers. Training will enhance project management skills and increase customer satisfaction. Training will also emphasize identifying customer needs and product knowledge.

**Computer Skills (10%):** Training will be provided to Administrative Staff and Front Line Managers to enhance inventory regulation and production efficiency. The training topics will include Materials Resource Planning Software (MRP) and SAP Software.

**Manufacturing Skills (20%):** Training will be provided to all occupations to enhance food process sanitation and production efficiency. Courses will include LEAN Process II and Sanitation Best Practices.

**Continuous Improvement (65%):** Training will be provided to all occupations to enhance the humane treatment of livestock and create a culture of leadership. Courses will include Animal Welfare Training, Situational Leadership and British Retail Consortium.

### **Commitment to Training**

Foster Farms represents that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. Foster Farms invests \$550,000 annually for training that includes basic safety, company orientation, and departmental on-the-job training.

Foster Farms has a detailed training plan, with trainers that are familiar with ETP record keeping processes. Each training facility will have two on-site, full-time employees who will track progress. In addition, the Company contracted with Strategic Business Solutions to assist with administration.

**High Unemployment Area**

Foster Farms is requesting a wage modification for the 634 frontline workers (Job Number 1) in Fresno, Merced, and Los Angeles Counties, High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. For facilities in HUAs, the Panel may modify the ETP Minimum Wage by up to 25% if post-retention wage exceed the start-of-training wages. The Company is requesting a 25% wage modification for trainees in Job Number 1.

**Impact/Outcome**

Training will improve efficiency and encourage international growth. Trainees will also gain a deeper understanding of humane treatment towards livestock.

**PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0404*	Fresno, Merced, Los Angeles	06/04/2012- 06/03/2014	\$495,000	\$208,287 (42%)

\*During the term of this Agreement, all three of the Foster Farms participating facilities experienced a turnover in management, which caused a delay in delivering ETP-funded training. These incidents were remedied, however, it caused Foster Farms to shift focus from training to production.

The Livingston facility was able to complete a majority of the hours reimbursed under the Agreement. The Company has adopted the Livingston model at all facilities to ensure a successful performance going forward. The current proposal has been right-sized to reflect earnings under this previous Agreement.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

Foster Farms retained Strategic Business Solutions, LLC of Visalia to assist with development of this proposal for a flat fee of \$8,250.

**ADMINISTRATIVE SERVICES**

Foster Farms also retained Strategic Business Solutions, LLC to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

**TRAINING VENDORS**

To Be Determined

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

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Account Development

**COMPUTER SKILLS**

- SAP Software
- Materials Resource Program (MRP)

**CONTINUOUS IMPROVEMENT**

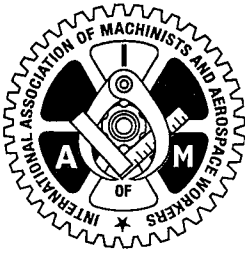
- Situational Leadership
- Advanced Food Product Safety
- Teambuilding
- Animal Welfare Training
- British Retail Consortium (BRC)

**MANUFACTURING SKILLS**

- Sanitation Best Practices
- LEAN Processes II

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

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



# MACHINISTS AUTOMOTIVE TRADES

## DISTRICT LODGE No. 190

7717 Oakport Street, Oakland, CA 94621 (510) 632-3661 Fax (510) 632-4171

JAMES H. BENO, Directing Business Representative

December 22, 2015

Executive Director  
Employment Training Panel  
1100 J Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

RE: ETP Training Program

The International Association of Machinists and Aerospace Workers, District Lodge 190, represents the bargaining unit comprised of over 2,500 employees at the Foster Farms plant located in Livingston, CA.

The IAMAW is an ardent supporter of employee training and recognizes the importance and crucial role the ETP Training Program plays in the development of our members.

We strongly recommend and support Foster Farms in their efforts to secure funding for training. The training program will provide our members with knowledge and skills needed to meet operational demands which in turn will increase promotional opportunities and provide a more secure work environment for the future.

Should you have any questions, please don't hesitate to contact me at (650) 619-2136)

Sincerely,

Pedro J. Mendez  
Business Representative/Assistant Director, Organizing  
District 190, IAM & AW

C: James Beno, DBR, District 190  
John Dias, Foster Farms



ET16-0284

# TEAMSTERS LOCAL UNION No. 63

RANDY CAMMACK  
SECRETARY-TREASURER

KEN HAARALA  
PRESIDENT

Freight, Parcel,  
Bakery, Dairy,  
Meat, Poultry  
and Factory  
Workers in the  
Los Angeles  
Metropolitan  
Area.

General Truck  
Drivers,  
Warehousemen,  
and Helpers in  
Los Angeles,  
San Bernardino,  
Riverside  
Counties,  
California.

Agricultural and  
Related Product  
Workers in the  
California  
Counties of San  
Diego, Imperial,  
Orange,  
Alameda,  
Los Angeles,  
San Bernardino,  
Ventura, Santa  
Barbara, Kern,  
San Luis  
Obispo, Tulare,  
Kings,  
Monterey, San  
Benito, Fresno  
and Merced.

927 Village Oaks  
Drive  
Covina, Calif.  
91724  
(626) 859-4005  
FAX  
(626) 859-4084

.....  
379 W. Valley  
Blvd.  
Rialto, Calif.  
92376  
(909) 877-4760  
FAX  
(909) 877-2452

December 28, 2015

Executive Director  
Employment Training Panel  
1100 J Street, 4<sup>th</sup> Floor  
Sacramento, California 95814

Re: ETP Training Program

To Whom It May Concern:

Teamsters Local 63 supports the ETP Training Program at Foster Farms.

We represent the members employed by Foster Farms at the Southern California Distribution Center located in El Monte, California. The program will provide our members with skills needed to meet operational demands which in turn will provide a more secure work environment for the future.

If you have any questions, please do not hesitate to contact me at (626) 859-4005, Extension 1140.

Sincerely,

Carlos Barnett  
Business Representative  
Teamsters Local No. 63  
CB/ls





United Food & Commercial Workers International Union, AFL-CIO, CLC

**Jacques Loveall**  
President  
International Vice President

**Roseville**  
(Headquarters)  
2200 Professional Dr.  
Roseville, CA 95661  
(916) 786-0588  
(916) 786-0958 (fax)

**Bakersfield**  
900 Airport Dr.  
Bakersfield, CA 93308  
(661) 391-5770

**Chico**  
20 Constitution Dr.  
Suite C  
Chico, CA 95973  
(530) 895-0017

**Fresno**  
3485 W. Shaw Ave.  
Suite 101  
Fresno, CA 93711  
(559) 271-1288

**Fresno**  
*Distillery, Wine & Allied,  
and Wholesale Division*  
3485 W. Shaw Ave.  
Suite 102  
Fresno, CA 93705  
(559) 226-5045

**Modesto**  
2007 Yosemite Blvd.  
Modesto, CA 95354  
(209) 529-0596

**Redding**  
3400 Bechelli Ln.  
Suite C  
Redding, CA 96002  
(530) 222-3905

**Sacramento**  
1930 9th Street  
Sacramento, CA 95811  
(916) 503-8828

**Santa Rosa**  
940 Hopper Ave.  
Santa Rosa, CA 95403  
(707) 546-1384

**December 22, 2015**

**Executive Director  
Employment Training Panel  
1100 J Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814**

**RE: ETP Training Program**

**The United Food and Commercial Workers Union, 8-Golden State represents over 32,000 members in the Western United States. We represent over 3,500 members employed at four Foster Farms plants in Turlock, Fresno, California.**

**UFCW 8-Golden State is an ardent of the ETP Training Program and strongly recommends and supports Foster Farms in their efforts to secure funding for employee training. The training program will provide our members with knowledge and skills needed to meet operational demands which in turn will enhance advancement opportunities and provide a more secure work environment for the future.**

**If you have any questions, please don't hesitate to contact me at (916) 786-0588.**

**Sincerely,**

**JOE CIOTTI**  
**Wholesale Industry Director**



ET16-0284

# TEAMSTERS LOCAL UNION No. 63

RANDY CAMMACK  
SECRETARY-TREASURER

KEN HAARALA  
PRESIDENT

Freight, Parcel,  
Bakery, Dairy,  
Meat, Poultry  
and Factory  
Workers in the  
Los Angeles  
Metropolitan  
Area.

General Truck  
Drivers,  
Warehousemen,  
and Helpers in  
Los Angeles,  
San Bernardino,  
Riverside  
Counties,  
California.

Agricultural and  
Related Product  
Workers in the  
California  
Counties of San  
Diego, Imperial,  
Orange,  
Alameda,  
Los Angeles,  
San Bernardino,  
Ventura, Santa  
Barbara, Kern,  
San Luis  
Obispo, Tulare,  
Kings,  
Monterey, San  
Benito, Fresno  
and Merced.

927 Village Oaks  
Drive  
Covina, Calif.  
91724  
(626) 859-4005  
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.....  
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December 28, 2015

Executive Director  
Employment Training Panel  
1100 J Street, 4<sup>th</sup> Floor  
Sacramento, California 95814

Re: ETP Training Program

To Whom It May Concern:

Teamsters Local 63 supports the ETP Training Program at Foster Farms.

We represent the members employed by Foster Farms at the Southern California Distribution Center located in El Monte, California. The program will provide our members with skills needed to meet operational demands which in turn will provide a more secure work environment for the future.

If you have any questions, please do not hesitate to contact me at (626) 859-4005, Extension 1140.

Sincerely,

Carlos Barnett  
Business Representative  
Teamsters Local No. 63  
CB/ls



United Food & Commercial Workers International Union, AFL-CIO, CLC

**Jacques Loveall**  
President  
International Vice President

**Roseville**  
(Headquarters)  
2200 Professional Dr.  
Roseville, CA 95661  
(916) 786-0588  
(916) 786-0958 (fax)

**Bakersfield**  
900 Airport Dr.  
Bakersfield, CA 93308  
(661) 391-5770

**Chico**  
20 Constitution Dr.  
Suite C  
Chico, CA 95973  
(530) 895-0017

**Fresno**  
3485 W. Shaw Ave.  
Suite 101  
Fresno, CA 93711  
(559) 271-1288

**Fresno**  
*Distillery, Wine & Allied,  
and Wholesale Division*  
3485 W. Shaw Ave.  
Suite 102  
Fresno, CA 93705  
(559) 226-5045

**Modesto**  
2007 Yosemite Blvd.  
Modesto, CA 95354  
(209) 529-0596

**Redding**  
3400 Bechelli Ln.  
Suite C  
Redding, CA 96002  
(530) 222-3905

**Sacramento**  
1930 9th Street  
Sacramento, CA 95811  
(916) 503-8828

**Santa Rosa**  
940 Hopper Ave.  
Santa Rosa, CA 95403  
(707) 546-1384

**December 22, 2015**

**Executive Director  
Employment Training Panel  
1100 J Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814**

**RE: ETP Training Program**

**The United Food and Commercial Workers Union, 8-Golden State represents over 32,000 members in the Western United States. We represent over 3,500 members employed at four Foster Farms plants in Turlock, Fresno, California.**

**UFCW 8-Golden State is an ardent of the ETP Training Program and strongly recommends and supports Foster Farms in their efforts to secure funding for employee training. The training program will provide our members with knowledge and skills needed to meet operational demands which in turn will enhance advancement opportunities and provide a more secure work environment for the future.**

**If you have any questions, please don't hesitate to contact me at (916) 786-0588.**

**Sincerely,**

**JOE CIOTTI**  
**Wholesale Industry Director**





## RETRAINEE - JOB CREATION

Training Proposal for:

**Gallina LLP**

**Agreement Number: ET16-0346**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** Sacramento

**Analyst:** W. Sabah

### PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative	Industry Sector(s):	Services  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Placer, Sacramento, Contra Costa, Marin, San Mateo, Santa Clara, San Bernardino, Orange	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 168	U.S.: 209	Worldwide: 209
<u>Turnover Rate:</u>	13%		
<u>Managers/Supervisors:</u> (% of total trainees)	22%	See Project Details Section	

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$173,190		\$0	\$0		\$173,190

In-Kind Contribution:	100% of Total ETP Funding Required	\$462,300
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Business Skills, Computer Skills, Cont. Imp.	133	8-200	0	\$1,230	\$17.50
				Weighted Avg: 82			
2	Retrainee Job Creation Initiative	Business Skills, Computer Skills, Cont. Imp.	12	8-200	0	\$800	\$23.00
				Weighted Avg: 40			

**Minimum Wage by County:** Job Number 1: \$15.60 in Placer and San Bernardino counties, \$16.10 in Sacramento County, \$16.51 in Orange County, and \$17.02 in Contra Costa, Marin, San Mateo and Santa Clara counties. Job Number 2 (Job Creation): \$12.77 in Placer and San Bernardino counties, \$13.42 in Sacramento County, \$13.76 in Orange County, and \$14.19 in Contra Costa, Marin, San Mateo and Santa Clara counties.

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

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

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

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Administrative Staff		13
Paraprofessional		5
Accounting Clerk		8
Accountant Level I		48
Accountant Level II		11
Manager I		9
Manager II		9
Senior Manager I		7
Senior Manager II		7
Human Resources Staff Level I		2
Human Resources Staff Level II		1
Information Technology Staff Level I		4
Information Technology Staff Level II		2
Marketing Staff		5
Marketing Business Development Staff		2

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 2</b>		
Accounting Clerk		12

## **INTRODUCTION**

Founded in 1972 and headquartered in Roseville, Gallina LLP (Gallina) ([www.gallina.com](http://www.gallina.com)) is an accounting, auditing and tax-consulting firm. Their services include industry-specific compilation, review and audit of financial statements. They also assist clients with corporate or general tax planning, cost segregation and analysis to improve probability, mitigate risks and manage growth. Their client base includes individuals and organizations across a variety of industries with a heavy focus in the construction, manufacturing and agricultural industries. Gallina has facilities in Placer, Sacramento, Contra Costa, Marin, San Mateo, Santa Clara, San Bernardino and Orange counties, all of which will participate in this training proposal. They have locations in other Western states, as well.

### **Need for Training**

According to Gallina, they are one of the fastest growing firms in this field. The Company increased its geographic footprint throughout California and other Western states in the last few years. The Company is predicting further growth through the formation of “niche service” offerings and industry specialization. To handle the complexities of the growing firm, Gallina recently purchased a new ERP system and employees need training.

Gallina faces competition from local, national and international consulting firms. To remain competitive and to obtain new clients, the Company must provide Continuous Improvement training along with Business and Computer Skills. Training will allow employees to work together, deliver exceptional services, and retain long-term customers.

### **Retrainee - Job Creation**

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

In recent years, Gallina has grown through acquisitions. In 2011, the firm grew at a rate of 31% and has grown at the same rate annually. Since then, the Company acquired three new firms and is continually evaluating potential professionals to join their firm. Recently, Gallina expanded their Southern California market by adding firms in Ontario and Newport Beach. These two locations, along with other California locations, require additional employees to support their growth and meet the demand of customers.

In this proposal, Gallina has committed to hiring 12 new employees (Job Number 2). Gallina represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into “net new jobs” as a condition of contract.

## **PROJECT DETAILS**

### **Training Plan**

Trainees will receive between 8-200 hours of Classroom/Laboratory, Videoconference and E-learning training in the following:

**Business Skills (20%):** Training will be offered to all occupations to improve project management skills, customer service, presentation skills, and business operation skills. Training will include course topics such as Client Relationship and Management, Effective Presentation, Financial Services, Marketing & Support, Research Skills and Customer Product Knowledge/Improvements.

**Computer Skills (40%):** Training will be offered to all occupations to enhance computing abilities and increase knowledge of database creations, spreadsheets and reports in the new ERP system. Training will also focus on presentation development and social networking/marketing. Information Technology Staff will train in network design, network maintenance and program development. Training will include Accounting Research Manager, ADP Payroll, Checkpoint Tools, Cloud Computing, Salesforce, SafeSign, SQL Server Reporting Services and System Integration/Configuration.

**Continuous Improvement (40%):** Training will be offered to all occupations to develop staff's decision-making skills, improve business flow and encourage team collaboration. Trainees will learn to mentor colleagues and manage projects to remain focused on the Company's goals and leadership values. Training will include Building Effecting Teams, Efficiency and Quality Improvements, Managing Workflow and Scheduling, Project Management Skills, Team Building/Team Meetings and Leadership Essentials.

### **Managers/Supervisors**

The trainee population includes a projected Manager/Supervisor ratio of 22%, which exceeds ETP's standard cap of 20%. Gallina is requesting a waiver to this cap due to the Company's square- business structure rather than the typical pyramid business structure of accounting firms. Having a square structure allows the Company to have more Managers able to work directly with employees to improve the quality of relationships and work products. Gallina's goal is to provide its Managers/Supervisors with the techniques to identify future leaders and the proper leadership skills to help the firm continuously grow and maintain a professional workforce. Training will improve the firms' ability to adapt to changing market conditions.

### **Commitment to Training**

Gallina represents that ETP funds will not displace the existing financial commitment to training. The Company's annual training budget per facility is approximately \$140,000 and includes ethics training, workplace harassment prevention, and Continuing Professional Education courses for employees that would like to become CPA certified.

#### **➤ Training Infrastructure**

The Senior Manager will work with a team of three to five staff members to administer the ETP program. The Director of Recruitment & Development will oversee all training and ETP documentation for all employees company-wide. The team will work together to identify required training and work on administrative duties to complete the ETP project successfully.

**Impact/Outcome**

Gallina's dedication to training will allow them to successfully implement the new ERP system and improve leadership skills. Several trainees will also receive QuickBooks certifications.

**LMS**

Staff has reviewed and approved Gallina's use of a Learning Management System for recordkeeping.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

To Be Determined



**Exhibit B: Menu Curriculum****Class/Lab Hours/Videoconference/E-learning**

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Accounting Methods & Techniques
- Auditing Techniques
- Business Development/Cross-Selling Skills
- Business Etiquette
- Business Writing Skills
- Client Relationship and Management
- Communication and Presentation Skills
- Conflict Management/Risk Management
- Contract Management
- Customer Product Knowledge/Improvements
- Customer Service
- Effective Presentation
- Financial Services
- Foreign & Investment Taxation Techniques
- Human Resources Management & Planning
- Marketing & Support
- Negotiation Skills
- New Product Services
- New Tax Methods
- Planning & Support
- Proposal Writing/Report Writing
- Producing Documents
- Research Skills
- Taxes
- Technical Employee Orientation (tax & audit processes)
- Specific Systems and Best Practices

**COMPUTER SKILLS**

- Accounting Research Manager
- Adobe
- ADP Payroll
- Bloomberg BNA
- Checkpoint Tools
- Cloud Computing
- Cyber Recruiter Software
- Crystal Reports
- Database Tools
- Direct Access
- Finance/Accounting Tools
- Go File Room
- ProSystems
- Internet Tools/Web Tools/Database Tools
- Salesforce

- Learnlive Compliance System
- LastPass
- LinkedIn
- Microsoft Quickbooks
- Microsoft Office Suite (Intermediate & Advanced)
- Microsoft Dynamics
- NetSuite Systems Training
- Outlook
- Link (Instant Messaging)
- Vidyo (Video Conferencing)
- Peoplesoft
- PowerPoint Tools
- PPC SMART Practice Aid
- ProSystems Tools/Engagement
- Publisher
- RIA Research Integration
- SafeSign
- System Center Configuration Manager
- Security Training
- Sharepoint Design
- SilkRoad
- Social Media Tools (Facebook, Twitter, LinkedIn, Digital & Multimedia)
- STAR Network
- SQL Server Reporting Services
- System Integration/Configuration
- System Upgrade/New Systems Training
- Visual Practice Management

#### **CONTINUOUS IMPROVEMENT**

- Building Effective Teams
- Coaching – Delivering and Receiving Feedback
- Efficiency and Quality Improvements
- Managing Workflow and Scheduling
- Problem Solving/Process Improvement
- Project Management Skills
- Team Building/Team Meetings
- Leadership Essentials:
  - Being and Effective Team Member
  - Building Trust
  - Business Coaching
  - Effective Communication
  - Giving Feedback
  - Leading Teams: Management Essentials
  - Motivating and Inspiring Teams
  - Team Building

<p>Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.</p>
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## RETRAINEE - JOB CREATION

Training Proposal for:

**Lollicup USA Inc.**

**Agreement Number: ET16-0334**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	San Bernardino	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 214	U.S.: 219	Worldwide: 219	
<u>Turnover Rate:</u>	18%			
<u>Managers/Supervisors:</u> (% of total trainees)	12%			

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$248,664		\$0	\$0		\$248,664

In-Kind Contribution:	100% of Total ETP Funding Required	\$320,342
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Comm. Skills, Computer Skills, Cont. Imp., HazMat, Mgmt. Skills, Mfg. Skills, Literacy Skills	172	8-200	0	\$1,062	\$15.60
				Weighted Avg: 59			
2	Retrainee Priority Rate Job Creation	Business Skills, Comm. Skills, Computer Skills, Cont. Imp., HazMat, Mgmt. Skills, Mfg. Skills, Literacy Skills	55	8-200	0	\$1,200	*\$12.77
				Weighted Avg: 60			

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

**Minimum Wage by County:** Job Number 1: \$15.60 per hour for San Bernardino County.  
Job Number 2 (Job Creation): \$12.77 per hour for San Bernardino County.

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

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

Up to \$2.60 per hour may be used to meet the Post-Retention Wage in Job Number 1 and up to \$2.77 per hour in Job Number 2.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Administrative/Support Staff		5
Corporate Trainer		3
Drivers		16
Transportation Dispatcher		2
Machine Operators		33
Department Coordinators		10
E-Commerce Specialist		4
Quality Control Technician		4
Receptionist/CSR		5

Accounting Assistant		6
Graphic Designer		3
Inventory Control Assistant		2
Sales Account Executive/Specialist/Coordinator		39
Team/Shift Leads		12
Supervisors/Assistant Managers/Managers		27
Budget & Financial Analyst		1
<b>Job Number 2</b>		
Administrative/Support Staff		17
Warehouse/Machine Operator Assistant		10
Machine Operators		10
Transportation Dispatcher		3
Quality Control Technician		5
Drivers		7
Budget & Financial Analyst		3

## **INTRODUCTION**

Founded in 2000, Lollicup USA Inc. (Lollicup USA) manufactures, and supplies premium beverage and disposable food service products. The Company is headquartered in Chino and opened a new 300,300 square foot facility in 2013. Lollicup USA offers two brands of bubble tea supplies, powdered/liquid drink mixes, and food service disposables (plastic and paper cup), Tea Zone ® and Karat ®. This will be Lollicup USA's first ETP Agreement

## **PROJECT DETAILS**

Lollicup USA has experienced a 35% increase in sales over the last few years. This expansion is due to an increase in customers, additional products and greater production capabilities in the new facility. Lollicup USA plans to train its workforce to increase efficiencies and improve employee skill sets to handle increased productivity levels.

The Company will have installed four new machines by March 2016: Thermoforming Sheet Extrusion Line, two Thermoforming Machines, and one Paper Cup Forming Machine. The Extrusion Line will replace two less efficient machines currently used in manufacturing. Training will be delivered to ensure Production Staff can operate all new equipment to complete work orders and maintain efficiency.

Manufacturing Skills training will include safer practices, materials and manufacturing processes. Additional training will focus on organizational skills in an effort to increase productivity.

Training in Continuous Improvement, Business and Computer Skills will improve employee performance and skills. With recent hiring over the last year, it has become imperative that the Company develop a training plan to ensure workers are familiar with production procedures and operations. Certifications attained include Manufacturing Practices Certified Manufacturing Facility, Microsoft Certified Office Staff, and Six Sigma Certified Quality Control Staff. All training will take place at the Chino facility.

## Training Plan

**Business Skills** (20%): Training will be offered to all occupations to ensure workers meet customer needs and improve in areas such as time management. Training delivered includes Business Writing, Customer Service Skills, and Planning and Development.

**Literacy Skills** (5%): Training will be offered to all trainees who speak English as a Second Language. Courses will improve trainee ability to communicate amongst fellow staff members and complete job tasks expected of their occupation.

**Commercial Skills** (10%): Training will be offered to Transportation Drivers on driving standards and operations to transport Lollicup USA products nationally. Training topics are job specific for the occupation.

**Management Skills** (20%): Training will be offered to Supervisors/Managers to increase managerial skills and communication with employees. Trainees will learn to become better leaders and motivate staff.

**Computer Skills** (15%): Training will be offered to all occupations in computer programs used on a daily basis. Course topics offered include Microsoft Office and NetSuite Training.

**Manufacturing Skills** (10%): Training will be offered to Machine Operators, Quality Control Technicians, Inventory Control Assistants, Team/Shift Leads and Supervisors/Managers. Workers will learn how to operate new production machinery and equipment.

**Continuous Improvement** (15%): Training will be offered to all occupations to improve overall capability to problem solve. Trainees will participate in Conflict Resolution courses to increase employee ability to resolve issues without interrupting production flow.

**HazMat** (5%): Training will be offered to Machine Operators, Team/Shift Leads, Warehouse/Machine Operators, and Supervisors/Assistant Managers/Managers. Training is a series of courses, specific to industry sectors involved in the transport of hazardous materials. The coursework varies in length depending on the industry and the occupational title, as organized in five levels ranging from “first responder” to “incident commander.”

## Retrainee - Job Creation

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

Lollicup USA has committed to hiring 55 new employees (Job Number 2), to accommodate new growth in sales. To meet customer demand, the Company plans to hire and train new employees to ensure they are able to execute job duties assigned on a daily basis. Training to be delivered will increase efficiency and productivity levels, and improve manufacturing practices. Trainees will learn how to operate machinery, use company computer programs, and learn customer service techniques.

Lollicup USA represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into “net new jobs” as a condition of contract.

## Commitment to Training

Lollicup USA spends approximately \$20,000 annually in training at their Chino facility. Training delivered is company-wide and job specific.

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

➤ Training Infrastructure

The Company has designated Human Resource Department staff for ETP Agreement administration. Staff will schedule training, track training hours, enrollment and meet with ETP Staff. Lollicup USA employees will be educated on all ETP documentation requirements to remain in compliance.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

N/A

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

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Planning and Development Skills
- Phone System Knowledge Skills
- Customer Service Skills - How We All Can Improve
- Time Management
- Business Writing for Employees
- The Power of Listening
- Turning Satisfied Customers into Repeat Customers
- Maintaining a Positive Attitude
- Effective Meetings

**COMMERCIAL SKILLS**

- Avoiding Back Injuries
- Defensive Driving for Commercial Motorists
- Defensive Driving for Non-Commercial Motorists
- Attendance Management

**COMPUTER SKILLS**

- Microsoft Office Bootcamp
- NetSuite Training Module
- Email Best Practices for All Employees
- Effective Electronic Storage and Security

**CONTINUOUS IMPROVEMENT**

- Train-the-Trainer
- Conflict Resolution for All Employees

**HAZARDOUS MATERIALS**

- Fire Extinguisher Training
- Hazard Communication
- MSDS/PDS Reading
- Safe Chemical Handling

**MANAGEMENT SKILLS** (Managers/Supervisors Only)

- Leadership Training
- Time Management
- Emotional Management
- Motivating Employees
- Writing Effective Job Descriptions

**MANUFACTURING SKILLS**

- Handling Raw Materials Properly
- Proper Protective Equipment



**LITERACY SKILLS**

- English as a Second Language
- Effective Reading Strategies
- Train Your Brain to Sight Read
- Understanding Machinery Manuals

Literacy Training cannot exceed 45% of total training hours per-trainee

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

(This cap does not apply to Hazmat)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.
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**Training Proposal for:**  
**Northern California Surveyors**  
**Joint Apprenticeship Committee**

**Agreement Number: ET16-0918**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** San Francisco Bay Area

**Analyst:** D. Woodside

**PROJECT PROFILE**

Contract Attributes:	Retrainee Apprenticeship Priority Rate Veterans	Industry Sector(s):	Construction   Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Northern California	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No   Operating Engineers Local No. 3		
Turnover Rate:		≤20%	
Managers/Supervisors: (% of total trainees)		NA	

**FUNDING DETAIL:**

<b>Program Costs</b>	+	<b>Support Costs</b>	=	<b>Total ETP Funding</b>
\$174,048		\$12,056 8%		\$186,104

In-Kind Contribution:	50% of Total ETP Funding Required	Inherent
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## **TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate Apprentice	Commercial Skills	75	8-200	0	\$2,002	\$22.47
				Weighted Avg: 144			
2	Retrainee Priority Rate Journeyman	Commercial Skills	46	8-200	0	\$564	\$32.10
				Weighted Avg: 24			
3	Retrainee Priority Rate Apprentice Veteran	Commercial Skills	5	8-200	0	\$2,002	\$22.47
				Weighted Avg: 144			

**Minimum Wage by County:** \$21.28 per hour Statewide (Priority Industry).

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

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

### **Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Apprentice Surveyor (Chief of Party and Chainman/Rodman)*		80
Journeyman Surveyor (Chief of Party) Journeyman Surveyor (Chainman/Rodman)		46

\*The wage range for Apprentices is for Chainman/Rodman (periods 2-4), progressing through to Chief of Party (periods 5-8). Veterans have the same wage range for both occupations.

## **INTRODUCTION**

The Northern California Surveyors Joint Apprenticeship Committee (NCSJAC) ([www.ncsjac.org](http://www.ncsjac.org)) was established in 1975 as a labor-management committee by the Operating Engineers Local Union 3 and the California and Nevada Civil Engineers and Land Surveyors Association, Inc. (Association). It is funded under the Operating Engineers and Northern California Surveyors Pre-Apprentice, Apprentice, and Journeyman Affirmative Action Training Fund (Fund). The Fund is governed by a 12-member board, six designated by the union and six selected by signatory employers in the Association.

The primary function of the NCSJAC is to provide up-to-date skills training and to secure high-quality job opportunities for surveyors. The signatory employers are surveying, engineering, and/or construction contractors. The trainees are field and construction surveyors, who are members of Operating Engineers Local Union 3. NCSJAC serves 46 Northern California counties from the Oregon border down to and including Fresno. The JAC's administrative office and staff is located in Alameda.

NCSJAC is approved by the Division of Apprenticeship Standards (DAS) as the sponsor of three apprenticeship programs for surveyors:

- 1) Chainman/Rodman
- 2) Chief of Party (advanced skills)
- 3) Instrumentman

ETP will provide funding for the first two of these programs. This will be NCSJAC's third ETP Agreement.

### **Need for Training**

All training is designed to upgrade the skills of Journeyman and prepare all Surveyor Apprentices to use technologically-advanced equipment in commercial and industrial construction, public infrastructure projects, and "green" construction in Northern California. A Surveyor determines the proper location of property lines, makes accurate field measurements, and uses equipment such as global positioning systems and other high-tech equipment to determine the topography of the surface of the earth.

To control rising costs while maintaining workers' wages, the signatory employers must explore new technologies and improve systems to reduce waste. ETP-funded training will enable employers to bid on additional jobs and specialized projects, thus improving job security and reducing periods of unemployment for surveyors.

Work has accelerated in public and private commercial construction jobs such as the San Francisco Trans Bay Terminal, California High Speed Rail project planning, the BART Berryessa Extension, Sacramento Kings Arena, the new Apple Headquarters Campus, Doyle Drive in San Francisco, the Google Campus, several PG&E and SMUD Solar Farms, and Cordes Ranch in Tracy (a 2300 acres Business Park Development). These projects are just some examples of construction projects requiring that the JAC recruit and train more apprentices and journeymen to meet employer needs for qualified surveyors.

Many construction contractors are employing Journeymen and Apprentices who must use 3D laser scanning as a critical component of their survey work. Such training in new technologies has already assisted considerably in creating new job opportunities for Apprentices and Journeymen, and new construction jobs should continue to sustain employment retention.

### **Veterans**

The Panel has established a higher reimbursement rate and other incentives for training California veterans. Higher support costs are also available to reach participants for this program. In this proposal, NCSJAC has committed to training five Veterans in Job Number 3 at the regular apprenticeship rate and without additional support costs. For recruitment purposes, NCSJAC works with United Contractors, a trade association for 270+ union contractors in

Northern California. This association provides resources and support services under its “United for Veterans” program.

## **Apprenticeship Program**

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). The Panel adopted the Apprenticeship Training Program as a pilot in March 2012. It is designed to supplement costs of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training.

Apprenticeships are a multi-year training program that results in DAS certification to work as a Journeyman. They are authorized in California under the Shelly-Maloney Apprenticeship Labor Standards Act of 1939. Apprentices commit to training under contract with an apprenticeship program sponsor. They advance through a series of apprenticeship levels as they complete modules of RSI and on-the-job training. Wages are paid for hours worked on the job, in progression with a series of advancements up to the Journeyman level.

Apprentice programs are typically sponsored by a Joint Apprenticeship Training Committee (JATC) or Unilateral Apprenticeship Committee (UAC). A JATC is created through collective bargaining, with an equal number of members appointed by union and management, as compared to a UAC which is created through a trade association. Both types require employer contributions to a training trust fund.

Depending on the type of trade, apprenticeship programs for surveyors vary in length. The two apprenticeship programs are each for a 24-month period split between four periods. Each period requires 72 hours of RSI under a curriculum developed in affiliation with the Castro Valley Adult and Career Education School as the Local Educational Agency (LEA).

In this case, that means Apprentices in the Chainman/Rodman program may be enrolled for ETP funding over an 18-month course of study from Period 2 through Period 4. Apprentices in the Chief of Party program may be enrolled for a 24-month course of study from Period 5 through Period 8.

Apprentices may be certified as Journeymen in the occupation Chainman/Rodman after completing Period 4. The subsequent apprentice periods are equivalent to advanced study, starting at 100% earning of the Journeyman Chainman/Rodman. To continue working as a surveyor, the Journeyman Chainman/Rodman must continue in this advanced apprenticeship.

A Chief of Party graduate may choose to be certified in one or more of five specialty areas: 1) Heavy Construction Surveys, 2) Light Construction Surveys, 3) Topo/Hydro Surveys, 4) Boundary Surveys and 5) Global Positioning System Surveys.

For the building trades, it is not customary for workers to be employed for a standard retention period of 90 consecutive days with one employer. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

Because ETP funding cannot displace another source of government funds, the fixed fee rate is reduced by \$5.00 to account for adult education funding appropriated each year for Apprentice training through the California Community College Chancellor's Office and Department of

Education. This changes the ETP Priority Industry Rate from \$18.00 to \$13.00 per hour for all Apprentice Job Numbers.

In addition, the Panel adopted a “blended rate” for Journeymen, reflecting the fact that they may be employed by a variety of contractors over the two-year term of contract ranging from large employers, to small ( $\leq 100$  employees). This is \$22 per hour, midway between the Priority Industry standard rate (\$18) and Small Business rate (\$26).

Under the Apprenticeship Training Program, the post-retention wage has been standardized to \$21.28 per hour reflecting the Special Employment Training (SET) wage for Priority Industry. This wage was chosen for ease of administration, recognizing that most Apprentices and all Journeymen exceed the highest ETP wage requirements. However, the actual wage is displayed in the Training Plan Table and the ETP Agreement, if it exceeds \$21.28.

## **PROJECT DETAILS**

Training, comprised of class/lab and virtual classroom or E-Learning, may take place at NCJAC’s Alameda headquarters location (Alameda County), as well as at various training sites across Northern California. Training is scheduled to begin in February 2016. All curricula is customized to meet employer needs as determined from input by signatory employers, the union, and the instructors, all of whom are current or retired members of the trade. There is no duplication of training. Trainees never receive the same training twice. Course content is revised as needed to reflect new equipment and techniques available in the surveying trade.

### **Training Plan**

**Commercial Skills** (100%): Apprentice trainees will receive training in surveying basics, history, tools, trade-related math, data collection, and job-related skills such as leveling. Training for Journeymen will focus on electronic methods which require the use of digital knowledge as well as being trained on advanced topics such as photogrammetric and global positioning systems.

### **DAS Completion Rates**

The retention rate for the apprenticeship program sponsored by NCSJAC was 35.04% for the five-year time period 2009-2013, per DAS records. The Industry Average retention rate for this same time period was 42.19%. Retention rates do not trigger a DAS audit unless the program average is less than 50% of the Industry Average, which is not the case here.

### **Curriculum Development**

Employer and union members of the JAC are also involved in Journeyman and Apprentice training plan design. Employer and worker input are also solicited by JAC staff at labor/management and industry meetings. Curriculum development is further customized based on workplace performance by journeymen and apprentices, the requests of customers, and needs of the industry as well as student course evaluations completed at the end of each course.

### **Commitment to Training**

Employers will continue to make contributions to the training trust for every hour worked by Apprentices and Journeymen. General safety training is, and will continue to be, provided by participating employers in accordance with all requirements under state and federal law.

## **Tuition Reimbursement**

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

## **Marketing and Support Costs**

NCSJAC requests 8% support costs to assist in trainee recruitment, employer outreach and assessment of employer-specific job requirements.

The Apprenticeship program is marketed through the various employer associations in Northern California. Employers are notified of training through association websites, mailings, and presentations. Training is then designed around employer's needs and the overall need of the industry. The JAC will also disseminate class information throughout the year to all Journeyman workers within the local's jurisdiction. Marketing is thus conducted through newsletters, personal contacts, telephone calls, the Internet, emails, and the JAC's website.

Certain employers have already been recruited; however, additional recruitment will take place to complete the project and replace any employers whose training needs change since the project planning process began. Assessment of employer-specific job requirements will continue during the contract term. Staff recommends the 8% support costs used for these purposes.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0903	No Cal Counties	11/03/2013 – 11/02/2015	\$178,844	\$178,844 (100%)
ET11-0270	No Cal Counties	06/06/11 – 06/05/13	\$168,140	\$60,781 (36%)

**ET14-0903:** All training has ended under this Agreement. As of 12/30/15, 86 apprentices and 8 journeymen completed training and employment retention. Based on the ETP tracking system as of 12/30/15, 10,873 reimbursable hours have been tracked (90% of the Agreement amount). The Contractor projects 100% earnings once all training hours are uploaded and the closeout invoice is processed.

**ET11-0270:** This contract began some nine months before the Panel adopted the Apprenticeship Pilot Program with Journeymen and Pre-Apprentice trainees only. These Journeymen received over 500 hours of ETP-eligible training in total, but many did not satisfy retention due to the continuing downturn in construction. After the Apprenticeship Pilot started, the JAC added an Apprenticeship Job Number to train 65 Apprentices (Chainmen/Rodmen and Chief of Party) along with the original 43 Journeymen and Pre-Apprentices. The JAC earned payment for 39 of the 65 Apprentices, which is significant given there were only 11 months remaining in the term of the contract in which to deliver minimum hours and complete retention.

According to the JAC, this Agreement began just as the economic downturn was still having a significant impact on the construction industry. Apprentices and Journeymen were forced to take jobs outside the construction industry as employers laid off many workers. In its subsequent Agreement ET14-0903 earnings are expected to be 100 percent. Surveyors are in a unique position within the construction industry because they are the first to go to work when the labor market improves, which is what occurred and lead to the success of ET14-0903. This proposal builds on this success and will meet the on-going employer demand for highly-skilled surveyors in Northern California.

### **DEVELOPMENT SERVICES**

Steve Duscha Advisories in Sacramento assisted with development of this proposal for a flat fee of \$10,000.

### **ADMINISTRATIVE SERVICES**

Steve Duscha Advisories will perform administrative services for a fee not to exceed 12.2% of payment earned.

### **TRAINING VENDORS**

To Be Determined



**Class/Lab Hours**

8-200

**Exhibit B: Menu Curriculum**

Trainees may receive any of the following:

**COMMERCIAL SKILLS**

**Apprentice Surveyor: Chainman/Rodman**

- Introduction to Computers
- Solving Equations Part 2
- Metric Systems/Conversions
- Algebra I
- Geometry
- Angles
- Introduction To Traverse
- Rectangular Coordinates System
- Algebra II
- Trigonometry
- Oblique Triangles
- Circle Solutions
- Latitude, Departure and Coordinates
- Traverses-Methods and Procedures
- Traverse-Precision
- Traverse Lines
- Horizontal Curves
- Vertical Curves
- Data Collection System
- Safety-Heat Stress

**Apprentice Surveyor: Chief of Party**

- Area By Coordinates
- Omitted Measurement
- Partitioning Of Land
- Topographic Surveying and Mapping
- Photogrammetric Surveys
- Safety Training Review
- Construction Control Surveys
- Construction and Section
- Highway Construction Surveys
- Municipal Street Construction
- Earthwork and Volume
- Introduction/History Boundary Surveying
- Functions Boundary Survey
- Legal Description/Easements
- Boundary Retracement/Pre Steps

## **COMMERCIAL SKILLS**

### **Journeyman Training**

- 3D Laser Scanning
- Latest Techniques in Leveling including Digital
- Advanced Survey Calculator
- In-depth Plan Reading
- Advanced Global Positioning System/Global Navigation Satellite Systems
- Photogrammetry
- Robotics
- Boundary Retracement

### **E-Learning Hours**

8-200

## **COMMERCIAL SKILLS**

### **Apprentice Surveyor: Chainman/Rodman**

- Introduction to Computers
- Solving Equations Part 2
- Metric Systems/Conversions
- Algebra I
- Geometry
- Angles
- Introduction To Traverse
- Rectangular Coordinates System
- Algebra II
- Trigonometry
- Oblique Triangles
- Circle Solutions
- Latitude, Departure and Coordinates
- Traverses-Methods and Procedures
- Traverse-Precision
- Traverse Lines
- Horizontal Curves
- Vertical Curves
- Data Collection System
- Safety-Heat Stress

**Apprentice Surveyor: Chief of Party**

- Area By Coordinates
- Omitted Measurement
- Partitioning Of Land
- Topographic Surveying and Mapping
- Photogrammetric Surveys
- Safety Training Review
- Construction Control Surveys
- Construction and Section
- Highway Construction Surveys
- Municipal Street Construction
- Earthwork and Volume
- Introduction/History Boundary Surveying
- Functions Boundary Survey
- Legal Description/Easements
- Boundary Retracement/Pre Steps

**Journeyman Training**

- 3D Laser Scanning
- Latest Techniques in Leveling including Digital
- Advanced Survey Calculator
- In-depth Plan Reading
- Advanced Global Positioning System/Global Navigation Satellite Systems
- Photogrammetry
- Robotics
- Boundary Retracement

<p>Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.</p>
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**Panel Amendment #1 Proposal for:**  
**PRL Glass Systems, Inc**  
**Agreement Number: ET15-0234**

**Amendment Effective Date:** August 5, 2014

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

**CURRENT PROJECT PROFILE**

Contract Type:	HUA - Retrainee Job Creation Priority/Retrainee	Industry Sector(s):	Manufacturing Construction Wholesale Trade
Counties Served:	Los Angeles	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Priority Industry:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Current Contract Term:	August 4, 2014 to August 3, 2016	Substantial Contribution:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**CURRENT FUNDING**

Current Funding
\$189,312

**AMENDMENT FUNDING**

Requested Funding	Total Funding
\$55,080	\$244,392

**AMENDMENT TRAINING PLAN TABLE**

Job No.	Job Description (By Contract Type)	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/Retrainee	Business Skills, Computer Skills, Cont. Improv., Mfg. Skills, PL-Mfg Skills	151	8-200	0	\$1,188	\$16.04
				Weighted Avg: 66			
2	HUA - Retrainee	Business Skills, Computer Skills, Cont. Improv., Mfg. Skills, PL-Mfg Skills	57	8-200	0	\$972	\$12.03
				Weighted Avg: 54			
3	Job Creation	Business Skills, Computer Skills, Cont. Improv., Mfg. Skills, PL-Mfg Skills	10	8-200	0	\$960	\$13.37
				Weighted Avg: 48			

**Minimum Wage by County:** Job Number 1: \$16.04 in Los Angeles County; Job Number 2 (HUA): \$12.03 in Los Angeles County; Job Number 3 (Job Creation): \$13.37 in Los Angeles County.

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

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

Up to \$2.12 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation	
Occupation Title	Wage Range
<b>JOB NUMBER 1</b>	
Production Worker	
Maintenance Worker	
Administration Staff	
Operations Support Staff	
Supervisor/Manager	
<b>JOB NUMBER 2</b>	
Production Worker	
Maintenance Worker	
Operations Support Staff	
<b>JOB NUMBER 3</b>	
Production Worker	
Maintenance Worker	
Operations Support Staff	
Administration Staff	

## **INTRODUCTION**

Founded in 1989, PRL Glass Systems, Inc. (PRL) offers fabricated glass and aluminum products manufactured at four facilities in the City of Industry. Products include glass doors, shower doors, laminated glass, handrails, tabletops, and hardware. Some products, manufactured with aluminum, are made by the Company's subsidiary *PRL Aluminum*. Employees from PRL Aluminum will also receive training.

## **AMENDMENT DETAILS**

Training under this Agreement has improved PRL's processes such that business demand has increased by 30%. However, a new competitor has moved into the area and is undercutting prices. To meet the increases in demand and remain competitive, PRL would like to expand the scope of the original training plan.

The Company has identified processes that can be improved upon further with training. With 5 months remaining in the term, PRL would like to increase funding to continue training incumbent workers in Job Numbers 1 and 2.

Additionally, at the time this Agreement was approved, the subsidiary name was inadvertently deleted. This Amendment will acknowledge training for workers at PRL Aluminum, as originally intended. There is no increase in the trainee count. The effective date will be made retroactive to the start of term to include all training hours submitted by the subsidiary.

In summary:

- The Agreement amount will increase by \$55,080, from \$189,312 to \$244,392.
- The In-Kind Contribution will increase by \$35,336 from \$209,664 to \$245,000.
- The weighted average hours in Job Numbers 1 will increase from 48 to 66.
- The weighted average hours in Job Numbers 2 will increase from 48 to 54.
- The average cost per trainee in Job Numbers 1 will increase from \$864 to \$1,188.
- The average cost per trainee in Job Numbers 2 will increase from \$864 to \$972.
- The subsidiary will be added to the Agreement.

## **RECOMMENDATION**

Staff recommends approval of this Amendment.

## **CURRENT CONTRACT PERFORMANCE**

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

Agreement No.	Approved Amount	Term	No. Trainees Enrolled	No. Completed Training	No. Retained
ET15-0234	\$189,312	08/04/2014-08/03/2016	239	TBD	TBD

To date, 11,705 eligible training hours have been tracked which equates to 100% of the current Agreement amount. Trainees have not been submitted for P2 or final payments since training under this project has continued. However, a total of 169 trainees have reached the 8 hour minimum requirement.



## Training Proposal for:

**Ready Pac Produce, Inc. dba Ready Pac Foods, Inc.**

**Agreement Number: ET16-0345**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** J. Romero

### PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee HUA	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 1,390	U.S.: 2,850	Worldwide: 2,850
<u>Turnover Rate:</u>	1%		
<u>Managers/Supervisors:</u> (% of total trainees)	7%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$178,848		\$0	\$0		\$178,848

In-Kind Contribution:	100% of Total ETP Funding Required	\$208,656
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## **TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills; Computer Skills; Continuous Improvement; Manufacturing Skills	167	8-200	0	\$864	\$16.48
				Weighted Avg: 48			
2	Retrainee Priority Rate HUA	Business Skills; Computer Skills; Continuous Improvement; Manufacturing Skills	40	8-200	0	\$864	* \$12.36
				Weighted Avg: 48			

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

### **Minimum Wage by County:**

Job 1: \$16.48 per hour Standard Wage for Los Angeles County.

Job 2 (HUA): \$12.36 per hour Reduced Standard Wage Los Angeles County.

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

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

Up to \$2.38 per hour may be used to meet the Post-Retention Wage in Job 1.

### **Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job 1:</b>		
Production Associates		33
Quality Staff		15
Administrative Staff		18
Materials & Distribution		35
Maintenance		25
Frontline Lead		26
Manager		15
<b>TOTAL:</b>		<b>167</b>
<b>Job 2: (HUA)</b>		
Production Associates		40



## **INTRODUCTION**

Founded in 1969, Ready Pac Produce, Inc. dba Ready Pac Foods, Inc. (Ready Pac), ([www.readypac.com](http://www.readypac.com)) produces a wide variety of packaged salads, fresh cut fruits, ready veggies, snacks of fruit and veggies, and on-the-go salad bowls. Ready Pac's headquarters and production facility is located in Irwindale and maintains a field operation in Salinas. The Company also has facilities in Georgia and New Jersey. Ready Pac has a wide range of customers and their products are sold in most supermarkets, supercenters, and club stores throughout the United States including Kroger, Safeway, and Walmart.

This is Ready Pac's first ETP Agreement. The goal of this training is to introduce improved processes, modernized business systems and new equipment. Ready Pac must meet stringent business standards and regulatory requirements in food packaging processes. In addition, Ready Pac continues to develop new ways to meet customer demands on time, while remaining cost effective. In order to achieve these goals, the Company needs to train in Distribution Systems (DRP), Lean Enterprises, Statistical Process Control, Frontline Worker Leadership Skills, Team & Problem Solving, and Root Cause Analysis.

Training for this ETP proposal will take place at the Company's facility in Irwindale. As a manufacturer, Ready Pac is a priority industry facing Out-of-State Competition.

## **PROJECT DETAILS**

Ready Pac's growth plan over the next two years has identified the need for training, which will focus on the skills development of their existing employees. The Company is introducing new processes and machinery; the majority of the training will focus on Continuous Improvement (Lean Manufacturing and Six Sigma) and Manufacturing Skills, Production Equipment Usage, and Good Manufacturing Practices (GMP). The skills, methods and best practices that employees will gain from this training will achieve the Company's objective to improve on the following areas: company processes by 20%, increase customer service levels by 15% and reduce equipment downtime by 20%.

### **Training Plan**

Ready Pac is implementing new procedures and systems in order to streamline its operations and be more competitive in the marketplace. While many of the top managers have learned the new systems, training needs to be provided to all levels of operations. Training will be in Lean Manufacturing, Continuous Process Improvement, DRP software, Equipment Training and GMP. The proposed training will provide employees with enhanced skills and understanding of food handling compliance with strict requirements of food handling, process improvement, and professional and technical skills development. With these new skills, Ready Pac employees will be able to operate and work in the most efficient manner, meet customer expectations and respond to change.

**Business Skills** (4%): This training will be offered to Administrative Staff, Quality Staff, Managers and Frontline Leads. Training will focus on Communication Skills and Business Operations and Procedures, and Customer Relationship Skills. Trainees will be given techniques in resolving complaints, identifying problems and proposing solutions that will exceed customer expectations. Customer satisfaction will translate to increased demand for Ready Pac services.

**Computer Skills** (8%): This training will be offered to all occupations. Trainees will learn to use and navigate the DRP software system. Training will also include the proper usage of software screens and functions for maximum benefit.

**Manufacturing Skills (66%):** This training will be offered to Production Associates, Maintenance Staff, Quality Staff and Materials and Distribution Staff to gain skills and knowledge of the Company's manufacturing processes to ensure product quality, and implement best practices in product manufacturing.

**Continuous Improvement (22%):** This training will be offered to all occupations. Training will help reduce product costs, quality errors, and product cycles times in order to attract more customers, grow the business and expand operations in California.

### **High Unemployment Area**

All trainees in Job Number 1 and Job Number 2 work in a High Unemployment Area (HUA), a region with unemployment exceeding the state average by at least 25%. The Company's location in the city of Irwindale, in Los Angeles County qualifies for HUA status under these standards. The 167 trainees in Job 1 qualify for the ETP Minimum Wage. Ready Pac is not asking for wage modification for these trainees.

However, the 40 trainees in Job 2 also qualify for the Reduced Standard Wage. For these trainees, the Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages.

#### ➤ Wage Modification

Ready Pac is asking for a wage modification for these trainees in Job Number 2.

### **Commitment to Training**

Ready Pac reserves an annual budget for mandatory training, employee orientation, OSHA mandated training, sexual harassment prevention and first aid training. ETP funds will not displace the Company's existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

#### ➤ Training Infrastructure

Ready Pac is ready to start training upon approval. Training will be provided at Ready Pac's facility in Irwindale by a combination of in-house staff and trainers by outside vendors.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

Ready Pac retained Kirkpatrick Enterprises International (KEI) in Valencia to assist with development of this proposal at no cost to the contractor.

### **ADMINISTRATIVE SERVICES**

KEI will also perform administrative services in connection with this proposal for a fee not to exceed 10% of payment earned.

**TRAINING VENDORS**

To Be Determined

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

8-200

Trainees may receive any of the following:

#### **BUSINESS SKILLS**

- Business Operations and Procedures
- Business Communication Skills
- Advanced Customer Relationship Skills

#### **COMPUTER SKILLS**

- DRP Software and Reporting
- Intermediate and Advanced Microsoft Office

#### **CONTINUOUS IMPROVEMENT**

- Lean Manufacturing/6 Sigma
- Total Productive Maintenance
- SPC – Statistical Process Control
- Leadership Skills for Frontline Workers

#### **MANUFACTURING SKILLS**

- Production Equipment Usage
- Maintenance Skills
- Food Safety
- GMP (Good Manufacturing Practices)

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

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.
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**Panel Amendment Proposal #1 for:**  
**Western Electrical Contractors Association, Inc.**  
**Agreement Number: ET15-0914**

**Amendment Effective Date:** September 3, 2015

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** Sacramento

**Analyst:** K. Smiley

**CURRENT PROJECT PROFILE**

Contract Type:	Priority	Industry Sector(s):	Construction
	Retrainee		
	Apprentice		
Counties Served:	Statewide	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Priority Industry:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Current Contract Term: September 2, 2014 to September 1, 2016

Current Funding	In-Kind Contribution
\$224,624	Inherent

**AMENDMENT FUNDING**

Requested Funding	Support Costs	Amendment Funding	In-Kind Contribution
+\$68,640	+\$4,752	+\$73,392	Inherent

Total Funding
\$298,016

**AMENDMENT TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Apprentice	Comm. Skills OSHA 10	134	24-210	0-10	\$2,224	\$20.32
				Weighted Avg: 160			

**Minimum Wage by County:** \$20.32 per hour Statewide (Priority Industry)

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

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

Up to \$3.58 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation	
Occupation Title	Wage Range
Apprentice Commercial Electrician	

**INTRODUCTION**

Incorporated in 1937, Western Electrical Contractors Association, Inc. (WECA) is a statewide nonprofit organization serving independent merit shop electrical contractors, their employees and the electrical industry. WECA is a Unilateral Apprenticeship Committee (UAC), which is a Trust formed and funded by the membership of employers to provide Division of Apprenticeship Standards (DAS) approved training. WECA offers federal and state approved commercial, residential, and voice-data-video apprenticeship programs as well as continuing education courses, exam prep, and a state- approved Electrician Trainee Program. The 5-year program was created by, and is governed by, a Unilateral Apprenticeship & Training Committee. Industry needs are jointly determined by the Committee, their staff and the members of the Association.

**AMENDMENT DETAILS**

WECA is requesting \$73,392 additional funding based on hours of training delivered to date, consistent with their original request for funding for \$440,960. The cap was \$300,000 and their funding was “right-sized” to \$224,624 to ensure the contract would be successful. WECA has surpassed original expectations and requests the additional funds to complete training.

WECA is also requesting to add Computer-Based Training (CBT) for OSHA 10. The Curriculum already includes OSHA 10, but was only approved as Class/Lab training. WECA would like to offer OSHA 10 training in both a class/lab and CBT setting to customize the training to best fit skill levels and availability.

WECA requested to deliver OSHA 100 training through both Class/Lab and CBT in their original application. The CBT delivery method was omitted in the proposal and its absence was recently discovered. Due to the omission of CBT, WECA has requested that the effective date of this addition be backdated to the contract beginning date (September 3, 2015). Staff recommends this date, which is midway through the term of contract because CBT is being delivered to the same trainees as were originally enrolled. Also, performance has been strong consistently throughout the term (See table below).

**RECOMMENDATION**

Staff recommends approval of this Amendment.

**CURRENT CONTRACT PERFORMANCE**

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

Agreement No.	Approved Amount	Term	No. Trainees (Average)	No. Completed Training	No. Retained
ET15-0914	\$224,624	09/02/2014-09/01/2016	223	152	141

Based on ETP Online Systems, 28,940 reimbursable hours have been tracked for potential earnings of \$402,266 (over 100% of the approved amount). All trainees are projected to meet retention requirements.

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

24-210

Apprentices may receive any of the following:

**COMMERCIAL SKILLS****2<sup>nd</sup> Year 1<sup>st</sup> Semester:**

- Day 1 - Branch Circuits & Feeders
- Day 2 - Conductors & Over Current Protection
- Day 3 - Wiring Methods, Wiring Materials, Raceways & Boxes
- Day 4 - Grounding
- Day 5 - Midterm Review
- Day 6 - Wiring Materials Switches Panel & Switchboards
- Day 7 - Dwelling Load Calculations
- Day 8 - Load Calculations Cont. Demand Factor Calculations
- Day 9 - Introduction to Motors
- Day 10 - Semester Review & Final Exam

**2<sup>nd</sup> Year 2<sup>nd</sup> Semester:**

- Day 1 - Ohms Law Review, Parallel Circuit, Triangles
- Day 2 - Magnetic Induction, AC Inductance, Resistive Inductive Series Circuits/Parallel Circuits
- Day 3 - Capacitors, AC Circuit, Series Circuit/Parallel
- Day 4 - Resistive Inductive Capacitance Series/Parallel Circuits
- Day 5 - Midterm Exam
- Day 6 - Three Phase Circuits/Transformers
- Day 7 - Transformers, Size Primary, DC Generators/Motors
- Day 8 - Three Phase Alternators/Phase Motors/Single Phase Motors, Code and Sizing the Circuit
- Day 9 - Motors, Wiring a Single and Three Phase Motor
- Day Final Exam

**3<sup>rd</sup> Year 1<sup>st</sup> Semester:**

- Day 1 - Welcome and Course Overview, Harassment Prevention, Using the NEC, Hazard Communications (reading MSDS), CPR
- Day 2 - The Design-Construction Process, Construction Documents: Types and Functions, In-Class Assignment: Using Construction Documents, Construction Plans Walk-Through
- Day 3 - Scales, In-Class Lab: Using Architectural Scales, Plans, Elevations, and Symbols, In-Class Assignment: Civil Plans, Preparing for Electrical Underground, Optional In-Class Lab: POCO Primary Conduit Material Estimation
- Day 4 - Structural Sheets, Footings, Foundations, Walls, Parallel Conductors, Conduit Sizing, and Equipment Grounding in Parallel, In-Class Assignment: Conductors in



Parallel, Grounding Electrode Systems & Main Bonding Jumpers, In-Class Activity: Conductors in Parallel and Grounding

- Day 5 - Midterm Exam, Coordinating Electrical Circuit Ampacity Factors
- Day 6 - Introduction to Laguna Pointe Plans, In-Class Lab: Finding Walls for Conduit Layout, Working Clearances and Services, Sight Lighting, In-Class Lab: Site Lighting
- Day 7 - Floor Types and Planning Conduit Runs, Busway Systems
- In-Class Activity: Busway Systems, Mechanical Sheets
- Day 8 - Commercial Electrical Load Calculations and Sizing Electrical Equipment, Plumbing Sheets and Basic Fire Protection, Coordinating Plan Information Prior to Completing Electrical, Rough-In
- Day 9 – Elevators, Coordinating Before Completing Electrical Rough-in for Lighting Circuits, In-Class Lab: Creating Installation Plan for Corridor Lighting for One Floor of a Commercial Structure, Preparation for Final Exam: Q & A and Open Discussion
- Day 10 - Semester Review & Final Exam

3<sup>rd</sup> Year 2<sup>nd</sup> Semester:

- Day 1 - Welcome and Course Overview, Electrical Quantities and Circuits, Electrical Quantities, Ohm's Law, Series & Parallel Circuits and Calculations Review, Electrical Tools and Test Instruments, Electrical Safety, Solenoids, Shading, Coils, Sizes, and Specifications
- Day 2 - Coordinating Electrical Circuit Ampacity Factors, Conductor Ampacities and Derating, Sizing Single Motor Systems Using the NEC, In-Class Assignment: Motors Worksheet, Contactors and Magnetic Motor Starters, In-Class Activity: Lighting Contractors and Motor Starters, In-Class Activity: Motor Starters and Overload/ "Heater" Selection
- Day 3 - Using the NEC for Voltage Drop, Conductors, and Raceways, Electrical Symbols & Diagrams, Control Devices, Ladder Diagrams and Wiring Diagrams, Lab Prep: Rules and Operating Procedures, Lab: Basic Control Circuits - Assemble, Operate, Test, and Trouble-Shoot
- Day 4 - In-Class Assignment: Motors Worksheet, Control Devices – Continued, Control Logic, Review of Control Circuit Labs, Lab Prep: Motor Control Circuits, Lab: Motor: Motor Control Circuits – Multi Start-Stop Stations - Assemble, Operate, Test, and Trouble-Shoot
- Day 5 - Review for Midterm Exam, Midterm Exam, Optional Lab (Time Permitting): Motor Control Circuits – HOA – E-Stop – Limit Switch - Assemble, Operate, Test, and Trouble-Shoot
- Day 6 - Review: Junction & Pull Boxes, Conduit Bodies & Enclosure Sizing and Fill Requirements, NEC Definitions, AC Generators, Transformers and Motors, Reversing Motor

Circuits, Optional: In-Class Reversing Motor Demonstration, Lab Prep: Motor Control Circuits, Labs: Reversing Motor Control Circuits - Assemble, Operate, Test, and Trouble-Shoot

- Day 7 - In-Class Assignment: Grounding, Bonding, Parallel Conductors and NEC Review, In-Class Activity: Using the NEC to Size Parallel Conductors & Raceways, Sizing Main Bonding Jumper, Grounding Electrode Conductor and Equipment, Grounding Conductors, etc., General-Purpose Relays and Timing & Counting Functions, Labs: Relay and Timer Function Motor Control Circuits - Assemble, Operate, Test, and Trouble-Shoot
- Day 8 -Common Alternating Current Circuit Configurations, Adjustment & Correction Factors for Exposed Raceways Installed on or Above Rooftops – Review, Using the NEC: Sizing Parallel Feeder Conductors & Raceways, Sizing Overcurrent Protection (for Transformers), Sizing System Bonding Jumpers, Grounding Electrode Conductors and Equipment Grounding Conductor, etc., Labs: Additional Timer Function Motor Control Circuits - - Assemble, Operate, Test, and Trouble-Shoot
- Day 9 - Review of Blue Prints and Construction Documents, Lab: Motor Control Circuit Design Using Constructor™ Software, Optional Lab: Trouble-Shoot a Lighting Control Circuit with SIMUTECH Software
- Day 10 - Review for Final Exam, Final Exam, Lab (Time Permitting): Additional Motor Control Circuits or Additional SIMUTECH Troubleshooting

4<sup>th</sup> Year 1<sup>st</sup> Semester:

- Day 1 – Orientation, Electrical Safety & First Aid, Arc Flash, PPE & Clothing, Power Generation, Transmission, Distribution, Types and Differences between Electrical Systems, Single Phase/Three Phase Systems, High Voltage Systems, Wye- Delta/Open Delta Concepts Article 408, 230 Code Practice Service requirements and Article 100, 110 Code Practice Working Clearances
- Day 2 - Electromechanical and Solid State Relays: Types & Applications, Operating Characteristic and Relay Construction – Poles-Throws- Breaks, Contact Protection, and Transient Voltage Protection, Electrically Held and Mechanically Held Relays and Contactors, Lab Exercises: Lighting Automation Control Circuits
- Day 3 - Capacito Article 300, 310 Code Practice, Conductor Insulation and Ampacity ratings, Derating applications and Worksheets, Terminal Ratings with Regards to Ampacity Ratings for Conductors, Overcurrent Conditions, Article 240 Code Practice, Short Circuit, Ground Fault and Overload Defined, Differences between Fuses and Breakers, Long and Short Time Current Ratings for Conductors, Differences

between a Power Panel and Lighting and Appliance Panel regarding Secondary Conductor and Panel Bussing Protection, Lab Exercises: Forward Reverse Motor Starting Review, Forward Reverse Motor Starting Using General Purpose Relays for Electrical Interlock, Local & Remote Switching with Automatic Motor Restart, Electric Lift

- Day 4 - Photoelectric and Proximity Controls (Hall Effect Sensors), Different type Detectors, Detection Applications and Installation Techniques, Lab Exercises: Grain Silo and Conveyor System
- Day 5 - Lab Exercise: Electric Gate, First Quarter Review and Midterm Exam
- Day 6 - Article 200, 250 Code Practice, Grounding, Applications for the Line Side of the Service, Grounding Applications for the Load Side of the Service, Article 250 Terminology, The Differences Between Grounding and Bonding, The Requirements for Bonding, Parallel Service Requirements and Adjustments Made for Voltage Drop Corrections, Lab Exercise: Control for an Automatic Car Wash
- Day 7 - Reduced Voltage Motor Starting Methods & Applications, When to apply Voltage Reduction, The Differences between the Starting Methods, Lab Exercises: Wye-Delta, Part Winding, Primary Resistor Reduced Voltage Starting Applications
- Day 8 - Article 430 Code Practice, Short Circuit, Ground Fault and Overload Applications and Requirements for a Single Motor, Service Factor Ratings, Integral Overload Protection, Supplementary Overload Protection, Fuse Ratings and Breaker Ratings for Motors, Locked Rotor Current Calculations, Lab Exercise Plugging, Brake Motor Braking Applications
- Day 9 - Article 440 Code Practice, Sizing Motor Feeder Circuit Conductors, Controllers, and Disconnecting Means, Lab Exercise Motor Braking Applications Continued DC Injection Circuit.
- Day 10 - Semester Review & Final Exam

#### 4<sup>th</sup> Year 2<sup>nd</sup> Semester:

- Day 1 – Orientation, Designing and Installing Wiring Methods, Sizing Auxiliary Gutters, Pull Boxes, Box Fill, Branch Circuits, Feeders, & Wiring Methods, NEC Articles 210, 215, 312, 314 Chapter 3 NEC, Code Practice
- Day 2 - Review Motors and Compressor Motors, NEC Articles 430, 440, Code Practice, Accelerating/Decelerating Circuit Logic Along With Braking Application Review, Compelling, Accelerating and Decelerating Applications and Lab Exercises: Compelling, Accelerating and Decelerating Circuits
- Day 3 - Variable Frequency Drives, Lab Exercises: Installing & Programming a Variable Frequency Drive

- Day 4 - Programmable Controllers Introduction, Theory and Applications, Lab Exercises: Computer Lab Design a PLC Diagram for a Pump House to Control General Lighting Circuits and all Motor Operations for Two Motors, Apply the Circuit to a PLC Lab Board and Operate
- Day 5 - Review for Midterm, Midterm Exam, Code Practice
- Day 6 - Solid State Devices: Types and Applications, Photovoltaic & Renewable Energy Concepts, Electronics Lab Exercises: Building Electronic Circuits, Half Wave, Full Wave, Full Wave Bridge Rectifiers, SCR Circuit, Triac Light Dimmer Circuit
- Day 7 - Solid State Devices Theory & Applications (cont), Lab Exercises: Transistor Circuits, DC Speed Control, Photo Cell, Alternating LED Circuit, Electronic Motor Controls Circuits, Review Solid-State Relays and Solid-State Starters, Relay Contact Protection Circuits, Current Sinking and Current Sourcing Applied to Signaling Devices, Introduction to Photovoltaic Systems
- Day 8 - Working Safely and Competently with Solar Energy, Practice Worksheet Exercises on PV- Array formations, PV System Sizing and Installation Requirements per NEC Article 690, Preventative Maintenance and Troubleshooting, Metering Equipment, Lab Exercises: Troubleshooting Simulation and LOGO Car Wash Lab Exercise, Program the Ladder Diagram and Hard Wire Circuit in Lab
- Day 9 - Articles 220, 404, 406, 410 and 422 Code Practice Receptacle and Luminaire Installation Requirements, Demand Factors for Residential Ranges, Commercial Demand Factors, Determining Required Lighting and Receptacle Loads, Lab Exercises: Troubleshooting Circuits using Computer Simulations for Variety of Situations, Lab Exercise Hard Wire a Garage Door Circuit, Complete any Unfinished Lab Exercises
- Day 10 - Lab Exercise: Security Alarm System, 4<sup>th</sup> yr 1<sup>st</sup> and 2<sup>nd</sup> Semester Review, Final Exam on Theory and Code

5<sup>th</sup> Year 1<sup>st</sup> Semester:

- Day 1 - Orientation, Purpose & Scope of the NEC Code NEC Articles 90-110: Definitions, General Wiring Installations, CPR Training
- Day 2 - Identification and Application of Rules for the Grounded Conductor, Branch Circuit Requirements and Layouts, Feeders & Service Calculations, Practice Activity: Calculating Demand Factors, Overcurrent Protection; Overview of Tap Rules, Requirements for Grounding & Bonding, Surge Arrestors and Transient Voltage Suppressors
- Day 3 - Wiring Methods: General Requirements, Conductors, Meter sockets, Outlet Boxes & Enclosures, Raceways & Cables, Practice Exercises: Box Fill Calculations, Practice Exercises: Conductor De-Rating/Ambient Temperature

Correction, Conductor/Cable Burial Depth, Calculate Requirements for Conductors in a Vertical Raceway

- Day 4 - Equipment for General Use, Identification and Uses of Flexible Cord Cables, Identification & Uses of Fixture Wires, General Installation Requirements for Switches, Receptacles, Switchboards, Panel Boards, & Light Fixtures, General Requirements for Appliances
- Day 5 – Midterm Exam
- Day 6 - Electric Heating, & Snow Melting & De-Icing, Motors, Motor Circuits, & Controllers, Practice Exercise: Sizing Conductor for Overload, Short Circuit and Ground Fault Protection, Comparison of Refrigeration-Type Motors, Sizing Overcurrent Protection for Transformers, Installation Requirements for Generators, Capacitors, & Storage Batteries, Defining Hazardous Locations & Wiring Requirements, Practice Activity: Sizing Sealing Fittings
- Day 7 - Defining Hazardous Locations & Wiring Requirements Cont., Special Considerations for Healthcare Facilities, Places of Assembly, Theaters, Carnivals
- Day 8 - Agricultural Buildings, Mobile Homes, Floating Buildings, Special Equipment Installation Requirements Including Swimming Pool, Elevator, & Crane Installations
- Day 9 - Special Conditions: Back-Up Electrical Systems, Class 1-2-3 Low Voltage Circuits, Fire Alarm Considerations, Communication Systems, Review of NEC Tables
- Day 10 – Final Exam

### **OSHA 10 Construction Outreach**

(requires completion of 10 hours)

- Module 1: Introduction to OSHA and the OSH Act
- Module 2: General Safety and Health Provisions
- Module 3A: Health Hazards: Hazard Communication
- Module 3B: Health Hazards: Hazardous Materials
- Module 4: Cranes and Rigging
- Module 5: Focus Four: Electrical Safety
- Module 6: Struck- By and Caught in Between
- Module 7: Fall Protection
- Module 8: Personal Protective Equipment
- Module 9: Hand and Power tools
- Module 10: Scaffolds
- Module 11: Stairways and Ladders

### **CBT Hours**

**0-10**

### **OSHA 10 Construction Outreach**

- **Module 1: Introduction to OSHA and the OSH Act**
- **Module 2: General Safety and Health Provisions**
- **Module 3A: Health Hazards: Hazard Communication**
- **Module 3B: Health Hazards: Hazardous Materials**

- **Module 4: Cranes and Rigging**
- **Module 5: Focus Four: Electrical Safety**
- **Module 6: Struck- By and Caught in Between**
- **Module 7: Fall Protection**
- **Module 8: Personal Protective Equipment**
- **Module 9: Hand and Power tools**
- **Module 10: Scaffolds**
- **Module 11: Stairways and Ladders**

Note: Reimbursement is capped at 200 total training hours per trainee, regardless of the method of delivery. Reimbursement for OSHA 10 is capped at 10 total training hours per trainee regardless of the method of delivery. Total hours 200 class lab hours + 10 hrs OSHA for a total of **210** training hours.



**Panel Amendment #1 Proposal for:**  
**Wonderful Pistachios & Almonds, LLC**  
**Agreement Number: ET15-0323**

**Amendment Effective Date:** November 18, 2015

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** L. Vuong

**CURRENT PROJECT PROFILE**

Contract Type:	Respond (core funding) Priority/Retrainee HUA	Industry Sector(s):	Manufacturing Agriculture
Counties Served:	Fresno and Kern	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Priority Industry:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Current Contract Term:	November 24, 2014 to November 23, 2016	Substantial Contribution:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

**CURRENT FUNDING**

Current Funding
\$529,200

**AMENDMENT FUNDING**

Requested Funding	Total Funding
+\$214,200	\$743,400

**AMENDMENT TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority Retrainee HUA RESPOND	Computer Skills, Cont. Imp., Mgf. Skills	700	8-200	0	\$1,062	\$11.17
				Weighted Avg: 59			

**Minimum Wage by County:** (HUA) \$11.17 per hour for Fresno and Kern counties

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

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

Up to \$2.17 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation	
Occupation Title	Wage Range
Administrative Support Staff	
Customer Service Staff	
Maintenance/Engineer Staff	
*Production Worker	
Production Support Staff	
Manager/Supervisor	

\*It is a condition of the contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate, as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail. The Production Worker wage rate rose from \$9 to \$10 effective January 1, 2016 in keeping with state law.

**INTRODUCTION**

Founded in 1989, Wonderful Pistachios & Almonds, LLC (Wonderful Pistachios) ([www.wonderful.com](http://www.wonderful.com)) farms, processes and sells almonds and pistachios. This contract was approved in November 2014 under its former corporate name Paramount Farms International LLC. However, since then, the Company changed its name and business registration to Wonderful Pistachios & Almonds, LLC. The name change took effect in June 2015, but did not alter the ownership or business operations. The Contractor is a wholly-owned subsidiary of The Wonderful Company in Los Angeles. Furthermore, its products are marketed in retail outlets under the brand names Wonderful® and Everybody's Nuts!® [Note: Paramount Farms International LLC was a first-time Contractor, not to be confused with repeat Contractor Paramount Citrus Packing Company LLC.]

In tandem with grower partners, the Company farms 125,000 acres that deliver 450 million pounds of nuts annually. Its headquarters are located in Lost Hills, Kern County. It has several growing and processing sites in Lost Hills, Firebaugh, Bakersfield, and offices in Los Angeles. Trainees from Firebaugh, Bakersfield and Lost Hills locations are participating in this ETP project.



**RESPOND/Drought**

This proposal is funded under the Rapid Employment Strategies Pilot on Natural Disasters (RESPOND) adopted by the Panel in early 2014 to fund training in designated drought areas. This contract is using “core” funding (“alternative funds” for RESPOND went to other proposals).

**AMENDMENT DETAILS**

ETP training is currently being provided for trainees and is progressing according to plan. The initial proposed Agreement amount was conservative. Wonderful Pistachios’ reported that due to increased customer demand, production needs and less water for the plants, the Company implemented new processes to improve production efficiency. The Company has been looking for ways to produce more nuts with reduced water supply. As a result, the Company needed more training and was able to roll out its training plan faster than originally anticipated.

In addition, the Company had already provided 115% of the training hours in the Agreement (See Current Contract Performance Table). Therefore, Wonderful Pistachios requests additional funding to continue its training program. The Company is requesting to increase the weighted average hours of training from 42 to 59, and average cost per trainee from \$756 to \$1,062. This will allow currently enrolled trainees to receive more training. Additional training allows workers to become more productive and increase company revenue.

Staff recommends an effective date of November 18, 2015. This is the date the request for Amendment was submitted, reflecting when the Contractor realized that hours entered into ETP Online Tracking were at a maximum, although there was a need for further training. This date is reasonable because these are the same trainees as originally enrolled.

Note: There is no request for a change in the Curriculum, which remains Computer Skills, Continuous Improvement and Manufacturing Skills. All delivery is by classroom/laboratory with no Productive Lab. There are no Temporary to Permanent Workers as per the original proposal.

**Notification of Name Change**

As discussed earlier, the Contractor changed its name from Paramount Farms International LLC to Wonderful Pistachios & Almonds, LLC effective June 1, 2015. Because this name change did not affect ownership or business operations, it was processed as a contract notification rather than a revision/amendment.

**RECOMMENDATION**

Staff recommends approval of this Amendment.

**CURRENT CONTRACT PERFORMANCE**

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

Agreement No.	Approved Amount	Term	No. Trainees Enrolled	No. Completed Training	No. Retained
ET15-0323	\$529,200	11/24/14 – 11/23/16	985	TBD	TBD

As of December 15, 2015 and based on ETP Systems, 985 trainees have been enrolled, and 903 trainees are still in training. The ETP Online Tracking System shows a total of 33,776.51 eligible hours for potential earnings of \$607,977 (115% of approved amount).



## RETRAINEE - JOB CREATION

Training Proposal for:

**Coca-Cola Refreshments USA, Inc.**

**Agreement Number: ET16-0338**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** M. Reeves

### PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Priority Rate	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Teamsters Local Union No. 896			
Number of Employees in:	CA: 9,050	U.S.: 72,285	Worldwide: 143,225	
<u>Turnover Rate:</u>	14%			
<u>Managers/Supervisors:</u> (% of total trainees)	10%			

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$491,400		\$129,870 30%	\$0		\$361,530

In-Kind Contribution:	100% of Total ETP Funding Required	\$532,756
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Continuous Imp., Literacy Skills, Mgmt. Skills, Mfg. Skills, PL - Mfg. Skills	370	8-200	0	\$819 *	\$17.00
				Weighted Avg: 65			
2	Retrainee Job Creation Initiative Priority Rate	Business Skills, Computer Skills, Continuous Imp., Literacy Skills, Mgmt. Skills, Mfg. Skills, PL – Mfg. Skills	45	8-200	0	\$1,300	\$15.85
				Weighted Avg: 65			

\* Reflects Substantial Contribution

**Minimum Wage by County:** Job Number 1: \$16.48 per hour for Los Angeles County.Job Number 2 (Job Creation): \$13.73 per hour for Los Angeles County.**Health Benefits:** ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.**Used to meet the Post-Retention Wage?:** ☐ Yes ☒ No ☐ Maybe

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

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Sales/Marketing Staff		35
Administration/Accounting Staff		50
Production/Shipping/Receiving Staff		225
Manager/Supervisor		35
Manufacturing Support Staff		25
<b>Job Number 2 (Job Creation)</b>		
Administration/Accounting Staff		5
Production/Shipping/Receiving Staff		30
Manager/Supervisor		5
Manufacturing Support Staff		5

## **INTRODUCTION**

Founded in 1886, Coca-Cola Refreshments USA, Inc. (Coca-Cola) ([www.coca-cola.com](http://www.coca-cola.com)) is a producer and distributor of nonalcoholic beverages. In addition to its traditional carbonated soft drinks, Coca-Cola's product line also includes juices, still and sparkling waters, isotonic, and teas. The Company qualifies for standard retraining under the out-of-state competition provisions as a manufacturer and is eligible for priority industry reimbursement.

Coca-Cola has multiple locations in California; however, for this proposal the Company plans to train 415 workers at its Downey facility only. Teamsters Local Union No. 896 has provided a letter of support for the training of its union members.

Coca-Cola is undergoing a companywide Enterprise Resource Planning (ERP) implementation that will require extensive workforce training on new systems. The Company has invested more than \$12 million on SAP (Systems, Applications and Products in Data Processing) software to support this endeavor. This new technology will impact all facets of the organization by providing end-to-end solutions for financials, business management, product planning, materials management, manufacturing, marketing and sales, inventory management, shipping and receiving, and quality management.

In addition to the extensive computer skills training to facilitate the ERP implementation, the Company has developed a comprehensive training plan that also includes Business Skills, Continuous Improvement, Literacy Skills, Management Skills, and Manufacturing Skills. This training plan focuses on defining, simplifying, and implementing core business processes and procedures that continue to move the Company towards positive growth.

### **Retrainee - Job Creation**

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

In this proposal, Coca-Cola has committed to hiring 45 new employees (Job Number 2) to support its market and business expansion of new products and services. Specifically, the Downey facility will be upgrading its existing packaging lines to accommodate additional business capacity and will be adding a new Packaging Machine to support this growth initiative. The Company will also be upgrading its can-filling room to meet new production requirements.

The newly-hired employees will be hired across multiple occupations within the term of the Contract, and will require extensive training to develop the skills needed to support these expansion plans.

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

## **PROJECT DETAILS**

### **Training Plan**

The training outlined in this proposal will enable Coca-Cola to upgrade the skills of its existing workforce, integrate new employees, introduce new manufacturing technology, and implement

process improvements designed to enhance productivity, product quality, and overall efficiency. Training will take place at the Downey location and will be delivered by a combination of in-house subject matter experts and outside training vendors to be identified during the contract term.

**Business Skills (5%)** - Training will be offered to all occupations. Training will focus on new product features, customer service, sales techniques, communication, and project management. Trainees will learn to perform business-related tasks with a high degree of professionalism, and interact more effectively with coworkers, customers, and vendors.

**Computer Skills (55%)** - Training will be offered to all occupations. This training will guide workers through the features and functionality of the Company's new ERP/SAP system. Training will help staff to become more proficient in the use of business software solutions in the areas of resource planning, inventory control, budgeting, marketing/sales, finance, manufacturing, and service delivery.

**Continuous Improvement (10%)** - Training will be offered to all occupations. This training will focus on process improvements and problem solving methodologies that enhance productivity through lean enterprise principles, strategic planning, and teambuilding.

**Literacy Skills (5%)** - Training will be offered to Production/Shipping/Receiving Staff and Manufacturing Support Staff. Vocational English as a Second Language will help workers improve their job-related communication, workplace document comprehension, and business vernacular. This training will engender better leadership qualities by helping workers communicate more effectively and perform their jobs with greater confidence.

**Management Skills (5%)** - Training will be offered to Managers and Supervisors. Training will equip the Company's leadership team with motivation, problem solving, mentoring, and conflict management skills necessary to become more effective leaders.

**Manufacturing Skills (10%)** - Training will be provided to Production/Shipping/Receiving Staff and Manufacturing Support Staff. Trainees will gain the skills and knowledge to operate and maintain production equipment, ensure product quality, and implement best practices in the areas of manufacturing, food processing, inventory control and warehousing.

### **Productive Laboratory (10%)**

The Panel adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

Company representatives indicate that PL training is the most effective way for employees to fully comprehend Coca-Cola's unique production process and provides the optimal learning environment when dealing with very large and complex manufacturing equipment. Therefore, the Company plans to provide PL training to approximately 255 trainees in the occupations of Production/Shipping/Receiving and Manufacturing Support. PL training will allow these workers to achieve the competencies needed to perform their jobs with the highest level of safety and efficiency. The training will focus primarily on equipment operation and maintenance.

The proposed PL training will involve the use of various manufacturing machines (blending, packaging, blow molding, labeling), can/bottle fillers, and a recipe management system. Training will be provided by subject matter experts (supervisors and process engineers) with

knowledge and expertise in Coca-Cola's manufacturing processes and equipment use. The PL trainer-to-trainee ratio will be 1:1 and training will be capped at 40 hours per trainee.

### **Substantial Contribution**

Coca-Cola is a repeat contractor with payment earned in excess of \$250,000 and a former Substantial Contribution at the 15% level, at the Downey facility, within the past five years. Accordingly, reimbursement for trainees at this facility in Job Number 1 will be reduced by 30% to reflect the Company's \$129,870 Substantial Contribution to the cost of training.

Substantial Contribution does not apply to Retrainee – Job Creation trainees, who will be enrolled in Job Number 2.

### **Commitment to Training**

ETP funds will not displace the existing financial commitment to training. Company-funded training includes new-hire orientation training, professional development skills, and Coca-Cola Quality Systems training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

### **Prior Performance**

This will be Coca-Cola's fourth ETP Agreement within the past five years. The Company's most recent ETP project included multiple Coca-Cola locations in California. The training revolved around the Company's investment in recyclable Polyethylene Terephthalate plastic bottles, as well as \$15 million in new manufacturing equipment.

The Company's earlier two ETP contracts targeted the Downey facility and focused on core competencies, new production equipment, environmental sustainability, and the streamlining production through the elimination of waste.

The proposed training is a continuation in the evolution and advancement of Coca-Cola's beverage manufacturing processes and technology. Some curriculum topics are repeated from prior agreements; however, the Company has confirmed that course material has been updated and/or changed to ensure there will be no duplication of training for incumbent workers.

#### **➤ Training Infrastructure**

Internal project and training coordinators will oversee class scheduling and training documentation. In addition, the Company has retained an outside administrative consultant to ensure that all training documentation adheres to ETP requirements.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

The following table summarizes performance by Coca-Cola under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0207*	Downey, Los Angeles, San Leandro, Anaheim, Ontario, San Diego	10/28/13 – 10/27/15	\$1,278,200	\$525,247 (41%)
ET12-0163	Downey	11/28/11 – 11/27/13	\$497,100	\$352,509 (71%)
ET09-0543	Downey	06/09/09 – 06/08/11	\$194,400	\$146,289 (75%)

**\*ET14-0207:** As indicated above, this project included multiple Coca-Cola locations. The Company states that it did not achieve ideal performance primarily because the organization experienced significant changes at the middle and higher management levels at all participating locations except the Downey facility. As a result, the Company has agreed to pare down the scope of this training proposal.

In particular, the new proposal only includes the Downey location, which has consistently performed well on prior ETP Agreements. In addition, the proposal has been right-sized to reflect payment earned at the Downey facility alone, which was approximately \$354K.

**DEVELOPMENT SERVICES**

Spectra Consulting, LLC (Spectra) in Sierra Madre assisted with development of this proposal for a flat fee of \$5,000.

**ADMINISTRATIVE SERVICES**

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

**TRAINING VENDORS**

To Be Determined





Brewery Soda and Mineral Water Bottlers of California

**STATEWIDE JURISDICTION**

# **Teamsters Local Union No. 896**

Affiliated with International Brotherhood of Teamsters



**Southern California Office** - 3303 Wilshire Blvd., Suite 300, Los Angeles, CA 90010  
**Northern California Office** - 301 Georgia Street, Suite 220, Vallejo, CA 94590

(213) 388-3144 - Office  
(707) 644-8896 - Office

(213) 388-6360 - Fax  
(707) 644-8899 - Fax

December 15, 2015

Mario Salomon

Coca-Cola Refreshments USA, Inc. – Downey

8729 Cleto Street

Downey, CA 90241

Dear Mr. Salomon,

Teamster Local Union No. 896 fully supports the Employment Training Program offered by Coca-Cola Refreshments USA, Inc. for its members at all facilities under the jurisdiction of Local 896 employed by Coca-Cola Refreshments USA, Inc.

Sincerely,

Phil Cooper

Principal Officer/Secretary-Treasurer



**Training Proposal for:**  
**DreamWorks Animation SKG, Inc.**

**Agreement Number: ET16-0352**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** E. Wadzinski

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Multimedia/Entertainment  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No The Animation Guild, IATSE Local 839		
Number of Employees in:	CA: 1,985	U.S.: 2,050	Worldwide: 2,135
<u>Turnover Rate:</u>	5%		
<u>Managers/Supervisors:</u> (% of total trainees)	6%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$563,850		\$169,155 (30%)	\$0		\$394,695

In-Kind Contribution:	100% of Total ETP Funding Required	\$1,022,879
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Advanced Tech, Business Skills, Computer Skills, Cont. Imp.	1,253	8 - 200	0	*\$225	\$16.48
				Weighted Avg: 25			

\*Reflects Substantial Contribution

**Minimum Wage by County:** \$16.48 for Los Angeles County**Health Benefits:** ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.**Used to meet the Post-Retention Wage?:** ☒ Yes ☐ No ☐ Maybe

Up to \$4.48 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Support Staff:		
Clerical		46
Executive Administration		22
Senior Executive Administration		7
Laborers and Helpers		3
Professionals (Artists):		
Artist TA		15
Artist		720
Artistic TD		65
R&D		100
Technicians		200
Managers:		
First Level Manager		43
Mid-Level Manager		24
Senior Manager		8

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

## **INTRODUCTION**

This is a request for funding by DreamWorks Animation SKG, Inc. (DWA) ([www.DreamWorks.com](http://www.DreamWorks.com)) headquartered in Glendale. DWA specializes in computer-generated animation for film and television, visual effects, television specials and series, live entertainment, commercials, and other types of digital products. DWA also produces, distributes, and releases films and market-licensed consumer merchandise. The Company is credited with developing new proprietary software and animation technologies that contribute to the advancement of the animation industry as a whole. Although headquartered in California, the Company operates worldwide with locations in New York, Florida, Tennessee, London, the UK, and India.

DWA operates independently from DreamWorks Studios (DreamWorks) an entertainment company formed in October 1994 by Steven Spielberg, Jeffrey Katzenberg and David Geffen. DreamWorks acquired Pacific Data Images LLC (PDI) in Redwood City in 1996, a company that provides computer animation and visual effects for film and television. The acquisition helped build the animation business division of DreamWorks, which spun-off to form DWA in October 2004.

This will be DWA's eighth ETP Agreement and ETP, for training its employees and those of its close affiliate DreamWorks Animation Television, Inc. The companies are co-located in Glendale, where training will take place. The Animation Guild, IATSE Local 839, represents professional employees (Artists) at both companies, which is in support of this training program.

## **PROJECT DETAILS**

As competition in the entertainment industry grows, markets for animation, film and visual effects face ongoing challenges due to the need for adaptation to new, cutting-edge technology that changes on an ongoing basis. In response, DWA is developing and using the most current technologies and programs available. ETP funding will assist the Company in training employees to stay current in their field.

Over the last five years, DWA has focused its training efforts on a Next Generation (NxG) computer system for Lighting and Animation using its proprietary software Torch® and Premo®. The NxG system has allowed the Company to develop new entertainment products including virtual and 3D environments.

In this Agreement, training will focus on other proprietary software programs, as shown in the proposed Curriculum (Exhibit B). These software tools are changing DWA's core processes and workflow. According to the Company, this evolution will continue in keeping with advancements in technology.

### **Training Plan**

Training will focus on the most current versions of digital software and hardware. These added skills will enhance skills and create career stability and advancement. Current industry demands and changing technology have evolved into the Next Generation of products that require training; and training from prior ETP Agreements will not be duplicated. Although some of the topics are similar to those in the previous Agreement, DWA trainees will receive training in course material in the latest state-of-the-art technology.

**Advanced Technology (49%):** Training will be provided to Artists, Technicians and Managers in custom programs developed to support either a broad skill set or a particular show need. Training will include PIPEX®, global workflow software that enables a flexible platform for any

character-rig DWA builds. Training will be on newly created tools as applicable to a project needs.

**Computer Skills (2%):** Training will be provided to all occupations in programs and tools needed to support business innovations. These programs support “back of house” business functions for the creation and development of films and other DWA products.

**Continuous Improvement (47%):** Training will be provided to all occupations and is a part of DWA’s culture of process improvement. Training will include topics addressing process improvements for both the business/marketing and production side of DWA. Classes will provide knowledge and skills in decision-making, communication and problem solving.

**Business Skills (2%):** Training will be provided to Administrative Support Staff and Managers. This will include customer service, strategic planning, project management, and forecasting. Trainees will learn how to help develop a methodical approach for forecasting trends, planning and guiding projects, new technology initiatives and new business development.

### **Advanced Technology**

DWA is requesting ETP’s Advanced Technology (AT) \$26 per hour reimbursement for the majority of this program to train Artists and Technicians in state-of-the-art computer hardware and software. The Company needs to provide its Animators, Artists, Engineers, Lighters, and other Professionals and Technicians with the advanced technical training to maintain its role as a premier animation facility in family entertainment.

The Company states that the cost of AT training is very high, largely due to the salaries of industry experts providing the instruction and the cost for hardware, software, manuals, and specialized training materials. Each AT training course costs an average of \$130 an hour per trainee and individual courses can range between \$1,200 and \$2,700 for a 40-hour course, with some costs exceeding \$200 an hour per trainee. Also, because the content is so technical, classes must be kept small (maximum 10 trainees), which increases the number of sessions that must be delivered and the overall cost to the company. The trainer-to-trainee ratio is 1:10 for AT, to allow in-depth coverage and personal attention from the instructor.

### **Commitment to Training**

DWA spends an estimated \$1,500,000 per year for training its California workers. The Company provides new hire orientation, sexual harassment prevention, computer skills training and on-the- job training. DWA represents that ETP funds will not displace the existing financial commitment to training.

#### ➤ Training Infrastructure

DWA is ready to start training upon approval. The Company has five full time staff members to oversee the training and administration of this project as well as three interns to assist with tracking. DDWA has prior ETP experience and is familiar with ETP’s processes to capture training using rosters completed according to ETP guidelines, which help maximize earnings and performance.

### **Substantial Contribution**

DWA is a repeat contractor with payment earned in excess of \$250,000 within the past five years, at the Glendale Facility. Based on these earnings, the Company was assessed a

Substantial Contribution (SC) at the 50% level under ET11-0110. [Note: Although ET11-0179 was also for training in Glendale, this was only for newly-hired trainees under Job Creation. As such, these earnings were exempt from the SC requirement.]

DWA is once again subject to a SC based on earnings in excess of \$250,000 for training in Glendale under ET13-0402. In accordance with governing regulation Section 4410, a second SC within five years must begin at the 30% level. From there, it may be adjusted up or down (from a low of 15% to a high of 50%). Staff recommends the 30% level in consideration of the fact that Glendale is the only location participating in this Agreement. Reimbursement has been reduced accordingly by \$169,155, as shown on page 1 of this proposal.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **PRIOR PROJECTS**

The following table summarizes performance by DWA under ETP Agreements that were completed within the last five years.

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0402	Glendale & Redwood City	6/24/13 – 6/23/15	\$324,000	\$324,000 (100%)
ET11-0179 (Job Creation Only)	Glendale & Redwood City	4/04/11 – 4/03/13	\$298,080	\$251,581 (84%)
ET11-0110	Glendale & Redwood City	1/17/11 – 1/16/13	\$156,240	\$156,240 (100%)

## **DEVELOPMENT SERVICES**

N/A

## **ADMINISTRATIVE SERVICES**

N/A

## **TRAINING VENDORS**

- The Hackett Group of Redwood Shores will provide Hyperion Smartview training
- The Foundry of Redwood City will provide Flix and Modo training
- Microsoft of Los Angeles will provide Microsoft SCCM training
- Pixologic of Los Altos will provide Pixologic and Zbrush training
- Elasticsearch of Mountain View will provide Core Elasticsearch training
- Appdynamics of San Francisco will provide App Dynamics and Second Circle training
- Side Effects of Santa Monica will provide Understanding DOPs with Side FX Engineer training
- Allegorithmic of Venice will provide Substance Designer for \$800/day
- Oracle of Redwood Shores will provide Consumer Products Hyperion Forecasting training
- Filmtrack Inc. of Studio City will provide FilmTrack End to end UAT

Training amounts vary as they are based on production schedules and projects; and are paid by the day, session or a flat fee, also based on production schedules and projects. Other training vendors will be identified as they are retained.

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

8-200

Trainees may receive any of the following:

**ADVANCED TECHNOLOGY (Ratio 1:10)**

- ActionFlow Overview
- ADB Shot Building
- Advanced Map Shaders
- Advanced Packages
- Advanced Wiki
- Anatomy of an Agent
- Animation for CharTDs – Body/Face Pose
- Animation Workflow
- Art Modeling Deliveries
- Basic 10
- Bluejeans
- Body Pose Homework Kick-Off
- Body System Overview
- Bonsai
- Bridge and AX
- Camera Adjustments
- Camera Rigs
- Carbon
- Cartoon Anatomy
- Casting and Crowd Render
- CFX ActionFlow Sand Training
- CFX Cloth Solvers
- CFX Data Structure
- CFX File Formats and Data Structures
- CFX Finaling Tools Overview (Maya, Houdini)
- CFX Fur Piepline
- CFX Hair Tools and Solvers (Whip, Willow, nHair)
- CFX Houdini Tools
- CFX Pipeline Overview
- CFX Render Tools
- CFX Shot Run-Through and Exercise
- Char Face System Walkthrough
- Char Hair/Wardrobe Walkthrough
- Character Rigs in Premo
- Character Structure/Performance/Animation Interface
- Cloth Art Tools/Direction/Shot Run-Through
- Collider Preparation
- Critiq for Production
- Cross Department Workflows
- Crowd Cycle Test - Blinks and Clapping
- Cutouts in Mantra
- Cycle Overview and Best Practices
- Cycle Tools and Pipeline
- Deformation Systems Overview
- DI Mattes Workflow
- Documenting Work
- Driving Dailies 2



- Dust Collision
- Dust Package
- DW Houdini Nodes
- Face System/Face Pose
- Figure Drawing
- Finaling Pipeline Overview
- Finaling Tools
- Fireball Explosion
- Fit and Base Mesh Review
- Flight School
- Flix Workflow
- FLO Camera Revisions
- FLO Command Line Tools
- Flux Fire Interaction
- Fur 1
- Fur Backing For Lighters
- Fur Wind/Smoosh
- FX 101
- General CFX Tools
- Geometry and MM Files
- Geometry Shaders and Intro to Fur
- Gesture Drawing
- Github workflows
- Hair Models/Curve Preparation
- Hair Tools Setup
- Hero Promotion Tools
- Houdini
- Hyperion Smartview
- IMF
- Intro to 2D
- Intro to Accurev
- Intro to ASG Concepts
- Intro to Deformers
- Intro to Destruction
- Intro to Flux
- Intro to Hierarchy Models
- Intro to Lighting
- Intro to Mantra
- Intro to Mudbox
- Intro to Nile
- Intro to Projects 1 and 2
- Intro to Projects 2
- Intro to Rez
- Intro to Shotgun
- Intro to Surfacing 1 and 2
- Intro to Translucent Objects
- Intro to Vdev Shot
- Jira
- Jira, Handoff and Render Page for IMF
- Job Tree
- Larrikans Design Language
- Layout Bookends
- Layout Shot Building

- Library Shot - Houdini
- Light 2 for Surfacing
- Linux
- Locations
- Loop and Transitions Basics
- Mari
- Markview Invoice and Workflow
- Marvelous Designer
- Massive Basics
- Matte Painting Workflow Overview/MP Tool
- Maya
- Modeling
- MOS
- Motion Builder Crowd Basics
- Motion System Overview
- Movie Browse
- Movie Viewing/Playlist
- MP Maya
- MP Nuke Class
- Nuke 101
- Nuke for FX
- Nuke for Lighting Lab
- Overview of UV Tools
- Pam Python API for TDs
- Parts Management
- Parts/UV Management
- Photoshop
- Pipeline Workshop
- Poly and SubD Modeling
- Pose Manager
- Post Sim Edits
- Premo Crowd Workflow
- Premo First Look
- Premo for Animators
- Production Surfacing
- Production Character Workshop
- Projects for TDs
- Projects in Torch for TDs
- Python for CharTD
- Qualoth Overview
- RAPID Liquids
- RAPID Particles
- RBD Rumble
- Render Farm/Utilities/Spin Tests
- Rez and Folios/Maps (SCM)
- Rez Workflows
- RLO (POV) Studio Overview
- Rough Pass Review (Animation)
- Rough Volumes Review
- Services
- Shaders for Lighters
- Shot Work Setup and Best Practices
- Show Specific Rigs

- Simulation
- Smooth Operator
- Studio Standard Torch Rig 1
- SubD Tips and Tricks
- Systems Overview
- Tech Animation/Finaling Overview
- Tiber Basics
- Torch Basics
- Torch Data Model
- Torch Data Model for PT TD
- Torch for FX
- Torch for IMF
- Torch for Lighting
- Torch for Lighting TD
- Torch for TAs
- Torch Open Lab (Rigs)
- Torch Plugin Development
- Torch Rig Walkthrough
- Torch Sequence Setup
- Torch Transition
- Unix
- Using Maya with Linux
- UV Layout
- UV Standards and Nomenclature
- Visual Communication
- Volumetric Shaders
- Whip Overview/Practical
- Wiki Basics
- Willow Overview/Practical
- Willow Stylers

### **COMPUTER SKILLS**

- Database Tools
- Document Control System
- DreamWorks Proprietary Employee System
- Excel (Intermediate & Advanced)
- Financial Reporting Tools
- Google Docs
- Google Gmail and Calendar
- Inventory Computer System
- Hyper Text Mark-Up Language
- Media Manager
- Microsoft Office (Intermediate & Advanced)
- Networking Tools
- Photostat
- Pipeline Tools
- Purchase Order System and Process
- Remedy
- Studio Intro 1, 2
- Systems
- Technical Management
- User Interface

- Visual Basic
- Wiki
- Web Page Design
- Windows Utilities

### **BUSINESS SKILLS**

- Breakthrough Conversations
- Budgeting
- Business and Report Writing
- Business Communications Skills
- Business Presentation Skills
- Coaching
- Communication
- Conflict Management (Working as a Team Player)
- Cost Reduction
- Customer Satisfaction
- Dealing with Difficult People
- Effective Delegating
- Effective Meetings
- Empowering Employees
- Facilitation/Trainer Skills
- Finance for Non-Financial Personnel
- Inter-Department Development and Workflow
- International Business Techniques
- Interpersonal Skills
- Leadership Skills
- Logistics Management
- Managing Business Transitions
- Managing Projects and Resources
- Marketing Framework/Positioning
- Master Scheduling
- Material Management
- Negotiating Skills
- New Business Development
- New Purchasing Processes
- Organizational Performance Model
- Planning/Buying Techniques
- Performance Management
- Performance Reviews
- Presentation Skills
- Price/Cost Analysis
- Product Knowledge
- Program/Project Management and Planning
- Scheduling
- Strategic Planning
- Studio Infrastructure
- Writing Skills
- Time Management
- Toastmasters

### **CONTINUOUS IMPROVEMENT**

- After Effects Case Studies
- Animation (Tips and Tricks)

- Animator Feedback
- Artistic Development
- Animation for Non-Animators
- Change Management
- Coaching
- Color Theory
- Corrective/Preventative Action
- Decision Making
- Design for Manufacturability
- Design for Testability
- Developing Talent
- Director of Photography Series
- Drawing
- Facilitating Improved Performance
- High Performance Work Teams
- Improvisation
- Leadership/Coaching Skills/Mentoring Essentials
- Leadership and Project Management Essentials
- Problem Solving
- Product and Process Improvement
- Production Coordination Workshop
- Production Engineering Class
- Production Engineering Overview
- Production Infrastructure
- Production Lighting 1, 2, 3
- Production Overview
- Production Pipeline
- Production Immersion
- Production Process Technical Overview
- Production Supervisor Workshop
- Production Supply Workshop
- Productivity Improvement
- Quality Awareness and Practices
- Quality Improvement Processes
- Quality Inspection Techniques
- Quality Management
- Quality Metrics
- Quality Production Concepts
- Puppeteering
- Screenwriting
- Sculpture
- Stop Motion Animation
- Story Forum
- Surfacing Tips and Tricks
- Team Building Skills
- Writer's Workshop
- Work Efficiency

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



October 28, 2015

Employment Training Panel

1100 J Street, 4th Floor

Sacramento, CA 95814

To Whom It May Concern:

This letter is to confirm the support of The Animation Guild, Local 839 IATSE, for the Job Creation application submitted by DreamWorks Animation to the Employment Training Panel.

We stand with DreamWorks Animation's goal of being a recognized leader in the animation industry, which requires a substantial amount of training for its newly hired employees.

Sincerely yours,

Steven Hulett

Business Representative



the  
animation  
guild

IATSE LOCAL 839

1105 North Hollywood Way  
Burbank, CA 91505-2528  
T 818 845.7500 F 818 843.0300

[www.animationguild.org](http://www.animationguild.org)



## RETRAINEE - JOB CREATION

Training Proposal for:

**Golden State Foods Corp.**

**Agreement Number: ET16-0350**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** J. Romero

### PROJECT PROFILE

Contract Attributes:	Priority Rate Job Creation Initiative Retrainee	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Los Angeles County	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Teamsters Local 63			
Number of Employees in:	CA: 1,236	U.S.: 4,010	Worldwide: 5,000	
<u>Turnover Rate:</u>	18%			
<u>Managers/Supervisors:</u> (% of total trainees)	9%			

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$481,740		\$55,388 15%	\$0		\$426,352

In-Kind Contribution:	100% of Total ETP Funding Required	\$470,842
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills; Computer Skills; Continuous Impr; HazMat; Manufacturing Skills	454	8-200	0-20	\$688*	\$16.48
				Weighted Avg: 45			
2	Retrainee Priority Rate Job Creation Initiative	Business Skills; Computer Skills; Continuous Impr; HazMat; Manufacturing Skills	50	8-200	0-20	\$2,280	\$13.73
				Weighted Avg: 114			

\*Reflects Substantial Contribution

**Minimum Wage by County:** \$16.48 for Los Angeles County for Job Number 1; and \$13.73 for Los Angeles County for Job Number 2 (Job Creation).

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

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

Up to \$2.48 per hour may be used to meet the Post-Retention Wage for Job Number 1 and up to \$1.73 per hour may be used to meet the Post-Retention Wage for Job Number 2

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1:</b>		
Production Staff		263
Warehouse Staff		44
Maintenance Staff		28
Sanitation Staff		19
Janitorial Staff		13
Quality Assurance Staff		20
Product Development Staff		2
Finance/Accounting Staff		4
Administrative/Support Staff		15
Supervisor		27
Manager		19
<b>TOTAL:</b>		<b>454</b>
<b>Job Number 2:</b>		
Production Staff		20



Warehouse Staff		4
Maintenance Staff		4
Sanitation Staff		4
Janitorial Staff		3
Quality Assurance Staff		2
Product Development Staff		2
Finance/Accounting Staff		2
Administrative/Support Staff		4
Supervisor		3
Manager		2
<b>TOTAL:</b>		<b>50</b>

## **INTRODUCTION**

Golden State Foods Corp. (GSF) ([www.goldenstatefoods.com](http://www.goldenstatefoods.com)) is a manufacturer and distributor of diversified products in the food service industry.

Founded in 1947, GSF processes and distributes liquid and meat food products, baked goods, and produce to more than 20,000 quick-service eateries from 20 distribution centers across the country. It is a primary supplier to McDonald's nationwide with beef patties, buns, condiments, and toppings. GSF is also a supplier and formula holder for Heinz, Hardee's, KFC, Pizza Hut, T.G.I.F., Applebee's, Zaxby's, Arby's, Church's Chicken, Papa John's Pizza, Cinnabon, Bon Appetit, Mom'en, Sweedy Foods, Smiles' Grill, Roastery's, Euro Deli, Taco Bell, and Del Taco.

GSF has three facilities in the City of Industry: a manufacturing plant, a distribution center, and a quality custom distribution. Its corporate headquarters is located in Irvine. Internationally, GSF supplies customers in 55 countries from facilities in Cairo, Egypt; Sydney and Perth, Australia; and Auckland, New Zealand. This is GSF's third ETP Agreement. Only employees in the manufacturing plant in the City of Industry will participate in this ETP Agreement.

## **PROJECT DETAILS**

To improve its business and remain competitive, GSF continually adjusts its processes and adapts to changes in business and markets. In response to increasing demand for its products, the Company purchased new equipment which will add a fourth production line that will run 24 hours/7 days a week. Additionally, to decrease process disruptions, the Company maintains a "floaters department" which is a pool of full-time employees that the Company can pull from to fill-in at any job during absences. These employees have to be fully cross-trained and ready to be plugged-in wherever they are needed. The Company must also adapt to evolving regulatory requirements. For example, some training in this proposal will lead to ISO 14000 certification. This will cut operational costs and facilitate the Company's process in complying with applicable laws and regulations.

This will be GSF's third Agreement within the last five years. This training will differ from the previous ETP Agreements. Courses that were repeated from previous Agreements are advanced versions. Trainees will not receive duplicated courses.

## Retrainee - Job Creation

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

GSF has committed to hiring 50 new employees (Job Number 2) within the next two years in multiple occupations to fill-in as positions are vacated by retiring employees or as needed by the additional production line. These employees will be hired from a pool of applicants who submit directly to the Company. They will require more training than existing staff because of their limited experience.

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

## Training Plan

**Business Skills** (5%): This training will be offered to all occupations to improve efficiency and productivity by enabling new employees to understand and implement business strategies effectively to support the Company. Trainees will develop an overall knowledge and understanding of human interaction skills that are critical in a competitive environment.

**Computer Skills** (2%): This training will be offered to all occupations on how to utilize software systems in their job functions.

**Manufacturing Skills** (80%): This training will be offered to Production Staff, Warehouse Staff, Maintenance Staff, Sanitation Staff, Janitorial Staff, Quality Assurance Staff and Product Development Staff. Training will include operation, preventive maintenance and repair of specialized machinery used in the manufacturing process. Trainees will acquire better understanding of the entire manufacturing process. Trainees will also receive skills on product review from a customer's perspective.

**Continuous Improvement** (10%): This training will be offered to all occupations. Training will develop decision-making skills and enhanced understanding of each trainee's strengths and weaknesses. Trainees will also receive skills to improve teamwork.

**Hazardous Materials** (3%): This training will be offered to all occupations. These skills will ensure that hazardous materials are handled in the safest manner possible for the employee, the Company, the customer and the environment.

## Commitment to Training

GSF represents that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be provided in accordance with all pertinent requirements under state and federal law. The Company has an annual training budget of \$100,000. It will continue to provide mandatory and job-specific training at its own expense, including orientation, harassment prevention and regulatory training, during the term of the proposed Agreement.

### ➤ Training Infrastructure

The Company has qualified trainers in place to provide training. GSF has assigned two administrators from Human Resources and the Training Department to work closely in the enrollment process, training data collection and data entry into the ETP online portal.

**Substantial Contribution**

GSF is a repeat contractor with payment earned in excess of \$250,000 within the past year at the manufacturing plant in the City of Industry. (See Prior Project Table.) Accordingly, reimbursement for trainees at the facility in Job Number 1 will be reduced by 15% to reflect the Company's \$55,388 Substantial Contribution to the cost of training.

**Union Support**

The Teamsters Local 63 represents 367 employees who will be participating in this ETP Agreement at GSF – City of Industry Manufacturing Plant and has provided a letter of support for this training proposal.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0310	City of Industry (Manufacturing Plant)	03/25/2013– 03/24/2015	\$243,000	\$217,589 (90%)
ET12-0138	City of Industry (Manufacturing Plant)	09/26/2011– 09/25/2013	\$195,570	\$195,570 (100%)

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

To Be Determined

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

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Communication
- Facilitation for Meetings and Presentations
- Finance/Accounting
- Project Management
- Time Management
- Train-the-Trainer

**COMPUTER SKILLS**

- Data Management
- Database Access & Management
- Informance
- Microsoft Office
- PMC Software (PM Program)
- Supply Chain Software

**CONTINUOUS IMPROVEMENT**

- Change Management
- Conflict Management/Resolution
- Failure Mode Effects Analysis
- Goal Setting
- ISO 14000
- Leadership
- Problem Solving
- Product Evaluation
- Quality Control/Quality Assurance
- Root Cause Analysis
- Team Building
- Total Productive Manufacturing
- Troubleshooting

**HAZARDOUS MATERIALS**

- Bloodborne Pathogens
- Chemicals
- Compressed Gases
- Hazard Communication
- Hazardous Material Handling
- Spill Response
- Storm Water Pollution Prevention

**MANUFACTURING SKILLS**

- Chemicals – Industrial
- Clean in Place
- Cross Contamination
- Downtime Data Collection
- Forklift Train-the-Trainer

- Machine/Equipment Maintenance
- Machine/Equipment/Position Validation
- Manufacturing Process Changes and Upgrades
- Material Testing
- Product Evaluation
- Production Process
- Troubleshooting Equipment
- Warehouse Management
- Advanced Safety Skills
  - Back Safety and Ergonomics
  - Behavior Based Safety
  - Confined Spaces
  - Contractor Safety
  - Electrical Safety
  - Hand Safety and Tool Handling
  - Heat Stress Prevention
  - Hoist and Rigging
  - Hot Work
  - Machine Guarding and Machine Safety
  - Pedestrian Safety
  - Personal Protective Equipment
  - Powered Industrial Vehicle Safety
  - Respiratory Protection
  - Walking and Working Surfaces

Safety Training is capped at 10% of a trainee's total training hours

### **CBT Hours**

0-20

Trainees may receive any of the following:

#### **BUSINESS SKILLS**

- Budgeting and Financials
  - Basics of Budgeting (2 hr)
  - Essentials of Budgeting for Non-Financial Professionals (1 hr)
  - Financial Statements (2 hr)
  - Principles of Financial Management (2.5 hr)
- Introduction to Green Business and Sustainability (1 hr)
- Presentations
  - Basic Presentation Skills: Delivering a Presentation (1 hr)
  - Basic Presentation Skills: Planning a Presentation (1 hr)
- Time Management
  - Taking Control of Your Time (0.5 hr)
  - Time Management: Analyzing Your Use of Time (1 hr)
  - Time Management: Avoiding Time Stealers (1 hr)
  - Time Management: Planning and Prioritizing Your Time (1 hr)
  - Time Management for Microsoft Outlook (1 hr)
  - Time Management Fundamentals (1 hr)

**CONTINUOUS IMPROVEMENT**

- Leadership
  - Addressing Problem Performance (2.5 hr)
  - Choices to Extraordinary Productivity (2 hr)
  - Coaching Performance (2 hr)
  - Communication and Leadership (4 hr)
  - Energizing and Empowering Employees (2.5 hr)
  - Facilitative Fundamentals: Tools and Techniques (4.5 hr)
  - The Facilitator Role (4 hr)
  - Interpersonal Communication: Listening Essentials (1 hr)
  - Leadership and Change (1.5 hr)
  - Leadership Essentials: Motivating Employees (1 hr)
  - Managing as Coach and Counselor (3.5 hr)
  - Managing Change: Dealing with Resistance to Change (1 hr)
  - Managing the Change Process (3 hr)
  - Mentoring as a Manager (2 hr)
  - Relationship Trust (1 hr)
  - Resolving Conflict with Communication Skills (3 hr)
  - Starting the Change Process (3 hr)
  - Using Feedback to Improve Team Performance (1 hr)
- Team Building
  - Being an Effective Team Member (1 hr)
  - Communication of a Shared Vision (5 hr)
  - Elements of a Cohesive Team (1 hr)
  - Establishing Team Goals and Responsibilities (1 hr)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee.
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# TEAMSTERS LOCAL UNION No. 63

RANDY CAMMACK  
SECRETARY-TREASURER

KEN HAARALA  
PRESIDENT

Freight, Parcel,  
Bakery, Dairy,  
Meat, Poultry  
and Factory  
Workers in the  
Los Angeles  
Metropolitan  
Area.

General Truck  
Drivers,  
Warehousemen,  
and Helpers in  
Los Angeles,  
San Bernardino,  
Riverside  
Counties,  
California.

Agricultural and  
Related Product  
Workers in the  
California  
Counties of San  
Diego, Imperial,  
Orange,  
Alameda,  
Los Angeles,  
San Bernardino,  
Ventura, Santa  
Barbara, Kern,  
San Luis  
Obispo, Tulare,  
Kings,  
Monterey, San  
Benito, Fresno  
and Merced.

927 Village Oaks  
Drive  
Covina, Calif.  
91724  
(626) 859-4005  
FAX  
(626) 859-4084

379 W. Valley  
Blvd.  
Rialto, Calif.  
92376  
(909) 877-4760  
FAX  
(909) 877-2452

January 4, 2016

Gregg Griffin  
Manager, North Hollywood Regional Office  
Employment Training Panel  
4640 Lankersheim Blvd., Suite 311  
North Hollywood, California 91602-1841

Re: Application to Employment Training Panel for Golden State Foods

Dear Mr. Griffin:

Teamsters Local 63 represents employees at Golden State Foods, City of Industry. We support the training of the work force as it improves upon the skills of the workers we represent.

Therefore, Teamsters Local 63 supports Golden State Foods' application for funding from the Employment Training Panel.

Fraternally,

Martin F. Perez  
Business Representative/Coordinator  
Teamsters Local 63

MFP/lis



## Training Proposal for:

**SkillServe, Inc.**

**Agreement Number: ET16-0335**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate SET Medical Skills Training HUA	Industry Sector(s):	Healthcare Services  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Los Angeles, Orange, San Bernardino, Ventura	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 1,400	U.S.: 1,400	Worldwide: 1,400	
<u>Turnover Rate:</u>	12%			
<u>Managers/Supervisors:</u> (% of total trainees)	N/A			

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$295,488		\$0	\$0		\$295,488

In-Kind Contribution:	100% of Total ETP Funding Required	\$451,990
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Medical Skills Training Priority Rate SET	Computer Skills, Cont. Imp., MST-Didactic, MST-Preceptor	304	8-200	0	\$972	\$21.63
				Weighted Avg: 54			

**Minimum Wage by County:** SET Statewide: \$21.28 per hour

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

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

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

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Respiratory Therapists		29
Licensed Vocational Nurses		206
Registered Nurse		69

**INTRODUCTION**

Founded in 1984, SkillServe, Inc. (SkillServe) is an administrative entity that owns and manages 12 skilled nursing facilities located in and around the Los Angeles area. These facilities provide sub-acute and rehabilitation care for the elderly population including medications, treatments and assistance with daily living activities.

The Company is headquartered in Long Beach. The facilities under management are in Los Angeles, Orange, San Bernardino and Ventura counties. Employees from all locations will participate in training under this Agreement.

**PROJECT DETAILS**

Recent changes in the healthcare industry have impacted the way SkillServe conducts business. The Affordable Care Act has revised standards for patient care, implemented new medical coding regulations, and increased the number of documentation procedures required of Healthcare facilities. Training will focus on recently mandated documentation requirements and new reporting procedures.

Computer Skills training on the Electronic Medical Recordkeeping System (EMR) will ensure SkillServe is uniform with all other healthcare providers, as required by the federal mandate.

Medical Skills Training will cover patient assessment and care, pain management, physical therapy skills and services, and equipment operation. Preceptor training will also be included to provide hands-on experience and assure that medical staff at all company facilities follow the same protocol. Continuous Improvement training in communication, conflict resolution and documentation will enhance these skill sets and improve the related processes and procedures.

## Training Plan

**Computer Skills (5%):** Training will be offered to all occupations in the use of the Company's EMR software. Trainees will use this program daily and must demonstrate they are capable of navigating all computer programs utilized by the Company.

**Continuous Improvement (10%):** Training will be offered to all occupations to improve employee skill sets. Topics such as Communication Skills, Conflict Resolution and Documentation Skills will help trainees improve communication between staff and patients and ensure staff can properly document services provided.

**Medical Skills Training (85%):** Training will be offered to all occupations to increase the skills of SkillServe's medical staff. Staff will receive Didactic/Preceptor training to remain current in medical treatment. Courses include Internal Feeding Management, Post Mortem Care, Nutritional Needs, and Wound Management and Skin Care.

The Panel has established a "blended" reimbursement rate for nurse upgrade training, recognizing the higher cost of delivery for the Clinical Preceptor model. All 304 nurses and therapists to be enrolled in ETP will participate in Medical Skills Training. Staff will receive Didactic training to remain current in medical treatment for the elderly population. Training to be delivered will ensure all SkillServe locations are consistent in the level of care being provided to patients. Trainees will gain new skills to provide medical services and meet staffing needs at facilities in the Southern California area.

## Special Employment Training/Priority Industry

Trainees under Special Employment Training (SET) must earn at least the Statewide Average Wage of \$28.37/hour at the end of the retention period. The Panel may modify the minimum wage requirement for companies in priority industries such as healthcare, up to 25% below the state average hourly wage (\$21.28). The Company is requesting this wage modification.

## Commitment to Training

SkillServe spends approximately \$265,000 annually for training at all 12 sites. Courses include new hire orientation, mandated training, and Medical Skills training. Training delivered in the past has been both company-wide and job specific. The Company is committed to training its staff upon completion of the ETP program. Training will continue to be offered to staff members to ensure competency within the company and provide high-level healthcare to patients.

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

### ➤ Training Infrastructure

Each SkillServe location will have an assigned employee to coordinate training development and will be held responsible for collecting and returning training rosters to the Human Resources Director located in Long Beach. In addition, the Company has hired a third party consultant to provide assistance with project administration

**Other Resources**

The Company has participated in the Enterprise Zone (EZ) program at the time it was in place. During the past 3 years, SkillServe facilities have received approximately \$600,000 in EZ funding.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

Tax Credit Co. in Los Angeles assisted with development of this proposal for a flat fee of \$20,000.

**ADMINISTRATIVE SERVICES**

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

**TRAINING VENDORS**

N/A

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

8-200

Trainees may receive any of the following:

**COMPUTER SKILLS**

- Electronic Medical Records
- Intermediate and Advanced Microsoft Office
- Patient Billing, Accounts Receivable and Financial

**CONTINUOUS IMPROVEMENT**

- Achieving Quality Improvement
- Case Management and Discharge Planning
- Chain of Command
- Charge Nurse Training
- Communication Skills
- Conflict Resolution Skills
- Customer Service Skills
- Disaster Management
- Documentation Skills
- Fraud Prevention and Reporting Abuse
- Organization and Time Management Skills
- Organizational & Administrative Structure
- Preventing Elder Abuse
- Preventing Loss and Theft of Personal Property
- Social and Recreational Needs
- Team Building Skills
- Utilization Review

**MEDICAL SKILLS - DIDACTIC**

- Admissions, Discharges, Transfers
- Blood Borne Pathogens
- Care and Treatment of Cardiovascular Patients
- Case Management/Discharge Planning
- Choking, Prevention and Intervention
- CPR
- Decontamination Procedures
- Developing a Plan of Care
- Diabetes Care and Management
- Drug Management
- Educating the Patient and Family
- Enteral Feeding Management
- Fall Prevention
- HIPPA rules
- Immunization
- Incident Reporting
- Infection Control
- Injury and Illness Prevention
- IV & Central Lines Management

- Laboratory Skills
- Managing Hepatitis B
- Managing TB
- Managing the Death of a Resident
- Medication Administration and Management
- Nail Care
- Nutritional needs
- Occupational Therapy Skills & Services
- Operating Adaptive Equipment
- Oral Hygiene
- Pain Management
- Patient Assessment and Care
- Pharmacy Skills & Services
- Physical Therapy Skills & Services
- Post-Mortem Care
- Problems and Needs of Aged, Ill and Disabled Residents
- Rapid Response/Emergency Skills
- Resident's Dignity, Privacy and Rights
- Respiratory Assessment and Care
- Restraint Management
- Speech and Language Pathology Skills
- Treating Dementia
- Ventilator and Tracheostomy Care
- Wound Management and Skin Care

**MEDICAL SKILLS – CLINICAL PRECEPTOR**

- Application and Release of Restraints
- Enteral Feeding Management
- Infection Control
- IV Insertion and Therapy
- Medication Administration
- Patient Assessment and Care
- Patient Fall Prevention
- Respiratory Assessment and Care
- Restorative Nursing Skills
- Transfer and Repositioning Techniques
- Ventilator and Tracheostomy Care
- Wound Management and Skin Care

<p>Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.</p>
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**Training Proposal for:**  
**Sturgeon Services International, Inc.**

**Agreement Number: ET16-0336**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate HUA	Industry Sector(s):	Construction  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Kern, Fresno, Monterey, Ventura, San Luis Obispo	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 792	U.S.: 792	Worldwide: 792
<u>Turnover Rate:</u>	16%		
<u>Managers/Supervisors:</u> (% of total trainees)	1%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$478,584		\$73,600 (30% Job 1)	\$0		\$404,984

In-Kind Contribution:	100% of Total ETP Funding Required	\$485,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate HUA	Business Skills, Comm. Skills, Computer Skills, Cont. Imp., HazMat, Mgmnt. Skills, PL-Comm. Skills	400	8-200	0	*\$428	\$14.00
				Weighted Avg: 34			
2	Retrainee Priority Rate	Business Skills, Comm. Skills, Computer Skills, Cont. Imp., HazMat, Mgmnt. Skills, PL-Comm. Skills	50	8-200	0	\$612	\$15.60
				Weighted Avg: 34			
3	Retrainee Priority Rate HUA	Business Skills, Comm. Skills, Computer Skills, Cont. Imp., HazMat, Mgmnt. Skills, PL-Comm. Skills	332	8-200	0	\$612	\$14.00
				Weighted Avg: 34			

\*Reflects Substantial Contribution

**Minimum Wage by County:** Job Number 1 (HUA): \$11.70 for Kern County; Job Number 2: \$15.60 for San Luis Obispo and Ventura counties; Job Number 3 (HUA): \$11.70 for Fresno and Monterey counties.

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

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

Up to \$0.10 per hour may be used to meet the Post-Retention wage in Job Number 2 only.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Numbers 1 &amp; 3</b>		
Admin/Clerical Staff		50
Safety Staff		20
Construction Crew		425
Shop/Yard Maintenance Staff		44
Roustabout		78
Quality Control Staff		12

Equipment Operator		47
Front Line Managers I		5
Front Line Manager II		2
Transportation Drivers		27
Supervisors		22
<b>Job Number 2</b>		
Construction Crew		15
Transportation Drivers		6
Roustabout		11
Safety Staff		4
Quality Control Staff		2
Equipment Operator		10
Supervisors		2

## **INTRODUCTION**

Founded in 1926, Sturgeon Services International, Inc. (Sturgeon) ([www.sturgeonservices.com](http://www.sturgeonservices.com)) is a family-owned oilfield and commercial construction company. Sturgeon is headquartered in Bakersfield, with nine locations statewide. Training will also be provided to Sturgeon's wholly owned subsidiary, Sturgeon and Son Grading and Paving Inc., which is co-located. Sturgeon specializes in heavy equipment earth moving projects, commercial construction, grading and paving. Other services include hazardous waste removal, line pigging, line abandonment, hydro blasting, ground restoration, remediation, and Tier I and II rescue. This will be Sturgeon's fourth training project funded by ETP.

## **PROJECT DETAILS**

Sturgeon entered into the oilfield industry five years ago just as oil prices and the California oil production began to revitalize. Since then, Sturgeon has experienced rapid employee growth, leading to a corporate re-structure. Today the Companies have some 800 employees statewide.

With oil prices dropping and new production in competing states such as Texas and North/South Dakota, production has begun to slow down in California oilfields. To remain competitive, Sturgeon will shift its business focus towards commercial earthmoving, grading, paving, demolition, painting and hydro blasting.

Sturgeon is well known in the commercial construction sector and plans to ramp up their presence in this market segment. This change will require a substantial amount of training for employees originally hired to work in oilfields (drill rigs, oilfield standards, loaders, etc.). Cross training will be provided on the standards and processes required in commercial grade construction, such that all occupations will receive some degree of training. In doing so, Sturgeon will have a more flexible and responsive workforce.

### **Training Plan**

Training will be provided in new techniques in customer/vendor relations to meet the needs and expectations of new clientele in the grading and paving industry.



Training in Lean training will be provided as a continuation of the prior Agreement. Sturgeon will initiate Phase 2 of this training by delivering more advanced and detailed information on Lean methods and tools, and process analysis methods (mapping, 5S, Kaizen, and Kan Ban). The goal is to quantify waste and increase productivity levels. No trainee will repeat the same training previously delivered.

**Business Skills (10%):** Training will be offered to Supervisors, Admin/Clerical, Safety and Quality Control Staff to advance skills in customer service. Training provided will ensure customer demands are being met and the Company is able to handle higher production levels.

**Hazardous Materials (5%):** Training will be offered to the Construction Crew, Supervisors, Equipment Operators, Shop/Yard Maintenance Staff and Roustabout workers. Hazmat training will ensure staff has clear knowledge of requirements and tools available to restore ground to its natural state following exposure to hazardous material spills or leakages. Trainees will learn how to neutralize contaminants by safely removing it and bringing the area to its original state.

**Commercial Skills (37%):** Training will be offered to Equipment Operators, Transportation Drivers, Construction Crew and Quality Control Staff. Training will ensure that staff can operate heavy machinery and utilize commercial grading and paving practices. Curriculum provided will raise the level of competency of the construction crew.

**Management Skills (8%):** Training will be offered to Managers and Supervisors in a new strategic plan that addresses short and long-term needs of Sturgeon.

**Computer Skills (5%):** Training will be offered to all occupations to enhance staff capability in computer programs being used by Sturgeon. Training includes Fast Est Computer Software and CAD training.

**Continuous Improvement (30%):** Training will be offered to all occupations in Lean techniques and methods. Trainees will develop complete understanding of the quality standards and principles within the company.

**Productive Laboratory (5%):** The Panel recently adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

Approximately 50 Equipment Operators will receive up to 10 hours per-trainee in PL Commercial Skills on how to handle heavy equipment. Trainees will learn the specifics of commercial grading and paving, and standards required in the industry. Heavy equipment used in training includes graders, land leveling equipment, steamrollers, vacuum tank trailers and guzzler trucks.

PL instructors will assign job tasks that must be completed by the trainees to meet production expectations, as well as provide necessary feedback to each trainee. Following instruction, trainees must then demonstrate their capabilities. The trainee's progress will be documented and evaluated periodically throughout PL training. Once the job is completed, the instructor will measure it against construction codes and standards based on the municipality of the job site. Instructors will determine if and when the trainee is cleared to operate the equipment independently. The trainer-to-trainee ratio for training on heavy equipment will be 1:1.

### **Green/Clean Technology**

Sturgeon includes a highly skilled and experienced restoration and remediation team. This team returns abandoned industrial sites to productive use being its natural state or preparation for further development. Restoration plans for these projects involve site stability, soil management, wetland seeding, drill seeding, hydro seeding, mulching, erosion prevention and revegetation.

Sturgeon also offers environmental remediation services to remove pollutants and contaminants from soil, groundwater, surface water or sediment. All remediation projects conducted comply with environmental regulations.

### **Commitment to Training**

Sturgeon spends approximately \$375K in annual training for its California locations. Training delivered includes new hire orientation, basic safety and violence in the workplace. Training is company-wide and delivered as class/lab, videoconference and computer-based training.

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

#### ➤ Training Infrastructure

Sturgeon has designated Administrative Staff to oversee this ETP Agreement. Staff members have participated in prior ETP Agreements and are familiar with all administrative duties required to successfully earn ETP funding (schedule training, track training hours, data collection, meeting with ETP Representative. The Company has also hired a third party administrator to provide administrative services throughout the duration of the Agreement.

### **High Unemployment Area**

Trainees in Job Numbers 1 and 3 work in a High Unemployment Area (HUA), exceeding the state average by at least 25%. For these trainees, the Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. Sturgeon is requesting a wage modification to \$14.00 per hour.

### **Substantial Contribution**

Sturgeon is a repeat contractor with payment earned in excess of \$250,000 at the Bakersfield facility, within the past five years. Sturgeon was assessed a first-time Substantial Contribution at the 15% level in its prior contract (ET14-0236). Accordingly, reimbursement will be reduced by 30% to reflect the company's \$73,600 Substantial Contribution to the cost of training for the Bakersfield location only.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0236	Bakersfield, Ventura	12/31/13- 12/30/15	\$627,672	TBD (90%)
ET12-0176	Bakersfield, Ventura, Santa Maria	11/28/11- 11/27/13	\$420,554	\$399,776 (95%)

ET14-0236: Based on ETP Online Systems, 40,375 reimbursable hours have been tracked for potential earnings of approximately \$568K (90% of approved amount). The Contractor projects final earnings of 90% based on remaining final payments that will be submitted for approximately 551 trainees by January 2016. As of December 2015, 377 trainees have been retained and \$306,751 in funding has been earned.

### **DEVELOPMENT SERVICES**

Strategic Business Solutions, LLC in Visalia assisted with development for a flat fee of \$10,000.

### **ADMINISTRATIVE SERVICES**

Strategic Business Solutions, LLC will also perform administrative services for a fee not to exceed 7% of payment earned.

### **TRAINING VENDORS**

N/A

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

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Sales Training
- Job Bidding and Estimating
- Municipal Code/Permit Processing Requirements
- Construction Math
- Jobsite Staging and Logistics

**COMMERCIAL SKILLS**

- Commercial Grading and Paving Best Practices
- Confined Space Training\*
- Drainage and Runoff
- Commercial Painting
- Heavy Equipment Operation
- Tier I Tier II Rescue Training\*

**COMPUTER SKILLS**

- Fast Est Computer Software
- Computer-Assisted Drawing Software (CAD/CAD 3D)

**CONTINUOUS IMPROVEMENT**

- LEAN Training (Phase 2)
- Sturgeon Quality Control Training

**HAZARDOUS MATERIALS**

- Ground Remediation Best Practices (Phase 2)
- Hazardous materials Handling, Storage and Cleanup

**MANAGEMENT SKILLS (Managers/Supervisors Only)**

- Strategic Planning
- Coaching and Mentoring

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

**Productive Lab Hours**

0-10

**COMMERCIAL SKILLS (Ratio 1:1)**

- Heavy Equipment Operation

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 10 hours per trainee.
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**Training Proposal for:**  
**The Anthem Companies, Inc.**  
**Agreement Number: ET16-0337**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** M. Reeves

**PROJECT PROFILE**

Contract Attributes:	Retrainee SET	Industry Sector(s):	Insurance  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Los Angeles, Orange, San Diego, Sacramento, Ventura	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 8,053	U.S.: 51,900	Worldwide: 52,000
<u>Turnover Rate:</u>	9%		
<u>Managers/Supervisors:</u> (% of total trainees)	3%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$495,000		\$0	\$0		\$495,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$1,145,610
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Business Skills, Commercial Skills, Computer Skills, Cont. Imp.	375	8-200	0	\$900	\$15.60
				Weighted Avg: 60			
2	Retrainee SET	Business Skills, Commercial Skills, Computer Skills, Cont. Imp.	175	8-200	0	\$900	\$28.37
				Weighted Avg: 60			

**Minimum Wage by County:** Job Number 1: \$16.51 per hour for Orange County; \$16.48 per hour for Los Angeles County; \$16.46 per hour for San Diego County; \$16.10 per hour for Sacramento County; \$15.60 per hour for Ventura County. Job Number 2 (SET): \$28.37 per hour.

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

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

Up to \$2.63 per hour (Job Number 1 and 2) may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Claims/Customer Service Staff		100
Sr. Claims/Customer Service Staff		60
Information Technology Staff		45
Sr. Information Technology Staff		17
Marketing/Sales Staff		37
Medical/Disease Management Staff		33
Sr. Medical/Disease Management Staff		10
Support Staff		41
Sr. Support Staff		15
Supervisor/Manager		10
Sr. Supervisor/Manager		7
<b>Job Number 2</b>		
Claims/Customer Service Staff		90
Information Technology Staff		7
Marketing/Sales Staff		40
Medical/Disease Management Staff		8
Support Staff		30

## **INTRODUCTION**

The Anthem Companies, Inc. (Anthem) is an independent licensee of the Blue Cross and Blue Shield Association (BCBSA) with multiple locations in California and in 13 other states ([www.anthem.com](http://www.anthem.com)). In California, the Company operates only as Anthem Blue Cross, and insurance carriers for Blue Shield are actually among its competitors. Anthem offers a spectrum of managed care plans including Preferred Provider Organizations, Health Maintenance Organizations, Point-of-Service and Blue Cross Covered California. Anthem offers these and other plans to large and small businesses, including a workers' compensation package; and, to individual consumers, including the growing "senior" market. The full product line includes traditional indemnity insurance; Medicare/MediCal Supplement; Flexible Spending Accounts; and hybrid or specialty coverage for dental/vision, behavioral health, and life/disability.

Anthem seeks funding to train 375 of its own employees, and 175 employees of its close affiliate The Anthem Companies of California, Inc. (Anthem of CA). Both Anthem and its affiliate are owned by the same parent, and operate from the same facility locations. Both companies offer the same product line, but Anthem of CA only handles sales, service and support in California. [Note: Anthem was formerly known as WellPoint, Inc. and held a successful ETP Agreement under that name in 2009. Anthem changed its name in 2014 to reflect that of its parent Anthem, Inc.]

Anthem underwrites all insurance products in its line, although some underwriting is partial in which case it acts more like a Third Party Administrator. As noted above, Anthem faces competition from Blue Shield licensees; it also competes for customers located outside of California. However, Anthem of CA only reaches a California customer base, and for this reason, its trainees will be funded under Special Employment Training (SET) in Job Number 2. It should be noted that the SET wage requirement is higher, as reflected in the Wage Range by Occupation Table. In other words, Job Number 2 has the same occupational titles as Job Number 1, but it only includes trainees with a higher wage rate based on seniority or advanced skills.

Anthem and Anthem of CA are co-located statewide. Training will take place at the following locations: Costa Mesa, Glendale, Los Angeles, Newbury Park, Rancho Cordova, San Diego, Thousand Oaks and Woodland Hills.

Anthem reports that health care reform has brought about fundamental changes to the industry. These changes include the transition from "paying for volume" to "paying for value" as well as growing trends in consumerism and public exchange. Health plan providers, delivery systems, and payers must adapt to new levels of consumer engagement in the evolving health care marketplace. Anthem will also be boosting its use of mobile applications, given the growing consumer bias in favor of Internet applications for sales/service.

## **PROJECT DETAILS**

Anthem has developed three strategic pillars that define its new business approach: 1) Provider Collaboration, 2) Managing Total Cost of Care, and 3) Customer Centricity. To support these pillars, the Company is making significant investments and launching key initiatives in the following areas:

- Adding new systems and changing processes to improve customer service
- Consolidating legacy system platforms to provide better information at a lower cost
- Focus on customer needs by making better use of data, innovation, and technology

Anthem is installing the following new Information Technology platforms:

- **Alegeus:** This is the new Consumer Directed Health platform for administering Anthem's Health Savings Account, Flexible Savings Account, Health Reimbursement Account, Transit Accounts and Direct Bill services. This platform will support Anthem.com and Anthem's mobile application. Employers will benefit by leveraging new capabilities to meet cost and coverage goals.
- **Pega Consumer Relationship Management:** This is a new enterprise Utilization Management (UM) call center system. This system will replace multiple disparate UM Intake Authorization systems and interfaces. It will continue to support requests/inquiries via phone and FAX for various functional areas. This system will eliminate toggling between systems to obtain information; enhance call traceability and call routing metrics, and eliminate manual processes.
- **Anthem Care Management Platform (ACMP):** This is a new medical management system designed to replace various legacy systems. ACMP will allow for dedicated inpatient and outpatient pre-certification reviews by the Company's clinical staff.

Other consolidation projects are taking place for Claims Processing, Customer Care Center and Billing. In addition, the Company is working to blend its hybrid and specialty insurance line with its managed care medical coverage line to serve the changing needs of customers.

## Training Plan

The proposed training is scheduled to begin during the first week of February 2016, at all locations. Training will be delivered by both in-house subject matter experts, and outside vendors to be identified during the contract term. The majority of training will be delivered in a traditional class/lab setting (some training may also be provided via E-learning/virtual classroom).

**Business Skills (15%):** Training will be offered to all occupations. This training will focus on communication, customer service and support, and project/risk management. Trainees will improve customer service and manage overall business processes more effectively.

**Commercial Skills (40%):** Training will be offered to all occupations. Training will consist of industry-specific topics such as claims processing/review, health care transformation, customer-centric business processes and health plan updates. Training will ensure that Anthem's frontline workers possess the requisite skills to develop and support the Company's products and services.

**Computer Skills (20%):** Training will be offered to all occupations. Training will help workers become more proficient at utilizing multiple computer applications (Alegeus, Pega, ACMP, etc.) to document, track, and report member data in various formats. This training will enable Anthem to improve its overall efficiencies through the use of new/consolidated systems.

**Continuous Improvement (25%):** Training will be offered to all occupations. Areas of emphasis will include change management, process reengineering and leadership skills. This training is designed to improve worker productivity by implementing process improvements throughout the organization.



**Commitment to Training**

Anthem has an estimated training budget of \$2.5 million for its California facilities in 2016. This is for ongoing training in anti-harassment, new hire orientation, motivational interviewing, ethics, basic computer skills, performance management, career path skills, industry regulations, and personal development skills. Anthem also provides undergraduate degree training for associates through an online university at no cost to the employee.

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

➤ **Training Infrastructure**

Some 25 in-house trainers will utilize Anthem's Learning Management System (LMS) to schedule training, enroll trainees, track training/completion, and document all ETP-funded training. Other key staff will coordinate internal project administration. In addition, Anthem has retained an experienced third party administrator to ensure that all training adheres to ETP requirements.

**Recordkeeping**

Staff has reviewed and approved the use of a LMS for recordkeeping.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

Training Funding Partners (TFP) in Fountain Valley assisted with development of this proposal for a flat fee of \$23,500.

**ADMINISTRATIVE SERVICES**

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

**TRAINING VENDORS**

To Be Determined

**Exhibit B: Menu Curriculum****Class/Lab/E-Learning Hours**

8–200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Advanced Sales/Marketing
- Communication/Conflict Resolution
- Customer Service/Support
- Project Management
- Risk Management
- Technical Writing
- Train-the-Trainer

**COMMERCIAL SKILLS**

- Claims Processing/Review
- Clinical Care
- Customer Centric Business Process
- HealthCare Transformation
- ICD-10 Skills (International Classification of Disease)
- New Patient Enrollment
- New and Updated Health Plans
- New and Updated Specialty Plans

**COMPUTER SKILLS**

- ALEGEUS – Consumer Directed Health System
- Claims/Customer Care Center Platform Consolidation
- Commercial Genesys Multi-Channel System
- Intermediate/Advanced Microsoft Office
- Microsoft Project
- Oracle Revenue Management and Billing (RMB platform)
- SharePoint
- WGS System Skills (WellPoint Group System)
- STAR System Skills (System That Achieves Results)
- NASCO System Skills (National Account Service Company)
- Pega Customer Relationship Management System
- Anthem Care Management Platform Medical Management System

**CONTINUOUS IMPROVEMENT**

- Business Process Reengineering
- Change Management
- Leadership/Motivation
- Process/Performance Improvement
- Team Building/Managing a Team

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

Training Proposal for:

**Edwards Lifesciences LLC**

**Agreement Number: ET16-0306**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** San Diego

**Analyst:** J. Davey

### PROJECT PROFILE

Contract Attributes:	Job Creation Initiative Retrainee Priority Rate	Industry Sector(s):	Healthcare Biotechnology/Life Sciences  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Orange	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 3,356	U.S.: 4,173	Worldwide: 9,875
<u>Turnover Rate:</u>	8%		
<u>Managers/Supervisors:</u> (% of total trainees)	12%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$688,000		\$216,000 50%	\$0		\$472,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$503,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Cont. Imp., HazMat, Mgmt. Skills, Mfg. Skills	400	8-200	0	*\$540	\$16.51
				Weighted Avg: 60			
2	Job Creation Initiative Retrainee Priority Rate	Business Skills, Computer Skills, Cont. Imp., HazMat, Mgmt. Skills, Mfg. Skills	160	8-200	0	\$1,600	\$16.02
				Weighted Avg: 80			

\*Reflects Substantial Contribution

**Minimum Wage by County:** Job Number 1: \$16.51 per hour for Orange County; Job Number 2 (Job Creation): \$13.76 per hour for Orange County

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

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

Up to \$0.49 per hour may be added to meet Post-Retention Wage in Job Number 1.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Clinical Marketing Specialist		20
Clinical Sales Specialist		40
Engineer 1		50
Engineer 2		60
Manager 1		10
Manager 2		10
Production Staff		50
Professional Administrative Staff		20
Quality Specialist		70
Regulatory Specialist		10
Supervisor		15
Technician		45

<b>Job Number 2</b>		
Clinical Marketing Specialist		3
Clinical Sales Specialist		5
Engineer		15
Manager 1		8
Manager 2		8
Production Staff		58
Quality Specialist		50
Supervisor		8
Technician		5

## **INTRODUCTION**

Founded in 1958 and headquartered in Irvine, Edwards Lifesciences LLC (Edwards) ([www.edwards.com](http://www.edwards.com)) develops, manufactures and markets medical devices and technologies used in the treatment of advanced cardiovascular disease and hemodynamic monitoring. The Company's product line is sold in over 100 countries. It includes tissue replacement heart valves, valve repair products, hemodynamic monitoring devices, and other critical care technologies that facilitate cardiac surgery procedures through small incisions. In California, Edwards has one facility or "campus" located in Irvine.

## **Prior ETP Projects**

This is the fifth proposal between Edwards and ETP within the last five years. The second project focused on training for newly hired production employees in skills needed to support the expansion of the Company's heart valve production line. The 75 employees in Job Creation (Job 2) were temporary workers. Edwards earned payment for all 75 trainees who were hired into full-time permanent positions in time for retention. The average "conversion period" was 180 days from their start date at Edwards.

This new proposal will include Production Staff (Job Creation) and build on the training delivered to Engineers in the previous contract. It will also include a variety of occupations. Edwards is also establishing functional technical competencies and career pathways for Quality, Engineering and Manufacturing Staff. Once completed, specific training for each occupation career-path will define training to allow employees to create an individualized career path within Edwards.

## **PROJECT DETAILS**

To remain at the forefront of heart valve technology, Edwards must continually invest in the training and development of its Engineers and other staff responsible for the research, development and marketing of its products. Because the Company's products require scientific expertise and regulatory oversight, continuous training is critical in maintaining and advancing these unique products.

The training proposed is being driven by the following initiatives: 1) the purchase and implementation of a companywide enterprise strategy, Product Lifestyle Management (PLM) Software, and the recent upgrade to its Oracle ERP system; 2) the launch of the Edwards Global Technical Training Program, an industry driven curriculum to give employees the business acumen

to successfully transition into and move up the career ladder in biotechnology careers. Graduates from this program will gain knowledge about the highly regulated life science business environment and the reality of work in multi-disciplinary project teams to meet business goals; and 3) Edwards also have several new cardiac surgery and heart valve therapy technologies in development. ETP funding will allow the company to be able to provide training to its workforce on a timely, cost-effective basis.

### **Retrainee – Job Creation**

To support the development of these new technologies, Edwards needs to expand its workforce. The Company has added additional training topics and clean rooms; converted warehouse space for offices; leased additional office space in Irvine with room for 200 additional employees; and constructed a new, multi-level parking structure. The Company will hire 160 new employees during the term of this contract.

Training for newly hired employees is reimbursed at a higher rate and trainees are subject to a lower post-retention wage. These trainees must be hired within the three-month period prior to Panel approval or during the term of the contract. The Company also represents that these trainees will be hired into “net new jobs” as a condition of contract. As a feature of this program, the Substantial Contribution requirement will be waived for Job Number 2.

### **Temporary-to-Permanent Hiring**

As part of its business growth, Edwards expects to expand its permanent workforce by 160 employees within the term of the ETP Agreement. All 160 trainees in Job Creation (Job Number 2) will be trained under Panel guidelines for “temporary-to-permanent” employment. As discussed earlier, in its most recent Agreement (ET14-0208), Edwards earned payment for all 75 Job Creation trainees under this same program. [Note: An earlier project solely for newly hired trainees (ET11-0267) did not fare as well. See footnote under the Prior Projects table.] Edwards will retain these employees through a temporary agency, with the intention of hiring them into full-time permanent positions after training. These 160 temp-to-perm trainees will all be hired into net new jobs.

These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after they have been hired by Edwards. Until then, Edwards will not receive progress payments. The Company reports the following regarding their current temp-to-perm hiring practices:

- Tem-to-perm occupation are primarily Production and Professional Administrative Staff;
- After working at Edwards for 180 days (six months) as temporary workers, the Company will assess their readiness to convert to full-time employment; once they are certified in at least one skill area, they are hired as full-time employees of Edwards;
- The temp agency operates on-site at the Irvine campus as a staffing office for Edwards' staffing needs; however, there is no exclusive relationship;
- Some retrainees (Job Number 1) may be hired under the temp-to-perm program.

## Training Plan

The proposed training will focus on training and development for research, development, and marketing of Edwards' products. Although there may be similar courses to the previous Agreement, incumbent employees will not receive duplicate courses.

**Computer Skills (20%):** All occupations will receive training in the Company's new PLM System, an enterprise strategy that allows organizations to work as a single team to design, produce, support and retire products. Training will be required across all functional areas and will interface globally with other quality systems. Training will also include the latest upgrades of the Company's Oracle ERP system as it relates to their individual job function. Engineering Staff and Technicians will receive training in Auto-Cad software, control charts, Matlab and Validation software. Advanced MS Office Suite will be provided to Administrative Support Staff and select Managers/Supervisors.

**Continuous Improvement (25%):** Engineering, Quality Staff and Technicians will receive training in advanced Lean Manufacturing topics critical to reducing waste and streamlining processes: design of experiments, test method validation, ISO internal auditing and other skills. Good clinical and good manufacturing processes, innovation, quality concepts and other skills will provide leaders and their teams with the skills to achieve high levels of product quality, strengthen skills in work process flow, and increase efficiency of the workplace. Some of the topics to be delivered include mistake proofing, root cause analysis, risk management, process improvement, geometric dimensioning and tolerancing, and preventive maintenance and calibration.

**Business Skills (15%):** Training will be provided to Engineering Staff, Technicians, Clinical Marketing/Sales Specialists and select Managers/Supervisors. Topics include technical writing, project management, advanced product knowledge and market validation, and marketing and product promotion skills. Engineering Staff and Technicians will also receive training in the Edwards' Global Technical Training Program, a comprehensive program designed to give employees the skills sets to advance within the organization.

### Certified Safety Training (10%)

Hazardous Materials (HAZMAT). This training may be a series of courses, specific to industry sectors involved in the transport of hazardous materials. The coursework varies in length depending on the industry and the occupational title. It is generally a minimum of 24 hours with an 8-hour annual refresher, and may be delivered by classroom or CBT. In this proposal, Production Staff and Quality Staff will receive training in chemical hygiene/safety for laboratories, waste management, and hazard communication.

**Management Skills (10%):** Training is designed for Managers/Supervisors to improve leadership skills. Leadership skills topics, coaching techniques, and health care economics will ensure that the Company's management team has the acumen to implement goals in a Lean environment. A newly designed three-day course entitled "Leading at Edwards" will also be delivered to this audience.

**Manufacturing Skills (20%):** Training is designed for to production operation workers. The training is necessary for production workers that don't have the skills necessary to sew heart valves to strict specifications. This position takes months of practice to ensure a very high quality product.

### Substantial Contribution

Edwards is a repeat contractor with payment earned in excess of \$250,000 within the last five years. Edwards was required to provide a Substantial Contribution of 30% for its most recent ETP

Agreement. (See Prior Project Table.) Accordingly, reimbursement for trainees in Job Number 1 will be reduced by 50% to reflect the Company's Substantial Contribution to the cost of training.

### **Commitment to Training**

The Company reports that its 2014 training budget was \$2,000,000 for OSHA and FDA mandated safety, and regulatory training; anti-harassment and violence in the workplace prevention training; new-hire orientation training; rudimentary job skills training; basic desktop training in Microsoft Office; and executive development programs. The Company also continues to provide technical and laboratory training that supports the development of new products and improve business processes. The resources provided by ETP will increase Edwards' training budget and allow the company to deliver supplemental and more in-depth training courses.

### **Training Infrastructure**

Edwards' training department will work directly with California Manufacturing and Technology Association (CMTA) to administer the ETP-funded contract. All training will be delivered at the Edwards campus in Irvine. Edwards will use the SABA® Learning System in keeping with ETP guidelines.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

CMTA in Sacramento assisted with development of this proposal for a flat fee of \$13,000.

### **ADMINISTRATIVE SERVICES**

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

### **TRAINING VENDORS**

To Be Determined

### **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %	
ET14-0208	Irvine	10/28/13 – 10/27/15	\$495,000	\$409,907	(83%)
ET12-0211	Irvine	12/31/11-12/30/13	\$349,713	\$349,713	(100%)
ET11-0267* (Job Creation only)	Irvine	6/01/11-5/31/13	\$299,880	\$82,017	(27%)
ET09-0503	Irvine	5/04/09-5/03/11	\$489,048	\$489,048	(100%)



**\*ET11-0267-** Under this Job Creation only project, Edwards proposed to train 85 temp-to-perm employees who would ultimately be hired as permanent workers during the term of the agreement. Because the Panel meeting was postponed, the start of training was delayed by a month. This resulted in some employees completing their training prior to the start of the ETP eligibility, consequently narrowing the “window period” for trainee eligibility. In addition, Edwards had over-estimated the projected number of new employees. This factor could not be balanced against training for their incumbent workforce because, at the time of this Agreement, the Job Creation pilot did not extend to standard retrainees.

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

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Technical Writing
- Project Management
- Marketing
- Technical Presentations
- Advanced Product Knowledge
- Customer Communications
- Global Technical Training Program

**COMPUTER SKILLS**

- Product Lifecycle Management Software, Ignite
- Enterprise Resource Planning Software (Oracle)
- Control Charts
- Minitab/Matlab Software Tools
- Non Normal Data Analysis Systems
- Advanced Desktop Applications
- CAD Design – Pro E
- CREO I, II, III CAD – Pro Engineer
- Solidworks
- Advanced Software Validation
- Configuration Management II

**CONTINUOUS IMPROVEMENT**

- Starr Technical Training Program
- APICS Certification
- Innovation
- Product Definition
- Good Clinical Practices
- Lean Manufacturing
- Problem-Solving/Troubleshooting Skills
- Production Operations
- Process Improvements
- Teambuilding
- Quality Concepts
- Project Management
- Mini Tab
- Statistical Process Control
- Process Validation
- Risk Management
- Mistake Proofing
- Root Cause Analysis
- Geometric Dimensioning and Tolerance
- Preventive Maintenance & Calibration

- Test Method Validation
- Design Control
- Design of Experiments
- Technical Information Mapping
- Regulatory Inspection Procedures
- Good Laboratory Practices
- ISO Internal Auditing
- Audit Readiness
- Global Model Master
- ROHS – Product Surveillance

### **HAZARDOUS MATERIALS**

- Chemical Hygiene/Safety for Laboratories
- Waste Management
- Hazard Communication
- Hazardous Waste and Biowaste for Laboratories
- Storm Water Discharges

### **MANUFACTURING SKILLS**

- BioDesign
- Edwards Research Center Wet Labs
- Heart Valve Clinical
- Production and Equipment Operations
- Manufacturing Biological & Non-Biological Products
- Cross-Training on Production Operations
- Manufacturing Assembly Standards & Procedures

### **MANAGEMENT SKILLS** (Managers/Supervisors Only)

- Change Management
- Leadership Skills for Managers
- Business Strategies
- Global Negotiations
- Operations & Supply Chain Management
- Finance for Non-Financial Managers
- Critical Thinking for Managers
- Innovation & Product Development
- Healthcare Economics
- Marketing in a Global Economy
- Leading at Edwards
- Situational Leadership II
- Performance Management & Coaching
- Talent Management and Competency Skill Assessment

<p>Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.</p>
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## RETRAINEE - JOB CREATION

Training Proposal for:

**GreatCall, Inc.**

**Agreement Number: ET16-0318**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** San Diego

**Analyst:** J. Davey

### PROJECT PROFILE

Contract Attributes:	Job Creation Initiative Priority Rate Retrainee	Industry Sector(s):	Services Technology/Other  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Diego	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 573	U.S.: 925	Worldwide: 925
<u>Turnover Rate:</u>	10%		
<u>Managers/Supervisors:</u> (% of total trainees)	6%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$261,000		\$0	\$0		\$261,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$344,532
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Continuous Impr	250	8-200	0	\$900	\$16.46
				Weighted Avg: 50			
2	Retrainee Job Creation Initiative Priority Rate	Business Skills, Computer Skills, Continuous Impr	30	8-200	0	\$1,200	\$14.30
				Weighted Avg: 60			

**Minimum Wage by County:** Job Number 1 – San Diego County: \$16.46/hr.;

Job Number 2 – San Diego County: \$13.72/hr.

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

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

Up to \$1.63 per hour may be used to meet the Post-Retention Wage.

**Other Compensation:** Incentive pay (“bonus”), which is a normal, recurring part of GreatCall’s employee compensation for all occupations, may be used, in addition to health benefits, for some trainees to meet the ETP minimum wage. Over the previous twelve months the bonus amount ranged from .15 to \$19.93 per hour. The average bonus amount was \$1.61 per hour. Approximately 50 Sales and Customer Service Staff may need incentive pay, in addition to health benefits to meet the ETP minimum wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Customer Service Staff		162
Managers		14
Quality Assurance Staff		23
Sales Staff		23
Support Staff		15
Technical Staff		13
Job Number 2 – Job Creation		
Customer Service Staff		13
Managers		3
Quality Assurance Staff		3
Sales Staff		5
Support Staff		1
Technical Staff		5

## **INTRODUCTION**

GreatCall, Inc. (GreatCall), founded in 2006 and headquartered in San Diego, develops and provides web-based health-related products, software, and services. The product line, sold directly to consumers through retailers and online, includes cell phones and accessories. GreatCall is best known for its Jitterbug® cell phones, with easy-to-read numbers and menu. These phones are equipped with an array of health and well-being software, designed for senior citizens. The Company also provides customer support and emergency assistance services through its inbound Call Center in Carlsbad, which is the subject of this second ETP proposal and where training will take place.

## **PROJECT DETAILS**

This will be GreatCall's second Agreement within the last five years. Training in the first project focused primarily on newly-hired trainees. (91% of the total reimbursable training hours) It focused primarily on Business Skills (99% of training hours were delivered in Business Skills).

For this proposal, the Company is planning to release a new version of Jitterbug® including an updated flip-phone and a new smart phone. These new phones will have larger screens, along with new hardware features such as Bluetooth Low Energy. There will be a new body design and updates to the Internal Operating System. The Company's point-of-service and back-end systems are also being updated to support the new phones. This will require additional supplemental training for GreatCall's frontline workforce to understand the differences in features in order to educate customers.

Additionally, GreatCall will offer training on new products and services including:

- Automatic Fall Detection, with a Five-Star Urgent Response Service;
- Link Application Upgrade, providing critical information to family members and caregivers in real-time;
- Technical Customer Service, to help elderly customers understand and use the products and services.

This proposal will also contain courses that were included in the first project. However, the content of these courses has been updated since the last Agreement and will only be provided to employees who have not previously received this training.

### **Retrainee - Job Creation**

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

GreatCall is expanding its products and services, due to the increasing senior citizen population, to meet increasing demand. GreatCall has committed to hiring 30 new employees. To be eligible for reimbursement, the trainees must be hired within the three-month period in net-new jobs prior to Panel approval or during the term of contract.

### **Temporary to Permanent Hiring**

All 30 trainees in Job Number 2 (Job Creation) meet Panel guidelines for "temporary to permanent" employment. The Company states that it uses a temporary staffing agency to facilitate screening of new hires for its call center. GreatCall has retained these employees with

the intention of hiring them into full-time, permanent positions after training is completed. All of these trainees will receive 4 weeks of training upon beginning work at GreatCall, in order to serve customers as soon as possible. They are typically hired on as full-time, permanent employees after 90 days as temps. They are not eligible for health benefits from GreatCall while employed with the temporary agency. However, once hired as full-time employees, they are eligible for health benefits on the first day of the month after their hire date.

Under the temp-to-perm program, trainees are eligible to participate while on payroll with the temporary agency. However, retention and post-retention wage requirements cannot be met until after trainees have been hired by GreatCall. Until then, GreatCall will not receive progress payments.

## **Training Plan**

Training will take place at GreatCall's facility in Carlsbad as outlined below:

**Business Skills** (50%) - All occupations will receive training in the following skills as they relate to their job functions: Finance/Accounting, Account Activation/Billing, Customer Service, Emergency Services, and other skills. Trainees will be able to perform their job functions and provide consistently excellent customer service.

**Computer Skills** (25%) – All occupations will receive Computer Skills based on the systems they utilize in their daily job function. Newly hired employees will receive training in all GreatCall systems to enable them to effectively perform their job function which includes Customer Relationship Management System Skills, GreatCall Customer Service Portal, and Oaysis Call Recording/Monitoring System. All occupations need adequate training to operate various desktop tools to increase output and accuracy.

**Continuous Improvement** (25%) - All occupations will receive training in areas such as Change Management, Effective Time Management Skills, Leadership/Coaching Skills, and Project Management Skills to work efficiently. Training will improve company efficiencies and productivity by implementing improved processes throughout the organization.

## **Commitment to Training**

ETP funds will not displace the Company's existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. GreatCall provides ongoing training including basic job skills, telephone etiquette, new employee orientation, anti-harassment, stress management, drug and alcohol abuse in the workplace, ADA requirements in the workplace, business ethics, diversity, managing within the law, and training on the Sarbanes-Oxley Act. For 2016, GreatCall expects to spend \$1 million in employee training.

### ➤ Training Infrastructure

The Company has dedicated training and administrative staff to support this proposal. Additionally, Training Funding Partners will assist with administration.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0135	Carlsbad	8/26/2013– 8/25/2015	\$205,360	\$205,360 (100%)

**DEVELOPMENT SERVICES**

GreatCall retained Training Funding Partners in Fountain Valley to assist with development of this proposal for a flat fee of \$12,500.

**ADMINISTRATIVE SERVICES**

GreatCall also retained Training Funding Partners to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

**TRAINING VENDORS**

To Be Determined



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

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Finance/Accounting Skills
- Account Activation and Billing Processes
- Customer Service Skills for the Aging Population
- EMD (Emergency Medical Dispatch)/EPD (Emergency Police Dispatch)
- Consultative Marketing/Sales Skills
- New/Updated Technology and Products
- Technical Product Support

**COMPUTER SKILLS**

- Ceridian - New Payroll System
- Customer Relationship Management (CRM) System Skills
- Customer Service Portal
- Intermediate/Advanced Microsoft Word, Excel, PowerPoint
- Microsoft Project
- Oaysis Call Recording/Monitoring System
- Spiralinks – New Employee Review System

**CONTINUOUS IMPROVEMENT**

- Change Management Skills
- Effective Time Management Skills
- Leadership/Coaching Skills
- Process Improvement Skills
- Project Management Skills
- Team Building Skills

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery
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**Training Proposal for:**  
**Tenet Healthsystem Medical, Inc.**

**Agreement Number: ET16-0333**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** San Diego

**Analyst:** M. Ray

**PROJECT PROFILE**

Contract Attributes:	Medical Skills Training Priority Rate Retrainee SET HUA	Industry Sector(s):	Healthcare Services  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Statewide	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No California Nurses Association and United Nurses Associations of California		
Number of Employees in:	CA: 48,811	U.S.: 112,387	Worldwide: 112,387
<u>Turnover Rate:</u>	11%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$599,760		\$0	\$0		\$599,760

In-Kind Contribution:	100% of Total ETP Funding Required	\$2,385,045
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SET Priority Rate Medical Skills Training	MS - Didactic, MS - Preceptor, Computer Skills, Cont. Imp.	833	8 - 200	0	\$720	\$29.00
				Weighted Avg: 40			

**Minimum Wage by County:** SET Statewide Hourly Wage: \$28.37

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

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

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

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Registered Nurse - I		209
Registered Nurse - II		413
Registered Nurse - III		131
New Graduate Registered Nurse - I		55
New Graduate Registered Nurse - II		25

**INTRODUCTION**

Founded in 1967, Tenet Healthsystem Medical, Inc. (Tenet) ([www.tenethealth.com](http://www.tenethealth.com)) is a diversified healthcare service company, headquartered in Dallas, TX with more than 112,000 employees nationwide. The Company operates 83 hospitals, 19 short-stay surgical hospitals, and over 400 outpatient centers. Facilities offer acute, coronary and critical care; operating and recovery rooms; clinical laboratories and pharmacies; and radiology, respiratory, oncology, orthopedic, physical therapy and organ transplant services.

Tenet owns 13 affiliated hospitals in California, all of which operate autonomously. Combined, these hospitals employ more than 48,000 staff including some 4,000 full-time, permanent Registered Nurses (RN). Under this proposal, Tenet will train workers from eight northern and southern California affiliate hospitals.

One affiliate, Los Alamitos Medical Center, Inc. (LAMC), has submitted a separate application for ETP funding to be presented at the February Panel Meeting for \$149,760. None of the eight Hospitals in this proposal agreement have participated in an ETP project in the last five years. Tenet requested a separate agreement for LAMC due to differences in start-of-training and

administration. Given that LAMC has prior experience with ETP, it will administer its own agreement. In addition, as discussed in more detail later, the Substantial Contribution requirement only applies to LAMC. Tenet and LAMC's combined request for ETP funding will not exceed the Single Employer Contract cap of \$750,000 for the 2015/16 Fiscal Year.

The proposed training plan will target experienced and New Graduate RNs from the following hospitals located in Riverside, Stanislaus, San Bernardino, Los Angeles, Orange, Contract Costa, and San Luis Obispo counties. Each hospital is separately incorporated, although they are all subsidiaries of Tenet:

1. Tenet Healthsystem Medical, Inc. (Desert Regional);
2. Doctors Medical Center of Modesto, Inc. (Doctors Medical);
3. Emanuel Medical Center, Inc. (Emanuel Medical);
4. Hi-Desert Medical Center (Hi-Desert Medical);
5. Lakewood Regional Medical Center, Inc. (Lakewood Regional);
6. Placentia-Linda Hospital, Inc. (Placentia-Linda);
7. San Ramon Regional Medical Center, Inc. (San Ramon Regional); and
8. Tenet Healthsystem Medical, Inc. dba Sierra Vista Hospital, Inc. (Sierra Vista)

## **PROJECT DETAILS**

Tenet is faced with a statewide shortage of skilled RNs. Although some factors contributing to the shortage may differ by region across the state, all California hospitals face similar staffing challenges due to the increased aging patient population, higher patient census under the Affordable Care Act (ACA), and a larger population of the nursing workforce nearing retirement age. It is especially difficult to recruit experienced RNs qualified to work in specialized areas such as Emergency Department, Intensive Care Unit, Telemetry, and Labor & Delivery.

In addition to the RN shortage, Tenet hospitals continue to thrive in a competitive healthcare environment. In order to maintain its place in the healthcare industry, it must improve quality of care and provide exceptional patient services. To do this, Tenet must implement hospital-specific process improvements to promote advanced job skills, improve patient care experience, and maintain a high performing workplace. As a result, each Hospital is committed to continued growth and expand their services to meet increased patient demands and improve the Hospitals' competitive position in the labor market while complying with regulatory and various legislative changes. To realize overall company-wide and hospital-specific business goals, the Hospitals are committed to implement the following key initiatives:

1. Hire and Train RNs:
  - Cumulatively, all eight hospitals project to hire and train a total of more than 300 experienced RNs and New Graduate RNs throughout the term of the proposed Agreement.
2. Expand Specialized Units and Improve Processes:
  - Emanuel Medical will expand their heart program and add services such as an orthopedic program, pain management clinic, and palliative care program;
  - Lakewood Regional will add and expand its critical care (CCU/ICU) and orthopedic programs to support its High-Reliability Initiative based on best practice to improve patient outcomes. The Hospital will incorporate new equipment and processes in all areas of the facility including Cardiac Catheterization Laboratory, Radiology, Orthopedics/Medical-Surgical, Critical Care, and Emergency Departments, as well as pursue its orthopedic designation certification during the term of the proposal;
  - Placentia-Linda will construct and develop a Cardiac Catheterization Laboratory as well as expand its Medical-Surgical, Direct Observation, and Intensive Care Units.

The Hospital will also implement its new Electronic Health Record System (First Net) in its Emergency Department to help improve flow of information as patients transfer from other units of the Hospital; and

- San Ramon Regional projects an increase in the volume of cardiac patients in 2016. To prepare, the Hospital is currently constructing a hybrid Catheterization Laboratory/Operating Room unit.

3. Provide Advanced Training:

- Hi-Desert Medical will offer its newly-hired RNs the Versant RN Program, a comprehensive education and training system designed specifically to support critical thinking and education necessary to meet the challenges as nurses transition into new specialties including Medical-Surgical, Emergency, and Labor & Delivery Departments; and
- Lakewood Regional will integrate simulation (SIM) laboratory education to enhance and support didactic training for its nurses.

Given the unique nature of each hospital's outreach and training needs, Tenet did not commit to a Job Creation component in this proposal.

With the help of ETP funding, Tenet will be able to prepare New Graduate RNs and retain their skills as well as promote continued education for existing and experienced RNs. Overall, training will redefine the delivery of patient care and connect the role of the skilled nursing workforce in the rapidly changing healthcare delivery system.

## Training Plan

Tenet conducted a training needs assessment with each of the eight affiliate Hospitals. Information was collected from informal employee surveys and interviews; discussion of educational needs in Nurse Executive Committee; evaluation of incidents which demonstrated potential knowledge deficit; evaluation of new product implementation; and evaluation of problematic workflows. The results helped the Company develop a specific training plan to improve nursing education and business processes.

Tenet is committed to training more than 2,300 RNs over the next few years. However, the Company only seeks ETP funding for approximately 833 RNs in the following:

**Medical Skills (MS) Training (65%):** All RNs will receive one or more modules of **MS Didactic** training (classroom) in advanced medical care to ensure competency. Didactic training will be provided in conjunction with **Clinical with Preceptor** training to enhance the learning environment. Fundamentals are required to provide the framework to support the clinical "hands-on" training. Together, these training environments will enhance learning opportunity and allow nurses to understand clinical processes to prepare them for work in specialty areas. MS training will provide nurses with knowledge of specialized devices and equipment; evidence-based protocols and clinical pathways; clinical procedures; and disease-specific assessment skills. Training will advance the overall skill level of nurses, allowing them to take on positions with greater responsibility and improve patient care and outcomes.

The Panel has established a "blended" reimbursement rate (\$22 per hour) for nurse upgrade training, recognizing the higher cost of delivery for the Clinical with Preceptor model. All RNs are projected to participate in MS Clinical with Preceptor training. RNs will be assigned to a specific hospital unit where they will complete Clinical with Preceptor Skills training under an assigned "preceptor". Clinical with Preceptor training is an essential component of RN training to ensure nurses have critical hands-on skills prior to being assigned their own patients.

This blended rate, \$22 per hour, will apply to both the Didactic and Clinical with Preceptor modes of delivery. The standard class/lab rate for priority industries (\$18 per hour) will apply to Computer Skills and Continuous Improvement training.

**Computer Skills (10%):** All RNs will be provided with training in various software systems including Electronic Medical Records, Meditech, Cerner, and Centricity. RNs may also receive training in newly implemented systems such as KRONOS, eTenet, .edu, Taleo, and Optilink. These integrated systems will provide critical information and data across all departments, enabling hospital-wide information sharing for effective decision-making. Training will also allow trainees to improve documentation, order entry and care planning skills.

**Continuous Improvement (25%):** All RNS will receive training based on job functions. Course topics include Customer Service, Critical Thinking, Problem Solving, Conflict Resolution, Crisis Prevention Intervention, and CORE Measures. Training will focus on high-level performance and quality of care. Some trainees will receive Preceptor Skills (train-the-trainer) to become a Clinical Preceptor. Training will enable RNs to adapt to organizational change; identify, analyze, and resolve problems; and improve patient and co-worker communication in order to focus on professional development and process improvements.

### **Commitment to Training**

Tenet spends up to \$1M annually on training per affiliated hospital (including LAMC). The current training methods consists of classroom, on-the-job and computer-based training. Mandatory training includes employee orientation, in-service training, stroke education, CPR and crisis prevention. Elective training includes specialty care education in various specialty units within the hospital.

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

#### ➤ Training Infrastructure

Tenet plans to contract with an administrative subcontractor to assist with ETP project administration. In addition, the Directors of Education at each facility will collect and maintain original documentation (attendance rosters) for their respective facilities, submit a copy to the administrative subcontractor for data entry into the ETP online systems, as well as meet with ETP field staff during monitoring visits. Further, Tenet has designated the Western Region Chief Nursing Executive to oversee the ETP project.

Tenet determined that the western regional headquarters located in Irvine would maintain all records and documents pertaining to this ETP project at the end of the contract term.

### **Impact/Outcome**

ETP funding will improve workforce competency and increase retention of a qualified healthcare staff. Workers will experience increased job satisfaction due to an improved work environment, empowered by education and skills training. ETP funds will also allow Tenet to rollout company-wide initiatives and train staff to update and increase skills necessary to effectively care for specific patient population, reduce hospital readmissions, and meet new and existing quality standards.

**Special Employment Training**

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

**High Unemployment Area**

The trainees from three of the eight hospitals in this proposal work in a High Unemployment Area (HUA), with unemployment exceeding the state average by 25%, under the Panel's standards. Although some of Tenet's hospitals qualify for HUA status under these standards, the Company is not requesting a wage or retention modification.

**Substantial Contribution**

Tenet is a repeat contractor; however, substantial contribution does not apply to this proposal because some of the eight hospitals in this proposal are participating for the first time; and, none of them have earned in excess of \$250,000 within the past five years.

**Union Support**

A collective bargaining unit represents RNs from five of the eight hospitals in this proposal. The following unions have provided a letter of support, covering all represented RNs:

1. California Nurses Association for Desert Regional, Doctors Medical, San Ramon Regional, and Sierra Vista; and
2. United Nurses Associations of California for Lakewood Regional.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

ADP, LLC in San Dimas will perform administrative services for an amount not to exceed 9% of payment earned.

**TRAINING VENDORS**

To Be Determined



*A Voice for Nurses. A Vision for Healthcare.*



**OAKLAND**  
2000 Franklin Street  
Oakland CA 94612  
*phone:* 510-273-2200  
*fax:* 510-663-2771

**LOS ANGELES**  
225 West Broadway  
Suite 500  
Glendale CA 91204  
*phone:* 818-240-1900  
*fax:* 818-240-8336

September 21, 2015

Employment Training Panel  
1100 J St, Suite 400  
Sacramento, CA 95814

Re: Tenet Application for ETP Funding, Reference Number 15-0030

To Whom It May Concern:

This Letter is to confirm the support of the California Nurses Association for Desert Regional Medical Center, Doctors Medical Center of Modesto, San Ramon Regional Medical Center, Sierra Vista Regional Medical Center and Twin Cities Community Hospital's grant proposal as submitted to the Employment Training Panel. .

Sincerely,

A handwritten signature in black ink that reads "Andy Prediletto".

Andrew Prediletto  
Tenet Division Director





# UNAC/UHCP

United Nurses Associations of California/Union of Health Care Professionals

UNAC/UHCP is affiliated with NUHHCE, AFSCME and the AFL-CIO



955 Overland Court, Suite 150, San Dimas, CA 91773-1718

Telephone: (909) 599-8622

Fax: (909) 599-8655

Website: [www.unacuhcp.org](http://www.unacuhcp.org)

September 15, 2015

Employment Training Panel  
1100 J St, Suite 400  
Sacramento, CA 95814

Re: Tenet Application for ETP Funding, Reference Number 15-0030

To Whom It May Concern:

This letter is to confirm the support of the United Nurses Associations of California/Union of Health Care Professionals for Lakewood Regional Medical Center's application to be considered by the Employment Training Panel.

In Solidarity,

Ken Deitz, RN

UNAC/UHCP President

KD:nb

Cc: UNAC/UHCP Officers  
Bill Rouse



## RETRAINEE - JOB CREATION

### Training Proposal for:

**Certified Stainless Service, Inc. dba West-Mark**

**Agreement Number: ET16-0353**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** Sacramento

**Analyst:** K. Smiley

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative Veterans HUA	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Kern, Merced, Stanislaus	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 192	U.S.: 203	Worldwide: 203	
<u>Turnover Rate:</u>	15%			
<u>Managers/Supervisors:</u> (% of total trainees)	9%			

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$340,560		\$0	\$0		\$340,560

In-Kind Contribution:	100% of Total ETP Funding Required	\$465,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee HUA Priority Rate	Business Skills, Computer Skills, Continuous Impr, HazMat, Manufacturing Skills, OSHA10/30, PL-Mfg Skills	148	8-200	0	\$1,620	\$12.00*
				Weighted Avg: 90			
2	Retrainee Priority Rate	Business Skills, Computer Skills, Continuous Impr, Management Skills, HazMat, Manufacturing Skills, OSHA10/30, PL-Mfg Skills	32	8-200	0	\$1,620	\$25.00
				Weighted Avg: 90			
3	Job Creation Initiative HUA Priority Rate	Business Skills, Computer Skills, Continuous Impr, HazMat, Manufacturing Skills, OSHA10/30, PL-Mfg Skills	16	8-200	0	\$2,400	\$12.77*
				Weighted Avg: 120			
4	Veterans HUA	Business Skills, Computer Skills, Continuous Impr, Management Skills, HazMat, Manufacturing Skills, OSHA10/30, PL-Mfg Skills	4	8-200	0	\$2,640	\$12.77*
				Weighted Avg: 120			

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

**Minimum Wage by County:** Job Number 1 (HUA): \$11.70 for Kern, Merced, and Stanislaus counties; Job Number 2: \$15.60 for the same counties; Job Number 3 (Job Creation): \$10.00 for the same counties; and Job Number 4 (Veterans): \$11.70 for the same counties.

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

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

Up to \$0.77 per hour in Health Benefits may be used to meet the Post-Retention Wage for Job Numbers 3 and 4.

<b>Wage Range by Occupation</b>		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Production Staff		138
Administrative Staff		10
<b>Job Number 2</b>		
Engineering Staff		6
Sales Staff		11
Supervisor/Manager		15
<b>Job Number 3 (Job Creation)</b>		
Production Staff		14
Administrative Staff		2
<b>Job Number 4 (Veterans)</b>		
Production Staff		1
Administrative Staff		1
Supervisor/Manager		2

## **INTRODUCTION**

Founded in 1967, and headquartered in Ceres, Certified Stainless Service, Inc. dba West-Mark (West-Mark) ([www.west-mark.com](http://www.west-mark.com)) manufactures tanks and trucking equipment used during the transport and delivery of liquids. The Company's products are used by customers in the Emergency, Petroleum and Energy, Construction, Military, and Food and Agriculture Industries. The Company also offers repairs, after-market parts, fabrication, and fire apparatus services.

West-Mark has four facilities in California; Atwater, Bakersfield and two in Ceres. (The Company also has a facility located in Fairbanks, Alaska.) All facilities located in California will receive training under this proposal.

## **PROJECT DETAILS**

This will be the second Agreement in the last five years for West-Mark. Under the previous Agreement ETP funding enabled West-Mark to design and establish a structured in-house training program which focused on both hard and soft skills training at the production and administrative level. Although some training topics under this proposal may be similar to those in the previous Agreement, the training will not be duplicated. Training is built upon previously learned material.

### **Need For Training**

As a custom manufacturer, West-Mark must remain competitive and distinguish itself as the manufacturer of choice for customers and employer of choice for employees. To stand above the competition, West-Mark will deliver structured training in four basic areas:

- New Employee Pathway: This is designed for employees to reach an in-house “Certification” status. Completing the Pathway Program will give trainees promotional opportunities and the ability to move across departments within the production and administrative divisions.
- Information Symmetry: This will increase communication and quality control over processes and products across departments. It will focus on cross-training to equip employees with the knowledge to understand other departmental roles and how/where they fit in.
- Customer Service: As a custom engineering manufacturer, West-Mark must provide appropriate training in customer service to ensure and expedite the fulfillment and understanding of requested products. Proper channels of information flow, means of communication, and overall work flows regarding sales and repair quoting processes will be restructured to better equip employees to properly price, design, and sell the Company’s products.
- Advanced Manufacturing: This will allow standardization of the Company’s processes, leading to more efficiency.

### **Retrainee - Job Creation**

In support of job creation, the Panel is offering incentives to companies that commit to hiring new employees. Under the Retrainee-Job Creation program, training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

Customers are requesting new specialized products that meet functionality and performance demands. To meet these needs, West-Mark has invested resources in new product design and production. As a result, the Company’s sales have increased and are projected to grow 15% annually in the next couple years. Additionally, the Company will be expanding their after-market parts and service departments.

For this, West-Mark has committed to hiring 16 new employees (Job Number 3). West-Mark represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into “net new jobs” as a condition of contract.

### **Veterans Program**

West-Mark has committed to training four Veterans (Job Number 4). As a Federal contractor, West-Mark has a Veterans Affirmative Action Program in place to hire and recruit Veterans. The Panel has established a higher reimbursement rate and other incentives for training California veterans.

### **Training Plan**

**Business Skills (15%)**: Training will be offered to Administrative Staff, Sales Staff, and Supervisors/Managers. Training will include Customer Service, Communication Skills, and Time Management. This training is intended to improve customer service, information flow and decrease employee burnout by creating a culture of work-life balance.

**Computer Skills (5%)**: Training will be offered to Administrative Staff, Engineering Staff, Sales Staff, and Supervisors/Managers. Training will include Enterprise Resource Planning, Computer-Assisted Drawing, Computer-Assisted Machinery, and Crystal/Sharepoint Software to optimize software and systems utilization.

**Continuous Improvement (20%):** Training will be offered to all staff. Training is intended for information symmetry across departments and assures fluidity of work-flow and department roles. Training will also improve quality control and decrease product turn-around while reducing waste.

**Hazardous Materials (5%):** Training will be offered to all Staff. Training will involve the proper handling, disposal and clean-up of hazardous materials.

**Management Skills (5%):** Training will be offered to Supervisors/Managers only and will include coaching, production/change/performance management, and strategic planning.

**Manufacturing Skills (30%):** Training will be offered to Production Staff, Engineering Staff, Sales Staff, and Supervisors/Managers. Training will focus on maintaining strict adherence to manufacturing requirements. Training will also give employees the skills and flexibility to work different assignments in the manufacturing process.

### **Certified Safety Training (5%)**

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

### **Productive Laboratory (15%)**

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

According to West-Mark, as a manufacturer, certain production skills are best learned through direct observation and hands-on experience as a supplement to classroom instruction. PL training will allow practical, real-world experience in a working environment.

West-Mark is requesting PL training for their Production Staff. West-Mark is also requesting a trainer-to-trainee ratio of 1:3 due to the high cost of equipment, training time, and scheduling considerations. Equipment to be used during PL includes Head Press, Saw, Laser Table, C-Press, Lathe-Mill, Plasma Table, Rollers, and Brake Press. Training will be taught by subject-matter experts with demonstrated knowledge and expertise in the manufacturing process. Instructors will monitor trainee competencies before they are cleared for each piece of equipment. PL will be capped at 40 hours per trainee.

### **High Unemployment Area**

All trainees work in a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. The Company's locations in Kern, Merced, and Stanislaus Counties qualify for HUA status under these standards. For these trainees, the Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. West-Mark is requesting a wage modification for trainees in Job Number 1 from \$15.60 to \$12.00.

**Commitment to Training**

West-Mark has a \$100,000 annual training budget. The Company provides general safety, company orientation, and basic occupational skills to its employees. West-Mark represents that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ **Training Infrastructure**

The Company has designated 12 staff members to help with this proposal: 2 staff members to administer the contract, 5 to assist with training records, and another 5 (part of the training committee) to approve and schedule training classes.

**Impact/Outcome**

The training program will strengthen all employees' engagement in the learning process. Training will also provide the tools, methods and skills to benefit both the employees and the Company in creating a "work-life balance" culture.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**ACTIVE PROJECTS**

The following table summarizes performance by West-Mark under an active ETP Agreement:

<b>Agreement No.</b>	<b>Approved Amount</b>	<b>Term</b>	<b>No. Trainees (Estimated)</b>	<b>No. Completed Training</b>	<b>No. Retained</b>
ET14-0385	\$274,400	4/28/2014– 4/27/2016	220	172	172

Although the Agreement term date is 4/27/16, West-Mark has submitted a Final Payment to close out the Agreement and has Earned in Process \$242,822 (88% of the approved amount).

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

To Be Determined

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

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Customer Service Training: MFG & Repair
- Employee Relations
- Time Management

**COMPUTER SKILLS**

- Enterprise Resource Planning
- Computer-Assisted Drawing (CAD)
- Computer-Assisted Machinery (CAM)
- Document Management Software: Crystal-Sharepoint

**CONTINUOUS IMPROVEMENT**

- Quality Control Systems
- Intersectoral Operations and Relations
- Advanced Lean Manufacturing
- Adaptive Manufacturing
- Product Research and Development
- Advanced Safety Training

**HAZARDOUS MATERIALS**

- Handling, Disposal, Clean-Up of Hazardous Materials

**MANAGEMENT SKILLS** (Supervisors/Managers only)

- Mentoring/Coaching Skills
- Production Management
- Change Management
- Strategic Planning
- Communication Skills
- Performance Management

**MANUFACTURING SKILLS**

- Production Standards: ASME/ISO STDS
- Advanced Operator Training: Production Equipment, Material Handling & Maintenance
- Advanced Assembly Practices
- Advanced Finishing Practices
- Advanced Welding (S/S & Aluminum) - Phase 2

**OSHA 10/30 (Certified OSHA Instructor)**

- OSHA 10 (requires completion of 10-hr course)
- OSHA 30 (requires completion of 30-hr course)



**Productive Lab Hours**

0-40

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

- Production Standards: ASME/ISO STDS
- Advanced Operator Training: Production Equipment, Material Handling & Maintenance
- Advanced Assembly Practices
- Advanced Finishing Practices
- Advanced Welding (S/S & Aluminum) - Phase 2

\*Safety Training will be limited to 10% of total training hours per-trainee (This cap does not apply to OSHA 10/30)

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

**Duarte Nursery Inc.**

**Agreement Number: ET16-0349**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** Sacramento

**Analyst:** K. Smiley

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Seasonal HUA	Industry Sector(s):	Agriculture Wholesale Trade  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Stanislaus	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 490	U.S. : 490	Worldwide: 490	
<u>Turnover Rate:</u>	3%			
<u>Managers/Supervisors:</u> (% of total trainees)	20%			

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$333,000		\$0	\$0		\$333,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$350,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate HUA	Business Skills, Continous Improvement, Computer Skills, Commercial Skills	300	8-200	0	\$900	* \$11.70
				Weighted Avg: 50			
2	Retrainee Priority Rate Seasonal HUA	Commercial Skills, Continuous Improvement	100	8-200	0	\$630	* \$11.70
				Weighted Avg: 35			

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

**Minimum Wage by County:** Job Numbers 1 & 2: \$11.70 per hour for Stanislaus County

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

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

Job Numbers 1&2 may use up to \$1.70 per hour to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Supervisor		60
Production Worker		150
Clerical Staff		90

**INTRODUCTION**

Founded in 1988, Duarte Nursery Inc. (Duarte) ([www.duartenursery.com](http://www.duartenursery.com)) is a commercial grower located in Hughson. Duarte specializes in growing commercial plants for the farming industry. These products include Avocado trees, various fruit trees, nut trees and grapevines. In addition to selling their products directly to independent farmers, Duarte's products are also sold at nursery retail stores. Duarte meets the Panel's standards for out-of-state competition based on its NAICS-Classification in the crop production industry.

**PROJECT DETAILS**

Over the past three years, Duarte has experienced growth at a rate of 15%. This is due in large part to the fact that four of Duarte's clients have begun to export products internationally. As the export of Duarte's trees and plants increases, demand rises, triggering a need for training.

In order for Duarte to meet the increasing needs of their clients, they conducted an eight week training course for supervisors with Dale Carnegie. This program identified areas of waste and created a culture of leadership among supervisors. Duarte used the information gathered from this training to develop an in-depth and companywide training program. This training program is intended to increase process efficiencies, client satisfaction and offer transferable skills to incumbent staff.

## **Training Plan**

Duarte's training plan will focus on LEAN techniques, Process Improvement, and Customer Satisfaction skills. As outlined below:

**Business Skills** (10%): Training will be provided to Clerical Staff and Supervisors to enhance customer satisfaction and problem solving skills. Courses will include Root Cause Analysis, Critical Thinking, and Customer Service Skills. These courses will increase trainee's skill sets and allow them to promote within the agricultural industry.

**Commercial Skills** (60%): Training will be provided to all occupations in relation to job duties to increase efficiency and reduce waste. Courses will include LEAN Skills and Process Improvement Skills. These courses will allow Duarte to grow and compete with larger businesses.

**Computer Skills** (15%): Training will be provided to Clerical Staff to increase efficiency in tracking and shipping inventory. Courses will include Microsoft Word and Microsoft Excel.

**Continuous Improvement** (15%): Training will be provided to all occupations in relation to job duties to enhance communication and safety skills among incumbent staff. Courses will include Communication, Conflict Resolution, and Safety Skills.

## **Commitment to Training**

Duarte currently has an annual training budget of \$350,000 which includes companywide production training. Job specific training encompasses Lean Techniques and basic skills for entry-level positions. ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

### ➤ Training Infrastructure

The Human Resources Manager along with other Human Resources Professionals will be responsible for scheduling training and collecting completed rosters.

## **HUA Wage Modification**

All trainees in this proposal work in a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. The Company's location in Stanislaus County qualifies for HUA status under these standards.

The Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. Duarte is requesting a modification for the trainees in Job Numbers 1 & 2 (HUA) from \$15.60 to \$11.70 per hour.

## **Retention Modification - Seasonal**

Under the Seasonal Worker program, the trainees in Job Number 2 qualify for a modified retention period of no less than 500 hours within 12 months of the end-of-training. This retention

period recognizes the cyclical nature of crop production. Duarte requests this retention modification for trainees in Job Number 2.

**Impact/Outcome**

Duarte's expectations for training are to improve efficiency among incumbent workers. They are also expecting to increase customer satisfaction and process consistency.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

To Be Determined

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

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Root Cause Analysis
- Critical Thinking
- Customer Service
- Leadership

**COMPUTER SKILLS** (Advanced/Intermediate Only)

- Microsoft Word
- Microsoft Excel

**CONTINUOUS IMPROVEMENT**

- Communication
- Conflict Resolution
- Safety
- Coaching
- Professional Conduct

**COMMERCIAL SKILLS**

- LEAN Manufacturing
- Process Improvement

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

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

### Training Proposal for:

## E. & J. Gallo Winery, A Wholly-Owned Subsidiary of Dry Creek Corporation

**Agreement Number: ET16-0348**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** Sacramento

**Analyst:** M. Jones

### PROJECT PROFILE

Contract Attributes:	HUA Job Creation Initiative Priority Rate Retrainee	Industry Sector(s):	Manufacturing Nanotechnology  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Fresno, Sonoma, Merced, Stanislaus, Napa, San Luis Obispo, Monterey	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No: United Food and Commercial Workers International Union, Local 186D; United Food and Commercial Workers International Union 8 – Golden State; United Steel Workers, Local 18; Glass, Molders, Pottery, Plastic & Allied Workers, AFL-CIO, CLC		
Number of Employees in:	CA: 5,122	U.S.: 5,534	Worldwide: 5,775
<u>Turnover Rate:</u>	7%		
<u>Managers/Supervisors:</u> (% of total trainees)	3%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$719,000		\$0	\$0		\$719,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$1,400,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Cont. Imp., HazMat, Mgmnt. Skills, Mfg. Skills, PL-Mfg. Skills	580	8-200	0-1	\$900	\$17.84
				Weighted Avg: 50			
2	Job Creation Priority Rate Retrainee	Business Skills, Computer Skills, Cont. Imp., HazMat, Mgmnt. Skills, Mfg. Skills, PL-Mfg. Skills	197	8-200	0-1	\$1,000	\$19.35
				Weighted Avg: 50			

**Minimum Wage by County:** Job Number 1: \$15.60 per hour for Fresno, Napa, Sonoma, San Luis Obispo, Stanislaus, Merced, Monterey counties

Job Number 2 (Job Creation): \$12.77 per hour for Fresno, Napa, Sonoma, San Luis Obispo, Stanislaus, Merced, Monterey counties.

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

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

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Level 2-3 Operator		88
Level 3 Driver		59
Level 3 Maint. Worker		18
Level 4 Advanced Operator		90
Level 5 Tech. Operator		20
Level 5-9 Mechanic		75
Team Lead		45
Manager/Supervisor		20
*Forming Apprentice		10
*Glass Maint. Apprentice		6
*Furnace Apprentice		10
Furnace Operator		13
*Hot End Apprentice		10
Hot End Operator		18



Glass Maint. Journeyman		8
Maint. Technician		10
Machine Repair Tech.		10
Machine Repair Journeyman		8
Mold Maker		8
Glass Equip. Operator		12
Warepuller		3
Surface Coater		5
Packaging Staff		8
Furnace Coordinator		3
Mold Coordinator		4
Machine Repair Coordinator		4
Hot End Coordinator		6
Maint. Coordinator		4
Lean Six Sigma Black Belt Staff		5
<b>Job Number 2</b>		
Grower Relations		3
Vineyard Management		2
Viticulture Chemist		3
Level 2-3 Operator		55
Level 3 Driver		20
* Level 3 Maint. Apprentice		12
Level 4 Advanced Operator		52
Level 5 Tech. Operator		3
Level 5 Mechanic		18
Team Lead		10
Manager/Supervisor		3
*Forming Apprentice		6
*Glass Maint. Apprentice		2
*Furnace Apprentice		2
Furnace Operator		2
*Hot End Apprentice		2
Hot End Operator		2

\*Note: Gallo has pilot apprenticeship programs. At this time, the programs are not Division of Apprenticeship Standards (DAS) approved. However, Gallo still includes the word "apprentice" in these occupational titles.

## **INTRODUCTION**

E. & J. Gallo Winery, a Wholly-Owned Subsidiary of Dry Creek Corporation (Gallo) was founded in 1933 by brothers Ernest Gallo and Julio Gallo in Modesto. Today, Gallo is the largest family-owned winery in the United States. Headquartered in Modesto, Gallo also has plants and wineries in Livingston, Fresno, Napa, St. Helena, San Miguel, San Luis Obispo, Cloverdale, Carmel and Healdsburg.

Gallo distributes wine to 90 countries and is the largest exporter of California wine. Gallo exports 17% of its total wine case volume outside the United States. Some of the brands in Gallo's wine portfolio include Gallo Family Vineyards, Apothic, Barefoot Cellars, Louis M. Martini, MacMurray Ranch, Bridlewood, Mirassou Vineyards, Frei Brothers, DaVinci, Martin Codax, Ecco Domani, William Hill Estate, and Edna Valley Vineyard. The Winery is also expanding its portfolio with distilled spirits and recently added five new brands: New Amsterdam Gin, New Amsterdam Vodka, Familia Camarena Tequila and Shellback Rum.

### **Need for Training**

With Gallo's recent growth due to multiple winery purchases, there is a need to train newly hired team members, as well as existing team members toward promotional opportunities.

In addition, the glass plant is installing new bottling equipment and technology in glob formation (advancing from double- to triple-glob), along with other new equipment, using robotics and automated controls. This requires increased levels of technical training.

As part of the business expansion, Gallo is installing other new equipment such as bottling lines, palletizers, automated guided vehicles, cellar cooperage and cross flow filters in order to ensure the business is able to meet future demand and keep up with product innovation.

Some trainees are represented by the following unions: United Food and Commercial Workers International Union, Local 186D; United Food and Commercial Workers International Union 8 – Golden State; United Steel Workers, Local 18; and Glass, Molders, Pottery, Plastic & Allied Workers, AFL-CIO, CLC. All letters of support must be received by ETP before any training will be reimbursed.

### **Retrainee - Job Creation**

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

Gallo recently purchased 3 wineries in California. Given this expansion, the Company is proposing to hire 197 new employees (Job Number 2). These trainees must be hired within the three-month period prior to Panel approval or within the term-of-contract. Gallo represents that these trainees will be hired into "net new jobs" as a condition of contract. These jobs are being created to support Gallo's expansion as discussed above. [Note: In the prior ETP Agreement, Gallo met its commitment to hire and train 200 new workers under Job Creation, also tied to business expansion.]

### **PROJECT DETAILS**

This is the second ETP contract with Gallo within the last five years. In the previous contract, training focused on product quality; Lean training and application, especially in new packaging markets (e.g., box wine) and new/specific equipment training.

The proposed training will focus mainly on product quality, especially in new technology. New/specific equipment training will again be offered due to the plant expansion. Training under the prior ETP Agreement will not be repeated for these trainees.

## Training Plan

**Business Skills** (14%): Training will be offered to Managers/Supervisors, Team Leads and Operators to enhance communication. The skills learned will help develop business and leadership skills. Training topics include Conflict Resolution, Train-the-Trainer, Giving Constructive Feedback, and Developing Others.

**Computer Skills** (10%): Training will be offered to Operators, Maintenance Workers, Team Leads and Managers to understand work order processes and how systems can be used to enhance production line performance. Team Leads and Managers will learn how to analyze large amounts of data and effectively present the data using Microsoft Excel spreadsheets and pivot tables to improve productivity. Tableau training will be provided to ensure leaders are able to pull larger ranges of data and manipulate as needed. Training topics include Tableau, Minitab, Warehouse Management Systems, Manufacturing Execution System and intermediate Microsoft Suite.

**Manufacturing Skills** (20%): Training will be offered to Production Workers, Operators, Drivers and Maintenance to operate and maintain technical manufacturing equipment. A phased approach will be used to train mechatronics. Mechatronics is a multidisciplinary field of engineering that includes a combination of engineering, mechanical engineering, electrical engineering, telecommunications engineering, control engineering and computer engineering systems. Training topics include Power Logics, Motor Controls, Single Phase Motors, Instrumentation and Capper Training.

**Continuous Improvement** (30%): Training will be offered to Production Workers and Managers/Supervisors in how to statistically reduce waste. Gallo is integrating first pass quality and quality master plans into its production workforce, providing a focused training on these areas. It provides leaders and their teams with essential skills to achieve higher levels of product quality; establish goal alignment and business focus; simplify the management of objectives; and establish a culture of teamwork, participation, and continuous learning. Training topics include Kaizen, Lean Leadership and Lean Fundamentals.

**Management Skills** (5%): Training will be offered to Managers/Supervisors to enhance the skillset to create a productive work atmosphere to motivate staff positively lead and coach staff.

**Hazardous Materials** (1%): Training will be offered only to staff members that are exposed to hazardous materials, specifically Maintenance, Mechanics and Production Staff. The training will focus on the safe handling of hazardous materials and will include course topics

**Productive Laboratory** (20%): Productive Lab (PL) trainees may produce goods for profit in select courses identified under the Curriculum, and with no more than 10 trainees per instructor. The instructor must be dedicated to training delivery during all hours of training.

All PL training will be in Manufacturing Skills, as offered to: Operators, Technicians, Drivers, Warepuller, Surface Coater, Packaging Staff, Coordinator, Mechanic and Maintenance Staff. This training will supplement Class/Lab coursework, and will strengthen the employees' understanding of how to perform equipment/operation related tasks. They will also receive vital cross-training on multiple production lines and procedures. Gallo anticipates that approximately 150 employees from the Modesto, Livingston, and Fresno facilities will participate in PL training, at up to 60 hours each.

Instructors will be subject matter experts and will demonstrate the process prior to observing the trainees performing the task. The instructor will provide coaching, quizzing and mentoring until the trainee has been determined competent in the process.

During PL training, production is expected to be slower given that the trainee will be working with new equipment and will be required to meet established quality standards. The trainer-to-trainee ratio for PL training will not exceed 1:1.

### **Substantial Contribution**

Gallo is not subject to a Substantial Contribution (SC) even though earnings under the prior ETP Agreement (ET13-0364) exceeded \$250,000. This is because only some \$400,000 was attributable to incumbent worker training. The remaining \$200,000 was for training newly hired employees under the Job Creation program, which is exempt from the SC requirement.

### **Commitment to Training**

Gallo currently spends more than \$8 million annually for training at all California facilities combined. This amount does not include the cost of internal trainers and wages and benefits of employees while they are in training. In addition to providing required training such as all OSHA mandated safety regulations, sexual harassment prevention, new hire orientation, Gallo also provides basic skills training such as interviewing skills, time management, basic communication skills, introduction to project management, troubleshooting, and technical education. All training is job/department specific and is designed to meet the different needs of incumbent and newly hired workers.

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

#### **➤ Training Infrastructure**

California Manufacturers & Technology Association (CMTA) has designated two staff members to handle all administrative duties for Gallo. Gallo also has a corporate training division responsible for the development and scheduling of training as well as trainee enrollment.

### **Impact/Outcome**

After training, trainees should be able to meet specific objectives, including:

- Perform all related ISO mandated procedures for each qualified position such as changeover, clean up, operation procedures, troubleshooting, line flow controls, and safe work practices.
- Complete and document all product quality checks.
- Actively participate in preventing and correcting potential quality related issues.
- Initiate, manage, and/or participate in root cause analysis and problem solving.
- Work in a team environment or lead the work of the team depending on occupation.

### **High Unemployment Area**

Some trainees work in a High Unemployment Area. However, Gallo is not asking for a wage modification.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0364	Modesto, Livingston, Fresno	6/03/13 – 6/02/15	\$601,600	\$601,600 (100%)

**DEVELOPMENT SERVICES**

CMTA in Sacramento assisted with development for a flat fee of \$12,000.

**ADMINISTRATIVE SERVICES**

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

**TRAINING VENDORS**

To Be Determined

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

8 - 200      Trainees may receive any of the following:

**BUSINESS SKILLS**

- Conflict Resolution
- High Performance Work Teams
- Diffusing Emotional Situations
- Managing Emotions At Work
- Planning and Prioritizing
- Giving Constructive Feedback
- Developing Others
- Building Trust Under Pressure
- Train-the-Trainer
- Management Fundamentals
- Leadership Fundamentals
- High Performance Work Teams
- Leading Change
- Thriving During Change
- Speed of Trust

**COMPUTER SKILLS**

- Tableau
- Minitab
- Microsoft Office Intermediate
- Warehouse Management Systems
- MES (In-House System)

**CONTINUOUS IMPROVEMENT**

- Problem Solving
- Lean Fundamentals
- Kaizen
- Visual Management
- Lean Leadership
- Understanding Waste

**HAZARDOUS MATERIALS**

- Ammonia Training

**MANAGEMENT SKILLS (Manager/Supervisors Only)**

- Leadership

**MANUFACTURING SKILLS**

- Valve Rebuilding
- Power Logics
- Mechantronics
- Electrical Skills
- Braker Testing
- Epoxy Training
- Interior Coatings
- Centrifuge Training
- Rotovvac Training
- Industrial Filter Training
- Packer Training
- Labeler Training
- Filler Training
- Foiler Training
- Depalletizer Training
- Capper Training
- RSLogix5000
- Instrumentation
- Master Quality Plans
- Quality Fundamentals
- Racker and Blender
- Float Operator Training
- Press Deck Operator Training
- Wine Treatments
- Boilers Basics
- Evaporator Basics
- Distillery Basics
- Finished Wine Processes
- Sanitation of Bottling Lines
- Cellar Sanitation
- Forklift
- Crane Certification
- Behavior-Based Safety
- Forming
- MSK Equipment Training
- Kaufman Equipment Training
- Emmeti Operator
- Defect Causes and Remedies
- Single Phase Motors
- Motor Controls
- Basic Electricity and Electronics
- Welding
- Arc Flash
- Troubleshooting Labelers
- Troubleshooting Fillers
- Troubleshooting Packers
- Troubleshooting Depalletizers
- Troubleshooting Cappers

- Troubleshooting Foilers
- Wine Filtration

### **Productive Lab**

0-60

#### **MANUFACTURING SKILLS** (Ratio 1:1)

- Coolers
- Pump Jobs
- Blends
- XF Lines
- Sampling
- Work Order Management
- Treatments
- Utilities Color Codes
- Tank Safety
- Put Away Driver Training
- Forklift Training
- Driver Training

### **Computer-Based Training**

0-1

#### **COMPUTER SKILLS**

- Intermediate/Advanced Microsoft Office (1 hr.)

<p>Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 60 total training hours per trainee. CBT is capped at 50% of total training hours.</p>
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# UFCW-WINE, DISTILLERY & ALLIED WORKERS, LOCAL 186D

329 Downey Ave.  
Modesto, CA 95354-1297

Phone (209) 524-4245  
Fax (209) 524-7066

October 13, 2015

Stewart Knox  
Executive Director  
Employment Training Panel  
1100 J Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

Dear Mr. Knox,

I am writing on behalf of the United Food and Commercial Workers, Local 186D. We support the proposed training funded in part by the Employment Training Panel. We support the proposal being submitted to the Employment Training Panel from E. & J. Gallo Winery.

This training will assist the company in meeting their goals. The proposed training will assist our union members in developing new skills that enable them to reach greater levels of success for them personally and that of the company.

Sincerely,



Alan Pegarella

President  
United Food and Commercial Workers, Local 186D



United Food & Commercial Workers International Union, AFL-CIO, CLC

**Jacques Loveall**

President

International Vice President

**Roseville**

(Headquarters)  
2200 Professional Dr.  
Roseville, CA 95661  
(916) 786-0588  
(916) 786-0958 (fax)

August 31, 2015

**Bakersfield**

900 Airport Dr.  
Bakersfield, CA 93308  
(661) 391-5770

Stewart Knox  
Executive Director  
Employment Training Panel  
1100 J Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

**Chico**

20 Constitution Dr.  
Suite C  
Chico, CA 95973  
(530) 895-0017

Dear Mr. Knox,

**Fresno**

3485 W. Shaw Ave.  
Suite 101  
Fresno, CA 93711  
(559) 271-1288

I am writing on behalf of UFCW 8-Golden State. We support the proposed training funded in part by the Employment Training Panel. We also support the proposal being submitted to the Employment Training Panel from E. & J. Gallo Winery.

**Fresno**

*Distillery, Wine & Allied,  
and Wholesale Division*  
3485 W. Shaw Ave.  
Suite 102  
Fresno, CA 93705  
(559) 226-5045

This training will assist the company in meeting their goals. The proposed training will assist our union members in developing new skills that enable them to reach greater levels of success for them personally and that of the company.

**Modesto**

2007 Yosemite Blvd.  
Modesto, CA 95354  
(209) 529-0596

Sincerely,

JACQUES LOVEALL

**Redding**

3400 Bechelli Ln.  
Suite C  
Redding, CA 96002  
(530) 222-3905

JSL:lab

cc: Kirk Vogt  
Joe Ciotti  
Mike Crain  
Robert Scott

**Sacramento**

1930 9th Street  
Sacramento, CA 95811  
(916) 503-8828

**Santa Rosa**

940 Hopper Ave.  
Santa Rosa, CA 95403  
(707) 546-1384



## Training Proposal for: Westech College

**Agreement Number: ET16-0343**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate SET SB <100	Industry Sector(s):	Engineering Technology/Other Construction Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange, Riverside, San Bernardino	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	≤20%		

### FUNDING DETAIL

<b>Program Costs</b>	+	<b>Support Costs</b>	=	<b>Total ETP Funding</b>
\$887,200		\$61,497 8%		\$948,697

In-Kind Contribution:	50% of Total ETP Funding Required	\$474,349
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Computer Skills	99	8-200	0	\$1,925	\$15.60
				Weighted Avg: 100			
2	Priority Rate SET	Computer Skills	74	8-200	0	\$1,925	\$21.28
				Weighted Avg: 100			
3	Priority Rate SB<100	Computer Skills	86	8-200	0	\$2,780	\$15.60
				Weighted Avg: 100			
4	Priority Rate SB<100 SET	Computer Skills	102	8-200	0	\$2,780	\$21.28
				Weighted Avg: 100			
5	Retrainee	Computer Skills	29	8-200	0	\$1,604	\$15.60
				Weighted Avg: 100			
6	Retrainee SET	Computer Skills	29	8-200	0	\$1,604	\$28.37
				Weighted Avg: 100			

**Minimum Wage by County:** Job Numbers 1, 3 & 5: \$16.48 per hour for Los Angeles County; \$16.51 per hour for Orange County; and \$15.60 per hour for San Bernardino and Riverside Counties; Job Numbers 2 & 4 (SET/Priority Industry): \$21.28 per hour; Job Number 6 (SET Statewide): \$28.37 per hour

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

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

Participating employers may use health benefits to meet the Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
JOB NUMBERS 1-6		
Architect Assistant		18
Drafter		73
Engineering Assistant		45
Technician		50
CAD Designer		57
Machinist		31
CNC Programmer		20
Architect		32
Engineer		93

## **INTRODUCTION**

Founded in 1988, Westech College (Westech) ([www.westech.edu](http://www.westech.edu)) is a private vocational institution headquartered in the City of Fontana. Westech provides training programs on the latest computer software utilized in the construction, architectural, manufacturing, and engineering industries.

Computer training includes Revit, AutoCAD, and SolidWorks. Westech provides training at its three locations in San Bernardino, Los Angeles, and Orange County. This will be Westech's fifteenth Agreement with ETP, the fifth in the last five years.

## **PROJECT DETAILS**

Westech has participated in ETP programs since 1993 and continues to market its programs to employers in surrounding areas. Training delivered through the program is limited to incumbent workers with specific technical experience who utilize and design systems in their daily work. Westech provides in-depth and hands-on experiences while working on projects assigned to each trainee's job site.

Some participating employers also took part in the active ETP Agreement and in prior Agreements. These employers had decided to train their staff in various stages and are sending new groups of trainees at different times. Additionally, small business participating employers who have participated in the past are continuing to train newly hired staff. In no case will employers re-enroll the same staff to re-take the same training received under prior Agreements.

### **Employer Demand**

For this proposal, Westech has requested a funding amount that is \$200K more than the active ETP Agreement. This is due to high demand for training in complex software. Employers must train their employees in specific computer software to execute complex design work on new projects.

For example, although computerized drafting and design have been common for many years, the nature of these computer systems continues to change from separate standalone programs (Computer Aided Drafting Systems-CAD) to single Building Information Modeling (BIM) programs. BIM systems are able to take information designated for all phases of a project and combine them into a single database that can support collaborative work across all disciplines. This includes concept development, architectural plans, engineering plans, cost estimating, construction planning and scheduling, and building maintenance. BIM systems can highlight design flaws early on during the production process which allows the flaws to be corrected, resulting in reduced costs.

### **Training Plan**

Along with courses offered previously, Westech is proposing to add new training topics in Civil 3D, NavisWorks, and SolidWorks. These new courses will enhance trainee capabilities to design, edit, analyze, and create solutions to meet the needs of customers.

**Computer Skills (100%):** Training will be offered to all occupations to introduce and improve the skills required to complete complex designs using BIM systems and other advanced software programs utilized in the industry. Training topics to be provided includes SolidWorks, BIM, CAD, and Civil 3D.

## **Training Hours Limitation**

Retraining hours for small businesses are capped at 60 hours per-trainee. However, Westech is asking for a modification of the cap. Training programs offered through Westech are designed for trainees who use design software on a daily basis at high levels of production. Trainees typically receive between 80-100 hours of training from Westech programs but may receive more. With this, Westech requests to increase the cap on hours for small businesses to 200 hours (Job Numbers 3 and 4).

## **Commitment to Training**

Participating employers often provide company-wide orientation training, informal software training, and on-the-job training. Trainees in this Agreement will be taught by supervisors and experienced CAD operators to ensure they can perform job duties appropriately.

### **➤ Training Infrastructure/Trainer Qualifications**

An administrator will work full time and coordinate all aspects of the training project including employer recruitment, employer certification, and ETP documentation and reporting. In addition, other staff members will be assigned as needed to conduct needs assessments, schedule and perform training, and provide assistance with marketing. Westech instructors are professionals in the industry and have the work experience that qualify them to deliver training under this program. Training will take place in a lab setting in which trainees will receive hands-on experience and assistance from the instructor.

## **Marketing and Support Costs**

Westech markets the training program through exhibits at various design, engineering, and manufacturing shows held at local Convention Centers. Westech also markets through web advertisements, direct mail, telephone solicitation, and in-person visits to businesses. Westech staff will follow-up leads from marketing activities. They also continue to market the program throughout the duration of the Agreement.

Westech is requesting 8% support costs for this proposal to cover the cost of recruiting additional employers and assessing employer-specific job training requirements. Employer recruitment, including the recruitment of small businesses, and assessment activities will go on throughout the contract term. Employers are also surveyed to determine if employer needs, such as production, design, and engineering requirements, are being met. Staff recommends approval of 8% for support costs.

## **SET/Priority Wage Modification**

Under Special Employment Training (SET), the participating employer is not required to demonstrate out-of-state competition. Trainees must be earning at least the statewide average hourly wage (\$28.37 per hour) at the end of the retention period. The Panel may modify the minimum wage requirement for companies in priority industries by up to 25% below the state average hourly wage to \$21.28 per hour.

## **Training Agency Certification**

Training agency eligibility requires certification by an independent third-party, as required for the type of school and course of study. Most schools must also be licensed by the Bureau of Private Postsecondary Education (BPPE), created in statute effective January 1, 2010.

In keeping with the Panel's standards, Westech is eligible as a training agency based on licensure by BPPE and accreditation by the Accrediting Commission of Career Schools and Colleges.

### **Tuition Reimbursement**

Westech College represents that students enrolled in the ETP-funded program will not be charged tuition, fees, or any other costs associated with training. The representation will be made a condition of the Agreement.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **ACTIVE PROJECTS**

The following table summarizes performance by Westech under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET15-0255	\$748,832	09/01/14-08/30/16	316	298	226

Based on ETP Online Tracking Systems, 29,298 reimbursable hours have been delivered, sufficient to support earnings of \$650,400 (86% of approved amount). All training will be completed by February 2016. To date, Westech has earned \$320,779 for the 226 trainees retained thus far. An additional total of \$176,648 is in the process and being reviewed and approved by ETP. With four months remaining to delivery training, Westech anticipates earning 100%.

### **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0278	Ontario	02/27/13-02/26/15	\$799,833	\$693,190 (86%)
ET11-0271	Ontario	06/30/11-06/29/13	\$699,789	\$665,425 (95%)
ET09-0383	Ontario	01/25/09-01/24/11	\$817,600	\$764,308 (94%)

### **DEVELOPMENT SERVICES**

Westech retained Steve Duscha Advisories in Sacramento to assist with development of this proposal for a flat fee of \$15,000.

### **ADMINISTRATIVE SERVICES**

N/A

### **TRAINING VENDORS**

N/A

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

8-200

Trainees may receive any of the following:

**COMPUTER SKILLS****Computer-Aided Drafting**

- Applying Parameters
- Applications to Work Projects
- Assembly Motion Modeling and Animation
- Bills of Material
- Calculations
- Creating of Families of Parts
- Dimensioning
- Drawing Automation
- Editing
- File Management
- Project Organization
- Section Creation
- Types of Applications
- Updating Views
- View Creation
- 2D and 3D Renderings

**Building Information Modeling**

- Collaboration
- Conceptual Design Tools
- Construction Modeling
- Creating Functional Designs
- File Importing and Exporting
- Material Estimates
- Multiple Materials Modeling
- Parametric Components
- Principles of Modeling
- Printing, Model Upgrading
- Rendering
- Simulations
- Structural Reinforcement
- Using Bidirectional Associativity to Show Changes
- Vault Integration
- Visualization

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



**Participating Employers in Retrainee  
Multiple Employer Contracts**

Contractor's Name: Westech College  
Reference No: 16-0176

CCG No.: ET16-0343  
Page 1 of 6

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: ACCO Engineered Systems

Address: 6265 San Fernando Road

City, State, Zip: Glendale, CA 91201

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 2,715

Total # of full-time company employees in California: 2,641

Company: Advanex Americas

Address: 5780 Cerritos Avenue

City, State, Zip: Cypress, CA 90630

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 100

Total # of full-time company employees in California: 100

Company: Austin Company

Address: 6410 Oak Canyon, Suite 150

City, State, Zip: Irvine, CA 92618

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 203

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

Company: Barrio Planners

Address: 5271 E. Beverly Blvd.

City, State, Zip: Los Angeles, CA 90022

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 20

Total # of full-time company employees in California: 20

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Westech College  
Reference No: 16-0176

CCG No.: ET16-0343  
Page 2 of 6

Company: Brenner-Fiedler & Associates

Address: 4059 Flat Rock Drive

City, State, Zip: Riverside, CA 92505

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 42

Total # of full-time company employees in California: 41

Company: Choate Parking Consultants

Address: 16969 Von Karman Avenue, Suite 230

City, State, Zip: Irvine, CA 92606

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 13

Total # of full-time company employees in California: 13

Company: D'Leon Consulting Engineers

Address: 3605 Long Beach Blvd., Suite 235

City, State, Zip: Long Beach, CA 90807

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 15

Total # of full-time company employees worldwide: 20

Total # of full-time company employees in California: 20

Company: Digital Technologies

Address: 760 S. Rochester Avenue, Unit E

City, State, Zip: Ontario, CA 91761

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 12

Total # of full-time company employees in California: 12

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Westech College  
Reference No: 16-0176

CCG No.: ET16-0343  
Page 3 of 6

Company: Dougherty + Dougherty Architects

Address: 3194 D Airport Loop

City, State, Zip: Costa Mesa, CA 93636

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 4

Total # of full-time company employees worldwide: 35

Total # of full-time company employees in California: 35

Company: Gary Wang & Associates

Address: 1255 Corporate Center Drive

City, State, Zip: Monterey Park, CA 91754

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 15

Total # of full-time company employees in California: 15

Company: Gensler

Address: 4675 MacArthur Court

City, State, Zip: Newport Beach, CA 92660

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 4,900

Total # of full-time company employees in California: 1,200

Company: Grace Partnership

Address: 550 S. Wilton Place

City, State, Zip: Los Angeles, CA 90020

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 8

Total # of full-time company employees in California: 8

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Westech College  
Reference No: 16-0176

CCG No.: ET16-0343  
Page 4 of 6

Company: Guerra Companies/Executive Lighting & Electric

Address: 1141 N. Cosby Way

City, State, Zip: Anaheim, CA 92806

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 15

Total # of full-time company employees in California: 15

Company: Kluger Architects

Address: 1855 Coronado Avenue

City, State, Zip: Signal Hill, CA 90755

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 7

Total # of full-time company employees in California: 7

Company: Lawson-Burke Structural Engineers

Address: 312 Ocean Avenue

City, State, Zip: Laguna Beach, CA 92651

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 7

Total # of full-time company employees in California: 7

Company: Lewis Ross Associates

Address: 9401 Reseda Blvd., Suite 200

City, State, Zip: Northridge, CA 91324

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 6

Total # of full-time company employees in California: 5

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Westech College  
Reference No: 16-0176

CCG No.: ET16-0343  
Page 5 of 6

Company: Llimbach Company/Western Air & Refrigeration

Address: 12442 Knott Street

City, State, Zip: Garden Grove, CA 92841

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 1,200

Total # of full-time company employees in California: 150

Company: McParlane & Associates

Address: 18818 Teller Avenue, Suite 210

City, State, Zip: Irvine, CA 92612

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 4

Total # of full-time company employees worldwide: 32

Total # of full-time company employees in California: 32

Company: PBS Engineers

Address: 2100 E. Route 66, Suite 101

City, State, Zip: Glendora, CA 91740

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 57

Total # of full-time company employees in California: 57

Company: PSOMAS

Address: 555 South Flower Street, Suite 4300

City, State, Zip: Los Angeles, CA 90071

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 569

Total # of full-time company employees in California: 410

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Westech College  
Reference No: 16-0176

CCG No.: ET16-0343  
Page 6 of 6

Company: Schroeder Iron Corporation

Address: 8417 Beech Avenue

City, State, Zip: Fontana, CA 92335

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 38

Total # of full-time company employees in California: 38

Company: Stantec

Address: 38 Technology

City, State, Zip: Irvine, CA 92618

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 15,000

Total # of full-time company employees in California: 755

Company: Tri-Signal Integration

Address: 15853 Monte Street, Suite 101

City, State, Zip: Sylmar, CA 91342

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 100

Total # of full-time company employees worldwide: 226

Total # of full-time company employees in California: 178

Company: W2 Design

Address: 50 S. Delacey

City, State, Zip: Pasadena, CA 91105

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 9

Total # of full-time company employees in California: 9



**Training Proposal for:**  
**Comprehensive Training Systems Incorporated**  
**Agreement Number: ET16-0344**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** San Diego

**Analyst:** H. Bernard

**PROJECT PROFILE**

Contract Attributes:	At-Risk Youth Ex-Offender SET New Hire	Industry Sector(s):	Construction Healthcare Manufacturing Insurance Green Technology Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Diego	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Turnover Rate:	0%		
Managers/Supervisors: (% of total trainees)	0%		

**FUNDING DETAIL:**

<b>Program Costs</b>	+	<b>Support Costs</b>	=	<b>Total ETP Funding</b>
\$235,200		\$15,043 8%		\$250,243

In-Kind Contribution:	50% of Total ETP Funding Required	\$0
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	New Hire Ex-Offender At-Risk Youth SET	Commercial Skills, Manufacturing Skills	17	8-260	0	\$5,107	* \$10.29
				Weighted Avg: 240			
2	New Hire	Commercial Skills, Manufacturing Skills	32	8-260	0	\$5,107	\$13.72
				Weighted Avg: 240			

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

**Minimum Wage by County:** San Diego County – Job Number 1: SET/MB – New Hire (ex-offender) \$10.29 per hour; Job Number 2: New Hire \$13.72 per hour.

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

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

Participating employers may use health benefits to meet the Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Medical Staff		10
Manufacturing Staff		14
Property Maintenance		10
Business Administration		10
Solar Energy Staff		5

**INTRODUCTION**

Comprehensive Training Systems Incorporated (CTS) (<http://www.ctsjobs.org>) is a non-profit, community-based organization operating training facilities in the Cities of Imperial Beach and San Diego. Most of the training under this proposal will take place at the facility in Imperial Beach. CTS has provided comprehensive employment training to unemployed, under-employed, and “hard-to-serve” populations including CalWORKs recipients, limited-English speakers, ex-offenders, and high school drop-outs since 1985.



## **PROJECT DETAILS**

CTS has been working with ETP for over a decade, this project will be the fourth Agreement within the last 5 years. This proposal continues CTS's commitment to train and place unemployed individuals into full-time jobs as: Medical Assistants, Medical Insurance Billers/Receptionists, Manufacturing Workers, Building Maintenance Workers, Business Administration Staff and Solar Energy Staff. (see more detail on Solar Energy Staff below.)

### **Employer Demand & Curriculum Development**

CTS works closely with 300 local employers as well as with employer industrial advisory boards, local medical groups, building maintenance organizations, and manufacturing advisory boards. Through its work with individual employers and employer boards, CTS determines current employer demand for various proposed occupations. CTS meets with employer advisory groups on a quarterly basis to offer updates and solicit input on training curricula. CTS also seeks feedback from employers to assess readiness and on-the-job performance for trainees that have been placed.

CTS states that employers in the property/building maintenance, manufacturing and medical industries provide various in-kind contributions. These contributions include employer time to conduct company tours and mock interviews for trainees.

CTS utilizes Labor Market Information Data provided by EDD to determine labor demand. Currently, the local labor market demand is forecast as follows:

- Property maintenance with a 12.1% increase.
- Healthcare industry with a 21.4% increase.
- Manufacturing with a 5% increase.
- Office Administration skills with a 24.7% increase.
- Solar Energy Applications with a 15% increase

### **Solar Energy Training Program**

In order to meet local business needs, CTS has added Solar Energy training to its list of programs. CTS's employer advisory board has reported projected growth in this industry. For example, the City of San Diego has announced that all new city facilities will be installed with solar energy panels. Increased demand and current shortages of trained individuals to install, monitor and perform energy audits for both the commercial and residential sectors creates a critical need for trained workers.

The new CTS Solar Energy program will focus on residential and commercial solar installation. CTS expects to provide training in solar panel manufacturing, ensuring that trainees will be able to troubleshoot and address problems. Training will be for: solar installers, site managers, energy auditors, site inspectors and designers.

### **Training Plan**

New Hire trainees will attend training on a daily basis, 39 hours per week on courses consistent with the jobs in which they will be placed.

**Commercial Skills** - Training will be offered to unemployment recipients or recent exhaustees and to ex-offenders in job preparation skills related to Business Administration, Medical

Assistant, Medical Insurance Billing/Receptionist, Building Property Maintenance and Solar Energy. Trainees will receive an average of 240 hours of class/lab training in specific track to prepare them for entry-level employment in these occupations.

**Manufacturing Skills** - Training will be offered to unemployment recipients or recent exhaustees and to ex-offenders in job preparation skills related to Manufacturing Skills. Trainees will receive an average of 240 hours of class/lab training in the specific track to prepare them for entry-level employment in various manufacturing occupations.

### **Recruitment and Placement Services**

CTS has dedicated job placements staff that work towards matching trainee graduates with targeted employers. CTS also contributes additional training and services outside of the ETP training. It provides post-training employment preparation services that include Work Readiness, Resume Development, Job Search Technique training, and Vocational English as a Second Language training for limited English speakers. These services are essential to trainees who are limited in English or have low educational skills to obtain the rudimentary job seeking skills and basic language skills required for employment. These services assist trainees as they transition from training into the workplace, giving them the practical skills to obtain and keep a job.

### **SET/MB Wage Modification (Job #1)**

Job Number 1 will be funded as Special Employment Training (SET)/Multiple Barriers under the Panel's guidelines for the Ex-Offender Program.

CTS is requesting a post-retention wage modification for these trainees at 25% below the ETP Minimum Wage. The modified post-retention wage would be \$10.29 per hour. This modification is permissible with good cause under the Ex-Offender Program. Based on CTS's past experience placing Ex-Offenders into fulltime employment, they may possess poor communication skills (middle/high school drop outs). They may need basic social/occupational skills training to even qualify for entry-level positions. [Note: from the entry level opportunities in each occupation will exist for advancement into higher paying positions.]

CTS will be responsible for documenting the eligibility criteria for Ex-Offenders. This must include: case number from the conviction proceeding; parole or probation officer's name and phone number; and records from the institution where incarcerated.

#### **➤ SET Trainee Eligibility**

Training for Ex-Offenders is funded under SET. As such, these trainees are not subject to standard eligibility provisions.

### **Incidental Placement**

Incidental placement with public and nonprofit entities is permissible for the trainees in both Job Numbers, not to exceed 25% (35% with good cause) in Job Number 1 and 20% in Job Number 2.

CTS maintains close relationships with many San Diego County non-profit agencies that are receptive to employing trained ex-offenders. These agencies include South Bay Community Service, MAAC Project, Habitat for Humanity and the City of Imperial Beach.

## **Temporary Agency**

New-hire placements as a Temporary Worker shall be no more than 20% of the total new hire trainee population. In conformity with title 22, CCR Section 4427 (d), this cap will be applied by ETP to the number of trainees who have completed training and retention and reached the applicable Minimum Wage, at the time of fiscal closeout for the training project as a whole.

## **Marketing and Support Costs**

CTS is requesting 8% Support Costs to further ensure the success of this proposed project. Support Costs will be used for participating employer and trainee recruitments, assessment of employer-specific job requirements, job development and placement.

## **RECOMMENDATION**

Staff recommends approval of this project.

## **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0197	San Diego	11/04/13 – 11/03/15	\$250,243	\$188,854 (75%)
ET12-0184	San Diego	12/19/11 – 12/18/13	\$224,708	\$183,631 (82%)
ET10-0232	San Diego	9/28/09 – 9/27/11	\$229,576	\$164,256 (72%)

**ET14-0197** – CTS retained 35 new hire trainees from the 44 enrolled, for payment earned of 75%. Based on the number of training hours entered into ETP Online Tracking, and pending Final Fiscal Closeout, these earnings may increase; CTS anticipates final earnings of 100%.

**ET12-0184** - Under this Agreement, CTS retained 35 new hire trainees for earnings of 82%. The Agreement served HUA and Ex-offender populations.

**ET10-0232** – CTS retained 32 new hire trainees for earnings of 72%. CTS attributed its lower than expected performance to the downturn in the economy (double-digit unemployment rate) and a change in staff.

## **DEVELOPMENT SERVICES**

N/A

## **ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

N/A

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

8-260 Trainees may receive any of the following:

**Commercial Skills****Administrative Assistant****A. Basic Computer Literacy**

1. Computer Terminology Introduction
2. Basic keyboarding
3. Introduction to Windows
4. Windows Multi-applications

**B. Introduction to Microsoft Office**

1. Introduction to MS Office Suite applications
2. Introduction to MS Word
3. Word Applications

**C. Introduction to Excel**

1. Excel Uses and Applications
2. Creating Spreadsheets
3. Creating tables, graphs, charts

**D. Introduction to Powerpoint**

1. Introduction to Powerpoint Applications
2. Creating a power point presentation
3. Knowledge of different formatting

**E. Introduction to Internet**

1. Outlook Introduction
2. Setting up e-mail account

**F. Introduction to Access**

1. Introduction to database
2. Table construction and information data entry
3. Access to Excel formatting

**G. Office Procedures**

1. Familiarity with office equipment
2. Customer Service Skills
3. Front Desk Procedures

**Healthcare Information Technology/Medical Billing****A. Medical Office Procedures**

1. Greet clients/patients in friendly manner
2. Cross index/Reference
3. Alphabetizing and filing patient charts
4. Update patient information on ledger cards
5. Patient confidentiality
6. Scheduling patient appointments
7. Determining emergencies

**B. Medical Terminology**

1. Pronunciation of Medical Terminology
2. Spelling of Medical Terms
3. Medical Terminology Definitions
4. Root words, suffixes, and prefixes
5. Medical Terms to describe body positions and locations
6. Common Terms utilized in Physical Exams

**C. Math for Medical Usage**

1. Addition and Subtraction
2. Division and Multiplication
3. Conversion of fractions to decimals
4. Conversion of Fahrenheit to centigrade
5. Conversion of standard medical metric measures

**D. Basic First Aid & CPR**

1. Identify common medical emergencies
2. Control Hemorrhages
3. Treatment of Fractures
4. Universal precautions of HIV and Hepatitis infections
5. CPR Techniques

**E. Use of Medical Reference Materials**

1. Word Identification, Spelling, and Definitions
2. Telephone References for Government, Social Service and Health Organizations
3. Medical Reference Book use, i.e. PDR
4. Medical Dictionary use

**F. Introduction to Anatomy & Physiology**

1. Circulatory System
2. Nervous System
3. Digestive System

4. Reproductive System
5. Muscular System
6. Sense Organs
7. Urinary System
8. Skeletal System
9. Endocrine System

#### G. Introduction to Medical Insurance Billing

1. Introduction to coding systems such as International Classification Diseases-10, Current Procedural Terminology, & HealthCare Finance and Administration Common Procedural Coding System
2. Private Insurance Terminology
3. Introduction to Billing Forms
4. Proper Use of Code Book

#### H. Medical Insurance Billing

1. Introduction to Billing Software
2. Software Billing Functions
3. Introduction to Medical Insurance Programs such as Health Maintenance Organizations, Preferred Provider Organizations, CHAMPUS, Medicare/Medical
4. Correctly bill with single or concurrent coverage International Classification Diseases - 9, Current Procedural Terminology

#### M. Medical Bookkeeping

1. Demonstrates knowledge of insurance coding
2. Demonstrates ability to verify insurance coverage
3. Ability to perform cashiering
4. Knowledge of basic accounting – credits/debits
5. Knowledge of accounts payable/receivable
6. Demonstrates knowledge of office fee structure
7. Ability to record payments
8. Ability to invoice for services
9. Ability to maintain up-to-date record keeping
10. Ability to maintain payroll records

#### N. Electronic Record Keeping

1. Introduction to Electronic Health Record
2. Formatting HER data
3. Input and Output Charts
4. Cataloging and retrieving documents
5. Medical Records Software exercises
6. EHR Concepts
7. Order entry system and electronic prescriptions

#### O. Correspondence for Medical Office

1. Formatting for medical correspondence

2. Familiarity with Medical terms
  3. Typing Documents, Editing, Setting-up patient charts
- Commercial Skills

## Solar Energy Applications

### A. Shop Mathematics

1. Addition
2. Subtraction
3. Division
4. Multiplication
5. Fractions
6. Decimals
7. Basic Geometry

### B. Precision Measuring Instruments

1. Introduction to various measuring instruments
  - a. Machinists steel ruler, micrometers, calipers and dial indicators
2. Reading Measuring instruments and applications
  - a. Uses of scale in Hundredths and Thousandths
  - b. Measuring of parts with 1" micrometer
  - c. Measuring of parts with calipers
  - d. Measuring with dial indicators

### C. Blueprint Reading and Drawing

1. Print Terminology
  - a. Line identification
  - b. Basic sectional view identification
2. Print Specifications
  - a. Title Block
  - b. Tolerances
  - c. Material
  - d. Parts lists

### D. Safety Regulations

1. Equipment Usage
  - a. Correct use of band saws, table saws, drill press and portable power tools
  - b. Safety Protections
    - 1). Safety glasses
    - 2). Dust masks
    - 3). Steel toe boots



2. Protective Clothing
  - a. Long pants/long sleeve shirts
  - b. Gloves
  - c. Hard hat
3. Ladders
  - a. Correct use of extension ladders,
  - b. Correct use and size step ladder

#### E. Introduction to Basic Electricity

1. How Electricity Works
  - a. Definition of an electrical circuit
  - b. Electrical symbols on a schematic
  - c. OHM'S Law
2. Meters and Service Entrances
  - a. Breakers and fuses
3. Alternating and Direct Current Principals
  - a. How direct current is produced
  - b. How alternating current is produced
4. Working with Wire
  - a. Cable types and uses
  - b. Stripping and splicing wire
  - c. Grounding a system
  - d. Installing outdoor wiring
  - e. Installing indoor wiring
  - f. Wiring for new homes
  - g. Wiring for older homes
5. Testing Equipment
  - a. Voltage and continuity testers
  - b. Amp meters
6. Electrical Codes and Permits

#### F. Introduction to Basic Plumbing

1. Understanding the domestic water plumbing system
  - a. General overview of valves, pipes and copper fittings
  - b. How to solder copper pipes
  - c. Plumbing outdoors/outdoors
  - d. Pipe insulation indoors / outdoors
  - e. Water heaters and storage tanks
2. Plumbing Codes and Permits

#### G. Introduction to Basic Construction Principals

1. House construction
  - a. Walls/interior & exterior
  - b. Insulation type

2. Ceilings
3. Attics
  - a. Insulation
  - b. Radiant heat barrier
4. Windows
  - a. Types and construction
  - b. Double glazing/gas filled
5. Roofs
  - a. Types and construction
  - b. Coverings
  - c. Flat and pitched roofs
6. Roof penetrations

#### H. Weatherization

1. Solar screens
2. Water heater blanket
3. Insulate hot water piping
4. Caulk windows/doors/wall penetrations
5. Set-back thermostats

#### I. Residential/Commercial Energy Consumptions

1. Introduction to 'Green Building'
  - a. Heating
  - b. Hot water
  - c. Cooling/Refrigeration
  - d. Lighting
  - e. Washing/Drying
  - f. Cooking
2. Residential Home Energy Rating (Energy Audit)
  - a. Infrared Thermography Scanning
  - b. Energy Retrofits & Efficiency
  - c. Energy Star Components/Materials/Appliances
  - d. Title 24 California Energy Building Codes

#### J. Introduction to Photovoltaic and Solar Thermal Systems

1. Introduction to Solar Energy Markets and Applications
  - a. History of solar systems/technology in California
  - b. Solar photovoltaic markets/applications
    - 1). Residential/Commercial electrical usage
    - 2). Remote homes/cabins
    - 3). Lighting
    - 4). Water pumping
  - c. Solar thermal markets/applications

- 1). Domestic water heating
  - 2). Space heating
  - 3). Swimming pools and spas
  - 4). Industrial use for high temperature water
2. Safety
  - a. Identify safety hazards during installations
    - 1). Electrical shock
    - 2). Batteries
    - 3). Roof work/tool usage
    - 4). Leaks
3. Solar Energy Basics
  - a. Solar definitions
  - b. Using a compass
  - c. Summer and Winter solstice
  - d. Proper orientation for San Diego County
  - e. Shading/Buildings
4. Solar Thermal Fundamentals
  - a. Designs to maximize solar gain
  - b. Surface coatings
  - c. Copper versus Aluminum
  - d. Glazing
  - e. Collector tested efficiency
  - f. Calculate proper flow rates
5. System Components/Thermal
  - a. Solar collectors
  - b. Storage tanks
  - c. Circulation pumps
  - d. Controls Sensors
  - e. Roof racks
6. Solar Photovoltaic Fundamentals
  - a. Silicon solar cells
    - 1). Disc
    - 2). Wafer
    - 3). Thin film
  - c. Glazing materials
  - d. Collector tested efficiency
  - e. Series/Parallel wiring
7. System Components/Photovoltaic
  - a. Panels
  - b. Inverters
  - c. Batteries
  - d. Controls
  - e. Safety isolation switch
  - f. Roof racks
8. Service and Maintaining Solar Thermal Systems
  - a. Clean collectors

- b. Flush system
  - c. Check all sensor connections
  - d. Check for leaks
  - e. Exterior insulation
  - f. Shading problems
9. Service and Maintaining Solar Photovoltaic Systems
- a. Clean panels
  - b. Check all electrical connections
  - c. Check inverter performance
  - d. Check batteries
  - e. Shading problems

K. Lab/Hands-on Installation Solar Thermal System

- 1. Setting storage tank
- 2. Installing solar collector on roof
- 3. Roof penetrations for copper piping
- 4. Installing circulation pump
- 5. Installing control/sensors
- 6. Solder all copper piping, fittings and valves
- 7. Pressurize system with water
- 8. Check and repair leaks
- 9. Insulate all copper piping
- 10. Monitor system temperature

## **Property Building Maintenance**

### **A. Introduction to Property Building Maintenance**

1. Measurements
2. Purchasing Procedures
3. Customer Service
4. Property Service Orders

### **B. Pool Maintenance**

1. Water PH and Chlorine Testing
2. Clean and replace filters

### **C. Sprinklers**

1. Repair Sprinkler Heads
2. Replace Sprinkler pipes
3. Adjust valves

### **D. Lighting Repair**

1. Terminology: Volts, Amps, Watts,
2. Tool identification
3. Shop Safety
4. Replacing Lights
5. Replacing switches
6. Low voltage wiring
7. Repairing

### **E. Wall and Door Repair**

1. Tool Identification
2. Measuring
3. Cutting Techniques
4. Drilling Techniques
5. Fastening Techniques
6. Finishing Techniques
7. Hanging Doors & Shelves
8. Wall & Panel Repair

### **F. Bathroom and Kitchen Fixtures**

1. Identification of Piping Materials
2. Familiarity with Water Supply and Drainage Flow
3. Identification of Faucets and Valves
4. Replace and Repair Faucets, Handles and Valves
5. Techniques for Unclogging Drains
6. Replace Fixtures
7. Installing Washers and Connecting Water Supply

### **G. Furnace and Air Conditioning Maintenance**

1. Terminology, Tool Identification, and Safety
2. Replacing filters
3. Furnace Duct Maintenance
4. Air Conditioners cleaning
5. General Maintenance

#### H. Appliance Repair Basics

1. Tools and Equipment Identification
2. Troubleshooting Techniques
3. Appliance Wiring
4. Safety
5. Types of Electric Motors
6. Repair/Replace Motors
7. Repair Refrigeration Systems
8. Troubleshoot Systems
9. Dishwasher Familiarity
10. Repair Pumps, Heating Elements, Motors
11. Dryer Repair
12. Water Heater Repair
13. Maintenance Installation
14. Ranges: Installation and Repair
15. Disposal: Installation and Repair

### **Manufacturing Skills**

#### A. Introduction to Manufacturing

1. Industry Overview
2. Career Growth Opportunities

#### B. Shop Safety

1. Proper Use of Hand tools
2. Shop Safety Clothing & Gear
3. Proper Use of cutting equipment
4. Proper Use of adhesives

#### C. Basic Shop Math

1. Addition, Subtraction, Multiplication
2. Decimals
3. Fractions
4. Ratios
5. Areas

#### D. Precision Tools and Measuring Instruments

1. Rulers, Tapes
2. Calipers
3. Gauges

#### E. Blueprint Reading

1. Lines
2. Views
3. Title Block
4. Materials
5. Dimensional Views

#### F. Basic Manufacturing Applications

1. Assembling parts
2. Mixing Adhesives/Bonding
3. De-burring
4. Grinding
5. Drilling

#### G. Introduction to Welding

1. Lay Out
2. Tools
3. Burning
4. Electrode Beads

Note: Reimbursement for new hire training is capped at 260 total training hours per trainee.
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### Training Proposal for:

## KML Enterprises, Inc. dba New Horizons Computer Learning Centers of Southern California

**Agreement Number: ET16-0342**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** San Diego

**Analyst:** K. Campion

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate SB <100 SET HUA	Industry Sector(s):	Manufacturing Technology/IT Engineering Aerospace and Defense Services Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Orange, Los Angeles, Ventura, San Bernardino, Riverside and San Diego	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	≤20%		

### FUNDING DETAIL:

<b>Program Costs</b>	+	<b>Support Costs</b>	=	<b>Total ETP Funding</b>
\$304,950		\$20,910 8%		\$325,860

In-Kind Contribution:	50% of Total ETP Funding Required	\$510,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Computer Skills, Continuous Impr., Business Skills	95	8-200	0	\$481	\$15.60
				Weighted Avg: 30			
2	Retrainee Priority Rate	Computer Skills, Continuous Impr., Business Skills	350	8-200	0	\$577	\$15.60
				Weighted Avg: 30			
3	Retrainee SB <100	Computer Skills, Continuous Impr., Business Skills	65	8-200	0	\$705	\$15.60
				Weighted Avg: 30			
4	Retrainee SB<100 Priority Rate	Computer Skills, Continuous Impr., Business Skills	10	8-200	0	\$834	\$15.60
				Weighted Avg: 30			
5	Retrainee SET	Computer Skills, Continuous Impr., Business Skills	50	8-200	0	\$481	\$28.37
				Weighted Avg: 30			

**Minimum Wage by County: Job Numbers 1-4:** \$15.60 per hour for Riverside, San Bernardino and Ventura Counties; \$16.46 per hour for San Diego County; \$16.48 per hour for Los Angeles County; and \$16.51 per hour for Orange County. **Job Number 5:** \$28.37 per hour Statewide  
**Health Benefits:** ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

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

Participating employers may use health benefits to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
*Job Numbers 1-4		
Administrative Staff		30
Customer Service Staff		30
Information Technology Staff		70
Lead		60
Production Worker		165
Sales/Marketing Staff		40
Technical Support Staff		75
Supervisor/Manager		50
Job Number 5		
Technical Support Staff		50

\*It will be made a condition of contract that the trainees in Job Numbers 1 - 4 will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table.

## **INTRODUCTION**

KML Enterprises, Inc. dba New Horizons Computer Learning Centers of Southern California (New Horizons or Center) ([www.nhsocal.com](http://www.nhsocal.com)) is a private training agency that specializes in Information Technology (IT), offering a wide variety of computer-related courses. New Horizons is a Microsoft IT Academy and a Microsoft Gold Partner and provides Microsoft, Cisco, CompTIA, Corel, Adobe, and Novel courses along with Internet and Security courses.

New Horizons has been providing Computer Skills training to large and small businesses throughout Southern California since 1982. The Center recently expanded its offerings to include Business Skills and Continuous Improvement training based on employer demand.

Headquartered in Anaheim, New Horizons has additional training facilities located in Burbank, Culver City and San Diego. New Horizons is eligible for ETP funding as a private training agency. Its BPPE approval is valid until May 18, 2020. New Horizons is also approved under the I-TRAIN program.

## **PROJECT DETAILS**

This proposal will reach large and small priority and non-priority business. Participating employers represent a variety of industries including manufacturing, aerospace, biotechnology, pharmaceutical, construction, distribution, and service from Orange, Los Angeles, Ventura, San Bernardino, Riverside and San Diego Counties. Approximately 90 percent of the proposed training will be provided at participating employer sites and the remaining training will be conducted at New Horizon facilities. The Center is a repeat Contractor but has not held a contract with ETP within the last five year.

New Horizons has built strong relationships with City, County and regional economic development agencies; chambers of commerce; industry associations; community colleges and universities; workforce investment boards; one-stop centers; and hundreds of employers in the southern California area. The Center works with these entities to identify specific training needs and develop curriculum.

### **Training Plan**

This proposal includes six participating employers. The curriculum was designed to meet the needs of these employers.

**Computer Skills (50%)** – Training will be offered to all occupations in order to help employers' expand their computer infrastructures and help improve internal and external communications through computer learning. Training on Adobe Software, MS Office, Office 365, SharePoint, Visio, and Photoshop will give employees the ability to communicate more effectively within their company and with customers. Information Technology Staff will receive training on Cisco Networks, Citrix Networks, database systems, Microsoft Exchange, hacking, HTML, implementing and supporting Windows, Novel Networks, Red Hat, Security Systems, SQL Server, and web programming/applications. This training will give IT staff the tools needed to support the computer infrastructure of their companies. Computer Skills training will support all areas of the business and help employers increase communications, reduce errors and improve productivity.

**Continuous Improvement (30%)** - Training will be offered to all occupations to help workers streamline operations, improve productivity, implement quality measures, increase internal and external coordination for production areas, and solve process-related issues. Trainees will be

encouraged to identify and utilize problem-solving techniques and process improvement skills to make decisions and implement solutions to reduce or eliminate waste. Trainees will also learn 5S Lean skills, and leadership and coaching skills.

**Business Skills (29%)** – Training will be offered to all occupations to improve business and report writing, increase product knowledge, generate financial reports, develop sales and marketing skills, improve negotiation skills, and provide quality customer service. Trainees will also learn financial analysis skills and project management skills.

### **Impact/Outcome**

Some courses may allow trainees to obtain ISO Certification for Continuous Improvement. Trainees may also obtain software application certifications.

### **Marketing and Support Costs**

New Horizons has approximately 40 Account Executives on staff who market, recruit and conduct training needs assessments with participating employers. New Horizons surveys companies to identify key training needs and conducts face-to-face visits at employer sites to identify goals, design improvement projects, and create training plans.

New Horizons requests 8% support costs for employer assessments, training needs assessments, creating actions plans, customizing training programs, and conducting employer recruitment. The Center will ensure that all participating employers are committed to training, and will invest the time needed to design well-developed training plans so that goals are achieved and training is delivered on-time. Staff recommends the 8% support costs.

### **Trainer Qualifications**

All training will be delivered by New Horizons internal staff. Most trainers have at least 10 years of experience in their area of expertise.

### **Tuition Reimbursement**

New Horizons represents that students enrolled in the ETP-funded program will not be charged tuition, fees, or any other costs associated with training. The representation will be made a condition of the Agreement.

### **SET**

Under Special Employment Training (SET), a participating employer is not required to demonstrate out-of-state competition and trainees are not required to meet eligibility standards for retraining. Job Number 5 will be funded under SET.

### **High Unemployment Area (HUA)**

Some participating employers may be located in an HUA with unemployment exceeding the State average by at least 25%. However, New Horizons is not asking for a wage or retention modification.

**Commitment to Training**

ETP funds will not displace the existing financial commitment to training of participating employers. Safety training is, and will continue to be, provided by the participating employers in accordance with all pertinent requirements under state and federal law. Company-provided internal training activities vary widely among participating employers. Training within small companies is narrowly focused on job-specific skills and conducted on an “as needed” basis in an informal setting. These employers lack the budget and manpower to undertake more in-depth programs. Training programs provided by larger companies are more robust; however, they lack the expertise to evaluate their training programs. Training and evaluation services provided by New Horizons will allow participating employers to train their employees without having to utilize too much resources.

➤ **Training Infrastructure**

The VP and General Manager of New Horizons will take responsibility for oversight of this project. Branch Managers from each New Horizons facility and Account Executives will take responsibility for marketing and recruitment of employers and conducting training needs assessments. A full-time Training Coordinator will be responsible for scheduling training and gathering attendance rosters. Additionally, a subcontractor will perform specific ETP project administration including enrolling and tracking trainees in ETP systems.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

New Horizons retained National Training Company, Inc. (NTC) in Irvine to assist with development of this proposal for a flat fee of \$15,000.

**ADMINISTRATIVE SERVICES**

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

**TRAINING VENDORS**

To Be Determined

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

8–200            Trainees may receive any of the following:

**COMPUTER SKILLS**

- .NET Programming/Applications
- Adobe Software
- Advanced Desktop Applications
- Cisco Networks
- Citrix Networks
- Computerized Status
- Database Developer Tools and Utilities
- E-Business Solutions
- Enterprise and Manufacturing Management Systems
- Exchange
- Hacking
- HTML
- Illustrator
- Implementing and Supporting Windows
- InDesign
- Information Technology Solutions/Internet Tools
- Inventory Management Software
- Microsoft Dynamics
- MS Office (Intermediate and Advanced)
- MS Win Server
- Network Developer Tools and Utilities
- Network+
- Networking
- Novell Networks
- Paperless Systems
- Photoshop
- Project Management Applications
- Red Hat
- Scripting
- Security Systems
- Sharepoint
- Software Analysis, Design, and Implementation
- SQL Server
- Visio
- Visual Basic
- Visual Studio
- VMWare
- Web Programming/Applications
- Windows Server Support and Maintenance
- XML

**CONTINUOUS IMPROVEMENT**

- 5S
- Change Management
- Coaching Skills
- Conflict Management
- Effective Meeting Skills
- Problem Solving/Team Problem Solving
- Process Improvement Training
- Quality Control Systems
- Team Skills
- Time Management
- Value Added Activities
- Value Stream Mapping
- Waste Identification

**BUSINESS SKILLS**

- Account Development Strategies
- Accounting Processes
- Business and Report Writing
- Business Problem Solving
- Business Processes
- Customer Service Skills
- Financial Analysis Skills
- Interpersonal Communication
- Marketing Strategies
- Negotiation Skills
- Organizational Skills
- Product Knowledge
- Project Management
- Sales Skills

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.
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## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: KML Enterprises, Inc. dba New Horizons  
Computer Learning Centers of Southern California

CCG No.: ET16-0342

Reference No: 15-0295

Page 1 of 2

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: ETHOSENERGY Field Services, LLC

Address: 10455 Slusher Dr., Building 12

City, State, Zip: Santa Fe Springs, CA 90670

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 31,900

Total # of full-time company employees in California: 150

Company: GKN Aerospace Transparency Systems Inc.

Address: 12122 Western Ave.

City, State, Zip: Garden Grove, CA 92841

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 150

Total # of full-time company employees worldwide: 50,000

Total # of full-time company employees in California: 648

Company: Quantum Design, Inc.

Address: 6325 Lusk Blvd.

City, State, Zip: San Diego, CA 92121

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 200

Total # of full-time company employees in California: 150

Company: Solar Turbines Incorporated

Address: 2200 Pacific Hwy.

City, State, Zip: San Diego, CA 92101

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 220

Total # of full-time company employees worldwide: 3,400

Total # of full-time company employees in California: 900

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: KML Enterprises, Inc. dba New Horizons  
Computer Learning Centers of Southern California

CCG No.: ET16-0342

Reference No: 15-0295

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Company: Tax Defense Partners (Professional Services Systems LLC)

Address: 6345 Balboa Ave., Ste. 285

City, State, Zip: Encino, CA 91316

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 65

Total # of full-time company employees worldwide: 70

Total # of full-time company employees in California: 70

Company: Technicolor USA Inc.

Address: 3233 Mission Oaks Blvd.

City, State, Zip: Camarillo, CA 93012

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 3,100

Total # of full-time company employees in California: 1,500





## Training Proposal for:

# South Orange County Regional Chambers of Commerce, Inc.

**Agreement Number: ET16-0340**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** San Diego

**Analyst:** J. Davey

## PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate SB <100 HUA	Industry Sector(s):	Technology/IT Technology/Other Manufacturing Services Biotechnology/Life Sciences Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange, San Diego, Ventura	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	≤20%		

## FUNDING DETAIL

<b>Program Costs</b>	+	<b>Support Costs</b>	=	<b>Total ETP Funding</b>
\$1,122,000		\$58,212 6%		\$1,180,212

In-Kind Contribution:	50% of Total ETP Funding Required	\$603,200
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Computer Skills, Continuous Improvement	130	8-200	0	\$1,515	\$17.02
				Weighted Avg: 80			
2	Retrainee Priority Rate SB<100	Computer Skills, Continuous Improvement	291	8-200	0	\$2,188	\$17.02
				Weighted Avg: 80			
3	Retrainee	Computer Skills, Continuous Improvement	81	8-200	0	\$1,262	\$17.02
				Weighted Avg: 80			
4	Retrainee SB<100	Computer Skills, Continuous Improvement	132	8-200	0	\$1,851	\$17.02
				Weighted Avg: 80			

**Minimum Wage by County:** Job Numbers 1 - 4: \$16.48 for Los Angeles County; \$16.51 for Orange County; \$16.46 for San Diego County; \$15.60 for Ventura County.

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

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

Participating employers may use health benefits to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Application Architect, Business Analyst		90
Database Administrator, Database Architect		90
Manager/Supervisor		90
Network Administrator, Network Architect, Network Engineer		91
Programmer Analyst, Software Developer		91
System Administrator, System Analyst		91
Technical Analyst, PC Hardware Technician		91

## **INTRODUCTION**

For its fourth ETP Agreement, the South Orange County Regional Chambers of Commerce, Inc. (SOCRCC or Chamber) seeks funding for retraining as outlined below:

Established in 1969, the SOCRCC is a non-profit member organization comprised of approximately 550 business owners, corporate representatives, community leaders, and individual members. SOCRCC recently reorganized and is now doing business as (dba) South Orange County Economic Coalition. They represent various professions and companies in the manufacturing, IT, and service sectors.

The Chamber's mission is two-fold: 1) promotion of economic programs to strengthen and expand the income potential of area businesses by linking new skill-building programs to current employer demands; and, 2) the continued support of initiatives that provide opportunities for networking, legislative advocacy, and access to capital for growth and expansion. As such, SOCRCC strives to offer innovative business development solutions, including training, to help area companies grow and prosper economically.

### **Employer Demand**

Chamber staff regularly sends out surveys to determine employer/member satisfaction and assess education/training needs. The survey results continue to validate a strong need for skills training in technology. More recently, employers have also expressed a need for Continuous Improvement for IT workers. Expertise in these areas allows businesses to provide better management and administration of their computing infrastructures that power critical applications such as ERP, Finance, Sales Force Automation, and Customer Relationship Management. By implementing higher capacity networks, scalable servers, and database-driven software applications, IT industry employers can become more efficient and competitive. The proposed Agreement will continue to serve employers statewide.

For this proposal, SOCRCC has identified a core group of 15 participating employers. The number of trainees from the core group of employers represents at least 60% of the requested funding amount. The core group also comprises 59% small business employers. Only three employers from the core group have participated in an ETP-funded Agreement within the last ten years, neither with SOCRCC. The core group employers have been screened for ETP eligibility, including substantial contributions. Furthermore, the core group employers have also been determined to meet out-of-state competition standards.

## **PROJECT DETAILS**

### **Curriculum Development – Training Plan**

**Computer Skills (97%):** The proposed curriculum has been designed for advanced IT professionals who work in the areas of programming, system/network administration and database design/administration. The curriculum provides IT Class/Lab Skills training in Oracle; SQL; Server; MySQL; Linux; Windows Server; .NET Programming; PHP Programming; VMWare Infrastructure and Cisco. The occupations to be trained include: Technical Analysts; PC/Hardware Technicians; System Analysts/Administrators; Programmer Analysts; Engineers/Administrators; Architects; Database Administrators/Architects; Application Architects; and Managers/Supervisors.

**Continuous Improvement Skills (3%)** – Training will be provided to all occupations. Over the last two decades, with the evolution of software architecture and engineering as a rigorous

discipline, the ideas of Project Management and Continuous Improvement have been applied to the Software Development and Information Technology Services.

Formal training needs assessments are conducted with each participating employer to ensure that ETP training is customized. Company representatives are asked to identify specific skill deficiencies the training is intended to address; specific tasks each trainee is expected to perform; and existing skill levels of each trainee. Companies also provide information on new IT technologies being implemented to improve profitability and business efficiency.

The majority of employers (over 60%) SOCRCC serves are small businesses in Manufacturing, Computer Software and IT Services Industries. These companies do not have the financial wherewithal to invest in expensive ERP and Accounting Systems. Quickbooks software is sufficient. With Quickbooks adding new functionality and releasing a new version each year, there is a need to learn the latest features of this software.

### **Trainer Qualifications**

Training will be provided by Saisoft, Inc. (Saisoft). This vendor specializes in delivering IT training through the Internet as E-Learning, using the latest technologies. Saisoft's instructors possess vendor-specific IT certifications and typically have 12-15 years of practical industry experience, which enables them to bring their "real world" expertise to the classroom. In addition to Computer Skills, Saisoft will provide Business Skills and Continuous Improvement skills through subcontracted experts.

### **Remote Distance Training**

SOCRCC projects that the majority of the proposed training will be delivered via remote/distance E-Learning and only a small percentage will be conducted on-site at participating employer locations. The E-Learning training will be delivered via live instructor-led online training over the Internet, in accordance with Panel standards for Class/Lab reimbursement. (Title 22, CCR Section 4400(y)(4).) In this way, employees in outlying areas do not have to commute long distances to a training facility and employees from small businesses will have greater access to training.

The instructor-led classes encompass formal lecture demonstrations and interactive hands-on laboratory exercises under the guidance of a live instructor. Thus, trainees are able to speak directly with the instructor, ask questions, and receive instant feedback. By removing the distance barrier, this training is made available statewide. ETP Staff has been able to successfully monitor this training delivery method via remote computer on-line access.

Approximately 95% of the training will be conducted as distance learning and 5% of the training will be delivered at employer worksites. Training at employer worksites is only feasible at large companies that have training facilities equipped with the requisite hardware and software; and who have enough trainees to fill an on-site classroom.

### **Electronic Recordkeeping**

SOCRCC will use an electronic recordkeeping system designed to document this method of training. This system has been previously reviewed and approved by ETP.

## **Training Schedule**

SOCRCC training is scheduled to commence on February 1, 2016. Training sessions are five weeks in length with four-hour classes delivered twice weekly (for a 40-hour module).

## **Marketing and Employer Recruitment**

SOCRCC maintains an extensive database of businesses in manufacturing, technology and service industries who are current and/or potential members. The ETP-funded training program is marketed statewide via the Chamber's website; quarterly e-mails to member companies; trade shows; job fairs; direct mail; in-person visits, web-based seminars, and meetings. Participating employers represent a diverse set of industry sectors; software development and other IT companies, bio-technology, manufacturing, and semiconductor processing.

The Chamber states there may be a few repeat participating employers as a result of changing technology or in the case where an employer was unable to send all employees through a previous ETP project due to production demands.

## **Support Costs**

Support costs reimbursed by ETP are used to market the program statewide as described above. Beyond the core group of employers already identified and surveyed, SOCRCC will continue to recruit new participating employers and assess employer-specific job training requirements throughout the term of the Agreement. The Chamber will focus on the recruitment of priority industries and small businesses.

Extensive employer training needs assessments are conducted with each interested participating employer in order to recruit qualified participants. Companies expressing an interest in participating in the Chamber's program are then re-contacted to obtain additional information and schedule training for each individual participant. The Chamber also obtains direct feedback from the students at the end of each training class to ensure the on-going effectiveness and relevancy of the training, improve the quality of instruction, and customize the curriculum to current IT needs.

Staff recommends 6% support costs for the additional recruitment and training needs assessment costs as needed to build upon the Chambers previous efforts. This recommendation is based upon the fact that SOCRCC has an already established training program with reduced employer outreach and recruitment costs and is consistent with the prior project.

## **High Unemployment Areas**

Some participating employers may be located in designated High Unemployment Areas (HUA). However, SOCRCC is not requesting a HUA wage or retention modification.

## **Commitment to Training**

SOCRCC states that ETP funds will not displace the existing financial commitment to train participating employers. The core group of employers' current training varies by employer, but generally consists of new hire orientation, job-specific on-the-job training, product training, soft skills training, and safety training.

Employers also state that although they have training programs, they are unable to keep up with the amount and frequency of highly technical training needed to remain competitive. Additionally, most of the core group of participating employers has stated that they will continue to provide training to their employees after the completion of ETP-funded training.

Safety training is, and will continue to be, provided by the participating employers in accordance with all pertinent requirements under state and federal law.

### **RECOMMENDATION**

Staff recommends approval of this proposal, including the wage modification.

### **ACTIVE PROJECTS**

The following table summarizes performance by SOCRCC under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET14-0303	\$1,229,562	3/3/14 – 3/2/16	644	820	820

SOCRCC completed training on 10/19/15. Currently, SOCRCC has approved earnings of \$1,058,409, with \$153,011 earnings in process of approval. To date SOCRCC has tracked 54,530 eligible training hours for 845 trainees. This equates to \$1,229,562 in eligible earnings. All remaining eligible trainees will complete the 90-day, post-training retention period by January 2016. The Company expects to earn \$1,211,420, 99% of the Agreement amount.

Of the 845 trainees who have completed training, each received an average of 65 hours of training.

### **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0330	Mission Viejo	4/2/12 – 4/1/14	\$749,900	\$749,900 (100%)
ET11-0311	Mission Viejo	6/30/11 – 6/29/13	\$229,018	\$229,018 (100%)

### **DEVELOPMENT SERVICES**

Saisoft, Inc. located in Irvine, assisted in the development of this proposal at no cost.

### **ADMINISTRATIVE SERVICES**

Saisoft, Inc. will also perform administrative services for an amount of not to exceed \$71,948 (6%).

## **TRAINING VENDORS**

Saisoft, Inc. will provide all Continuous Improvement and Computer Skills training in this proposal for an amount of \$1,007,276.

**Exhibit B: Menu Curriculum****E-Learning/Class-Lab Hours**

8-200                      Trainees may receive any of the following:

**COMPUTER SKILLS**

- CIS-SEC: Securing Cisco Network Devices
- JUN-PR: Introduction to Juniper Network Devices
- NJS-PR1: Node.js Programming
- RUB-PR1: Programming in Ruby
- RUB-PR2: Ruby on Rails
- SWF-PR1: Apple Swift Programming
- JAV-TA: Automated Test Framework Development In Java
- SEL-PR: Automated Testing using Selenium
- UFT-PR: Automated Testing using Unified Testing Framework
- BUS-AN2: Business Analysis for Object Oriented Design
- DMS-MA1: Digital Marketing Fundamentals
- DMS-EO: Search Engine Optimization Technologies
- COB-IT: Control Objectives for Information and Related Technology Foundation
- TBL-RP: Reporting with Tableau Software
- MSF-AD12: MS Windows Server 2012 Active Directory Services
- CMP-CL1: Comptia Cloud Essentials (CLO-001)
- CMP-SR1: Comptia Server+ (SKO-003)
- CRY-RP: SAP Crystal Reports 2011
- AGL-SC: Agile and Scrum Software Development Methodology
- PMT-IT: Software Development Lifecycle Information Technology Infrastructure Library-ITIL
- SAI-467: Designing Business Intelligence Solutions with Microsoft SQL Server 2012
- SAI-466: Implementing Data Models and Reports with Microsoft SQL Server 2012
- SAI-465: Designing Database Solutions for SQL Server 2012
- SAI-464: Developing Microsoft SQL Server 2012 Databases
- SQL-463: Implementing a Data Warehouse with Microsoft SQL Server 2012
- SQL-462: Administering Microsoft SQL Server 2012 Databases
- SQL-461: Querying Microsoft SQL Server 2012
- MSW-AZ: Implementing Microsoft SQL Azure
- AWS-CC: Cloud Computing with Amazon Web Services
- MSO-365: Migrating Exchange Server to MS Office 365
- MSW-AZ: Implementing Microsoft SQL Azure
- GOO-AN: Implementing Google Analytics
- GOO-AD: Google Adwords Administration
- MSF-BG: Microsoft Bing Adcenter Administration
- FCB-AD: Facebook Ads Manager Administration
- LIN-AD: LinkedIn AdManager Administration
- MSF-AC: Microsoft Access Programming
- MSF-VS: Microsoft Visio 2010 Administration
- CIT-XA: Citrix XenApp Implementation
- DIS-R1: Disaster Recovery for Information Technology
- IPH-PR: iPhone Programming
- AND-PR: Android Programming



- CIS-NPR: CCNP ROUTE (642-902)
- CIS-NPS: CCNP SWITCH (642-813)
- CIS-NPT: CCNP TSHOOT (642-832)
- MSF-SPS: Microsoft Sharepoint Designer
- MSF-SPA: Microsoft Sharepoint Foundation Administration
- MSF-SPF: Microsoft Sharepoint Foundation
- MSF-SPD: Microsoft Sharepoint Development
- MSF-SPB: Microsoft Sharepoint Business Intelligence
- CPT-SC: CompTia Security+
- CPT-NW: CompTia Network +
- SQL-TS: Programming SQL Server with Transact-SQL
- SQL-AD: SQL Server Advanced Topics
- SQL-RS: SQL Server Reporting Services
- SQL-BI: SQL Server Business Intelligence
- MySQL Database Administration
- Apache Web Server Administration
- Common Gateway Interface and Hypertext Preprocessor Programming
- Perl Programming
- Perl Programming - Using Advanced Modules
- Perl Advanced Topics: Serving Pages using HTTPS (Secure Hypertext Protocol) with mod\_ssl
- ORA-SQ: Oracle – Structured Query Language
- ORA-PL: Oracle – Programming Language in SQL
- DDT-DM: Data Modeling and Database Design
- DDT-LP: Logical and Physical Data Modeling
- MSF-EX: Microsoft Exchange Server Administration
- MSF-SP: Microsoft Sharepoint Server Administration
- MSF-SEC: Designing Security for Microsoft Networks
- MSF-PS: MS Windows Administration with Powershell
- MSF-SA8: Microsoft Windows 2008 Server Administration
- MSF-NA8: Microsoft Windows 2008 Network Infrastructure
- MSF-AD8: Microsoft Windows 2008 Active Directory
- SEC-NI: Securing Network Infrastructure and Communications (Security+ 1)
- SEC-AP: Application, Operational and Organizational Security (Security+ 2)
- SEC-AI: Designing Security Architecture Infrastructures
- SEC-MA: Designing Security Management Infrastructures
- JAV-OO: Object Oriented Programming in Java
- JAV-AP: Application Development in Java
- JAV-AT: Advanced Topics in Java
- CIS-ND1: Configuring Cisco Network Devices I (ICND1 – 640-822)
- CIS-ND2: Configuring Cisco Network Devices II (ICND2 - 640-816)
- CIS-SC: Configuring Scalable Cisco Networks
- CIS-ML: Configuring Multi-Layer Switched Cisco Networks
- CIS-RA: Configuring Remote Access Cisco Networks
- CIS-TA: Troubleshooting Advanced Cisco Networks
- PMT: Software Development Lifecycle Project Management
- Software Development Lifecycle Six Sigma Quality Best Practices
- Information Technology Infrastructure Library Implementation
- Information Technology Infrastructure Library Best Practices
- Network Security – Ethical Hacking

- Network Security – Applied Computer Forensics
- VBS-PR: Programming in VB.NET
- VBS-AS: Programming ASP.NET and ADO.NET using VB.NET
- VBS-EN: Enterprise Application Development in VB.NET
- CSP-PR: Programming in C#
- CSP-AS: Programming ASP.NET and ADO.NET using C#
- CSP-EN: Enterprise Application Development in C#
- MSF-W7: Microsoft Windows7 Administration
- LIN-SA: Linux System Administration
- LIN-NA: Linux Network Administration
- CRY-RP: Programming Crystal Reports
- DWH-IN1: Data Warehousing Fundamentals
- DWH-IN2: Programming Informatica
- COG-PR1: Implementing Business Intelligence with Cognos
- VMW-AD: VMWare Infrastructure Administration
- OOD-UML: Object Oriented Design and Unified Modeling Language
- CIT-SA: Citrix Presentation Server Administration
- UBU-DS: Ubuntu Linux Desktop Administration
- ORA-DB: Oracle Database Administration
- SQL-SA: SQL Server Database Administration
- SQL-DB: SQL Server Database Design
- MSF-HY: Microsoft Windows Server Hyper-V Administration
- SQL-MD12: SQL Server 2012 Multi-dimensional Expressions and Data Analysis Expressions
- SQL-RS12: SQL Server 2012 Reporting Services
- SQL-AS12: SQL Server 2012 Analysis Services
- SQL-BID: SQL Server 2012 Designing Business Intelligence Solutions
- MSF-VS: Microsoft Visio 2010
- MSF-PS1: MS Windows Administration with Powershell I
- MSO-365: Migrating Exchange Server to Office 365
- MSF-410: Installing and Configuring Windows Server 2012
- MSF-411: Administering Windows Server 2012
- MSF-412: Configuring Advanced Windows Server 2012 Services
- CIS-NPR: Cisco CCNP Routing and Switching
- CIS-SP1: Computer Information Systems Security Protocol
- CEH-P1: Certified Ethical Hacking Training
- CAP-P1: Computer Systems Authorization Protocol
- WIR-TS: Wireless Technology Specialist
- WIR-NA: Wireless Network Administration
- GGL-GL: Google Glass Application Development
- CMP-MOB: CompTia Mobility+ (MBO-001)
- CMP-SM: CompTia Social Media Security
- BUS-AN: Business Analysis and Modeling
- HAD-DB1: Big Data Management with Hadoop
- MON-DB1: Big Data Management with MongoDB
- PYT-PR: Programming in Python
- PRL-PR: Programming in Perl
- JVS-PR: Javascript Programming
- PHP-PR: Programming in PHP
- WRD-PR: Website Design with Wordpress

- LIN-WI: Linux for Windows Users
- QCB-A1: Quickbooks Training

**CONTINUOUS IMPROVEMENT**

- PMT-SK: Project Management Skills
- PMT-MP: Project Management using MS Project
- PMT-SD: Information Technology Project Management

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

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: South Orange Chambers

CCG No.: ET16-0340

Reference No: 16-0154

Page 1 of 4

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Alfred Music Publishing

Address: 16320 Roscoe Blvd. (PO Box 10003)

City, State, Zip: Van Nuys, CA 91410

Collective Bargaining Agreement(s): No

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

Total # of full-time company employees worldwide: 205

Total # of full-time company employees in California: 110

Company: Data Intensity

Address: 5 Sunswept Mesa

City, State, Zip: Aliso Viejo, CA 92656

Collective Bargaining Agreement(s): No

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

Total # of full-time company employees worldwide: 48

Total # of full-time company employees in California: 5

Company: Dohmen Life Science, LLC

Address: 2200 Powell Street, Ste. 800

City, State, Zip: Emeryville, CA 94608

Collective Bargaining Agreement(s): No

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

Total # of full-time company employees worldwide: 200

Total # of full-time company employees in California: 90

Company: Elahi Enterprises, Inc.

Address: 515 Ellis Street

City, State, Zip: Mountain View, CA 94043

Collective Bargaining Agreement(s): No

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

Total # of full-time company employees worldwide: 62

Total # of full-time company employees in California: 62

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: South Orange Chambers

CCG No.: ET16-0340

Reference No: 16-0154

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PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Emulex Corporation

Address: 3333 Susan Street

City, State, Zip: Costa Mesa, CA 92626

Collective Bargaining Agreement(s): No

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

Total # of full-time company employees worldwide: 200

Total # of full-time company employees in California: 90

Company: Endpoint Clinical Inc.

Address: 55 Francisco Street, Ste. 100

City, State, Zip: San Francisco, CA 94133

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 32

Total # of full-time company employees worldwide: 78

Total # of full-time company employees in California: 78

Company: General Dynamics

Address: 2305 Mission College Boulevard

City, State, Zip: San Diego, CA 95054

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 200

Total # of full-time company employees worldwide: 5,000

Total # of full-time company employees in California: 3,000

Company: HBC Solutions, Inc.

Address: 3400 West Olive Ave., Ste. 220

City, State, Zip: Burbank, CA 91505

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 85

Total # of full-time company employees in California: 45

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: South Orange Chambers

CCG No.: ET16-0340

Reference No: 16-0154

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PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Infoway Solutions, LLC

Address: 39111 Paseo Padre Parkway, Ste. 320

City, State, Zip: Fremont, CA 94538

Collective Bargaining Agreement(s): No

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

Total # of full-time company employees worldwide: 200

Total # of full-time company employees in California: 90

Company: On-ramp Wireless Inc.

Address: 10920 Via Frontera, Ste. 200

City, State, Zip: San Diego, CA 92127

Collective Bargaining Agreement(s): No

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

Total # of full-time company employees worldwide: 102

Total # of full-time company employees in California: 90

Company: On Target

Address: 17691 Mitchell North

City, State, Zip: Irvine, CA 92614

Collective Bargaining Agreement(s): No

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

Total # of full-time company employees worldwide: 69

Total # of full-time company employees in California: 69

Company: Salient Federal Solutions, Inc.

Address: 10431 Wateridge Circle, Ste. 210

City, State, Zip: San Diego, CA 92121

Collective Bargaining Agreement(s): No

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

Total # of full-time company employees worldwide: 150

Total # of full-time company employees in California: 80

## Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: South Orange Chambers

CCG No.: ET16-0340

Reference No: 16-0154

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PRINT OR TYPE IN ALPHABETICAL ORDER

Company: SM Info Solutions, Inc.

Address: 268 W. Weeping Willow Ave.

City, State, Zip: Orange, CA 92865

Collective Bargaining Agreement(s): No

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

Total # of full-time company employees worldwide: 2

Total # of full-time company employees in California: 2

Company: Solar Turbines, Inc.

Address: 2200 Pacific Highway

City, State, Zip: San Diego, CA 92186

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 60

Total # of full-time company employees worldwide: 5,000

Total # of full-time company employees in California: 550

Company: Yash and Lujan Consulting

Address: 7100 Stevenson Blvd., Ste. 204

City, State, Zip: Fremont, CA 94538

Collective Bargaining Agreement(s): No

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

Total # of full-time company employees worldwide: 25

Total # of full-time company employees in California: 25



## Training Proposal for:

# Sheet Metal Workers' Local No. 104 and Bay Area Industry Apprentice and Journeyman Training Fund

**Agreement Number: ET16-0921**

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** San Francisco Bay Area

**Analyst:** D. Woodside

## PROJECT PROFILE

Contract Attributes:	Retrainee Apprenticeship Priority Rate Veterans	Industry Sector(s):	Construction  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Northern California	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Sheet Metal Workers' Local Union No. 104		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	N/A		

## FUNDING DETAIL

<b>Program Costs</b>	+	<b>Support Costs</b>	=	<b>Total ETP Funding</b>
\$888,504		\$61,428 8%		\$949,932

In-Kind Contribution:	50% of Total ETP Funding Required	Inherent
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate Journeymen	Commercial Skills, Computer Skills, Business Skills, OSHA 10/30	91	8-200	0	\$752	\$28.45
				Weighted Avg: 32			
2	Retrainee Apprentice	Commercial Skills Business Skills, OSHA 10	291	8-210	0	\$2,780	\$21.28
				Weighted Avg: 200			
3	Retrainee Priority Rate Pre-Apprentice	Commercial Skills Business Skills, OSHA 10 Literacy Skills	30	8-200	0	\$564	\$21.28
				Weighted Avg: 24			
4	Retrainee Apprentice Veterans	Commercial Skills Business Skills, OSHA 10	20	8-210	0	\$2,780	\$21.28
				Weighted Avg: 200			

**Minimum Wage by County:** SET Priority Industry: \$21.28 per hour.

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

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

Up to \$2.45 per hour may be used to meet the Post-Retention Wage for Job Numbers 2 and 4.

Up to \$9.51 per hour may be used to meet the Post-Retention Wage for Job Number 3 for Pre-Apprentices.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Journeyman Building Trades Sheet Metal Worker; Air Conditioning Mechanic; Test, Adjust & Balancing Technician		91
<b>Job Number 2</b>		
Apprentice Building Trades Sheet Metal Worker; Air Conditioning Mechanic; Test, Adjust & Balancing Technician		291
<b>Job Number 3</b>		
Pre-Apprentice Building Trades Sheet Metal Worker; Air Conditioning Mechanic; Test, Adjust & Balancing Technician		30
<b>Job Number 4</b>		
Veterans Apprentice Building Trades Sheet Metal Worker; Air Conditioning Mechanic; Test, Adjust & Balancing Technician		20

## **INTRODUCTION**

The Sheet Metal Workers' Local 104 and Bay Area Industry Apprentice and Journeyman Training Fund (Sheet Metal Trust) ([www.smw104training.org](http://www.smw104training.org)) is an "umbrella trust" fund created through collective bargaining between Local 104 and the Bay Area Association of Sheet Metal Contractors (Bay Area Contractors). The Trust is administered by 10 trustees designated equally by Local 104 and the signatory employers from Bay Area Contractors. These employers are primarily in the construction industry or transportation industries, both of which are Priority Industries for ETP.

Prior to 1992, the signatory employers were members of five different sheet-metal trade associations, each with a different trust fund. Following the creation of Bay Area Contractors, these five separate trust funds merged into one. Today, Sheet Metal Trust oversees four training centers in Northern California, serving some 6,500 union members and 260 signatory employers.

The Trust sponsors seven different apprenticeship programs for the sheet metal trades. Three of those programs will be funded under this proposal, for the trades shown in the Wage Range by Occupation table: Sheet Metal Worker; Air Conditioning Mechanic; Test, Adjust & Balancing Technician. Each program is for a length of five years.

This will be the fifth ETP Agreement with the Sheet Metal Trust (referred to previously as the Bay Area Sheet Metal JAC).

## **Funding Cap**

The Panel capped funding for Apprentice training at \$450,000 per program sponsor in FY 2015/16, with case-by-case flexibility. This cap does not apply to Pre-Apprentice and Journeyman training, although the overall MEC cap does apply at \$950,000.

As a result of the merger between five trade associations, as discussed earlier, Sheet Metal Trust funds training for a large number of Apprentices over a broad geographic region. The Trust administered training for a total of 753 registered apprentices located across 17 counties in CY 2015. Each region has its own training centers: East Bay located in San Leandro, North Bay located in Fairfield, and South Bay located in Santa Clara and Castroville. All of these apprenticeship programs have been consolidated under one Job Number.

Given the broad scope of this geographic region, and the large numbers of apprentices to be trained, a \$450,000 cap may be overly restrictive in this case. As such, staff recommends funding at a total of \$808,600 for Apprentices (Job Number 2) and Veteran Apprentices (Job Number 4).

Training is scheduled and delivered in each region by a local Training Coordinator, although trainees may attend classes in other regions from time-to-time. The three Training Coordinators meet at the headquarters facility in San Leandro on a regular basis to share curriculum, develop best practices, and plan new coursework as may be requested by the signatory employers.

## **Veterans**

The Panel has established a higher reimbursement rate and other incentives for training California veterans. Higher support costs are also available to reach participants for this program. In this proposal, Sheet Metal Trust has committed to training 20 Veterans in Job Number 4 at the regular apprenticeship rate and without additional support costs above the 8

percent. The Trust's training programs are registered with Helmets to Hardhats. They also work with other veteran groups as well.

## **Employer Demand**

Construction work for sheet metal workers is increasing in the Bay Area, especially on the San Francisco Peninsula and in the South Bay. Examples of larger projects running into 2016 and beyond are listed below. The Trust reports that these construction projects have led to the registration of over 125 new apprentices in 2015, and a similar expansion is expected in 2016.

- SF Transbay Terminal: Work continues with Phase 1 to complete in 2018. This is a \$1.6 billion project, including \$12 million for HVAC (Heating, Ventilation and Air Conditioning).
- 181 Fremont, San Francisco (SF): This is a mixed-use project of 411,000 square feet of office space and 68 residential units, with a \$500 million budget including \$20 million in HVAC, scheduled for completion in 2017.
- California Pacific Medical Center Van Ness Hospital project, SF: This hospital is scheduled to open in March of 2019 and includes \$200 million in HVAC. This will be a 13-story hospital with 274 patient beds.
- California Pacific Medical Center also has the St Luke's Hospital project underway, expected to open in 2018, as a 7-story 120 patient bed hospital. This includes \$60 million in HVAC.
- In the South Bay, the Apple Campus II project in Cupertino started in January 2015 and is expected to complete in July of 2017, including \$400 million in HVAC work. There are several other projects as part of the Apple Campus.
- In the City of Santa Clara, the Santa Clara Technology Square project will be under construction from February 2016 to November 2016 with \$30 million in HVAC work.
- Also in Santa Clara, the CoreSite data center project will occur from March 2016 to October 2016 with \$40 million in HVAC work.

Due to limited apprentice registration during the economic downturn, it has been almost two years since the Trust had a graduation ceremony, but that has now changed. There were 76 graduates in 2010 and the Trust expects 100 in 2016.

According to the Trust, an upswing in construction has generated the need for more apprentices to enter the sheet metal trade. In 2014 the number of 1st year apprentices accepted was 120, and for 2015 it was 157. Unfortunately, the JAC is having difficulty finding qualified apprentices. To build a larger and more qualified "pipeline," the Trust is requesting ETP funds to train Pre-Apprentices (Job Number 3). As journeymen retire and construction expands in the Bay Area, there is a gap of qualified sheet metal workers. As such, the Sheet Metal Trust also seeks funding for Journeymen (Job Number 1).

## **Apprenticeship Program**

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). The Panel adopted the Apprenticeship Training Program as a pilot in March 2012. It is designed to supplement cost of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training.

RSI is delivered as class/lab at a trainer-to-trainee ratio of 1:25. (ETP does not reimburse CBT delivery for apprenticeship training.) The curriculum is developed with input from DAS and designated Local Educational Agencies (LEA). In this case, the LEA is Foothill College. The Apprenticeship Program allows reimbursement for up to 200 hours of RSI plus OSHA10.

For the building trades, it is not customary for workers to be employed for a standard retention period of 90 consecutive days with one employer. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

To ensure ETP does not displace Montoya Funds, Apprenticeship reimbursement is reduced by \$5, reducing the priority industry rate from \$18 to \$13 per hour. The post-retention wage for Apprentices cannot be less than \$21.28 per hour. This is the Special Employment Training Statewide for 2016 as modified for priority industries, which is used for ease of administration.

In addition, the Panel adopted a “blended rate” for Journeymen reflecting the fact that these workers may be employed by a variety of contractors over the two-year term of contract ranging from large employers, to small ( $\leq 100$  employees). This is \$22 per hour, midway between the Priority Industry standard rate (\$18) and Small Business rate (\$26). [Note: This “blended rate” has been extended to Pre-Apprentices, for ease of administration.]

### ➤ **DAS Completion Rates**

The average completion rate for Apprentices in the sheet metal industry is 68.10% as measured by DAS over the most recent five-year reporting period (CY2009 through CY2013). The DAS completion rates for the regions covered under this proposal are as follows: 1) Bay Area Sheet Metal JAC at 74.81%; and 2) Monterey, Santa Cruz and San Benito Counties Sheet Metal and Air Conditioning Industry JATC at 74.19%. All regions meet ETP standards in this regard.

## **PROJECT DETAILS**

The Sheet Metal trade is unique because it is one of the few crafts where a worker starts with raw material, creates a component, and then installs and maintains the product. Workers constantly meet new challenges: using their hands, visualizing and analyzing how components can be made or installed, knowing how mechanical systems work, and practicing collaborative skills when working with customers and coordinating with other workers.

As stated earlier, the Trust sponsors seven apprenticeship programs for the sheet metal trade, three of which will be funded under this proposal. The three apprenticeship programs are shown below. As earlier, each is five years in duration. [Note: The Trust did not apply for funding on behalf of the four other based on lower enrollment and retention rates.]

Sheet Metal Worker: The type of work performed can range from detailing, layout, fabrication or installation of duct systems to architectural sheet metal, metal roofing and a variety of other shop or field sheet metal work, including job coordination and supervision. This trade is involved in the commercial construction industry and can be very demanding physically, including climbing, lifting, standing, and working around heights and hazards.

Test, Adjust, & Balancing Technician: The type of work performed can range from pressure testing, adjusting and balancing of duct systems for energy efficiency to commissioning and complete documentation of HVAC systems in commercial buildings. The work can vary from light physical activity to maneuvering into limited access areas with tools and equipment.

Sheet Metal Workers and Test, Adjust & Balancing Technicians determine the quantity and type of material they will need to correspond with blueprints and specifications. In a shop,

using a combination of mathematics, layout tools, hammers, drills, hacksaws, plasma and laser beam cutting systems, computers, cutting, forming, seaming or welding machines, workers manipulate the material into the product desired. Pre-fabricated parts are transported to construction job sites for installation according to blue prints and careful coordination on the jobsite.

Air Conditioning Mechanic: The type of work performed includes maintenance, repair, start-ups, controls, refrigeration, and installation on a wide range of HVAC equipment, mostly larger commercial systems. The work can vary from light physical activity to lifting heavy equipment parts.

The Air Conditioning Mechanic work includes start-up, preventive maintenance, repair, testing, balancing, and sometimes certification of the installed systems. Items commonly fabricated and installed include HVAC systems, metal roofs, kitchen hoods, various flashings, gutters, and decorative architectural features.

### **Pre-Apprentice**

Pre-Apprenticeship is an option for most of the programs sponsored by Sheet Metal Trust. Apprentice applicants may choose this path to establish their reputation as a worker, experience the trade enough to help with career decisions, gain additional work experience as needed for their apprenticeship application, and earn money pending acceptance into the full program.

Pre-Apprentice is an occupation with its own wage rates under each of the pertinent Collective Bargaining Agreements. These workers assist, and are supervised by the Journeymen. Employers are limited in the number of Pre-Apprentices they can hire (relative to the number of Journeymen and Apprentices) and the tasks that can be assigned.

The Trust anticipates delivering the majority of Pre-Apprentice training hours in Commercial Skills. A small percentage will be in Literacy Skills and OSHA 10. Literacy Skills will include math and vocational English customized for the sheet metal trade. OSHA 10 will also be made available to Pre-Apprentices.

Overall, the Pre-Apprentice program is about 24 hours in length, and none of the courses replicate the courses that are taught in the apprenticeship programs.

### **Journeymen**

For Journeymen, the Trust will offer specialty and upgrade Commercial, Business, and Computer Skills and OSHA 10/30. These skills will address new technologies and equipment currently in use by this trade. This proposal includes new training topics such as: Revit CAD Detailing Software, GTAW Welding, and a Sheet Metal to Testing Adjusting and Balancing Bureau (TABB) upgrade course. These classes were not offered in the previous ETP Agreement. This proposal will allow the Trust to expand the number of classes teaching more advanced skills.

### **Training Plan**

All of the training sites offer the most up-to-date facilities and equipment for learning for Apprentices, Pre-Apprentices and Journeymen. The Sheet Metal Trust is committed to using its trust fund for upgrading its facilities. For example:

(1) The Trust has invested over \$3 million at the Fairfield training facility to develop state-of-the-art welding and HVAC service labs estimated to be completed and hosting its first class near the end of 2016.

(2) The Trust will pursue additional welding and TABB labs accreditations in order to certify trainees in various industry needs, including recent Title 24 (energy-related) requirements.

(3) The Trust plans to continue implementing electronic technology at all of its facilities including the use of digital tablets instead of books in some courses.

The Trust has six full-time trainers and 31 part-time trainers providing instruction at its training centers. These trainers were (or currently are) working as Journeymen in the sheet metal trade and are experts in their subject matter.

Training will start immediately upon approval by the Panel. Each training center's scheduling varies, but the majority of the training will occur in the fall, winter and spring months with limited training happening during the summer. The types of training are outlined below:

**Commercial Skills** (80%) – Training will be provided to all sheet metal worker occupations including Journeymen, Apprentices and Pre-apprentices. Training may cover: (1) green construction practices and materials; (2) new equipment and updated building standards related to green business practices necessary to meet commercial requirements; (3) new skills to develop, retrofit and maintain greener buildings; and (4) more safety competency, as opposed to just safety awareness.

Included in this proposal are new courses not offered in the past. One new course is GTAW Welding (Gas/Tungsten/Arc Welding) which gives workers greater control over the weld than other welding processes and creates stronger, higher quality welds. However, GTAW is more complex and difficult to master. More employers are requesting this higher level of welding for its workers. There is also a new Disaster Training course to meet labor and management requests for increased safety training because of more stringent job requirements. This class is bundled into a 40-hour Safety Combination class with at least six hours dedicated to the Disaster Training. Finally, there is a course called "Survival Skills." This course is a trade refresher and technology update class for journeymen. The Trust is participating with the State of California Division of Apprenticeship Standards to develop specialized trade-related training for refinery workers, per new requirements. The Training Centers will provide this training to journeymen and apprentices once it is fully developed and approved by DAS.

**Computer Skills** (10%) - Training will be provided to all Journeymen across occupations. Training will include 3-Dimensional (3-D) virtual construction software. Currently, there are not enough journeymen who are able to use 3-D modeling. The Trust reports that if this training need is not met, the trend to send 3-D modeling offshore will continue. The curriculum will also include additional training in software applications for planning, scheduling, and tracking jobs; meeting "lean construction project" requirements; and installing/adjusting automated systems. Any occupation may receive this training.

Training also includes a new advanced CAD class called Revit CAD. Revit is a building modeling software that allows users to design a building and structure its components in 3-D, annotate the model with 2D drafting elements, and access building information from the building model's database. Revit has tools to plan and track various stages in the building's lifecycle from concept to construction and any later demolition.

**Business Skills:** (2%) – Training will be provided to all sheet metal worker occupations including Journeymen, Apprentices and Pre-apprentices. Trainees will develop skills to collaborate with construction workers from all of the various trades to coordinate the different parts of a building project. Trainees will need to learn team skills so that they can work well as part of a larger team and techniques to reduce waste and meet budgets. Training also includes leadership skills so that trainees can better manage projects.

**Literacy Skills** training (3%) – Training will cover Math for Sheet Metal and Vocational English related to sheet metal projects and documentation. Such training will be provided to Pre-Apprentice sheet metal workers from any occupation that need to improve these skills to understand and utilize new technologies and equipment.

### **Certified Safety Training**

**OSHA 10/30** (5%) This training is a series of courses “bundled” by industry sector and occupation. Completion of the training results in a certificate that expands employment opportunities. Training consists of OSHA 10 for Apprentices and Pre-Apprentices; and OSHA 10/30 for Journeymen. Note: To ensure that each trainee receives certification, ETP will only consider payment earned upon completion of the full 10-hour or 30-hour course. OSHA 10/30 is not included in the 10% limitation on safety training. The trainer-to-trainee ratio is 1:40 for OSHA10/30.

### **Curriculum Development**

Employers submit program needs to all the training centers, which receive additional union input at labor/management and industry meetings. Curriculum development is further customized for local area employers, and employer members are involved in journeyman, pre-apprentice, and apprenticeship training plan design. Training topics are customized to include new equipment and to meet new industry standards/materials.

### **Impact/Outcome**

Certifications that may be earned include: Title 24 and CA MATT (Mechanical Acceptance Testing Technician), TABB Technician and Supervisor Certifications, various American Welding Society Weld Certifications, Environmental Protection Agency Refrigerant Handling Certifications, North American Technicians Excellence, Inc. HVAC Service and Installation Certifications, OSHA 10, OSHA 30, Rigging and Signal Certifications as well as certifications to use a variety of material handling and lift equipment.

### **Commitment to Training**

Employers will continue to make contributions to the training trust for every hour worked by Apprentices, Pre-Apprentices, and Journeymen. Safety training is, and will continue to be, provided by the participating employers in accordance with all pertinent requirements under state and federal law.

### **Marketing and Support Costs**

The Sheet Metal Trust is requesting eight percent in support costs to promote training opportunities for Journeymen, Apprentices, and Pre-Apprentices. Outreach will be coordinated with the 260 signatory employers, many of which are small businesses. Support costs will also be used by the Trust in recruiting Pre-Apprentices and Apprentices from schools, employment centers and community organizations. The ETP-funded training will be discussed at all labor-

management meetings and pertinent trade, industry, and apprenticeship events. The Trust routinely meets with signatory employers and other stakeholders to assess training needs for each geographic region. This includes face-to-face meetings, emails, and phone contact with the various SMACNAs and Local 104. The Sheet Metal Trust anticipates personnel costs for recruitment and outreach in excess of the ETP support funds provided, and that nine Trust staff people will assist with ETP-related marketing, recruitment, needs assessments, and scheduling. The Trust will assume responsibility for any additional costs. Staff recommends the 8% support costs.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0904*	Multiple	11/25/13- 11/24/15	\$1,177,197	\$1,177,197 (100%)
ET11-0331	Multiple	06/30/11- 06/29/13	\$397,280	\$358,524 (90%)

\*ET14-0904: Reimbursable hours have been tracked for potential earnings of \$1,349,980 (which exceeds 100% of the approved amount). Thus far, a total of 109 trainees have completed retention and have been approved for earnings of \$527,090. Final reimbursement is scheduled at the end of January 2016.

## **DEVELOPMENT SERVICES**

California Labor Federation in Sacramento, in conjunction with Strategy Workplace Communications in Oakland, assisted with development of this proposal at no charge.

## **ADMINISTRATIVE SERVICES**

Strategy Workplace Communications will perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

## **TRAINING VENDORS**

N/A



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

8-200 (Job Number 1)

Trainees may receive any of the following:

**JOURNEYMAN****COMMERCIAL SKILLS**

- Advanced Welding Skills
- Architecture Designs
- California (CA) Green Building Code Training
- Disaster Training
- Ducts Maintenance
- Energy Auditing: Total Building (Green Training)
- Energy Auditing: Total Heating Ventilation and Air Conditioning (HVAC) Systems (Green Training)
- Fire/Life HVAC System Building Inspection Training
- HERS (California Home Energy Rating System Program)
- Job Coordination Training
- Lean Construction Training
- Management and Monitoring of Materials
- Materials and Equipment Testing for Industrial Use
- Proper Machine and Equipment Set-Up
- Rigging and Signal Training
- Safe Working Practices
- Testing Materials and Equipment –Proper Set-Up and Use
- Understanding Changes to Industry Standards
- Upgrading Lead Handling and Asbestos Removal Skills
- Working with Building Materials Training
- Control System Service
- Detailing
- Gas Tungsten Arc Welding (GTAW) Welding
- Testing Adjusting and Balancing Bureau Certification Training (TABB)
- Survival Skills
  - Technology Update
  - Trade Math
  - Layout Review
- Title 24 Certification
  - California Mechanical Acceptance Testing Technician Certification (MATT)
  - Energy Efficiency

**COMPUTER SKILLS**

- 3-D Modeling – Virtual Construction
- Automated Systems Applications
- Benchmark Software – Lean Construction
- Job Tracking System
- Scheduling & Planning Jobs
- Revit Computer-Aided Design (CAD) Detailing Software

**BUSINESS SKILLS**

- Conflict Resolution
- Customer Service Skills
- Decision Making Skills
- Inventory Checklist
- Leadership Skills
- Problem Solving
- Project Management
- Teambuilding Skills

**OSHA 10/30** (OSHA Certified Instructor)

- OSHA 10 (requires completion of 10-hour course)
- OSHA 30 (requires completion of 30-hour course)

**APPRENTICE****Class/Lab Hours**

8-210 (Job Numbers 2 and 4)      Trainees may receive any of the following:

**COMMERCIAL SKILLS**

- Advanced Architectural
- Advanced Electricity for Sheet Metal Air Conditioning Service
- Advanced Layout and Fabrication
- Advanced Welding
- Air Balance Test Equipment Instruments
- Air Conditioning, Commercial Systems, Heating
- Air Distribution & Manufacturing Systems
- Architectural Sheet Metal
- Basic Electricity for Sheet Metal Air Conditioning Service
- Basics of Architectural Sheet Metal
- CAD Detailing
- Codes and Standards
- Commercial Systems, Heat Loads, Piping
- Common Furnace Features
- Control System Service
- Control Systems
- Detailing
- Electrical Systems Operation, Controls & Devices
- Fabrication and Shortcuts
- Field Installation
- Filters and Filter Housings
- Final Architectural/Industrial Project
- Final HVAC Project
- Forman Training
- Furnace Installation
- Gas Tungsten Arc Welding (GTAW)
- Hazardous Material Recognition for the Test & Air Balance Industry
- HVAC Air Systems and Duct Design
- HVAC Energy Conservation
- HVAC Testing & Balancing Procedures
- Industrial and Stainless Steel Introduction

- Installing Thermostats, Flues and Vents
- Intermediate CAD
- Measuring and Sketching
- Metal Roofing
- Parallel Line Fittings
- Piping
- Plans and Specifications
- Project Management, Takeoffs, Estimates
- Properties of Air Distribution for Sheet Metal Air Conditioning Service
- Radial Line Layout and Sheet Metal Offsets
- Refrigeration for Sheet Metal Air Conditioning Service
- Refrigeration Theory for Sheet Metal Air Conditioning Service
- Residential AC Units
- Residential Duct Systems
- Residential Structure and Sheet Metal Work
- Service Basics for Sheet Metal Workers
- Sheet Metal Control Systems
- Sheet Metal to TABB
- Submittals and Shop Drawings
- Survival Skills
- Systems Installation & Troubleshooting
- Temperature Measurement Instruments & Duct Systems
- Title 24 Certification
  - California Mechanical Acceptance Testing Technician (CA MATT)
  - Energy Efficiency
- Triangulation Fittings
- Welding I
  - Process and Safety Overview
  - Gas, Metal Arc Welding (GMAW)
- Welding II
  - Gas, Metal Arc Welding (GMAW)
  - Flux-Cored Arc Welding (FCAW)

**BUSINESS SKILLS**

- Customer Service
- Project Management for the Test & Balance Industry

**OSHA 10** (OSHA Certified Instructor)

- OSHA 10 (requires completion of 10-hour course)

**Class/Lab Hours**

8-200 (Job Number 3)

Trainees may receive any of the following:

**PRE-APPRENTICE****COMMERCIAL SKILLS**

- Introduction to Architectural Designs
- Introduction to Green Building
- Orthographic and Pictorial Views and Sketching

- Sheet Metal Career Paths
- Sheet Metal Language
- Sheet Metal Math
- Sheet Metal Tools, Equipment and Their Usage
- Understanding Changes to Industry Standards
- Disaster Training

**LITERACY TRAINING**

- Math for Sheet Metal Workers
- Vocational English Skills for Sheet Metal Workers
  - Reading Work Documents Accurately
  - Writing Reports
  - Communicating with Customers and Co-workers

**OSHA 10** (OSHA Certified Instructor)

- OSHA 10 (requires completion of 10-hour course)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee for Job Numbers 1 and 3 and 210 total hours per trainee (200 hours Commercial and Business Skills + 10 hours of OSHA 10) for Job Numbers 2 and 4, regardless of the method of delivery.



**Training Proposal for:**  
**Sacramento Area Electrical Workers Joint Apprenticeship  
 and Training Committee**

**Agreement Number: ET16-0920**

**Panel Meeting of:** January 22, 2015

**ETP Regional Office:** Sacramento

**Analyst:** K. Smiley

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate Apprenticeship	Industry Sector(s):	Construction  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Northern California	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No IBEW Local 340		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	NA		

**FUNDING DETAIL**

<b>Program Costs</b>	+	<b>Support Costs</b>	=	<b>Total ETP Funding</b>
\$690,315		\$47,840 8%		\$738,155

In-Kind Contribution:	50% of Total ETP Funding Required	Inherent
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate Pre-Apprentice	Commercial Skills, OSHA 10	50	8-200	0	\$4,706	\$15.39
				Weighted Avg: 200			
2	Retrainee Priority Rate Journeymen	Commercial Skills, Business Skills, Computer Skills, OSHA 10/30	200	8-200	0	\$564	\$39.06
				Weighted Avg: 24			
3	Retrainee Priority Rate Apprentice	Commercial Skills	166	8-210	0	\$2,155	\$19.46
				Weighted Avg: 155			
4	Retrainee Priority Rate Apprentice Veterans	Commercial Skills	15	8-210	0	\$2,155	\$19.46
				Weighted Avg: 155			

**Minimum Wage by County:** \$15.39 per hour Statewide (Priority Industry)

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

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

Up to \$5.01 per hour may be used to meet the Post-Retention Wage for Job Number 1.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Pre-apprentice Wireman		50
Journeyman Electrician		200
* Apprentice Electrician		181

\* Veterans in Job Number 4 earn the same wages as other Apprentices.

**INTRODUCTION**

Sacramento Area Electrical Workers Joint Apprenticeship and Training Committee (Sac JATC or JATC) ([www.340jatc.org](http://www.340jatc.org)), was created through collective bargaining in 1941. Located in Sacramento, the JATC is dedicated to providing up-to-date industry skills that lead to high-quality job opportunities. The JATC is comprised of four labor and four management

representatives, as appointed by the International Brotherhood of Electrical Workers (IBEW) Local 340 for Labor; and the National Electrical Contractors Association (NECA) for Management.

### **Need for Training**

The Sac JATC has seen a growing need for electricians in the past three years. This need is due to their involvement in several new projects including the construction of the Golden 1 Center and the Sacramento Power Authority Cogen Pipeline Project. These projects are driving Sac JATC to take on recent Pre-apprentices and indenture more Apprentices in the years to come. Pre-apprentices start as Construction Wiremen who can promote to Electrician through their apprenticeship.

In order to meet the needs of their participating employers, Sac JATC must hire more Pre-apprentices. The recruited Pre-apprentices must complete 200 hours of training before they can be indentured as apprentices. As the Pre-apprentices complete their 200 hour training program, they begin to take specialized courses that will allow them to choose a focused occupation.

### **Apprenticeship Program**

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). ETP funding is designed to supplement cost of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training. Depending on the type of trade, apprenticeship programs vary in length. In this case the program is five years, for all four occupational titles.

Apprentice programs are typically sponsored by a Joint Apprenticeship Training Committee (JATC). A JATC is created through collective bargaining, with an equal number of members appointed by union and management with employer contributions to a training trust fund. The employers are not "participants" but are signatories to the Collective Bargaining Agreement.

RSI is traditionally delivered as class/lab, and ETP does not reimburse CBT delivery for apprenticeship training. The curriculum is developed with input from DAS and a designated Local Educational Agency (in this case Diablo Valley College). The Apprenticeship Program allows reimbursement for up to 200 hours of RSI plus OSHA10, per-apprentice. (Journeymen are capped at 200 hours.) The trainer-to-trainee ratio for Apprentices is 1:25 and 1:20 for Journeymen.

For the building trades, it is not customary for workers to be employed for a standard retention period of 90 consecutive days with one employer. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

To ensure ETP does not displace Montoya Funds, Apprenticeship reimbursement is reduced by \$5.00, reducing the priority industry rate from \$18 to \$13 per hour. In addition, the Panel adopted a "blended rate" for Journeymen, reflecting the fact that they may be employed by a variety of contractors over the two-year term of contract ranging from large employers, to small ( $\leq 100$  employees). This is \$22 per hour, midway between the Priority Industry standard rate (\$18) and Small Business rate (\$26).

The ETP wage for Apprentices is no less than \$21.28 per hour, tracking the Special Employment Training wage as modified for priority industries. However, the actual wages paid are shown in the Training Plan Table and contract when they exceed \$21.28, for both Apprentice and Journeymen.

## **PROJECT DETAILS**

The proposed training is entirely center-based. A new cohort of Apprentice trainees are scheduled to begin in February 2016. The curriculum was developed with national and local input. Separate curriculums have been developed for Pre-apprentices, Apprentices and Journeymen trainees. Some of the course topics in the curriculum have been duplicated but trainees will never receive the same training twice. Apprentice and Journeymen trainees will receive training that builds upon the training they received as Pre-apprentices and Apprentices. Union and management were consulted through joint committees at all levels.

### **Training Plan**

**Business Skills (5%):** Training will be provided to Journeymen trainees to enhance collaborative bidding and project management practices. Course topics will include team building, leadership, problem solving, advanced time management and project management.

**Commercial Skills (85%):** Training will be provided to Apprentices, Pre-apprentices and Journeymen trainees on electrical standards and efficiencies. Course topics will include grounding; programmable logic controls and electrical design.

**Computer Skills (5%):** Training will be provided to Journeymen trainees to enhance understanding of job planning and job scheduling software. Course topics will include Job Tracking System, Scheduling & Planning Jobs and Auto Computer-Aided Design.

**OSHA 10/30 (5%):** Pre-apprentices trainees will receive OSHA 10 training and Journeymen trainees will receive either OSHA 10 or OSHA 30 training in a series of courses “bundled” by industry sector and occupation. Typically, it is delivered to workers in the building trades.

This training is not required as a condition of doing business in California. However, the coursework must be approved by, and the instructors must be certified by Cal-OSHA. When OSHA is delivered via Computer-Based Training, training hours must be delivered in a classroom over a finite amount of time, and the vendor must have a certified instructor present.

### **DAS Completion Rates**

According to the DAS, the average completion rate for Sac JATC, in the five-year period from 2009-2013, was 73.35%, which exceeds the industry average of 66.31%.

### **Curriculum Development**

Employers submit program-training needs to the training center, which also receives additional union input at labor/management and industry meetings. Curriculum development is further customized for local area employers. Employer members of the JATC are also involved in Journeyman and Apprentice training plan design. Apprentice training will include RSI under the curriculum approved by DAS, along with ancillary training demand by signatory employers. All training will be conducted at the Sac JATC. The trainers are former or current journey level members of the trade and experts in the subject matter.



## **Commitment to Training**

Employers will continue to make contributions to the training trust for every hour worked by apprentice and Journeymen. Safety training is, and will continue to be, provided by the participating employers in accordance with all pertinent requirements under state and federal law.

## **Veteran Apprentice – Job Number 4**

The training curriculum will be the same as above. These trainees are in a separate Job Number to better track performance for this cohort, toward the goal of improved outreach for Veterans overall. Veterans who apply for the Sac JATC apprenticeship program will qualify immediately for an oral interview if they have related military experience.

## **Impact/Outcome**

Apprentices will be certified as journeymen workers once they have completed the entire apprentice curriculum.

Journeymen and Pre-apprentice trainees will receive certifications in Arc Flash Prevention, Lockout/Tagout, and Rigging and Lifting.

## **Marketing and Support Costs**

Marketing is done through its website, direct mailings, brochures/flyers, personal contacts, telephone calls, public service announcements and e-mail announcements. Sac JATC also promotes this training program at labor-management meetings and industry assemblies.

Sac JATC requests 8% support costs to fund its staff in recruiting and qualifying additional participating employers for this program. While many participating employers have already been recruited, additional recruitment and assessment activities with employers and Sac JATC must occur to support apprenticeship training. Staff recommends 8% support costs.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **ACTIVE PROJECTS**

The following table summarizes performance by Sac JATC under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET15-0904	\$335,200	09/02/2014 – 09/01/2016	280	35	35

Based on ETP Systems, 17,148 reimbursable hours have been tracked for potential earnings of \$274,864 (82% of approved amount). The Contractor anticipates completing the contract in February of 2016. The Contractor projects final earnings of 100% based on training currently committed to by employers and in progress through January 2016 of final training.

**PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0915	Sacramento	11/1/2012– 10/31/2014	\$331,095	\$290,902 (88%)
ET10-0258	Sacramento	11/2/2009– 11/1/2011	\$74,669	*\$26,041 (35%)

\*ET10-0258 ended before the Apprenticeship Pilot Program began. Their performance was impacted by the difficulty of trying to recruit Journeymen for non-mandatory training.

**DEVELOPMENT SERVICES**

California Labor Federation in Sacramento assisted with development of this proposal for no fee.

**ADMINISTRATIVE SERVICES**

California Labor Federation will also perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

**TRAINING VENDORS**

To Be Determined

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

8-200

Trainees may receive any of the following:

**Apprentice Training****COMMERCIAL SKILLS****2nd Year**

- Orientation, Level II
- Test Instruments, Level I
- Codeology, Level I
- AC Theory, Level I
- Blueprints, Level I
- Electrical Safety-Related Work Practices, Level I
- Transformers, Level I
- Application #5: Conduit Bending
- Application #6: Conduit Bending
- Application #7: Comb. Circuit Wiring
- Application #8: Transformer Connections

**3rd Year**

- AC Theory
- Blueprints
- Code and Practices
- Electrical Safety-Related Work Practices
- Fire Alarm Systems
- Grounding and Bonding
- Transformers
- Conduit Bending: Rigid & EMT, Chicago & 555
- Lighting Control Panels
- Motor Controls: Relays & Start/Stop
- Cad-Welding
- Ground Testing
- Transformer wiring
- CPR/First Aid Refresher
- COMET

**4th year**

- Code Calculations
- Blueprints (& layout yard)
- Grounding and Bonding
- Motors
- Motor Control
- Lightning Protection

- Lighting Essentials
- Field Trip to Motor Repair Shop and Folsom Power House
- Motor Controls: Mag Starter & 3-Wire Control
- PLC's
- VFD's
- Motor Control Labs
- Code Prep

### **5th Year**

- Code and Practices
- Code Calculations
- Motor Control
- Orientation
- Rigging
- Torque
- PV/Solar Installer
- CALCTP
- EVITP
- CPR/First Aid Refresher
- Foreman Training: Managing the Work including NECA/IBEW presentations

### **Journeyman Training**

### **COMMERCIAL SKILLS**

#### Codeology

- National Electrical Code
- Other Recognized Standards (Installation Changes)
- Plan, Build, and Use
- Related Standards (Mandatory and Permissive Rules)
- Special Occupancies and Equipment
- Arc Flash

#### Analog/Digital Circuit (AC/DC) Principles

- Math for Electricians
- Ohm's Law
- Generators
- Inductance/Reactance
- Series/Parallel Circuits

#### Grounding

- Grounding and Bounding
- National Electrical Code Article 100-Definitions and Provisions
- National Electrical Code Article 110-Requirements
- National Electrical Code Article 90-Introduction
- National Electrical Code Article Chapters 1-4
- Significant Changes to National Electric Code

### Fire Alarm Systems and Installations

- Definitions and Systems
- Initiating Devices and Notification Systems
- National Electrical Code and Installation Requirements
- Start Up and Check Out Procedures
- National Fire Protection Act, 1972 (NFPA 72)

### Fire Life Safety

- National Electrical Code (Relating to Fire Alarms)
- National Electrical Code Article 725
- National Electrical Code Article 760
- NFPA 72
- Principles of Electronics

### Industrial Motor Control

- Control Relays and Timers
- Jogging and Plugging Controls
- Manual Starters and Magnetic Coils
- Push Buttons, Selector Switches, and Mechanical Devices
- Solid State Electronic Devices
- Variable Frequency Drives

### Programmable Logic Control (PLC)

- Developing Ladder Programming
- Introduction to Programmable Equipment
- Programming Programmable Logic Controllers
- Using Timers and Counters in Logic Programs
- Writing a Program

### Electrical Design

- 3 and 4-Way Switching
- Design of Electrical Circuits
- Magnetic Motor Control and the Code
- LonWorks and Building Automation
- Transformers and the Code

### Voice, Data, and Video

- Audio Distribution
- CCTV Security Surveillance
- Computer Networking
- Fiber Optics
- Telephonic Interconnect

### Industry Specific Skills

- Solar Panel Installation
- Solar Photovoltaics
- Building Automation Systems
- Confined Space Entry

- Specialized Tools
- Conduit Bending
- Rigging and Lifting
- Firestop Installation
- Blueprints and Schematics
- Work Flow and Resources
- Proper Installation and Use of Testing and Auditing Materials
- Understanding New Technologies and Changes to Industry Standards
- Proper Equipment Set-Up
- Safe Working Practices
- Advanced Instrumentation and Motor Controls
- Programmable Logic Controllers
- Advanced Welding
- Architecture Designs and Advanced Plan Reading
- Management and Monitoring of Materials
- Testing Materials and Equipment –Proper Set-Up and Use

#### California Advanced Lighting Control Program (CALCTP)

- Advanced Lighting Control Systems
- Lighting Control Strategies
- Line Voltage Switching Controls
- Low Voltage Switching Control
- Dimming Controls
- Occupancy Sensors
- Photosensors

### **BUSINESS SKILLS**

- Teambuilding Skills
- Green Awareness Training and Green Certifications
- Leadership Skills
- Customer Service Skills
- Conflict Resolution
- Problem Solving
- Decision Making Skills
- Inventory Checklist
- Advanced Time Management
- Filling Out Work Documents and Reports Accurately
- Project Management
- Creating Project Bids

### **COMPUTER SKILLS**

- Auto Computer-Aided Design (AutoCAD)
- Job Tracking System
- Scheduling & Planning Jobs

**OSHA 10/30 (OSHA CERTIFIED INSTRUCTOR)**

- OSHA 10 (requires completion of 10 hours)
- OSHA 30 (requires completion of 30 hours)

**Pre-Apprentice Training****COMMERCIAL SKILLS****Construction Wiremen 1**

- Klein Virtual Boot Camp (do in computer lab in 1st week)
- Chapter 2: Atoms & electricity
- Chapter 3: Sources and Characteristics of Electricity
- Chapter 4: Current, Voltage, Resistance, Ohm's Law

**Construction Wiremen 2**

- Review of CW1 Major Topics Relevant to CW2
- Chapter 5: Simple, Series, and Parallel Circuits
- Chapter 6: Measuring Voltage, Current, and Resistance
- Chapter 7: Ohm's Law
- Chapter 8: Resistors
- First Aid/CPR

**Construction Wiremen 3**

- Review of CW2 Major Topics relevant to CW3
- Chapter 11: Solving the DC Circuit
- Chapter 12: Solving the DC Parallel Circuit
- Chapter 13: Solving the DC Series-Parallel Circuit
- Prints/Specifications (Overview/Introductory)

**Construction Wiremen 4**

- Review of CW3 Major topics Relevant to CW4
- Chapter 9: Electricity and Magnetism
- Chapter 15: AC Fundamentals
- Chapter 16: Inductance & Capacitance
- Codeology

**Construction Wiremen 5**

- Review of CW4 Major Topics relevant to CW5
- Chapter 20: Circuit Conductors & Wire Sizes
- Chapter 21: Fuses & Circuit Breakers
- Grounding
- Chapter 22: Relays
- Chapter 23: Lighting Equipment
- Basic Lighting Controls
- Related NEC Content

**Construction Wiremen 6**

- Review of CW5 Major Topics Relevant to CW6
- Chapter 19: Transformers
- Chapter 24: AC Motors
- Motor Controls (Overview & Introductory)
- PV/Solar (Overview & Introductory)
- Uses of PLC's/ VFD's (Overview & Introductory)
- Alarms & Signaling Systems (Overview & Introductory)
- Related NEC Content

**OSHA 10 (OSHA CERTIFIED INSTRUCTOR)**

- OSHA 10 (10 hours for Completion)

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

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.
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**Panel Amendment #2 Proposal for:**  
**James R. Glidewell, Dental Ceramics, Inc.**  
**Agreement Number: ET15-0308**

**Amendment Effective Date:** October 29, 2015

**Panel Meeting of:** January 22, 2016

**ETP Regional Office:** San Diego      **Analyst:** K. Campion

**CURRENT PROJECT PROFILE**

Contract Type:	Priority/Retrainee Job Creation	Industry Sector(s):	Manufacturing	
Counties Served:	Orange, Riverside, San Diego	Repeat Contractor:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Priority Industry:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Current Contract Term:	November 24, 2014 to November 23, 2016	Substantial Contribution:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

**CURRENT FUNDING**

Current Funding
\$424,800

**AMENDMENT FUNDING**

Requested Funding	Total Funding
+\$252,000	\$676,800

**AMENDMENT TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/Retrainee Job Creation	Mfg. Skills, Cont. Imp., Computer Skills	180	8 - 200	0	\$3,400	\$12.19
				Weighted Avg: 170			

**Minimum Wage by County:** Job Number 1 (Job Creation): \$13.32 per hour for Orange County; \$13.00 per hour for San Diego County, \$12.19 per hour for Riverside County (priority industry)

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

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

Up to \$2.78 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation	
Occupation Title	Wage Range
<b>Job Number 1</b>	
Dental Technician	

**INTRODUCTION**

Headquartered in Newport Beach, James R. Glidewell, Dental Ceramics, Inc. (Glidewell) is a dental ceramics manufacturer ([www.glidewelldental.com](http://www.glidewelldental.com)). The Company specializes in the design and manufacture of crown and bridges, dental ceramics, removable dentures, dental implants, snore guards, mouth guards and prosthetic components, and full-cast restorations. Glidewell's newest creation, BruxZir®, a new material used to create crowns, bridges, screw-retained implant crowns, inlays or onlay with no porcelain overlay, is currently the Company's fastest-growing product in its history.

This project was approved at the November 2014 Panel meeting and training commenced on 11/24/14. Glidewell's new products are, in part, the reason for the rapid growth of the Company; which has increased its overall headcount over 300 workers in the last 12 months. Newly hired Dental Technicians are hired with little or no experience, and thus, need several weeks of class and lab training before moving to the manufacturing/production line.

**AMENDMENT DETAILS**

The Contractor reports that during the development of the Agreement in the summer of 2014, the Company estimated that each newly hired trainee would receive approximately 200 hours of training. However, Glidewell submitted a conservative estimate of 100 average training hours in order to reduce the proposal to be in line with the ETP funding caps of the 2014/15 fiscal year (Single Employer max cap of \$425K). The Company was advised by ETP staff it could return to the Panel to request additional funding for the Job Creation trainees once performance was demonstrated.

Glidewell states that its experience in the past 12 months has demonstrated that new hires routinely exceed 100 hours of training per person and may receive in excess of 200 hours.

Consequently, Glidewell seeks to increase the average training hours per trainee from 100 to 170 hours for its Job Creation Retraitees (Job Number 1) to align with actual new hire training needs. No change is sought for Job Number 2 (incumbent).

In this Amendment, the Company requests additional funding for the existing newly hired trainees to continue to provide its workers with necessary dental technician training (class/lab) on the key elements of producing dental appliances. Glidewell has tracked allowable Job Number 1 training hours equal to 100% of the available funding for Job Number 1. Approximately 100 newly hired trainees remain active in Manufacturing Skills training. Consequently, with eight months remaining in the training period (8/23/16), there are insufficient funds available in Job Number 1 for ETP to meet the current training demand.

This Amendment is for additional Phase I funding (increased weighted average training hours) of *existing* planned trainees. The Amendment effective date is 10/29/15; the date of the last Monitoring Visit and the date that the Contractor first discussed with ETP Staff that it would be submitting a Revision request to ETP. The Amendment request was subsequently submitted on 11/25/15.

By this Amendment:

- The Agreement amount will increase by \$252,000, from \$424,800 to \$676,800;
- The weighted average training hours in Job Number 1 will increase by 70, from 100 to 170 hours per person; and
- The average cost per trainee in Job Number 1 will increase by \$1,400, from \$2,000 to \$3,400.

#### **SUMMARY OF PRIOR MODS/AMDS**

- Modification No. 1 added one training topic under Manufacturing Skills.

#### **RECOMMENDATION**

Staff recommends approval of this Amendment.

#### **CURRENT CONTRACT PERFORMANCE**

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

Agreement No.	Approved Amount	Term	No. Trainees Enrolled	No. Completed Training	No. Retained
ET15-0308	\$424,800	11/24/14 – 11/23/16	341	150	70

Based on ETP Online Systems to date, 29,354 reimbursable hours have been tracked for potential earnings of \$385,776 (91% of approved amount) after 12 months of training. The Contractor has exceeded the allowable training hours in Job Number 1.

DELEGATION ORDER



**Retrainee - Job Creation  
Training Proposal for:  
Agate Group, Corp.**

**Small Business**

**ET16-0314**

**Approval Date:** December 18, 2015

**ETP Regional Office:** Sacramento

**Analyst:** K. Smiley

**CONTRACTOR**

- Type of Industry: Technology/IT
  - Number of Full-Time Employees
    - California: 16
    - Worldwide: 18
    - Number to be trained: 26
  - Out-of-State Competition: Competitors Outside CA
  - Special Employment Training (SET): ☐ Yes ☒ No
  - High Unemployment Area (HUA): ☐ Yes ☒ No
  - Turnover Rate: 19%
  - Repeat Contractor: ☐ Yes ☒ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☒ Yes ☐ No

**FUNDING**

- Requested Amount: \$40,560
- In-Kind Contribution: \$42,000

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills, Computer Skills, PL Computer Skills	16	8-60	0	\$1,560	\$15.88
				Weighted Avg: 60			
2	Retrainee Job Creation SB<100 Priority Rate	Business Skills, Computer Skills, PL Computer Skills	10	8-60	0	\$1,560	\$15.88
				Weighted Avg: 60			

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Placer
- Occupations to be Trained: Computer Engineer, Sales Support Staff, Sales Representative, Graphic Designer, Owner, Marketing Staff, Administrative Staff and Senior Executive.
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #'s1 & 2: \$1.88 per hour

**SUBCONTRACTORS**

- Development Services: NA
- Administrative Services: NA
- Training Vendors: To Be Determined

**OVERVIEW**

Agate Group, Corp. (Agate), [theagategroup.com](http://theagategroup.com), founded in 2008 and located in Rocklin, is a software development firm. Since 2010, Agate has been expanding their operations to include end-to-end software development services. Agate customizes databases for Customer Relationship Management (CRM); analyzes business needs to implement this custom software. Agate also offers services supporting Salesforce.com software. Agate serves varying industries including pharmaceutical companies, government agencies, and crowdfunding organizations.

## Need for Training

Agate seeks funding to upgrade incumbent workers skills and train newly-hired employees to meet increasing customer and industry demands. Agate has experienced rapid growth since its inception in 2008. Agate has been featured in Top 100 Fastest Growing Organizations by the Sacramento Business Journal. Much of this growth is due to the high demand for CRM customization.

Agate's training plan will include CRM Database training, Database Configuration training and Sales and Marketing Application Tools training. The CRM Database training will cover a full lifecycle of the CRM customization process and will increase trainee's knowledge of how the CRM is used by clients. Database Configuration training is designed to enhance trainee's knowledge of data organization within software. Sales and Marketing Application Tools training is designed to give product knowledge to sales staff in order to better market their products and expand their client base.

## Job Creation

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

In addition to enhancing their CRM customization division, Agate released their Opportunity Marketplace software and portal in 2015. This new product line is intended to be Agates flagship software and will allow Agate to become more competitive with larger software firms. This new product line will require training to upgrade and implement this product.

## Productive Laboratory (PL)

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

Agate is requesting up to 16 hours of PL-Computer skills training for 3 incumbent workers due to the nature of the software programming/coding environment. Computer Engineer trainees will receive PL training on programming Salesforce.com, HTML Coding, and CSS coding. These are highly technical skills that will require in-depth training to become proficient.

Agate has several metrics in place that will assess a trainee's progress through PL training. Error rates and completion time along with the trainer's evaluation will determine how effectively a trainee is progressing through training.

The PL training is projected to increase programming errors by 40 percent and slow production by 30 percent. Agate is requesting a ratio of 1:3 because trainees work in groups of two or three employees when programming and coding software.

## Training Plan

**Business Skills:** Training will be provided to all occupations specific to job duties to increase customer satisfaction and operational efficiencies. Courses will include Product Development, Marketing Support and Operations Support.

**Computer Skills:** Training will be provided to all occupations specific to job duties to increase understanding of client needs and marketing tools. Courses will include Computer Networking, HTML coding and Sales and Marketing Application Tools.

**PL-Computer Skills:** This training will include programming and coding skills for Computer Engineers and Graphic Designers to enhance software development. Courses will include Salesforce.com Programming, HTML Coding, and CSS Coding.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

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

8-60 Trainees may receive any of the following:

**BUSINESS SKILLS**

- Payroll Systems
- Communication
- Product Development
- Marketing Support
- Sales Approaches
- Customers Service
- Project Management
- Financial Management
- Business Plan Development
- Team Motivation
- Operations Support

**COMPUTER SKILLS**

- Customer Resource Management (CRM) Database
- Programming for Salesforce.com
- HTML Coding
- PHP Coding
- CSS Coding
- Database configuration
- Sales and Marketing Application Tools
- Computer Networking

**Productive Lab**

0-16 Trainees may receive any of the following:

**COMPUTER SKILLS** (1:3 ratio)

- HTML Coding
- CSS Coding
- Salesforce.com Programming

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. PL is capped at 16 hours per-trainee.



# DELEGATION ORDER



## RETRAINEE - JOB CREATION

Training Proposal for:

**B/E Aerospace, Inc. dba Teklam**

**Agreement Number: ET16-0324**

**Approval Date:** December 23, 2015

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

### PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee Job Creation Initiative	Industry Sector(s):	Manufacturing Aerospace and Defense Engineering  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Riverside	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 495	U.S.: 5,844	Worldwide: 9,000
<u>Turnover Rate:</u>	13%		
<u>Managers/Supervisors:</u> (% of total trainees)	13%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$81,120		\$0	\$0		\$81,120

In-Kind Contribution:	100% of Total ETP Funding Required	\$89,037
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Cont. Imp., HazMat., Mfg. Skills, OSHA 10/30, PL-Mfg. Skills	64	8-200	0	\$1,080	*\$15.07
				Weighted Avg: 60			
2	Retrainee Priority Rate Job Creation Initiative	Business Skills, Computer Skills, Cont. Imp., HazMat., Mfg. Skills, OSHA 10/30, PL-Mfg. Skills	10	8-200	0	\$1,200	*\$12.33
				Weighted Avg: 60			

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

**Minimum Wage by County:** Job Number 1: \$15.07; Job Number 2 (Job Creation: \$12.33 in Riverside County.

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

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

Up to \$3.82 per hour may be used to meet the Post-Retention Wage for Job Number 1 and up to \$1.08 per hour for Job Number 2.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Assemblers		30
Quality Inspector/Test Technicians		5
Material Handler		2
Supervisors		3
Managers		7
Operators		3
Customer Service/Administrative Support/Buyers		5
Production Leads		4
IT/Engineering Staff		5

<b>Job Number 2</b>		
Assembler		5
Quality Inspector/Test Technician		2
Material Handler		1
Operator		2

## **INTRODUCTION**

Teklam Aerospace, an independent subsidiary of B/E Aerospace, Inc., was founded in 1990 by Robert Simmons and acquired by B/E Aerospace (B/E) in 2011. B/E Aerospace, Inc. dba Teklam (Teklam) ([www.beaerospace.com](http://www.beaerospace.com)) operates a 93,000 square foot facility located in Corona and employs 70 full time workers. Teklam designs and manufactures laminated products using lightweight structural materials. Its panel products are primarily used in aerospace industries. Teklam's laminated panels can be found in airplane lavatories, water and waste systems, inflight systems, seating, and galley systems in commercial, business jet, and military airplanes.

## **PROJECT DETAILS**

Teklam's training needs are heavily driven by the significant increase in customer demands. As part of the B/E Aerospace Structures and Integration product family, Teklam supplies laminated panels for the Boeing 737 advanced lavatory, a 10-year \$800M contract that is expected to double production volume in 2016 and triple the volume in 2017 at this facility. The Company has also been awarded a long term contract for panel production on the A350 Airbus galley at \$10M every year until 2022. Teklam also partners with American Airlines, Dassault Falcon Jet, Panasonic Avionics, Flight Safety International, Cessna and Comtek for floor panel production. To meet these increased production requirements, Teklam must transition to a high performance workplace and implement Lean manufacturing practices throughout the facility.

To support high demand, Teklam has also implemented a major upgrade to its Epicor ERP system, which went live in November. Super users will be trained during the first quarter of 2016. Training for the rest of the workforce will occur once the super users are competent to serve as in-house trainers. The Company has also purchased additional machinery and will upgrade its Manufacturing Execution System (computer station cells on the shop floor) to allow for a paperless process and on-the-spot job completion report. New upgrades are scheduled for the CAD/CAM software as well.

The required upgrades in both machinery and work processes coupled with the high volume of work will require Teklam to focus on the manufacturing quality to reduce scrap and rework, and streamline production areas. The successful implementation of Lean manufacturing and continuous improvement methods across all departments will ensure that Teklam remains globally competitive.

### **Retrainee - Job Creation**

Teklam states that to support its projected increase in 2016 and 2017, it has committed to hiring at least 20 net new employees, of which 10 are included in the proposed ETP Agreement (7 Assemblers, 1 Quality Inspector, 1 Test Technician and 1 Material Handler) (Job Number 2). The new workers will require extensive training to develop the requisite skills needed to facilitate projected growth.

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage. Job Creation trainees must be hired within the three month period prior to Panel approval or during the term of the contract. Trainees must be hired into “net new jobs” as a condition of contract.

### **Temporary to Permanent Hiring**

Some trainees in Job Number 2 come under Panel guidelines for “temporary to permanent” employment. Teklam has retained these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training.

These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after they have been hired by Teklam. Until then, Teklam will not receive progress payments.

The Company states that it uses two temporary agencies to hire temporary staff: Express and Aerotek. Although Teklam has a contract agreement for rates and services, it does not have an exclusive relationship with any agency. Both of the aforementioned agencies require the temporary worker to remain on a temporary status for 520 hours before being hired into a permanent status; however, there is no policy on the fixed amount of time that a temporary worker can remain on temporary status. The majority of the occupations filled by the agencies are for production workers and quality positions.

Once a temporary worker has been converted to a permanent status, he/she begins the 90 day probationary period. Permanent employees are eligible for medical benefits on the 60<sup>th</sup> day of employment.

### **Training Plan**

The majority of the training will be delivered by in-house staff, with a smaller portion conducted by outside training vendors as yet to be determined.

**Business Skills** (5%): All occupations will receive training relative to their job function. Customer service and communication skills will provide the necessary tools to interact with external and internal customers in a professional manner. Managers/Supervisors and select frontline workers will receive facilitator and coaching skills to become competent internal trainers. All occupations will receive Product Knowledge training to be able to speak to the Company's products and services with acumen.

**Computer Skills** (20%): All occupations will receive training in the new revisions to the ERP Epicor system. The ERP training will provide workers with the skills to navigate the software; thus reducing errors and rework, and improve inventory and production management to meet increased customer demands. Engineering/IT Staff and select Test Technicians will receive Master CAM and Solidworks Auto CAD to improve product design. Assemblers, Material Handlers, Production Leads, Quality Inspectors, Test Technicians and Technical/Engineering Staff will also receive training in the upgraded Manufacturing Execution System which is set up in each cell on the production floor. Managers and select Administrative Support Staff will be trained on the latest revisions to the Success Factors/SAP program, a human resource program that provides management with tools to track employee health benefit and beneficiary information; employee training and development tracking; and historical wage compensation information.

**Continuous Improvement (15%):** Training will be offered to all occupations with a focus on Lean manufacturing and total quality methods and process improvement. Employees will receive training in Six Sigma, Lean Manufacturing, Statistical Process Control and Standard Operating Procedures to support increased customer demands while complying with quality standard requirements.

**Manufacturing Skills (50%):** Assemblers, Material Handlers, Production Leads, Quality Inspectors, Test Technicians and Technical/Engineering Staff and select Managers/Supervisors will receive training in blue print reading, new equipment operations, maintenance and troubleshooting, inventory control and inspection techniques. Standard operating procedures will be developed and applied to each piece of equipment. Cross-training workers on machinery will increase manufacturing capability and shorten delivery times. Good Manufacturing Practices will reduce waste, improve product quality and increase manufacturing capabilities.

**Hazardous Materials (5%):** Assemblers, Material Handlers, Production Leads, Quality Inspectors, Test Technicians and Technical/Engineering Staff working with hazardous materials will receive skills training in hazardous waste/spill operations and emergency response. They will also learn to properly complete material safety data sheets.

### **Certified Safety Training**

OSHA 10/30 (5%). This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level workers and 30 hours for frontline supervisors. The coursework is geared to construction work, and also manufacturing. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA. This training will be offered to Assemblers, Material Handlers, Production Leads, Quality Inspectors, Test Technicians and select Managers and Supervisors working on the production floor.

### **Productive Laboratory - Manufacturing Skills**

The Panel has adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training, and special attendance rosters will be used to assist in monitoring.

Up to 60 hours in PL Manufacturing will be offered to Production, Technical and Quality Staff. Tasks will focus on machine set-up, operation, maintenance and troubleshooting on CNC machines, saws, presses, honeycomb expanders, manufacturing execution stations, pneumatic tools and quality inspection tools. The PL trainers are in-house subject matter experts who are exclusively dedicated to instruction for the entire reported PL training time. Teklam has provided ETP staff with an extensive list of tasks and competencies to substantiate the PL hours proposed for ETP funding.

Training will be delivered in a 1:1 trainer-to-trainee ratio and documented as it occurs. Trainers will certify trainees on the aforementioned tasks once the trainees are deemed competent. Trainees will meet minimum productivity standards at the conclusion of PL.

Teklam anticipates production will be lower during PL as trainees will not be expected to produce at the same output level in order to focus on product quality and zero defects.

**Commitment to Training**

Company provides the following training: sexual harassment prevention and violence in the workplace prevention, new hire orientation, basic Microsoft Office Suite application skills and basic safety. Teklam spends approximately \$10,000 on training at its Corona facility. ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Teklam's HR manager will act as the ETP Project Administrator and will maintain training records, upload and track training hours and train in-house trainers on how to complete training rosters. The Company will seek additional support if needed by hiring a part time clerical assistant.

**Impact/Outcome**

Training goals include the implementation of the Companywide ERP revision; the adoption of Lean concepts across all departments; and development of the skill sets necessary to successfully manage company growth while providing long term career opportunities for employees.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

To Be Determined



**Training Proposal for:  
C & H Machine, Inc.**

**Small Business**

**ET16-0298**

**Approval Date:** December 9, 2015

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

**CONTRACTOR**

- Type of Industry: Manufacturing
  - Number of Full-Time Employees
    - California: 53
    - Worldwide: 53
    - Number to be trained: 49
  - Out-of-State Competition: Competitors Outside CA
  - Special Employment Training (SET): ☐ Yes ☒ No
  - High Unemployment Area (HUA): ☐ Yes ☒ No
  - Turnover Rate: 18%
  - Repeat Contractor: ☒ Yes ☐ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☒ Yes ☐ No

**FUNDING**

- Requested Amount: \$61,152
- In-Kind Contribution: \$31,000

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100	Business Skills, Computer Skills, Continuous Impr, Mfg Skills, HazMat, OSHA 10/30	49	8-60	0	\$1,248	\$15.93
				Weighted Avg: 48			

- Reimbursement Rate: \$26 SB Priority
- County(ies): San Diego
- Occupations to be Trained: Administrative Support, Production Personnel, Quality Control Staff, Technical/Engineering Staff, Manager/Supervisor, Owner
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: \$2.16 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: N/A

**OVERVIEW**

Founded in 1964 and located in Escondido, C & H Machine, Inc. (C&H) is a small business manufacturer of custom, precision-machined components. Its customers include a broad range of companies and industries. Its main customers are the military and the aerospace, oil and gas, and semiconductor industries.

**Need for Training**

This is C&H's second ETP Agreement in the last five years. Training delivered on the first ETP Agreement introduced employees to Lean Manufacturing Concepts and enabled the Company to receive AS9100 Certification.

For this proposal, C&H must refine its manufacturing and business processes in order to widen its customer base and increase market share. Training will focus heavily on Continuous Improvement topics. Lean manufacturing principles introduced during the first Agreement will be further incorporated across all occupations to improve production processes, product quality, and frontline leadership. The Company believes that standardizing operating procedures will ensure workers will operate machinery according to standards; and cross-training production workers will maximize manufacturing capabilities as the company moves to a high performance workplace.



Additionally, customer inspection criteria has become more stringent, moving towards zero defective parts per million becoming the standard rather than an exception. To meet these requirements, C&H recently acquired three CNC 5<sup>th</sup>-Axis machines and Open Mind software (to compliment the capabilities of the machines). C&H has already begun training its Lead Production Personnel. These Leads will become in-house trainers and will train the rest of the staff to program, set-up, and operate the machinery during the term of the proposed Agreement.

## Training Plan

Training will be delivered using Class/Lab and/or E-Learning methodologies.

**Business Skills** - All occupations will receive training relative to their job function. Customer service and communication skills will provide the necessary tools to interact with external and internal customers in a professional manner. Managers/Supervisors and select Lead Personnel will receive facilitator and coaching skills to become competent internal trainers. All occupations will receive Product Knowledge training to be able to speak to the Company's products and services with acumen.

**Computer Skills** – Training will be offered to Technical/Engineering Staff, Production Personnel, and Managers/Supervisors. Technical/Engineering Staff and Managers/Supervisors will receive training in Solidworks/CAD and Master CAM needed to improve product design. Production Personnel and Technical/Engineering Staff will receive training in Capability Maturity Model software. Open-Mind mapping software will provide a project management tool for Technical/Engineering Staff. All occupations listed will interface with the M1 ERP system and will receive training on the revisions and new features.

**Continuous Improvement** - All occupations will receive skills sets in a variety of Continuous Improvement topics. Employees who were introduced to Lean Manufacturing in the first agreement will receive continued training needed to further improve processes and reduce waste. Topics such as Document Control Skills, Process Improvement, Decision Making and Problem Solving, Leadership Skills, Quality and Inspection Standards, and AS9100/ISO9001 auditing skills will provide important tools needed to maintain zero defective parts per million in the manufacturing process.

**Manufacturing Skills** – Training will be offered to Production Personnel and Managers/Supervisors. Trainees will receive training in new equipment operations, maintenance and troubleshooting. Standard operating procedures will be developed and applied to each piece of equipment. Cross-training workers on machinery will increase manufacturing capability and shorten delivery times. Good Manufacturing Practices (GMP) will reduce waste, improve product quality and increase manufacturing capabilities.

**Hazardous Materials Handling** - Production Personnel working with hazardous materials will receive skills training in hazardous waste/spill operations and emergency response. They will also learn to properly complete material safety data sheets

## Certified Safety Training

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

by Cal-OSHA, and the instructors must be certified by Cal-OSHA. This training will be offered to all occupations.

**Contract Term Limitation**

Although C&H is a small business, the Company is requesting a two-year Agreement term. C&H states that the previous Agreement had a two-year term which allowed sufficient time to deliver all training while still at 100% production capacity. The Company earned 100% of the encumbered amount for the previous Agreement. Staff recommends extending the term.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET10-0295	Escondido	11/20/2009– 11/19/2011	\$49,920	\$49,920 (100%)



**Training Proposal for:**  
**California Quality Plastics, Inc.**

**Small Business**

**ET16-0328**

**Approval Date:** December 23, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** E. Fuzesi

**CONTRACTOR**

- Type of Industry: Manufacturing
  - Number of Full-Time Employees
    - California: 69
    - Worldwide: 69
    - Number to be trained: 20
  - Out-of-State Competition: NAICS Code Eligible
  - Special Employment Training (SET): ☐ Yes ☒ No
  - High Unemployment Area (HUA): ☐ Yes ☒ No
  - Turnover Rate: 3%
  - Repeat Contractor: ☒ Yes ☐ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$39,520
- In-Kind Contribution: \$36,400

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100	Cont. Imp.	20	8-100	0	\$1,976	\$15.07
				Weighted Avg: 76			

- Reimbursement Rate: \$26 SB Priority
- County(ies): San Bernardino
- Occupations to be Trained: Customer Service Staff, Sales Staff, Shipping & Receiving Staff, Frontline Supervisor, Manager, Executive Staff
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$1.07 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

California Quality Plastics, Inc. (CQP), located in Ontario, is an original equipment manufacturer and distributor of custom plastic products with its own proprietary lines, for a wide range of industries worldwide. CQP's manufacturing focuses on custom acrylic tanks, carrying cases, acrylic and polycarbonate lighting components, standard and custom displays and dispensers for retail and food service, and custom acrylic domes and hemispheres.

This will be CQP's second ETP Agreement. While the previous project's focus was 5S Concepts, process improvements, leadership and communication development, this project will focus on lean manufacturing principles and inventory control.

Over the past two years, most businesses in the industry have implemented Lean manufacturing techniques and better inventory control. This results in faster turn-around times to satisfy customer demands. To remain competitive, CQP needs to implement such process improvements, and apply Lean manufacturing principles to fulfill customer demands in a timely manner. As such, CQP has invested in new Material Requirements Planning (MRP) software to enhance inventory control, eliminate purchasing and scheduling problems, and to simplify and speed up the purchasing and production processes. To meet customers' expectations of competitive pricing and short lead-times, continuous and formal training is required to enhance CQP's overall business operations.

## Training Plan

Up to 100 class/lab hours per trainee may be delivered in the following:

**Continuous Improvement (100%):** Training will be offered to all occupations to increase effectiveness in Inventory Control, pricing, and order tracking. The new implementation of the MRP system will transform the Company's processes, and allow to track orders in real time, produce reports, create SKU for parts, prepare bill of labor, bill of material, work orders, and use JIT purchasing based on inventory stock levels and open purchase orders. Additionally, training will focus on Project Management to ensure proper execution of plans and completion of tasks.

## Modifications

### Contract Term Limitation

CQP is requesting an additional 12 months (24 months total) to the Agreement term. The additional 12 months will enable the Company to adequately handle potential workload fluctuations, due to production delays and customer priorities. During peak production times, CQP does not have the capacity to stop production for training. This increased flexibility will support planning and scheduling, assist the Company in managing any production impacts due to increased production demands.

### Training Hours Limitation

Given the scope of the project, 8-10 key Shipping, Customer Service and Management Staff will need up to 100 hours of training depending on their roles and responsibilities. The additional hours will also help trainees grasp new manufacturing concepts needed to increase their skillsets. The remaining trainees will receive an average of 76 hours of training across all training topics.

## RECOMMENDATION

Staff recommends approval of this proposal.

## PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0372	Ontario	5/23/13-5/22/15	\$36,400	\$36,400 (100%)

**Exhibit B: Menu Curriculum**

**Class/Lab Hours**

8-100

Trainees may receive any of the following:

**CONTINUOUS IMPROVEMENT**

- Decision Making for Frontline Supervisors
- Materials Resource Planning/Inventory Control
- Project Management
- Total Quality Management

Note: Reimbursement for retraining is capped at 100 total hours per-trainee, regardless of method of delivery.
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## DELEGATION ORDER



### Retrainee - Job Creation Training Proposal for: Calpipe Industries, Inc.

**Agreement Number: ET16-0322**

**Approval Date:** December 23, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Paccarelli

#### **PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative HUA	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Ventura, Los Angeles	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 110	U.S.: 150	Worldwide: 150
Turnover Rate:	0%		
Managers/Supervisors: (% of total trainees)	20%		

#### **FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$99,900		\$0	\$0		\$99,900

In-Kind Contribution:	100% of Total ETP Funding Required	\$82,500
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate HUA	Business Skills, Computer Skills, Mfg. Skills, Cont. Imp., HazMat, Mgmt. Skills, Literacy Skills, PL-Mfg. Skills	101	8-200	0	\$900	*\$11.30
				Weighted Avg: 50			
2	Retrainee Priority Rate Job Creation Initiative HUA	Business Skills, Computer Skills, Mfg. Skills, Cont. Imp., HazMat, Mgmt. Skills, Literacy Skills, PL-Mfg. Skills	9	8-200	0	\$1,000	*\$9.25
				Weighted Avg: 50			

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

**Minimum Wage by County:** Job Number 1: \$11.30 in Ventura County and \$11.98 in Los Angeles County; Job Number 2 (Job Creation): \$9.25 in Ventura County and \$9.98 in Los Angeles County

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

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

Up to \$0.80 per hour may be used to meet the Post-Retention Wage in Job Number 1.

Job 1 & 2 Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Production Staff		74 3
Administration/Support Staff		22
Supervisor		8
Manager		3

**INTRODUCTION**

Founded in 1995, Calpipe Industries, Inc. (Calpipe) ([www.calpipe.com](http://www.calpipe.com)) is a manufacturer of conduit products for corrosive environments and bollards for security applications. Calpipe has three manufacturing plants and distribution facilities in the United States which manufactures and distributes four different product lines – Calconduit, Calbollands, Calbond and Calbrite.



The Calconduit, Calbollards and Calbond product lines are manufactured at its California facilities in Santa Paula and Rancho Dominguez. These facilities manufacture a complete line of PVC coated conduit, fittings and accessories for the protection of electrical products used in highly corrosive environments. Its Quality Assurance Program fully complies with the industry standards established by UL and NEMA, ensuring that all products are engineered and designed to withstand the most demanding and corrosive environments. The Company also manufactures a large selection of bollards, which meets the aesthetic and functional requirements for a wide range of security, architectural, and landscaping installations. Both California facilities will be participating in the proposed training plan.

## **PROJECT DETAILS**

This will be Calpipe's first ETP Agreement. To remain competitive, the Company must retrain its workers to enhance skills, increase profitability and customer satisfaction. Calpipe's main competitors are based outside California, which holds a large market share of the industry. To properly manage the high cost of manufacturing and compete with out-of-state companies, Calpipe must increase efficiency and improve employee skills throughout the Company. Otherwise, the cost of manufacturing and lack of workers' skills may lead to production being diverted to out-of-state manufacturing companies.

### **Retrainee - Job Creation**

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

To expand its manufacturing capabilities and increase its market share, Calpipe is in the process of adding a new 44,000 sq. ft. manufacturing facility in Santa Paula which will be operational in early 2016. To operate this facility, the Company has committed to hiring nine new employees. The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

### **Training Plan**

**Manufacturing Skills (50%):** Training will be offered to Production Staff, Managers and Supervisors in good manufacturing practices and equipment operations to improve cost and product quality.

**Business Skills (5%):** Training will be offered to all occupations and will cover a wide range of customer solutions and other strategic skills increase customer satisfaction and improve communication within the Company.

**Computer Skills (5%):** Training will be offered to all occupations on how to utilize the full capabilities of its MRP/ERP system, which will improve its production turnaround time and inventory.

**Continuous Improvement (25%):** Training be offered to all occupations and focus on Lean skills, problem-solving, team building, quality assurance, and process improvement. The goal is to create a more efficient business environment, improve quality and delivery times, and reduce waste.

**Management Skills (5%):** Training in advanced leadership skills will be offered to Managers and Supervisors. This training will focus on coaching and mentoring based on the individuals' abilities and skills.

**Hazardous Materials (5%):** Training will be provided to Production Staff on safe handling of hazardous materials.

**Literacy Skills (5%):** Training will be offered to Production Staff to improve their technical proficiency and upgrade their workplace English skills to help them work more independently.

### **Productive Laboratory**

The Panel reimburses for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum.

Training in Calpipe's production processes and equipment operation are too costly to replicate in a simulated setting. PL in Manufacturing Skills will be offered to 30 Production Staff with a trainer-to-trainee ratio of 1:1. Each trainee will receive up to 20 PL hours for incumbent trainees during cross-training and up to 40 PL hours for newly-hired employees. The trainers are in-house subject matter experts who are exclusively dedicated to instruction for the entire reported training time.

### **High Unemployment Area**

All trainees work in a High Unemployment Area (HUA), with unemployment exceeding the state average by at least 25%. The Panel may modify the ETP Minimum Wage by up to 25% if post retention wages exceed the start of training wages. The Company's locations in Santa Paula (Ventura County) and Rancho Dominguez/Compton (Los Angeles County) qualify for HUA status under these standards.

#### ➤ Wage Modification

Calpipe is asking for a wage modification for trainees in Job Number 1 from \$15.07 to \$11.30 in Ventura County and \$15.97 to \$11.98 in Los Angeles County; and Job Number 2 (Job Creation) from \$12.33 to \$9.25 in Ventura County and \$13.31 to \$9.98 in Los Angeles County

### **Commitment to Training**

Calpipe's current annual training budget is approximately \$20,000 for its California facilities. Training covers OSHA-mandated training, new hire orientation, and on-the-job training for specific skills. The Company represents that ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A



**TRAINING VENDORS**

To Be Determined

**PL Hours**

0 - 40

**MANUFACTURING SKILLS (Ratio 1:1)**

-  Good Manufacturing Practices
-  Machine/Equipment Operation

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

**DELEGATION ORDER**



**Retrainee - Job Creation  
Training Proposal for:  
Charles E. Thomas Company, Inc.**

**Small Business**

**ET16-0302**

**Approval Date:** December 11, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Reeves

**CONTRACTOR**

- Type of Industry: Construction
  - Number of Full-Time Employees
    - California: 70
    - Worldwide: 70
    - Number to be trained: 25
  - Out-of-State Competition: No OSC
  - Special Employment Training (SET): ☒ Yes ☐ No
  - High Unemployment Area (HUA): ☐ Yes ☒ No
  - Turnover Rate: 10%
  - Repeat Contractor: ☐ Yes ☒ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$29,120
- In-Kind Contribution: \$28,500

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SET SB <100 Priority Rate	Business Skills, Commercial Skills, Computer Skills, Continuous Imp., HAZWOPER	19	8-60 Weighted Avg: 40	0	\$1,040	\$20.55
2	Retrainee SET SB <100 Job Creation Initiative Priority Rate	Business Skills, Commercial Skills, Computer Skills, Continuous Imp., HAZWOPER	6	8-60 Weighted Avg: 60	0	\$1,560	\$13.31

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County(ies): Los Angeles
- Occupations to be Trained: Administration Staff, Construction Manager, Construction Field Staff, Sales Staff, Frontline Manager, Inventory/Warehouse Staff, Service Staff, Shop Staff
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #'s 1 and 2 : \$1.25 per hour

**SUBCONTRACTORS**

- Development Services: Strategic Business Solutions, LLC in Visalia assisted with development for a flat fee of \$2,038.
- Administrative Services: Strategic Business Solutions will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 1949 and located in Gardena, Charles E. Thomas Company, Inc. (CET) specializes in general construction services for the Retail, Industrial, Commercial, and Petroleum industries. Its customer base includes customer base that includes commercial property owners, fuel dispensers, fast food establishments, and car washes. The Company offers building construction/renovation, fuel systems installation/servicing, Point of Sale (POS) systems installation/servicing, car wash installation/servicing, and pump and tank compliance/testing.

## Need for Training

During the economic downturn, instead of laying off workers, CET diversified its services, adding commercial construction. This means that in addition to being able to install pumps, tanks, and car wash systems, the Company will now be able to bid on entire projects including building construction and management of other subcontractor work. This shift in focus requires employees to gain more skills in general and specific construction expertise. These include skills in heavy equipment, underground construction, vapor recovery, leak detection, and HAZWOPER. Additionally, the credit industry will be requiring all POS systems upgraded to accept smart cards by next year. Training on POS programming and installation will allow the Company to be prepared to handle a large influx of installations.

## Retrainee - Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Under the Retrainee-Job Creation program, training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

CET has committed to hiring a total of six new employees in the occupations of Service Staff and Construction Field Staff (Job Number 2). CET has identified an immediate demand for these occupations to support the Company's efforts in expanding its business capacity, most notably in the areas of commercial construction and POS/Smart Card systems programming. The hiring plan that CET has in place will help ensure that the Company has the necessary resources to keep pace with industry demand.

The date-of-hire for all trainees must be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of contract.

## Training Plan

Training will be delivered Class/Lab and E-Learning methods.

**Business Skills** – This training will be offered to Administration Staff, Construction Managers, Sales Staff, and Frontline Managers. Each of these occupations has a customer service/sales component in their job description. Therefore, this training will provide workers with advanced customer service skills and account development techniques designed to enhance customer relations and increase market share.

**Commercial Skills** – This training will be offered to Construction Field Staff, Service Employees, Construction Management Staff, Inventory/Warehouse Staff, and Shop Staff. Underground construction training will help CET establish standards for digging, shoring, and identifying environmental hazards. Training will also cover leak detection technology, vapor recovery systems, heavy equipment operation, automated car wash systems installation/repair, and petroleum dispensing systems.

**Computer Skills** – This training will be offered to Service Staff, Sales Staff, and Inventory/Warehouse Staff. The new chip-imbedded Smart Card payment processing system is a sweeping change in technology impacting the petroleum dispensing industry. With this new technology rolling out in 2016, CET employees must receive extensive product knowledge training for these systems. Training will also cover programming requirements for POS equipment.

**Continuous Improvement** – This training will be offered to all occupations. Training will focus on Lean principles, with emphasis on process analysis and waste reduction. This training will help CET maximize capacity, efficiency, and service quality.

### **Certified Safety Training**

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

### **RECOMMENDATION**

Staff recommends approval of this proposal.



**Exhibit B: Menu Curriculum****Class/Lab and E-Learning Hours**

8 - 60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Account Development

**COMMERCIAL SKILLS**

- Underground Construction Best Practices
- Leak Detection
- Vapor Recovery Systems Installation, Repair, and Testing
- Heavy Equipment Operation (Backhoe, Trencher, Bobcat, Crane/Hoist)
- Fuel Dispensing Equipment Installation/Repair/Testing (*E-Learning and Class/Lab*)
- Automated Car Wash Systems Installation/Repair
- Green Building Practices
- Underground Tank Installation/Testing
- Confined Space
- API (American Petroleum Institute) WorkSafe Advanced Safety Training (*E-Learning and Class/Lab*)

**COMPUTER SKILLS**

- Point of Sale (POS) Systems Training (Gilbarco/Veeder Root) (*E-Learning and Class/Lab*)

**CONTINUOUS IMPROVEMENT**

- LEAN Processes
- Materials Handling

**HAZWOPER**

- Hazardous Waste/HAZWOPER

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



**Training Proposal for:**  
**Chopra Enterprises, LLC dba The Chopra Center**

**Small Business**

**ET16-0316**

**Approval Date:** December 21, 2015

**ETP Regional Office:** San Diego

**Analyst:** K. Campion

**CONTRACTOR**

- Type of Industry: Services
- Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees
  - California: 78
  - Worldwide: 78
  - Number to be trained: 78
- Owner ☐ Yes ☒ No
- Out-of-State Competition: Customers Outside CA
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 15%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$49,764
- In-Kind Contribution: \$59,476

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100	Business Skills, Computer Skills, Continuous Impr.	78	8-60	0	\$638	\$15.93
				Weighted Avg: 29			

- Reimbursement Rate: \$22 SB Non-Priority
- County: San Diego
- Occupations to be Trained: Customer/Guest Services & Operations Staff, Accounting/Hr Staff, Administration Staff, Sales/Marketing Staff, Consumer & Digital Products Staff, Events Management Staff, Supervisor, Manager
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: \$2.39 per hour
- Commissions: Customer/Guest Services & Operations Staff and Sales/Marketing Staff may use commission income of up to \$3.08 per hour to meet the Post-Retention Wage.

**SUBCONTRACTORS**

- Development Services: Golden Goose Group (G3) in Lawrence, MA assisted with development for a flat fee of \$2,500.
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

Chopra Enterprises, LLC dba The Chopra Center (The Chopra Center) is a destination center for well-being, which features meditation, yoga and Ayurveda (a holistic whole-body healing approach). Founded in 1996, and located in Carlsbad, The Chopra Center provides experiences, education, teacher trainings and products to consumers across the globe that improve the health and well-being of body, mind and spirit, including mind-body healing classes, programs, health products and massage therapies. Located on the grounds of the Omni La Costa Resort & Spa, Chopra Center's customer base spans worldwide. The Chopra Center is eligible for ETP funding as a "Destination Resort" competing nationally and internationally for business.

## **Need for Training**

The Chopra Center representatives report that the Company has doubled its revenues in the last 5 years, due in part to the worldwide interest in yoga, meditation and Ayurveda. Yoga and meditation have now become mainstream and are highly sought after services in the global marketplace. Additionally, new social marketing automation systems and upgraded technology systems have allowed the Company to create a global outreach, which has resulted in a significant increase in demand for its services. Further, the integration of technology into mind-body and wellness products (e.g. “fitbits”, etc.) and other technology tools have resulted in both new and better informed customers with increased interest in well-being, preventative healthcare and new health care products.

The Chopra Center’s strategic goals are to continue on the path of growth and to double its revenues again in the next 5 years. To support this rapid growth, the Company must upgrade the skills of its frontline workers. This consists of executing a training plan to build internal and external communication skills, develop individual skills, and ensure consistent and optimized usage of its systems: Active Collab Project Management software and Sales Force Marketing.

## **Training Plan**

The goal of this training project is to build connections between the Company’s mission and services (well-being, consciousness, etc.) and specific staff communication skills—promoting a “talk the talk and walk the walk” culture that will serve as the foundation to support operations and sales goals over the next five years. All training will be delivered via Class/Lab.

**Business Skills** - This training will be provided to all occupations. Trainees will learn how to build organization-wide consistency in communication skills to improve client relationships; develop consultative sales skills in the context of a mission of mindfulness and well-being; and improve business development techniques to increase sales and support customer loyalty and brand promotion. Trainees will also learn Accountability, Goal Setting and Time Management techniques for understanding goals and priorities from an organizational perspective.

**Computer Skills** - This training will be provided to all occupations based on job function. Trainees will learn application skills to navigate the Company’s Active Collab Management software and its new marketing automation software, Sales Force Marketing. Trainees will also receive Microsoft Office Application Skills.

**Continuous Improvement** – This training will be provided to all occupations. Trainees will learn how to define leadership and develop critical thinking skills. Trainees will also receive team building and team synergy skills.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

DELEGATION ORDER



**Retrainee - Job Creation  
Training Proposal for:  
Chrome Collision, Inc. dba Fix Auto Poway**

**Small Business**

**ET16-0296**

**Approval Date:** December 9, 2015

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

**CONTRACTOR**

- Type of Industry: Services
- Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees
  - California: 34
  - Worldwide: 34
  - Number to be trained: 29
- Owner ☒ Yes ☐ No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): ☒ Yes ☐ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 8%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$35,046
- In-Kind Contribution: \$17,523

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 SET	Commercial Skills, Computer Skills, Cont. Imp., HazMat, PL Comm Skills	21	8-60	0	\$1,166	\$27.40
				Weighted Avg: 53			
2	Retrainee SB<100 Job Creation Initiative SET	Commercial Skills, Computer Skills, Cont. Imp., HazMat, PL Comm Skills	8	8-60	0	\$1,320	\$13.28
				Weighted Avg: 60			

- Reimbursement Rate: \$22 SB Non-Priority
- County(ies): San Diego
- Occupations to be Trained: Technician, Estimator, Controller, Administrative Support, Frontline Manager, Owner, Operations Director
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #'s 1 and 2: \$2.25 per hour

**SUBCONTRACTORS**

- Development Services: Synergy Management Consultants in Grass Valley assisted with development for a flat fee of \$2,100.
- Administrative Services: Synergy Management Consultants will also provide administration services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Chrome Collision, Inc. dba Fix Auto Poway (CCI) was originally formed in 2011 ([www.fixautopoway.com](http://www.fixautopoway.com)). This small business joined the Fix Auto Group as an independently owned franchise in 2014. The Company specializes in automotive collision repair and sales of associated parts and accessories. CCI currently employs 34 full time workers. Headquartered in Poway, CCI recently opened a second facility in downtown San Diego. A third San Diego County location is scheduled to open by 2016.

## **PROJECT DETAILS**

CCI's need for training is being driven by its strategic plan: increase revenues, raise worker efficiency levels, and provide a higher level of customer satisfaction at competitive prices. To meet this goal, CCI must update employee product knowledge and technical skill sets, and implement standard operating procedures and process improvements.

CCI must train workers on new technology: use of lighter metals in vehicle parts and recent technological advances in alternative fuel systems. These have changed the way auto body repairs are done and how repair costs are estimated. Technicians must be able to work with these metals and understand how body repairs differ. Key training areas include automobile repairs that utilize metals such as Boron and ultra-high strength steels and composites, as well as damage assessment for newer technology vehicles. Technicians will also receive technical training needed to meet standards established by the Inter-Industry Conference on Auto Collision Repair (I-CAR), Automotive Service Excellence, and Original Equipment Manufacturer credentials required by most insurers and vehicle manufacturers.

CCI participates in Direct Repair Programs (DRPs) as a preferred provider with Geico, Safeco, Nationwide, Mercury, State Farm, and most recently USAA and Farmers Insurance. Participating in DRPs provide a streamlined and more efficient process for all involved (CCI, the insurance carrier and the customer). Preferred provider status allows CCI to act on behalf of the insurance carrier, eliminating the need for the adjuster to make a trip to the body shop to write an estimate and to wait for repair approval and thus, removing unnecessary steps, reducing cycle time, and minimizing costs. Each insurance carrier has specific repair guidelines. Estimators and Technicians must have the product knowledge and technical skills to complete estimates and repairs per each carrier's specific criteria to maintain DRP status. These insurance carriers also require a minimum of 40 hours in yearly technical skills upgrade training and recertification (amounts vary by carrier) for Technicians, Estimators and Administrative Support Staff. For example, these occupations must be trained on revisions to CCI's various software programs and updates to each DRP insurance carrier's software which will enable employees to efficiently navigate these systems that are used for estimating, job costing, production planning, and customer communication. Training will be delivered by a combination of training vendors and in-house staff.

### **Retrainee - Job Creation**

CCI opened a second facility in October 2015, and a third facility is slated to open by 2016. Its employee count increased from 27 to 34 for the period of 11/01/2014 – 11/01/2015. During the same period, the Company experienced a 15% increase in revenue.

For the next two years, based upon its expansion, sales volume forecasts, and new DRP status with USAA and Farmers, CCI predicts a 30% increase in overall business growth. To support its growth plans, the Company will increase its full time workforce, hiring 10 net new employees, of which 8 are included in the proposed ETP Agreement (3 Technicians, 2 Estimators 2 administrative support staff and 1 frontline manager). These new workers will require extensive training to develop the requisite skills needed to facilitate projected growth.

These trainees must be hired within the three month period prior to Panel approval or during the term of the contract. Trainees for SET-funded projects are subject to the ETP minimum wage for new-hires, rather than the SET wage. As a condition of contract, trainees must be hired into "net new jobs."

## Training Plan

**Business Skills** - Training will be offered to all occupations and focus on customer relationship building and negotiation, presentation, and communication skills. This training is aimed to improve industry-specific claims processing techniques and customer service and engagement skills.

**Commercial Skills** – Training will be offered to Technicians, Estimators, and select Managers. Training will include automotive service and repair skills, new vehicle technologies, aluminum and hybrid repair, alternative fuel vehicle maintenance, and extended I-CAR credentials for collision centers. This training will also teach Estimators and Administrative Support Staff how to accurately estimate damage and create repair plans.

**Computer Skills** – Training will be offered to all occupations in the Company's software systems used to track costs and production flow, schedule service, and connect with customers and insurance carriers. Estimators will receive extensive training on estimating software.

**Continuous Improvement** – Training will be delivered to all occupations. Continuous Improvement topics are designed to promote teamwork throughout the organization; streamline processes; and improve quality, cycle time, and cost efficiency.

**Hazardous Materials** – Training will be offered to Technicians and Managers on the safe handling and disposal of hazardous materials.

## Productive Lab (PL)

Under the Panel's Productive Lab (PL) guidelines, trainees may produce goods or perform services for profit as part of the training in the courses identified under the Curriculum. The training will be provided by in-house subject matter experts who are exclusively dedicated to instruction for the entire reported training time.

PL training will compliment class/lab training modules listed in the curriculum. PL training will involve the use of resistance spot welders, metal inert gas welders, frame rack and measuring system, paint spray guns, paint spray booths, and various hand tools. Trainees will receive instruction in collision repair and painting methods, welding of structural parts, measuring frames and uni-body structures, aluminum repair methods, identification of mechanical components, uni-body alignment processes, and advanced vehicle diagnosis and repair.

Certain elements of training needs to take place in a PL setting to ensure that workers reach required proficiency levels. PL tasks and competencies and the estimated minutes/hours needed to achieve proficiency have been developed and are included as part of the proposed training plan. Trainers will certify trainees once competencies are achieved. Approximately 19 Technicians and Estimators will receive up to 18 hours of PL each at a 1:1 trainer-to trainee ratio.

## Special Employment Training Funds

Under Special Employment Training (SET), companies are not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of retention. Although these funds are designated for front-line workers only, managers are exempted in a small business project and owners may participate when the Company has less than 50 employees worldwide.



**Use of Commissions and Bonuses to Meet ETP Wages for Job Number 1 Trainees**

CCI requests to use commissions to meet the Post-Retention wage of \$27.40 for Technicians and Estimators in Job Number 1. Commissions for these occupations are based on a percentage of services rendered/sold and company profits. The Company's commissions are calculated and paid twice monthly.

Technicians- CCI reports that its Technicians receive a variable commission based on a percentage of CCI's labor rate, number and type of cars receiving services, the level of expertise of the Technician or Mechanic, and the years of service. CCI reports that monthly commissions averaged at least \$11.56 per hour for the last 12 consecutive months (11/1/2014 – 11/1/2015). Technicians will meet the SET wage with the use of commissions and (if needed) employer-paid health benefits of \$2.25 per hour.

Estimators – These trainees earn a variable commission based on the amount of work (repairs) sold. CCI reports that commissions for these employees averaged at least \$3.40 per hour for the last 12 consecutive months (11/1/2014 – 11/1/2015). Estimators will earn meet the SET wage with the use of commissions and (if needed) employer-paid health benefits of \$2.25 per hour.

**RECOMMENDATION**

Staff recommends approval of this proposal.

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

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Customer Care Skills
  - Customer Retention
  - Customer Engagement
  - Customer Relationship Building
- Advanced Sales & Marketing Skills
  - Prospecting & Closing
  - Sales Account Management
  - Advanced Closing Techniques
  - Sales Procedures & Strategies
- Negotiation Skills
- Conflict Resolution
- Communication Skills
- Presentation Skills

**COMMERCIAL SKILLS**

- I-CAR Collision Repair Certification Skills
- Refinishing Skills
  - Trim & Hardware
  - Surface Preparation
  - Vehicle Priming/Sealing
  - Paint Spray Guns Maintenance & Set-Up
  - Corrosion Protection Process
  - Sand, Buff & Detail
  - Color Theory & Tints
  - Blending Techniques
  - New Technologies
- Structural Repair
  - Unibody Alignment
  - Three dimensional measuring
  - Repair & replacement of Outer Body Panels
  - High Strength Steels
  - Aluminum Repair Processes
  - MIG Welding Skills
  - Straightening Structural Damage
  - Glass Replacement
  - Pillars, rocker Panels, Rails, Front Structures & Floor Pan Replacement
  - Heating Cooling and AC Systems
  - Steering & Suspension Systems
  - Advanced Vehicle Systems
- Non-Structural Vehicle Repair Skills
  - Remove & Install Trim & Hardware
  - Adhesive Bonding
  - Diagnose Wind Noise & Water Leaks

- Aluminum Cosmetic Damage
  - Spot Welding
- Estimating Skills
  - Steering & Suspension System Damage Analysis
  - Damage on Non-Drivable Vehicles
  - Electrical/Mechanical Systems
  - Stationary Glass
  - Advanced Materials
  - Advanced Vehicle Systems
- Vehicle Operation, Maintenance, & Troubleshooting
- Alternative Fuel & Hybrid Vehicle Repair Diagnostics
- Service Procedures & Scheduling
- Product Knowledge
- Blueprint Reading

### **COMPUTER SKILLS**

- CCC One Software
  - Job Costing
  - Production Flow
  - Production Planning - ETA Times & Dates
  - Internal & External Customer Communication
- Michell & Michell Repair Center Software
- Audatex Software
- CCC Info Systems Software
- All-Data Software
- Microsoft Office Suite

### **CONTINUOUS IMPROVEMENT SKILLS**

- Leadership Skills
- Teambuilding
- Root Cause Analysis
- Kaizen Event Strategy & Implementation
- Lean Concepts
- Process/Quality Improvement
- Problem Solving/Decision Making Skills
- Inventory Control
- Standard Operating Procedures

### **HAZARDOUS MATERIALS HANDLING**

- Completing Material Safety Data Sheets (MSDS)
- Volatile Organic Compound (VOC) Tracking
- Emergency Clean-Up
- Registration, Evaluation, Authorization & Restriction of Chemical Substances

**Productive Lab Hours**

0-18

**COMMERCIAL SKILLS** (1:1 trainer-to-trainee ratio)

- Body Filler Methods—1.5 hour
  - Task assigned- repair small to medium sized dent in a typical steel panel. This should take approximately 1.5 hours. Instructor will give instruction, watch, provide real time feedback and check work at the end of the project.
- Structural Resistance Spot Welding—1 hour
  - Task assigned- weld 15 welds per manufacturer guidelines. Instructor will teach student how to properly set specifications on the welder, inspect native panel and new panel, watch student perform the weld function and inspect welds for strength, penetration and porosity.
- MIG Brazing Techniques—1 hour
  - Task assigned- MIG braze a 6 inch section. Instructor will teach student proper welder set up, inspect native and new panels and give instruction on technique, watch student perform welds and inspect.
- Color Tinting—3 hours
  - Tasks assigned- match 1, solid color, 1, two-stage color and 1 metallic color. Instructor will give instruction on color code analysis, watch student mix base coat colors, watch student perform spray out panel, give feedback on potential methods of tinting, and retrace earlier steps until a sufficient blend able match is acquired.
- Spraying/Blending Techniques—2 hours
  - Tasks assigned- Refinish 1 panel, perform blend on adjacent panel. Instructor will watch painter perform refinish tasks, provide feedback on spray gun set-up, booth and vehicle condition, temperature conditions, while allowing painter to learn best processes.
- Measuring Vehicle Structures- 1 hour
  - Tasks assigned- set up vehicle on frame rack along with measuring system, create initial measurements. Instructor will watch student during the task and provide feedback on proper use of the measuring system, possible failure areas, problem solving actual versus manufacturer specs.
- Alignment Process for Unitized Vehicles—2 hours
  - Task assigned- Complete frame alignment for a unitized vehicle with a front sway or sag condition. Instructor will teach student how to read initial measurements, typical methods of correcting the condition, while allowing student to perform the repairs, instructor will oversee and provide feedback and or corrections necessary to complete the repair.
- Alignment Process for Full Frame Vehicles—2 hours
  - Task assigned- Complete frame alignment for a Full- Frame vehicle with a front sway or sag condition. Instructor will teach student how to read initial measurements, typical methods of correcting the condition, while allowing student to perform the repairs, instructor will oversee and provide feedback and or corrections necessary to complete the repair.
- Aluminum Repair—1 hour
  - Task assigned- repair as small dent in an aluminum panel. Instructor will teach the tools necessary, clean conditions necessary, watch student complete the repair, while giving feedback on performance, potential options, and inspect repair when complete.

- Technical Estimating Skills- 1.5 hours
  - Task Assigned—Review damage on vehicle, make notes as to necessary repair methods, photo document. Complete estimate in estimating system (CCC, Mitchell or ADP), Watch student complete the estimating process, give feedback on proper repair methods and necessary operations, included operations and proper use of parts. Instructor will use collaborative coaching to teach student on technical estimating procedures to improve the student's technical estimating skills.
- Estimating ERP (Direct Repair Program) Skills- 1.0 hours
  - Task Assigned—complete estimate documentation and upload billing along with photos, documentation to assigned insurance company. Instructor will inform student of rules and processes and then watch student perform the estimating and upload procedure-giving feedback on accuracy and compliance along with tips on increased productivity and efficiency. The goal is to get the student to become proficient with electronic estimating and submission of insurance claims while maintain compliance to the rules and processes of the programs.
- Estimating System Software Skills—1.0 hours
  - Task assigned –Input estimating notes into software system (CCC, Mitchell or ADP), find the relevant repair or replace procedure(s) and document properly in the system. Instructor will explain the system and then watch the student input in the system and coach and train on how to get the system to mimic the needed repair procedure. The goal of the student is to become proficient using the IT system to depict the needed repair procedures/ process.

Safety Training will be limited to 10% of total training hours per-trainee.

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery. PL is capped at 18 hours per-trainee.

**DELEGATION ORDER**



**Retrainee - Job Creation  
Training Proposal for:**

**Cichon Accurate Auto Body, Inc. dba Accurate Auto Body**

**Small Business**

**ET16-0293**

**Approval Date:** November 23, 2015

**ETP Regional Office:** Sacramento

**Analyst:** W. Sabah

**CONTRACTOR**

- Type of Industry: Services
- Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees
  - California: 23
  - Worldwide: 23
  - Number to be trained: 15
- Owner ☒ Yes ☐ No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): ☒ Yes ☐ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 4%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$18,392
- In-Kind Contribution: \$23,005

## **TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 SET	Business Skills, Commercial Skills, Computer Skills, Cont. Imprv., HazMat, PL- Commercial Skills	11	8-60	0	\$1,232	\$27.40
				Weighted Avg: 56			
2	Retrainee Job Creation SB<100 SET	Business Skills, Commercial Skills, Computer Skills, Cont. Imprv., HazMat, PL- Commercial Skills	4	8-60	0	\$1,210	\$13.70
				Weighted Avg: 55			

- Reimbursement Rate: Job #'s 1 & 2: \$22 SB Non-Priority
- County: Contra Costa
- Occupations to be Trained: Administrative Staff, Estimator, Technician, Frontline Manager, Owner
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$1.90 per hour Job #2: \$0.70 per hour

## **SUBCONTRACTORS**

- Development Services: Synergy Management Consultants, LLC in Grass Valley assisted with development of this project for a flat fee of \$1,465.
- Administrative Services: Synergy Management Consultants, LLC will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

## **OVERVIEW**

Founded in 1984 in Richmond, Cichon Accurate Auto Body, Inc. dba Accurate Auto Body (Accurate Auto Body) ([www.accurateautobodyinc.com](http://www.accurateautobodyinc.com)) is a full service automotive repair center. The Company specializes in automotive mechanical and collision repair services including the sale of parts and accessories. Accurate Auto Body's customer base includes residents of Richmond and the surrounding vicinity.

## Need for Training

Industry changes have impacted the collision repair business. For Accurate Auto Body to remain competitive, staff needs to train on new industry conditions. Advancements in the materials used to build vehicles have led to lighter and stronger vehicles. The automotive collision repair industry has transformed in recent years as vehicles are being produced using different materials including: aluminum, boron, ultra high strength steel and composites. As such, Technicians and Estimators require skills training that includes these new vehicle materials and repair methods.

In addition, Accurate Auto Body plans to increase their clientele by having Technicians and Estimators obtain Inter-Industry Conference on Collision Auto Repair (I-CAR) certification and Automotive Service Excellence (ASE) certification for the new materials. To remain competitive in the industry, Technicians and Estimators need to be trained to become I-CAR and ASE certified to service new vehicle brands such as Toyota, Ford Aluminum, Volkswagen and Tesla. Accurate Auto Body will also deliver training on customer service skills, updated operating procedures, marketing, sales, and computer software skills, and Lean concepts.

## Retrainee – Job Creation

With increasing customer demand, customer engagement and new vehicle repair skills are necessary for Accurate Auto Body to sell services more effectively. In addition, Accurate Auto Body plans to expand its market share within the next few months by increasing insurer contracts and the ability to repair luxury-exotic vehicles such as Tesla. The Company plans to increase shop sales by 20% by providing customers with faster and more efficient services. To support their growth plan, Accurate Auto Body has committed to hiring four new full time permanent employees (Job Number 2). The new positions will fill needs in the Technician, Estimator, and Administrative Staff occupations.

The Panel offers incentives to companies that commit to hiring new employees. Trainees will be subject to a lower post-retention wage. The date-of-hire for all Job Creation Trainees will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into “net new jobs” as a condition of contract.

## Training Plan

Trainees will receive between 8–60 hours of classroom/laboratory training and may receive between 0–16 hours of productive laboratory training.

**Business Skills:** Training will be offered to Administrative Staff, Estimators, Frontline Managers and Owners. The training will focus on customer care skills, advanced sales, marketing skills and communication skills to improve overall customer satisfaction and increase sales. Training will include course topics such as Customer Retention, Customer Relationship Building, Sales Procedures and Strategies, Prospecting and Closing, Negotiation Skills, and Presentation Skills.

**Commercial Skills:** Training will be provided to Technicians and Estimators. The goal of commercial skills training is to update staff’s knowledge of the materials used in today’s vehicles and to obtain certifications authorizing the Company to service additional automotive brands. Training will include I-CAR Collision Repair Certification Skills, Refinishing Skills, Structural Repair, Non-Structural Vehicle Repair, Estimating Skills, and Vehicle Operation, Maintenance, and Troubleshooting.



**Computer Skills:** Training will be provided to all occupations and will focus on job specific software programs. The collision repair industry is in the process of transitioning to a paperless environment. Staff will receive training in all necessary software programs to properly exchange data with insurers and other partners. Training will also allow trainees to track costs and plan production flow to improve productivity. Training will include course topics such as CCC Info Systems Software, Michell & Michell Repair Center Software and Alldata Software.

**Continuous Improvement:** Training will be provided to all occupations to improve quality, increase cycle time and to reduce waste. A lean quality and production improvement system is being instituted by Accurate Auto Body and efficiencies are expected to increase by fifteen percent with training. Training will include Root Cause Analysis, Lean Concepts, Kaizen Event Strategy and Implementation, Problem Solving and Decision Making, and Inventory Control.

**Hazardous Materials:** Training will be provided to Technicians to ensure that hazardous materials are handled and disposed of properly. Training will include Volatile Organic Compound Training, Emergency Clean-up, and Registration, Evaluation, Authorization, and Restriction of Chemical Substances.

**Productive Lab (PL) (Commercial Skills):** PL training will be provided to Technicians and Estimators to supplement Class/Lab training. The delivery of PL training is necessary as trainees will be given real life projects to perform work on. This training will strengthen trainees' understanding of how to complete automotive collision repair services. Training will include course topics that require the technicians' skills to be updated. Estimators' PL training will focus on the correct diagnosis of damage and properly working through the documentation, insurance and pricing processes.

Trainees will use the following equipment in PL training: resistance spot welder, mig (metal inert gas) welder, frame rack and measuring system, paint spray guns, paint spray booths, estimating system and various hand tools. Staff will be trained on welding of structural parts, aluminum repair, measuring frames, glass replacement, unibody alignment, mechanical components and system diagnostics and repair. All PL training will take place onsite at Accurate Auto Body and the trainer-to-trainee ratio for all PL training will be 1:1. Technicians will receive between 0–16 hours of PL training and Estimators will receive between 0–12 hours of PL training.

PL training will consist of a normal collision repair duties where the trainer will walk the trainee through the repair process. The trainer will observe the trainee complete the repair and will offer coaching and mentoring throughout the process. During the PL training, output is expected to decrease by 30%. Trainers will be journey-level Technicians or Estimators who are considered to be subject matter experts. After the successful completion of a PL training course, the trainer will sign off that the trainee is competent.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

8-60

Trainees may receive any of the following:

#### **BUSINESS SKILLS**

- Customer Care Skills
  - Customer Retention
  - Customer Engagement
  - Customer Relationship Building
- Advanced Sales & Marketing Skills
  - Prospecting & Closing
  - Sales Account Management
  - Advanced Closing Techniques
  - Sales Procedures & Strategies
- Negotiation Skills
- Conflict Resolution
- Communication Skills
- Presentation Skills

#### **COMMERCIAL SKILLS**

- I-CAR Collision Repair Certification Skills
- Refinishing Skills
  - Trim & Hardware
  - Surface Preparation
  - Vehicle Priming/Sealing
  - Paint Spray Guns Maintenance & Set-up
  - Corrosion Protection Process
  - Sand, Buff & Detail
  - Color Theory & Tints
  - Blending Techniques
  - New Technologies
- Structural Repair
  - Unibody Alignment
  - Three dimensional measuring
  - Repair & replacement of Outer Body Panels
  - High Strength Steels
  - Aluminum Repair Processes
  - MIG Welding Skills
  - Straightening Structural Damage
  - Glass Replacement
  - Pillars, rocker Panels, Rails, Front Structures & Floor Pan Replacement
  - Heating Cooling and AC Systems
  - Steering & Suspension Systems
  - Advanced Vehicle systems
  - Composite materials and bonding techniques
- Non-Structural Vehicle Repair
  - Remove & Install Trim & Hardware
  - Adhesive Bonding
  - Diagnose Wind Noise & Water Leaks

- Aluminum Cosmetic Damage
- Spot Welding
- Composite repair
- Estimating Skills
  - Steering & Suspension System Damage Analysis
  - Damage on non-drivable vehicles
  - Electrical/Mechanical Systems
  - Stationary Glass
  - Advanced Materials
  - Advanced Vehicle Systems
- Vehicle Operation, Maintenance, & Troubleshooting
- Alternative Fuel & Hybrid Vehicle Repair Diagnostics
- Service Procedures & Scheduling
- Product Knowledge
- OEM (Original Equipment Manufacturer) Knowledge/Skills
  - Toyota, VW, Tesla and others TBD

### **COMPUTER SKILLS**

- ABW Software
  - Job Costing
  - Production Flow
  - Production Planning - ETA Times & Dates
  - Internal & External Customer Communication
- Michell & Michell Repair Center Software
- Quickbooks
- Audatex Software
- CCC Info Systems Software
- Alldata Software
- Microsoft Office Suite

### **CONTINUOUS IMPROVEMENT**

- Leadership Skills
- Teambuilding
- Root Cause Analysis
- Kaizen Event Strategy & Implementation
- Lean Concepts
- Process/Quality Improvement
- Problem Solving/Decision Making Skills
- Inventory Control
- Standard Operating Procedures

### **HAZARDOUS MATERIALS**

- Completing Material Safety Data Sheets (MSDS)
- Volatile Organic Compound (VOC) Tracking
- Emergency Clean-up
- Registration, Evaluation, Authorization & Restriction of Chemical Substances

Safety Training will be limited to 10% of total training hours per-trainee.

**Productive Lab**

0-16

**COMMERCIAL SKILLS (1:1)**

- Body Filler Methods
- Structural Resistance Spot Welding
- Mig Brazing Techniques
- Color Tinting
- Spraying/ Blending Techniques
- Measuring Vehicle Structures
- Alignment Process of Unitized Vehicles
- Alignment Process for Full Frame Vehicles
- Aluminum Repair
- Technical Estimating Skills

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. PL is capped at 16 hours per-trainee.
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**Training Proposal for:  
Dempsey Construction Inc.**

**Small Business**

**ET16-0289**

**Approval Date:** November 24, 2015

**ETP Regional Office:** San Diego

**Analyst:** J. Davey

**CONTRACTOR**

- Type of Industry: Construction
  - Number of Full-Time Employees
    - California: 30
    - Worldwide: 30
    - Number to be trained: 26
  - Out-of-State Competition: No OSC
  - Special Employment Training (SET): ☒ Yes ☐ No
  - High Unemployment Area (HUA): ☐ Yes ☒ No
  - Turnover Rate: 0%
  - Repeat Contractor: ☐ Yes ☒ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$20,280
- In-Kind Contribution: \$29,250

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate SET	Commercial Skills, Computer Skills, OSHA 10/30	26	8-60	0	\$780	\$20.55
				Weighted Avg: 30			

- Reimbursement Rate: \$26 SB Priority
- County(ies): San Diego
- Occupations to be Trained: Administrative Staff, Estimator, Field Labor Staff, Superintendents
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: N/A

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 2010 and headquartered in Carlsbad, Dempsey Construction Inc. (Dempsey Construction) ([www.dempsey-legacy.com](http://www.dempsey-legacy.com)) provides general contracting and construction management services to commercial property owners and tenants. Specifically, the Company provides land acquisition, pre-construction, construction, remodeling, and renovation services primarily in the greater San Diego and Southern California area.

**Need for Training**

Construction opportunities in Southern California have increased recently, and the market is competitive. Dempsey Construction is poised to grow, given the increase in the number of jobs for bid. In order to grow, the Company must be able to compete and win more bids. The Company must train its employees in processes and bid software. Training in processes will allow the Company to run more efficiently. In addition, trainees will receive training in construction regulations to keep trainees up-to-date. Training in bid software will allow the Company to create competitive estimates for bid submission. OSHA certified training will also be offered to most trainees.

## **Training Plan**

**Commercial Skills** – Training will be offered to all occupations in estimating process (Takeoff), pricing, Bid Day Process, and Storm Water Pollution Planning Process (SWPPP). Training will better equip trainees to bid for new jobs and manage current ones.

**Computer Skills** – Training will be offered to all occupations in Takeoff estimating software, Procore construction management software, Excel and Sage. Training will provide skills necessary to effectively use bidding and database software.

## **Certified Safety Training**

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

Training will be offered to all Field Labor Staff, Superintendents, and Estimators and select Administrative Staff in construction related OSHA certified courses. Trainees will receive either 10 or 30 hours as determined by occupation. Each trainee will receive a certification upon completion of class/lab training.

## **Special Employment Training**

Dempsey Construction is eligible for funding under the Special Employment Training (SET) funds targeting frontline workers. Under SET, the participating employers are not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention period. However, for trainees working in a Priority Industry, the requirement is reduced by 25%. Therefore, the post-retention wage requirement for the Company has been reduced from \$27.40 to \$20.55 per hour.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

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

8-60 Trainees may receive any of the following:

**COMMERCIAL SKILLS**

- Takeoff Process (Business Process)
- Pricing
- Bid Day Process
- SWPPP Regulations (Storm Water Pollution Preparation Plan)

**COMPUTER SKILLS**

- Takeoff (Estimating Software)
- Procore (Construction Project Management Software)
- Excel
- Sage

**OSHA 10/30** (OSHA Certified Instructor)

- OSHA 10 (requires completion of 10-hour course)
- OSHA 30 (requires completion of 30-hour course)

Safety Training will be limited to 10% of total training hours per-trainee. This cap does not apply to OSHA 10/30.

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





**Training Proposal for:**  
**Dennis Silletto & Associates dba**  
**Glendora Chrysler Jeep Dodge**

**Small Business**

**ET16-0331**

**Approval Date:** December 30, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** E. Fuzesi

**CONTRACTOR**

- Type of Industry: Services  
Retail  
Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees  
California: 47  
Worldwide: 47  
Number to be trained: 31  
Owner ☐ Yes ☒ No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): ☒ Yes ☐ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 14%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$49,786
- In-Kind Contribution: \$63,704

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 SET	Business Skills Commercial Skills	31	8-100	0	\$1,606	\$27.40
				Weighted Avg: 73			

- Reimbursement Rate: \$22 SB Non-Priority
- County(ies): Los Angeles
- Occupations to be Trained: Administration Staff, Mechanic, Sales Staff, Service Writer, Manager
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: \$1.99 per hour

**SUBCONTRACTORS**

- Development Services: Training Refund Group (TRG) in Anaheim assisted with development for a flat fee of \$2,000.
- Administrative Services: TRG will also provide administrative services for the amount not to exceed 13% of payment earned.
- Training Vendors: Chrysler Corporation of Ontario will provide Commercial Skills training. Other trainers will be identified for ETP recordkeeping purposes as they are retained by the Contractor.

**OVERVIEW**

Founded in 1982, Dennis Silletto & Associates dba Glendora Chrysler Jeep Dodge (GCJD) ([www.glendorachryslerjeepdodge.com](http://www.glendorachryslerjeepdodge.com)) is an independently owned auto dealership, operating as a franchise of Chrysler Corporation. The Company qualifies as a Small Business under ETP guidelines. In addition to auto and parts sales nationwide, GCJD also offers car repair services. This will be the Company's first ETP Agreement.

The Company deals in new and used vehicles. According to GCJD, consumer demand can vary significantly from year-to-year. This is due to a variety of factors including changing economic conditions, inflation and fuel prices. Sales for particular brands or styles are especially vulnerable to evolving consumer preferences. The growing popularity of Internet sales has created increased competition for car dealerships.

In similar fashion, GCJD is affected by growing competition in the service segment from fast oil change outlets, tire stores and independent service centers. Competitive chains specializing in a particular part or service often offer lower prices and more convenient locations. As vehicles become more complex and sophisticated, service jobs have become more challenging. Technicians need strong math skills, and training in electronics, computers and analysis.

As such, GCJD needs to invest in training to help staff better understand consumer engagement, and the application of traditional car selling experiences to marketing on the Internet. ETP funding will support the development of an educated and well-trained workforce for GCJD.

## **Training Plan**

**Business Skills (48%)** – Training will be offered to Administration, Sales Staff, Service Writers and Managers to improve skills working with customers. Most customers are resistant to a salesperson who is only interested in closing the sale. Training will help staff change this “conditioned customer response” to have customers find buying a car a warm, comfortable experience from the first introduction to the delivery of the vehicle.

**Commercial Skills (52%)** – Training will be offered to Service Writers, Managers and Mechanics to better understand the complexities of repair, and to complete work orders. Service Writers have to understand customer complaints to accurately describe the problem to the Mechanic. Mechanics need to analyze the problem described by the Service Writer to properly perform the tests needed, determine the exact problem, and then request the correct parts from the parts department. Mechanics will learn to install parts, and run tests to ensure quality outcome.

## **Modifications**

### **Special Employment Training**

Under Special Employment Training (SET), the participating employer is not required to demonstrate out-of-state competition. Trainees must earn at least the statewide average hourly wage of \$27.40 at the end of the retention period.

## **Other Compensation**

Mechanics and Sales Staff receive bonuses that are a normal, recurring part of employee compensation. Bonuses have ranged from \$8.00 to \$36.00 per hour over the past 12 months, with the average bonus amount being \$16.00 per hour. The dollar amount of bonuses, wages, and health benefits must be at least equivalent to the ETP SET wage requirement of \$27.40.

## **Contract Term Limitation**

GCJD is requesting an additional 12 months (24 months total) to the agreement term. The additional 12 months will enable the Company to adequately handle potential workload fluctuations, and reduce any production impacts due to increase in sales and service demands. As the majority of the training takes place at the Chrysler Factory Training Center in Ontario, the required courses are not always scheduled in advance. When the courses are offered, GCJD has to take staff off the shop floor to send them for training. As a result, work is delayed, and it can take weeks to recover. This increased flexibility will support planning and scheduling, and complement overall business operations.

**Training Hours Limitation**

Mechanics and Sales Staff will need up to 100 hours of training, given the robust sales objectives. Mechanics also require constant training, to stay up to date on new product changes. The remaining trainees will receive an average of 60 hours of training across all training topics.

**RECOMMENDATION**

Staff recommends approval of this proposal.

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

8-100

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Advanced Media
- Chrysler Jeep Dodge Ram Live Target Training
- Customer Relations
- Delivering on Delivery
- Human Resources
- PBS System (Accounting)
- Sales

**COMMERCIAL SKILLS**

- 4 Wheel Drive/All Wheel Drive Service
- Body System Diagnosis and Repair
- Diesel Engine Repair
- Electrical Systems
- Engine Repair
- Heating and Cooling Systems
- Service Department Administration
- Transmission and Power Train

Note: Reimbursement for retraining is capped at 100 total hours per-trainee, regardless of method of delivery.

DELEGATION ORDER



**Training Proposal for:  
Detoronica Corp.**

**Small Business**

**ET16-0330**

**Approval Date:** December 30, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** E. Fuzesi

**CONTRACTOR**

- Type of Industry: Manufacturing
  - Number of Full-Time Employees
    - California: 14
    - Worldwide: 14
    - Number to be trained: 14
  - Out-of-State Competition: NAICS Code Eligible
  - Special Employment Training (SET): ☐ Yes ☒ No
  - High Unemployment Area (HUA): ☒ Yes ☐ No
  - Turnover Rate: 3%
  - Repeat Contractor: ☐ Yes ☒ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☒ Yes ☐ No

**FUNDING**

- Requested Amount: \$23,660
- In-Kind Contribution: \$26,900

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Computer Skills, Cont. Impr., Mfg. Skills	14	8-120	0	\$1,690	\$16.75
				Weighted Avg: 65			

- Reimbursement Rate: Job #1: \$26 SB Priority
- County(ies): Los Angeles
- Occupations to be Trained: Production Staff, Quality Control Staff, Sales Staff, Manager, Owner
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: N/A

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 1959, Detoronics Corp. (Detoronics) ([www.detoronics.com](http://www.detoronics.com)) is a precision glass-to-metal hermetically sealed connector manufacturer for commercial, industrial, aerospace, military industries and for medical applications worldwide. Detoronics has been operating from its new 6,000-square foot facility in Santa Fe Springs since early 2015.

Hermetic connectors must function reliably under extreme environmental conditions. Detoronics's custom orders are manufactured to meet special requirements to withstand exposure to high pressure and varied temperature conditions for missiles and aircraft engines, as well as submersion for ships and submarines.

Detoronics has recently purchased a new ERP system (E2 Shop); a completely integrated shop management system, to improve overall data collection and production scheduling. Additionally, Detoronics is in the process of purchasing a new CRM system to improve sales processes. The ETP-funded training will support formal training, and help Detoronics move to the next level in its business operations.

In 2016, Detoronics is also planning to purchase a Computer Numeric Controlled (CNC) Milling Center for the Machining Department. This center will provide an efficient work environment that maximizes both shop labor and equipment usage to boost productivity, quality, and increase the Company's loyal customer base.

In addition to the planned continuous process improvement training to support the delivery of quality products, businesses in this industry thrive to be on the Qualified Product List (QPL) to gain more government business. QPL certification indicates achievement of well-established performance-based standards and product specifications, which represent quality assurance, and reliability requirements for military applications. QPL certification will help Detoronics be identified as a manufacturer in good standing, thereby recognized for high quality and reliable products. It will also provide statewide product visibility, which will increase market opportunities.

To reach these goals and support these new initiatives, Detoronics needs to provide training across the entire business to implement Lean Manufacturing techniques, better inventory control, and faster turn-around times to satisfy customer demands and government requirements.

This will be Detoronics' first ETP Agreement.

## **Training Plan**

**Continuous Improvement (20%)** – Training will be offered to all staff to achieve QPL requirements, increase overall sales, and improve processes by learning new concepts and methods. As a result of the training, Detoronics expects to improve product through-put and efficiencies by 50%, thereby reaching the Company's business and production goals in productivity, quality, and performance.

**Computer Skills (50%)** – Training will be offered to all staff to learn using the new ERP and CRM systems. Training will help Detoronics reach its internal and external requirements, improve sales, production schedules, and cost analysis. E2 will provide a real-time, computerized data collection, monitoring, and scheduling system.

**Manufacturing Skills (30%)** – Training will be offered to all staff to improve the machining capability output and consistencies of product quality. CNC Milling Centers will allow Detoronics to speed up our machining capabilities, and shorten set-up times between each operation.

## **Modifications**

### **Contract Term Limitation**

Detoronics is requesting an additional 12 months to be added to the agreement term. The additional 12 months will enable the Company to adequately handle potential workload fluctuations, due to production delays and customer priorities. During peak production times, Detoronics does not have the capacity to stop production for training. This increased flexibility will support planning and scheduling, and reduce any production impacts due to increased production demands.

### **Training Hours Limitation**

Given the scope of the project, key Production, Sales, and Management Staff will need up to 120 hours of training depending on their roles and responsibilities. The additional hours will also help trainees enhance and develop skills in new manufacturing concepts. The remaining trainees will receive an average of 65 hours of training across all training topics.



**High Unemployment Area**

All trainees work in a High Unemployment Area (HUA), a region with unemployment exceeding the state average by at least 25%. The Company's location in Santa Fe Springs, Los Angeles County qualifies for HUA status under these standards.

➤ Wage Modification

For these trainees, the Panel may modify the ETP Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. However, Detoronics is not asking for a wage modification.

**RECOMMENDATION**

Staff recommends approval of this proposal.

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

8-120

Trainees may receive any of the following:

**COMPUTER SKILLS**

- CRM
- E2 (ERP)

**CONTINUOUS IMPROVEMENT**

- Qualified Products List (QPL)

**MANUFACTURING SKILLS**

- Assembly
- CNC Milling Machine Operation
- CNC Milling Machine Programming
- Molding Machine Operation
- Stamping
- Ultrasonic Cleaning

Safety Training will be limited to 10% of total training hours per-trainee.

Note: Reimbursement for retraining is capped at 120 total hours per-trainee, regardless of method of delivery.

**DELEGATION ORDER**



**Retrainee - Job Creation  
Training Proposal for:  
EIII California, Inc. dba E3 California**

**Small Business  $\leq$  \$50,000**

**ET16-0320**

**Approval Date:** December 21, 2015

**ETP Regional Office:** Sacramento

**Analyst:** M. Mazzone

**CONTRACTOR**

- Type of Industry: Services  
Green Technology  
Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees  
California: 12  
Worldwide: 12  
Number to be trained: 15  
Owner ☒ Yes ☐ No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 9%
- Repeat Contractor: ☒ Yes ☐ No

**FUNDING**

- Requested Amount: \$23,400
- In-Kind Contribution: \$25,000

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills, Computer Skills, Commercial Skills, Green Clean Skills, Management Skills, PL - Comm Skills	12	8-60	0-30	\$1,560	\$15.75
				Weighted Avg: 60			
2	Retrainee SB<100 Job Creation Initiative Priority Rate	Business Skills, Computer Skills, Commercial Skills, Green Clean Skills, Management Skills, PL - Comm Skills	3	8-60	0-30	\$1,560	\$13.13
				Weighted Avg: 60			

- Reimbursement Rate: Job #'s 1 and 2: \$26 SB Priority
- County(ies): Los Angeles, Sacramento
- Occupations to be Trained: Accounting Staff, Administrative Specialty Staff, Administrative Support Staff, Field Technician, Project Manager, Manager, Owner
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1 only: \$0.97 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

EIII California, Inc. dba E3 California (E3) was founded in Sacramento in 2007 and provides services in Green Building Technology, Energy Consulting, and Building Performance Testing. E3 delivers simulation energy modeling and analysis for compliance with the California Energy code. The Company acts as a third party testing a building's energy efficiency and can certify clients for green building and energy efficiency programs. However, its expertise is in providing energy consulting and testing for multi-family housing structures. Contractors, architects, developers and property owners represent the majority of the Company's customers. The Company has a location in Sacramento and Los Angeles; both will participate in this proposal.

## **PROJECT DETAILS**

E3's industry consistently undergoes changes as the California Code of Regulations (CCR), Title 24, is consistently updated every 3 years. (The last update was made in 2013 and so a new edition will be released in 2016.) Included in the updates to the CCR are modifications to the California Energy Code and Green Building Program.

Project Managers and Field Technicians need to be knowledgeable on the CCR as well as California's Green Building Code as it pertains to residential and commercial buildings. Training for them will focus on the program knowledge and project management skills required to consult and develop solutions to meet customers' green technology and energy efficiency needs. They will also require software training as only the most current building simulation models and energy usage simulation software programs will be utilized to develop solutions.

E3 will also provide office staff with training as the Company's subcontracted services, accounting and financial management; marketing and financial strategies; and business planning and organization, will be transitioned to internal staff. For this, the Company will need to provide internal staff with business skills and computer skills.

### **Job Creation**

The Panel is offering incentives to companies that commit to hiring new employees. Training for newly-hired employees will be subject to a lower post-retention wage.

E3 has committed to hiring three new employees (Job Number 2). E3 is currently in growth mode as their specialized services are in high demand in California. Requests for their services have increased approximately 25% since the last year and is expected to continue at a steady pace. Until April 2015, the Company only had one location (in Sacramento). The employees were stretched thin as they were required to travel statewide. To help meet customer demand and alleviate pressures on employees, the Company opened a new location in Los Angeles on April 30. The opening of the second location allows the Company to service customers in Southern California out of the Los Angeles office and Northern California through the Sacramento office.

The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of contract.

### **Training Plan**

E3 will utilize a combination of Classroom/Laboratory, E-Learning, Productive Lab, and Computer-based training (CBT) delivery methods.

**Business Skills** – Training will be offered to Managers, Project Managers, Owners, Administrative Support Staff, Administrative Specialty Staff, and Accounting Staff. Training will focus on industry knowledge and soft skills to improve communication, accounting, planning, and time management.

**Commercial Skills** – Training will be offered to Managers, Project Managers, Owners, Administrative Specialty Staff, and Field Technicians. This training makes up the bulk of the curriculum. Training will include an emphasis in the latest Green Building programs and Title 24. Staff members require industry specific training to properly advise, test and rate buildings.

**Green Clean Skills** – Training will be offered to Project Managers, Field Technicians, Managers, and Owners. A large portion of E3's business comes from the Green building consulting and testing. Training will include an emphasis in the latest "Green" Building programs and how they relate to Title 24.

**Management Skills** – Training will be offered to Owners and Managers. Training will promote a higher level of business management.

**Computer Skills** – Training will be offered to all occupations as all staff members utilize software in their day-to-day duties. Training will focus on user consistencies and efficiencies while utilizing necessary software. E3 is currently considering multiple Sales Forecasting software options; however, a final decision has not yet been made.

### **Productive Lab**

Productive Laboratory (PL) trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training, and the trainer-to-trainee ratio will not exceed 1:1.

E3 will train six Field Technicians and Project Managers using the PL training delivery method to supplement lessons taught in Class/Lab and E-Learning training. Trainees who are new to the industry or who are receiving cross-training will accompany a seasoned journey-level staff member to the job site. Trainees will learn how to build blower door fans following program guidelines; conduct testing on the building's energy efficiencies and interpret the results; and survey based on CalGreen code compliance and Build-It-Green code compliance. PL training will not exceed 24 hours per trainee.

Production is expected to decrease during PL training as the subject matter expert will walk staff through the testing and compliance phases of their job duties. Trainers will observe, coach and mentor the trainee on all steps of the process. The trainer will sign off once the trainee has demonstrated the knowledge and skills necessary to complete these tasks on their own.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **PRIOR PROJECTS**

The following table summarizes performance by E3 under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0249	Sacramento	12/19/2012 – 12/18/2013	\$7,920	\$7,748 (98% )

**DELEGATION ORDER**

**Retrainee - Job Creation  
Training Proposal for:  
Evolution Fresh, Inc.**

**Agreement Number: ET16-0332**

**Approval Date:** December 29, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Paccarelli

**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Bernardino	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 16,000	U.S.: 115,000	Worldwide: 143,000
<u>Turnover Rate:</u>	15%		
<u>Managers/Supervisors:</u> (% of total trainees)	20%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$52,064		\$0	\$0		\$52,064

In-Kind Contribution:	100% of Total ETP Funding Required	\$61,264
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Continuous Imp., Literacy Skills, Mfg. Skills, PL-Mfg. Skills	102	8-200	0-7	\$432	\$15.07
				Weighted Avg: 24			
2	Retrainee Priority Rate Job Creation Initiative	Business Skills, Computer Skills, Continuous Imp., Literacy Skills, Mfg. Skills, PL-Mfg. Skills	10	8-200	0-7	\$800	* \$12.33
				Weighted Avg: 40			

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

**Minimum Wage by County:** \$15.07 in Job Number 1 and \$12.33 in Job Number 2 in San Bernardino County

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

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

Job Number 1: Up to \$3.00 per hour may be used to meet the Post-Retention Wage.

Job Number 2: Up to \$0.33 per hour may be used to meet the Post-Retention Wage.

Job 1 & 2 Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Production Worker		50 5
Sanitation Worker		10
Administrative Staff		8
Maintenance Worker		9
Distribution Staff		10
Quality Staff		8
Supervisor		6
Manager		6

**INTRODUCTION**

Founded in 1992, Evolution Fresh, Inc. (EFI) ([www.evolutionfresh.com](http://www.evolutionfresh.com)) manufactures premium fresh fruit and vegetable juices and smoothies using High Pressure Processing (HPP) also



known as cold pressure or Pascalization. EFI was acquired by Starbucks Corporation in 2011. Since Starbucks' acquisition of the brand, it has exceeded its aggressive growth plans and currently has products in more than 8,000 Starbucks locations, groceries and other EFI retailers. In 2013, the Company opened a new state-of-the art EFI juicer in Rancho Cucamonga that will quadruple the brand's production of cold-pressed, never-heated juice, featuring the most advanced technology including High Pressure Processing (HPP) machines. HPP is a method that utilizes a high level of isostatic pressure transmitted by water which delivers more of the flavors and nutrients of raw fruits and vegetables than traditional heat pasteurized juices. This maintains their natural flavor, color and nutritional value; and permits a longer shelf life than raw juices allowing more consumers access to high-quality cold-pressed and squeezed juice.

EFI's new \$70 million, 264,000 sq. ft. facility is one of the largest HPP juicers in the United States capable of sourcing, peeling, squeezing and pressing raw fruits and vegetables. It is expected to produce four times more than its original juicer. This Rancho Cucamonga facility will be the focus of the training in this proposal.

### **Retrainee - Job Creation**

The move to a larger facility has involved the introduction of new products, increase sales and anticipated growth. EFI needs to hire additional staff to support and successfully manage this growth and initiatives. As a result of the increased staffing needs, the Company is committed to hiring 10 new employees in this proposal (Job Number 2).

In support of job creation, the Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage. To be eligible for reimbursement, trainees must be hired within the three-month period prior to Panel approval or during the term of contract. These trainees will be hired into "net new jobs" as a condition of contract.

## **PROJECT DETAILS**

### **Training Plan**

This will be EFI's second ETP Agreement within the last five years. This new proposal will be a continuation of the training in the first ETP Agreement. However, this proposal will include some additional topics, expansion of initial topics, and new employees who did not participate in the first Agreement. EFI's primary goals are to run the new plant efficiently and to meet customer expectations. Many of the incumbents' job skills will change in line with the new equipment and plant layout. The Company must retrain all existing staff as well as the newly-hired employees to further its objectives.

**Manufacturing Skills (20%)** – Training will be offered to Production, Maintenance, Quality and Sanitation Workers to operate and maintain new equipment and incorporate new production processes into the workplace. EFI will provide extensive cross-training to maximize flexibility in the plant.

**Business Skills (20%)** – Training will be offered to Administrative Staff, Managers and Supervisors in order to understand new and updated business operations, improve customer service response time and quality, expand market outreach, and enhance communication skills. This training will be delivered as a class/lab and Computer Based-Training (CBT). CBT will serve as a supplement to the Business Skills class/lab training either as a prerequisite or as a follow-up to ensure trainee's competency in the subject matter. CBT is capped at 50% of the total training hours per trainee.

**Computer Skills** (15%) – Training will be offered to all occupations enabling them to use computer technology to add accuracy and efficiency to daily operations.

**Continuous Improvement** (40%) – Training will be offered to all occupations to teach staff to plan and control production, identify process problems and implement solutions, reduce waste, and assure product quality.

**Literacy Skills** (5%) - Training will be offered to Production Workers whose primary language is one other than English. Improved verbal and written communication skills will help trainees understand workplace terminology, follow written and verbal directions, and thus improve job performance.

### **Productive Laboratory**

The Panel recently adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum.

Productive Lab training of up to 40 hours will be delivered to approximately 74 newly-hired and incumbent Production, Sanitation, and Maintenance Workers on a variety of new juice processing equipment and machinery. Working directly on the production line has been deemed the most viable training method, since it is impossible to move machinery into a class/lab setting.

The trainer-to-trainee ratio for PL training will be 1:1. Trainers will demonstrate proper equipment usage and observe the trainee during the entire reported training time. The trainer will make corrections, as needed, and proceed to the next step in the process (“show, observe, correct, observe”). A list of PL Tasks and Competencies has been provided to ETP staff. Trainers will be experienced in the operation of each piece of equipment, will document trainees’ progress, and determine when a trainee is qualified to operate equipment independently. The trainer will be dedicated to training delivery during all hours of training and special attendance rosters will be used to assist in monitoring.

### **Commitment to Training**

EFI spends approximately \$100,000 annually on training California workers in food safety, good manufacturing practices, and basic job skills training using both class/lab and on-the-job methodologies. Training has been primarily for production associates.

ETP funding will allow EFI to bolster its training resources to reach a larger incumbent audience and cultivate a team of new workers to begin working and contributing the Company's objectives more quickly than would otherwise be possible.

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

### **RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0232*	Rancho Cucamonga	12/23/13 - 12/22/15	\$207,648	\$52,342 (25%)

\*ET14-0232: This Agreement ended on 12/22/15. Based on the ETP Systems, 2,831 reimbursable hours have been tracked for potential earnings of \$52,342 (25% of approved amount). However, no final payment has been submitted at this time. Contractor anticipates completion of 72 trainees which will be submitted in the Final Closeout Invoice. EFI has 30 days from the contract term end date to submit the Final Closeout Invoice. The new proposal has been right-sized to the potential earned amount.

EFI moved to its new facility in 2013 and the ETP contract started shortly thereafter. Due to the unanticipated needs of the business and change of facility, scheduling trainees to be off the production floor and away from their responsibilities was challenging. Consequently, the lack of availability of trainees affected the ETP training. In addition, there were many trainees who received training, but did not reach the required minimum of 24 hours, which also impacted its ability to successfully earn the contract amount.

To support the success in this proposal, a Senior Learning Specialist role has been created and is dedicated to scheduling training and administration of the ETP program. EFI is now settled in the new facility under Starbucks ownership. The Company has hired more new staff since the move, allowing coverage for those scheduled for training. This proposal will also have lower required minimum training hours per trainee (8 hours) which will assist in maximizing results for the Company.

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

To Be Determined

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

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Communication and Client Servicing
- Advanced Customer Relationships
- Business Operations and Procedures

**COMPUTER SKILLS**

- System Networking and Controls
- Microsoft Office (Intermediate and Advanced)

**CONTINUOUS IMPROVEMENT**

- Change Management
- Team Leadership & Goal Setting
- Lean Manufacturing / Six Sigma
- Total Productive Maintenance
- Distribution & Enterprises Resource Planning (DRP & ERP)
- Root Cause Analysis & Problem Solving
- Statistical Process Control (SPC)
- Leadership Skills for Frontline Workers

**LITERACY SKILLS**

- Vocational English as a Second Language (VESL)
  - Verbal Skills - Workplace Terminology
  - Writing Skills – Data Collection and Reporting

\* Literacy Training cannot exceed 45% of total training hours per-trainee

**MANUFACTURING SKILLS**

- Production Equipment Usage
- Maintenance Skills
- Food Safety
- Good Manufacturing Practices (GMP)

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

**Productive Lab Hours**

0-40

**PRODUCTIVE LAB (PL)- MANUFACTURING SKILLS (Ratio 1:1)**

- Production Equipment Usage
- Maintenance Skills

**CBT Hours**

0-7

**BUSINESS SKILLS**

- Email Protocol (50 min)
- Writing Effective Emails (50 min)
- Keys to Communicating by Telephone (30 min)
- Writing Techniques (30 min)
- Business Writing (50 min)
- Articulate the Attributes of Your Ideas (30 min)
- Be a Significant Meeting Member (30 min)
- Ensure Cross-Functional Coordination (30 min)
- Valuing Diversity in the Workplace (50 min)
- Change Management – Managing Change (50 min)

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

**DELEGATION ORDER**



**Retrainee - Job Creation  
Training Proposal for:  
Four Wheel Campers, Inc.**

**Small Business**

**ET16-0319**

**Approval Date:** December 30, 2015

**ETP Regional Office:** Sacramento

**Analyst:** M. Mazzone

**CONTRACTOR**

- Type of Industry: Manufacturing
  - Number of Full-Time Employees
    - California: 77
    - Worldwide: 77
    - Number to be trained: 63
  - Out-of-State Competition: NAICS Code Eligible
  - Special Employment Training (SET): ☐ Yes ☒ No
  - High Unemployment Area (HUA): ☐ Yes ☒ No
  - Turnover Rate: 19%
  - Repeat Contractor: ☒ Yes ☐ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☒ Yes ☐ No

**FUNDING**

- Requested Amount: \$63,804
- In-Kind Contribution: \$55,641

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100	Business Skills, Computer Skills, Cont. Impv., HazMat., Literacy Skills, Mgmt. Skills, Mfg. Skills, PL - Mfg. Skills	51	8-60	0-10	\$884	\$15.07
				Weighted Avg: 34			
2	Retrainee Job Creation Initiative Priority Rate SB<100	Business Skills, Computer Skills, Cont. Impv., HazMat., Literacy Skills, Mgmt. Skills, Mfg. Skills, PL - Mfg. Skills	12	8-60	0-10	\$1,560	*\$12.33
				Weighted Avg: 60			

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

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Yolo
- Occupations to be Trained: Production Staff, Sales Staff, Administrative Staff, Engineer, Manager, Owner
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$1.23 per hour Job #2: \$0.33 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**INTRODUCTION**

Founded in 1972, Four Wheel Campers, Inc. (Four Wheel Campers) manufactures light-weight pop-up campers. Since the current owners purchased the Company in 2001 business has grown steadily. Travel campers date back to the 1920's and are designed to provide comfort to adventurers with the flexibility to go wherever trucks could go. Although campers today are more developed and defined, the Company still builds the product to meet three original basic

criteria: lightweight, high durability and simplicity in use. The Company's campers are sold worldwide.

### **Need for Training**

This is the Company's second ETP Agreement. The previous contract (ET13-0368) focused training on Continuous Improvement in manufacturing processes. The prior training has been successful; however, Four Wheel Campers still has a need for the improvement of its manufacturing processes through Lean manufacturing. A portion of the Company's current training plans will expand on previous trainings. To meet Four Wheel Campers' goal of further improve production efficiencies and quality; staff will receive training in inventory control, process improvement, production scheduling, Kanban, total quality management and Lean manufacturing.

Training will also include front office staff and has designed a training plan to enhance marketing skills and financial strategies. Training will focus on how to reach younger customers through alternative marketing strategies. Approximately 80% of customers are baby boomers and Four Wheel Campers is looking to broaden its customer base to include younger customers.

Training goals include: cross-training of Production Staff to improve production and flexibility; training in a new Customer Relationship Management (CRM) Software program that will go live in the 2<sup>nd</sup> quarter 2016; and training on new machinery that was installed in the 3<sup>rd</sup> quarter of 2015 (Grizzly Band Saw, Drill Press, and Radial Arm Saw).

### **Retrainee - Job Creation**

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

In this proposal, Four Wheel Campers has committed to hiring 12 new employees (Job Number 2). Four Wheel Campers represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

On average, Four Wheel Campers sales increase roughly 25% per year and this year sales are up 21%. To support the increase in product demand, the Company will expand the production operations facility in Woodland. An additional 15,000 square foot area is being renovated and will be converted into the plumbing department. Four Wheel Campers expects the renovation of space to be completed and operational by the 4<sup>th</sup> quarter of 2016. The expansion will coincide with the onboarding of net new hires.

### **Training Plan**

Trainees will receive between 8-60 hours of Classroom/Laboratory, Productive Lab (PL), and/or Computer-based training (CBT). CBT will lay the foundation for courses and class/lab and PL training will expand on the lessons taught in CBT.

**Business Skills** – Training will be delivered to Managers, Owners, Sales and Administrative Staff to find ways to better market the Company. Sales staff will receive training on company product to better serve customers. Administrative and Sales Staff will receive customer service



training to improve interactions with customers. Training topics will include Marketing Skills, Financial Strategies, Product Knowledge, Customer Service Skills and Accounting Skills.

**Computer Skills** – Training will be delivered to all occupations except for Production Staff. Each staff member will receive training on the new CRM system as it relates to their job duties. Engineers will receive training in CAD and Solid Works software. Administrative Staff will receive training in Intermediate and Advanced Microsoft Office.

**Continuous Improvement** – Training will be delivered to Engineers, Managers, Owners, Production, Sales and Administrative Staff, to further develop internal processes. Four Wheel Campers has a need to further standardize work processes in the front office by instituting a Kanban system. Training will improve efficiencies and streamline workflow processes throughout the Company. Training topics include Total Quality Management, Production Scheduling, Production Operations/Workflow, Process Improvement, Inventory Control, Kanban and Lean Manufacturing.

**Literacy Skills** – Training will be provided to Production Staff whose native language is other than English. To perform production duties, staff must be able to comprehend directions and understand basic math calculations. Training topics will include Fractions and Comprehension.

**Management Skills** – Training will be delivered to Managers and Owners to further develop managerial skills. Managers will learn to promote increased production and quality in their staff's work. Training topics will include the following courses: Decision Making, Team Building, Coaching, Motivation and Supervisory Skills.

**Hazardous Materials** – Training will be delivered to Production Staff to ensure that hazardous materials are handled and disposed of properly. Training will include Completing Material Data Safety Sheets, Hazardous Materials Handling, Hazardous Materials Waste Clean-up, and Hazardous Materials Transportation and Storage.

**Manufacturing Skills** – Training will be delivered to Production Staff and includes cross-training to increase production and staff flexibility. Additionally, staff will receive training on new machinery recently been purchased. Training topics will include Assembly Procedures, Fabrication, Upholstery, Blueprint Reading, Machine Maintenance, Grizzly Band Saw, Chop Saw, Welding, Portable Band Saw and Drill Press.

## **Productive Lab**

The Panel recently adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training, and the trainer-to-trainee ratio will not exceed 1:1.

Four Wheel Campers will train 50 Production Staff via PL training delivery method to supplement lessons taught in class/lab training and CBT. Trainees new to the industry or receiving cross-training will train side-by-side with a journey level production worker. In PL training, trainees will learn how to operate equipment such as saws, drills, welders and compressors. Other tasks such as plumbing, electrical and siding installation will also be taught in a PL setting. Production is expected to decrease by 30-50% during PL training as coaching and training will be taking place.

Four Wheel Campers is requesting a waiver to the maximum allowable PL training hours per trainee to 60 hours. An estimated 30 Production Staff trainees may receive up to 60 hours of PL

training. This increase is justified as many trainees will be cross-trained in plumbing, electrical, welding, and in assembly job duties. Training in any of these job duties can range between 40 – 80 hours of on-the-job training.

Four Wheel Campers has developed a detailed PL curriculum that will be followed by subject matter experts who provide training. Trainers will observe, coach and mentor the trainee on all steps of the training topic's process.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0368	Woodland	05/10/13 – 05/09/15	\$68,510	\$68,510 (100%)

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

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Marketing Skills
- Financial Strategies
- Product Knowledge
- Customer Service Skills
- Accounting Skills

**COMPUTER SKILLS**

- CAD/Solid Works
- CRM Software
- Intermediate & Advanced Microsoft Office

**CONTINUOUS IMPROVEMENT**

- Total Quality Management
- Production Scheduling
- Production Operations/Workflow
- Process Improvement
- Inventory Control
- Kanban
- Toyota Production System – Lean Manufacturing

**HAZARDOUS MATERIALS**

- Hazardous Materials Handling
- Hazardous Materials Waste Cleaning
- Hazardous Materials Transportation and Storage
- Material Safety Data Sheets

**LITERACY SKILLS**

- Fractions
- Comprehension

**MANAGEMENT SKILLS** (Managers/Owners Only)

- Decision Making
- Team Building
- Coaching
- Motivation
- Supervisory Skills

**MANUFACTURING SKILLS**

- Production Operation
- Assembly Procedures
- Fabrication
- Upholstery
- Manufacturing Practices
- Cross-Training in Production Equipment

- Lock Out/Tag Out
- Measuring
- Blue Print Reading
- Machine Safety
- Machine Maintenance
- Machine Diagnosis Repairs
- Grizzly Band Saw
- Belt Sander
- Bench Grinder
- Chop Saw
- Drill Press
- Pneumatic Nail and Staple Gun
- Portable Band Saw
- Radial Arm Saw
- Shears
- Table Router
- Taping Table
- Welding
- Metal Mulcher
- HMT Machine
- Compressors

Literacy Training cannot exceed 45% of total training hours per-trainee  
Safety Training cannot exceed 10% of total training hours per-trainee

### **Productive Lab Hours**

0-60

#### **MANUFACTURING SKILLS** (1:1 Ratio)

- Setting-Up Welding Jigs
- Assembly of Floor Packs
- MIG Welding
- TIG Welding
- Taping Table
- Assembling Cabinetry
- Batching for Woodshop
- Running Electrical Wires Through Frame of Camper
- Camper Wall Installation
- Insulation Installation
- Skin Installation
- Cabinet Installation
- Gas Box Installation
- Roof Liner Installation
- Roof Preparation for Insulation and Skin Installation
- Folding Panels Production
- Folding Panels Roof Installation
- Prep and Test all Camper Appliances
- Create Wire Bundle

- Cut and Prep Water Lines
- Water Line Installation
- Propane Line Installation
- Connect All Electrical Lines
- Cab Front Installation
- Trim Installation (Top and Bottom)
- Camper Roof Installation
- Liner Installation
- Seating Area Preparation
- Build Seating Area in Camper
- Create Liner
- Cut & Sew Cushions and Curtains
- Cut & Sew Thermal Pack
- Cut & Sew Rear Awnings
- Accessories Installation (Curtains, Mirrors, Tracks, etc.)
- Clean-Up of Camper Interior and Exterior after Build
- Quality Check of Build
- Appliance Test
- Measuring
- Troubleshooting – Repair List Creation

**CBT Hours**

0-10

**COMPUTER SKILLS**

- CRM for Managers and Administrative Staff (10 hours)
- CRM for Sales Staff (6 hours)

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

DELEGATION ORDER



**Retrainee - Job Creation  
Training Proposal for:  
Green Commuter, Inc.**

**Small Business**

**ET16-0301**

**Approval Date:** December 14, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Reeves

**CONTRACTOR**

- Type of Industry: Services  
Green Technology  
Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees  
California: 4  
Worldwide: 5  
Number to be trained: 11  
Owner ☒ Yes ☐ No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): ☒ Yes ☐ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 0%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$11,440
- In-Kind Contribution: \$13,254

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SET SB <100 Priority Rate	Business Skills, Commercial Skills, Computer Skills	5	8-60	0	\$1,040	\$21.00
				Weighted Avg: 40			
2	Retrainee SET SB <100 Job Creation Initiative Priority Rate	Business Skills, Commercial Skills, Computer Skills	6	8-60	0	\$1,040	\$15.00
				Weighted Avg: 40			

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Los Angeles
- Occupations to be Trained: Chief Executive Officer, Chief Technology Officer, Business Development Staff, Infrastructure Staff, Project/Operations Manager, Transportation Staff, Customer Assistance Staff, Research and Development Staff, Owner
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: N/A

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

Green Commuter, Inc. (Green Commuter) is a privately held corporation that has created an innovative mobility system (vanpool and car sharing service) using zero emission electric vehicles. The Company's system will primarily reach urban and suburban commuters, students and university staff, and workers at large employment centers. Green Commuter believes it will offer one of the most comprehensive programs to reduce greenhouse gas emissions and traffic congestion, while also reducing commuter costs.

Green Commuter is a start-up company preparing for full implementation of services. Over the past year, the Company initiated software and website development and programming; research and business development; partnership and client acquisition, and legal structuring.

The Company is targeting a launch date of mid-February 2016, and is currently in discussions with Tesla regarding specific vehicle delivery. In addition, the Company is working to get electric vehicle (EV) charging infrastructure in place throughout Los Angeles County to support the program.

To facilitate a successful launch, Green Commuter must provide extensive training to new and incumbent employees. Key areas of training will include transportation coordination, customer service, marketing, infrastructure management, research and development, EV maintenance, and computer software skills.

### **Retrainee - Job Creation**

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

In this proposal, Green Commuter has committed to hiring a total of seven new employees (Job Number 2). According to the Company, there is currently no all-electric vanpool or car share company in the nation, making Green Commuter's system the first of its kind.

Therefore, as services are introduced, the Company anticipates that demand will grow. At present, payroll has only been reported for the initial four employees (fourth quarter FY 2014/15). The new hires identified in this proposal are staff needed to launch and support Green Commuter's entrance into the market. While the plan is to initially launch service in Los Angeles County, the Company's goal is to expand to other metropolitan areas throughout California, thus creating the opportunity for additional staffing.

Green Commuter represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

### **Training Plan**

**Business Skills** – Training will be offered to all occupations. Training will focus on customer service, vehicle acquisition, budgeting and forecasting, marketing, sales and expansion planning.

**Commercial Skills** – Training will be offered to Transportation, Infrastructure and Customer Assistance Staff. This training will equip employees with general EV maintenance knowledge and the ability to assist in the case of accidents/incidents, vehicle recharging, car repair and loaner vehicle deployment.

**Computer Skills** – Training will be offered to all occupations. Employees will learn how to use various customer service and transportation-related software applications, utilize database tools to manage customer and vehicle data, and market the business using the internet and popular social media platforms.



**Special Employment Training/Wage Modification**

Under SET, the participating employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention period. Trainees employed in a Priority Industry qualify for a SET wage modification up to 25% below the statewide average hourly wage. The Company requests a wage modification from \$27.40 to \$21.00 per hour for trainees in Job Number 1.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DELEGATION ORDER**



**Retrainee - Job Creation  
Training Proposal for:  
Hero Nutritionals, LLC**

**Small Business**

**ET16-0309**

**Approval Date:** December 18, 2015

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

**CONTRACTOR**

- Type of Industry: Manufacturing
  - Number of Full-Time Employees
    - California: 39
    - Worldwide: 39
    - Number to be trained: 39
  - Out-of-State Competition: Competitors Outside CA Customers outside CA
  - Special Employment Training (SET): ☐ Yes ☒ No
  - High Unemployment Area (HUA): ☐ Yes ☒ No
  - Turnover Rate: 13%
  - Repeat Contractor: ☐ Yes ☒ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$21,580
- In-Kind Contribution: \$20,922

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100	Business Skills, Computer Skills, Continuous Improvement, Literacy Skills, Manufacturing Skills, PL Manufacturing Skills, OSHA 10/30	29	8-60	0	\$520	\$16.02
				Weighted Avg: 20			
2	Retrainee Job Creation Initiative SB<100 Priority Rate	Business Skills, Computer Skills, Continuous Improvement, Literacy Skills, Manufacturing Skills, PL Manufacturing Skills, OSHA 10/30	10	8-60	0	\$650	\$13.35
				Weighted Avg: 25			

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Administrative/Accounting Staff, Manufacturing/Production Staff, Sales Reps, Marketing Staff, Quality Staff, Regulatory & Food Science Staff, Manager,
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$2.52 per hour Job #2: \$3.35 per hour

**SUBCONTRACTORS**

- Development Services: California Manufacturing Technology Consulting (CMTC) in Torrance, CA assisted in project development at no cost.
- Administrative Services: CMTC will provide project administration services for a fee not to exceed 13% of earned ETP Funds.
- Training Vendors: To Be Determined

## **OVERVIEW**

Hero Nutritionals, LLC (Hero) ([www.heronutritionals.com](http://www.heronutritionals.com)) formulates, markets, and distributes a wide variety of vitamins, minerals and nutritional supplements for children and adults. The Company began in 1997 when it launched Yummi Bears®, the first children's multi-vitamin and mineral supplement formulated in a gummy delivery system. These supplements are also free of artificial colors, flavors, preservatives or sweeteners. Hero's products are allergen, gluten and dairy free.

Hero's scientific research team develops the formulation for each of its nutritional supplements which is then sent to a contract manufacturer. Once the supplements are produced, they are shipped to Hero for packaging and distribution.

As part of its strategic plan to increase business segmentation and market shares, Hero has decided to bring product manufacturing in-house and transition to a full manufacturing facility during the next 12 months. Approximately 20% of its products are now being manufactured in-house. Hero plans to increase production to two shifts when the current production personnel have acquired the necessary manufacturing skill sets.

Delivering the skills necessary to move to a high performance workplace will support the shift to in-house manufacturing. A planned software update to the Company's current ERP system is scheduled for the second year of the proposed ETP Agreement which will support the manufacturing segment of the business.

### **Retrainee - Job Creation**

In support of the shift to manufacturing in-house, Hero will hire 12 new employees of which 10 are included in the proposed ETP Agreement (8 Production Staff, 1 Manager, and 1 Administrative Support). These new workers will be hired within the three month period prior to Panel approval or during the term of the contract. The Company represents that these trainees will be hired into "net new jobs" as a condition of contract.

### **Temporary to Permanent Employees**

The Company estimates that at least six of the Production Staff trainees in Job Number 2 (Job Creation) will fall under the Panel guidelines for "temporary to permanent" employment. Hero will retain these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training.

These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after they have been hired. [Note: Because Hero only recently brought its manufacturing in-house, there is no historical data on the length of time these workers will remain temporary before converting to full-time permanent status.]

### **Training Plan**

With the assistance of ETP-funded training, Hero will be able to deliver formal, structured training by a combination of in-house subject matter experts and outside training vendors.

**Business Skills** – Training will be provided to all occupations as it relates to individual job functions in the areas of customer service, sales and marketing, communication, and product

knowledge. Administrative support and accounting staff will receive training in financial analysis and accounting skills. These skill sets will give employees the acumen to effectively implement customer solutions to increase customer satisfaction.

**Computer Skills** – Administrative support, Regulatory & Food Science Staff, Quality Staff and Sales/Marketing personnel will receive training in Database Management skills needed to perform job functions, generate reports and manage customer relationships. Microsoft Office Suite training will be offered to all trainees as it relates to individual job functions. The revision to the MAS-90 ERP system is scheduled for the second year of training and will streamline processes and improve internal and external customer responsiveness. Computer Skills training will be delivered through a combination of class/lab and e-learning.

**Continuous Improvement** - All occupations will receive training in a variety of continuous improvement topics needed to improve processes and successfully integrate manufacturing at the facility. Training in Team Building, Leadership, quality concepts and process improvement will help workers standardize processes, control quality and improve efficiencies. Team Building and Decision Making will lead to improved operations and promote enhanced interactions with both internal and external customers.

**Literacy Skills** – Vocational English as a Second Language training will be delivered to selected Manufacturing/Production Staff. Training will focus on building job-specific communication skills and improving technical competencies

**Manufacturing Skills** – Production Personnel and select Managers will receive training in new equipment operations, maintenance and troubleshooting. Standard operating procedures will be developed and applied to each piece of equipment. Good Manufacturing Practices will reduce waste, improve quality, and lengthen the life of the equipment. Regulatory and Food Science Staff will also receive training in Safe Quality Food 2000 (SQF 2000) and Hazardous Analysis and Critical Control Points (HACCP). SQF 2000 is an internationally recognized system that provides verifiable assurance that the Company's products have been produced in accordance with all SQF standards. HACCP is a food safety management system that achieves its function through the analysis and control of biological, chemical, and physical hazards from raw material production, procurement and handling to manufacturing and distribution of the finished product.

### **Certified Safety Training**

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

### **Productive Lab (PL) Manufacturing Skills**

PL-Manufacturing Skills will be offered to 10 incumbent and 10 newly-hired Production Staff. Tasks will focus on machine set-up, operation, maintenance & troubleshooting. The trainers are in-house subject matter experts who are exclusively dedicated to instruction for the entire reported PL training time. Hero has provided ETP staff with a list of tasks and competencies to substantiate the PL hours proposed for ETP funding.

PL trainers will be qualified to instruct and deliver the course content and material. Trainers will demonstrate specific set-up, operation, documentation, and inspection processes for each piece of machinery. They will observe trainees, correcting for errors, and ensure that safe and correct

techniques are used. Trainers will document all training daily. Trainers will certify trainees on the aforementioned tasks once the trainees are deemed competent. At the conclusion of PL, trainees will be competent in the various production processes and techniques included in the PL curriculum; and will be able to meet minimum productivity standards.

The Company anticipates production will be lower during PL as trainees will not be expected to produce at the same output level in order to focus on product quality. PL will allow trainees to acquire the skills sets needed to become competent in the operation of the machinery without the pressure of normal production requirements. PL will be delivered in a 1:1 trainer-to-trainee ratio and trainees will receive up to a maximum of 24 PL hours in manufacturing processes detailed in the curriculum.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

## DELEGATION ORDER



### Training Proposal for: Inspec Testing, Inc.

#### Small Business

**ET16-0312**

**Approval Date:** December 18, 2015

**ETP Regional Office:** San Diego

**Analyst:** M. Ray

#### **CONTRACTOR**

- Type of Industry: Services  
Technology/Other  
Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees  
California: 28  
Worldwide: 49  
Number to be trained: 28  
Owner ☒ Yes ☐ No
- Out-of-State Competition: Other: Company engaged within an industry identified by the Panel to be facing out-of-state competition
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 5%
- Repeat Contractor: ☒ Yes ☐ No

#### **FUNDING**

- Requested Amount: \$40,768
- In-Kind Contribution: \$46,800

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100	Business Skills, Computer Skills, Continuous Improvement, Commercial Skills, OSHA 10, OSHA 30, PL - Commercial Skills	28	8 - 200	0	\$1,456	\$15.93
				Weighted Avg: 56			

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): San Diego
- Occupations to be Trained: Administrative Support, Inspector, Manager/Supervisor, and Owner
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$0.93 per hour

**SUBCONTRACTORS**

- Development Services: Bright Training Solutions (BTS) in San Diego will develop the project for a flat fee of \$3,000.
- Administrative Services: BTS will also assist with administrative services for a fee not to exceed 10% of earned funds.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 1996 and headquartered in National City, Inspec Testing, Inc. (Inspec Testing) ([www.InspecTesting.com](http://www.InspecTesting.com)) is a minority-owned small business that provides nondestructive and destructive testing as well as inspection analysis for both public and private organizations in the construction, fabrication, manufacturing, and maritime industries. Non-destructive testing uses a wide range of measurement analysis techniques to evaluate the properties of materials, components and/or systems without causing permanent damage or deformation. In contrast, destructive testing determines service life and detects design weaknesses by prolonged endurance tests under the most severe operating conditions, continued until the product fails.

Inspec Testing's customer base includes ship repair and ship building companies such as BAE Systems San Diego Ship Repair, General Dynamics NASSCO, and Continental Maritime; as well as SeaWorld, the San Diego Court House, General Atomics, San Diego Gas & Electric (SDGE), and National Aeronautics and Space Administration.



This will be the second Agreement between Inspec Testing and ETP. In its previous ETP Agreement, the Company was able to provide its workers with various Business, Commercial, Computer, and Continuous Improvement Skills. However, training was interrupted due to business growth. In this proposal, the training need is heavily driven by the Company's significant growth in the last year as well as projected expansion in the next two years.

In order to support this long-term business goal, Inspec Testing will focus on increasing the number of skilled workers. The Company must not only train new employees with basic skills, but also cross-train existing workers to successfully perform job duties and possibly promote to a higher-level position.

In addition to developing a succession plan for its workforce, the Company is committed to implement process improvement initiatives. Inspec Testing plans to develop internal quality checkpoints to ensure high quality services while remaining in compliance with increased specifications and new regulations from its military and general client base. Further, the Company plans to implement a new Ultrasonic System in order to keep pace with specific testing techniques required by individual customers.

## **Training Plan**

Some curriculum topics in this proposal are repeated from the prior agreement; however, Inspec Testing ensures that the subject matter has been updated and/or improved; thus there will be no duplication of training in any courses. For example, more experienced workers will require a higher level of training.

Inspec Testing designed the curriculum to enhance the training plan established in its prior Agreement. Training will begin upon approval of this proposal, and will be delivered at the San Diego location. Training will be delivered via the following Class/Lab and Productive Laboratory training:

**Business Skills** – Training will be offered to all occupations. A significant amount of leadership skills training will be provided to Managers/Supervisor and Owners in order to develop leadership and team skills to successfully facilitate change and to coach the workforce in new skills and behaviors. Communication skills training will allow trainees to improve interaction with customers, suppliers, and other employees within the department to reduce mistakes and enhance business relationship.

**Commercial Skills** – Training will be offered to Inspectors and Managers/Supervisors. Training will focus on the science of inspection equipment, processes, and techniques and will include inspection techniques using radar, liquid penetration, magnetics, radiology, ultrasonic, and blue print readings. Comprehensive Inspection/Testing training will provide Inspectors the skills to not only strengthen employee advancement opportunities but also meet increased industry and customer demands.

**Computer Skills** – Training will be offered to all occupations as it pertains to their job duties. Training topics such as Microsoft Office, SAGE, Ultrasonic System, and AutoCAD will allow trainees to fully utilize the capabilities of the Company's computer software and streamline processes within the department.

**Continuous Improvement** – Training will be offered to all occupations. Course topics include Lean Manufacturing Concepts, Process Improvement, Team Building, Quality Concepts, and Problem Solving/Decision-Making Skills. Training will provide workers with skills necessary to

improve customer outreach and relationship development as well as promote a supportive management structure.

### **Certified Safety Training**

**OSHA 10/30** – This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom training for entry level workers and 30 hours for journey-level workers, Managers/Supervisors, and owners. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

### **Productive Laboratory – Commercial Skills**

The Panel has adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training, in the courses identified under the Curriculum. The instructor will be dedicated to training delivery during all hours of training, and special attendance rosters will be used to assist in monitoring.

In this proposal, Inspec Testing requests PL training for 21 Inspectors (all levels) in Commercial Skills, specifically, course topics in Inspection Skills such as Ground Penetrating Radar, Liquid Penetrant, Radiology, Ultrasonic, Visual Inspection, Eddy Current, and X-Ray Fluorescence Technology. Trainees may receive all their training hours in PL-Commercial Skills (up to 16 hours) or a combination of class/lab including PL hours. Training will be specific to the type of equipment and/or process to ensure trainees receive a broader understanding of the entire inspection/testing process. [Note: PL was not a delivery method in the prior Agreement.]

PL trainers will complete the Train-the-Trainer program in order to be qualified, skilled, subject-matter experts, and/or machine-certified to instruct and deliver the course content and material. Trainers are responsible for specifying scope of work; explaining process; verifying that trainees understand instructions, standards, and specifications; as well as provide coaching, mentoring, and critiquing trainees as work is performed.

The trainer-to-trainee ratio for PL training will be 1:1. The Company anticipates production will be 25 to 35% lower during PL to focus on quality of product, ensure that the task has been performed correctly, and trainees understand the process and become proficient in the specified task. This will allow trainees to acquire the skills to become competent in the operation of the equipment without the pressure of normal production expectations.

### **Modifications**

#### **Increase in Range of Hours**

In its prior project, Inspec Testing requested an increase in the maximum hours from 60 to 142 for incumbents and from 60 to 102 for Job Creation trainees in order to capture the most critical training needed for Inspectors. Despite the interruption in training delivery, the Company was able to provide more than 200 training hours for many Inspectors.

The Company is once again asking to increase the maximum hours for its Inspectors, in keeping with its “succession plan” for this key element of its workforce. This plan is designed to promote Inspectors through three classified levels. Newly-hired Inspectors need a minimum of 80 hours of training during the first two weeks of employment to reach the Inspector 1 level,

followed by an additional 22 hours of on-the-job training. Going from Inspector 2 to Inspector 3 requires between 80-102 training hours.

These trainees will need advanced skills training in various Inspection/Testing Skills (Commercial Skills). At the completion of training, some Inspector 2 trainees may qualify for a Certified Welding Inspector certificate through the American Welding Society. Certification will enable these Inspectors to work on government public works projects.

Although the standard range of hours for Small Business is 8-60 hours, Inspec Testing requests an increase in the maximum hours from 60 to 200 to capture the aforementioned critical training needed for Inspectors (89% of the training population).

### **Contract Term**

Although the standard term of contract for a Small Business is 12 months, Inspec Testing requests an additional 12 months to accommodate Inspectors to reach required proficiency levels.

### **RECOMMENDATION**

Staff recommends approval of this proposal, including the modifications outlined above.

### **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0354	National City	4/8/13 – 4/7/15	\$76,960	\$42,172 (55%)

According to Inspec Testing, the primary factor behind this level of performance was the overwhelming growth experienced during the term of this Agreement. The Company's workforce resources were sent from San Diego to Norfolk, VA to support initial start-up of a new location. The remaining Inspectors in San Diego were working substantial overtime to meet customer demands; and were unable to participate in all of the training as scheduled.

In addition, the Company's in-house administrative Staff did not adequately document delivery of ETP-funded training hours. Consequently, although training was provided, the Company achieved lower than expected training performance.

Inspec Testing has since refocused on business processes in both locations. In addition, the Company has adopted a step-by-step administrative process as follows:

- Additional staff have been assigned, including a new Training Manager. The Training Manager will be responsible for managing overall administration and coordinating with the third-party subcontractor; and
- Attendance rosters and other ETP-related records will be readily accessible to all trainers and Managers/Supervisors; and
- ETP training and ensuring that ETP-eligible training will be clearly linked to the Company's strategic goals.

Furthermore, the current proposal has been right-sized to \$40,768 in keeping with prior earnings.

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

8 - 200      Trainees may receive any of the following:

#### **BUSINESS SKILLS**

- Leadership
  - Leadership for Results
  - Motivation
  - Coaching and Counseling
  - Business Writing
  - Leading Change
  - Empowerment and Delegation
  - Managing Meetings
  - Critical Thinking
- Communication
  - Customer Service
  - Listening
  - Questioning
  - Clarifying
  - Non-Defensive Communication
  - Candor
  - Persuasion Skills
  - Giving and Receiving Feedback

#### **COMMERCIAL SKILLS**

- Technical Math Skills
- Blue Print Reading
- Technical Report Writing
- Inspection/Testing Skills
- Ground Penetrating Radar I & II
- Liquid Penetrant I & II
- Radiological I
- Ultrasonic – Phased Array
- Ultrasonic – Time of Flight Diffraction
- Visual Inspection I & II
- Destructive Skills
- Eddy Current
- X-Ray Fluorescence (XRF) Technology
- Magnetic Particle

#### **COMPUTER SKILLS**

- Microsoft Office
  - Word
  - Excel
  - Outlook
  - PowerPoint
  - Access
- SAGE - Enterprise Resource Planning Software (ERP)
- Ultrasonic System
- Auto CAD (Computer-Aided Design)

**CONTINUOUS IMPROVEMENT**

- Lean Manufacturing Concepts
- Process Improvement
- Team Building
- Train-The-Trainer
- Problem Solving/Decision-Making Skills
- Quality Concepts

**OSHA 10 (Certified OSHA Instructor)**

- OSHA 10 (requires 10 hours completion)

**OSHA 30 (Certified OSHA Instructor)**

- OSHA 30 (requires 30 hours completion)

Safety Training will be limited to 10% of total training hours, per-trainee. This cap does not apply to OSHA 10/30.

**Productive Lab Hours**

0 – 16

**COMMERCIAL SKILLS (1:1 ratio)**

- Inspection Skills
  - Ground Penetrating Radar I & II
  - Liquid Penetrant I & II
  - Radiological I
  - Ultrasonic – Phased Array
  - Ultrasonic – Time of Flight Diffraction
  - Visual Inspection I & II
  - Eddy Current
  - X-Ray Fluorescence (XRF) Technology

Note: Reimbursement for retraining is capped at 200 total hours, per-trainee, regardless of method of delivery. PL is capped at 16 hours per-trainee.

**DELEGATION ORDER**



**Retrainee - Job Creation  
Training Proposal for:  
KRC Safety Co., Inc.**

**Small Business**

**ET16-0305**

**Approval Date:** December 29, 2015

**ETP Regional Office:** Sacramento

**Analyst:** M. Jones

**CONTRACTOR**

- Type of Industry: Manufacturing  
Services  
Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees  
California: 95  
Worldwide: 95  
Number to be trained: 83  
Owner ☐ Yes ☒ No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): ☒ Yes ☐ No
- High Unemployment Area (HUA): ☒ Yes ☐ No
- Turnover Rate: 5%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$54,510
- In-Kind Contribution: \$65,000

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee HUA SET SB <100	Business Skills, Commercial Skills, Computer Skills, Continous Improvement	69	8-60	0	\$616	\$15.07
				Weighted Avg: 28			
2	Retrainee HUA Priority SB<100	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement, Mfg. Skills	7	8-60	0	\$832	\$15.07
				Weighted Avg: 32			
3	Retrainee SET SB<100	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement	2	8-60	0	\$616	\$27.40
				Weighted Avg: 28			
4	Job Creation Initiative HUA SET SB<100	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement	5	8-60	0	\$1,040	\$14.00
				Weighted Avg: 45			

- Reimbursement Rate: Job #'s1, 3 & 4: \$22 SB Non-Priority  
Job #2: \$26 SB Priority
- County(ies): Tulare and Los Angeles
- Occupations to be Trained: Administrative Staff, Field Crew, Mechanic, Transportation Staff, Frontline Supervisor, Frontline Manager, Graphics Staff
- Union Representation: ☒ Yes Laborers Local 294  
☐ No
- Health Benefits: Job #1 & 2: \$0.07 per hour Job #3: \$2.65 per hour

**SUBCONTRACTORS**

- Development Services: Strategic Business Solutions, LLC of Visalia developed the proposal for a flat fee of \$3,500.
- Administrative Services: Strategic Business Solutions, LLC will also provide administration for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

## **OVERVIEW**

KRC Safety Co., Inc. (<http://krcsafety.com/wordpress>) (KRC) was established in 1978 in Visalia, which serves as its Corporate Headquarters, with a second location in Los Angeles. KRC provides traffic control plans and equipment such as concrete barriers, lighted barricades, and electronic signboards. The Company also manufactures traffic, street, and construction signage and provides K-Rail sales and rentals, along with other related rentals. KRC's primary customers are commercial contractors and municipalities such as California Department of Transportation (Cal Trans).

The Company has two divisions; KRC Safety, and KRC Graphics.

- KRC Safety provides services (e.g. sales and rental) in Visalia and Los Angeles. This is a non-priority industry.
- KRC Graphics is a design, print and manufacturing operation located in the Visalia facility. Only seven trainees perform manufacturing functions. These functions have Out of State Competition and qualify for Priority Industry status (see Job #2).
  - The product line includes vehicle sign wraps, vinyl decals, window graphics, signs, banners, posters and business cards.

Only the manufacturing functions, identified above, face Out of State Competition. The Company's other operations are eligible for funding under Special Employment Training.

## **Need for Training**

In order to remain competitive and keep up with industry demands, KRC must introduce a more efficient business operation and enhance its customer's experience including account development and project management. KRC also has a Business Skills and Soft Skills training plan for all staff which will train on such topics as Total Account Strategies and Advanced Customer Service Skills.

KRC has developed a training plan to train the Field Crew in Traffic Flow Planning and set-up to meet customer demands and expectations. The Traffic Flow Planning training is to teach acceptable methods of set-up and control of traffic flow, onsite supervision of road construction projects from a traffic flow standpoint, and signage per National Highway Safety and Cal Trans requirements. In conjunction with the Traffic Flow Planning training, KRC purchased Rapid Plan Software in October 2015. This training will train staff on the use and application of this software in the planning of various traffic control solutions.

KRC Graphic's training plan will focus on Manufacturing Skills training for the Production Staff and Production Supervisor. The staff already possesses basic skills in this area, but will need to broaden those skills to increase the number of products produced in an economical and efficient manner.

## **Retrainee – Job Creation**

With the 2013 American Recovery and Reinvestment Act, many municipalities and commercial construction companies received monies to meet traffic control requirements for capital improvement projects. The Recovery Act and subsequent jobs measures contained a large number of provisions that were aimed at strengthening long-run growth, providing for substantial investment in areas such as physical and technological infrastructure, education and job training, scientific research, and clean energy. For example, the Recovery Act initiated more



than 15,000 transportation projects, which will improve nearly 42,000 miles of road, mend or replace over 2,700 bridges, and provide funds for over 12,220 transit vehicles.

Due to an increased demand for traffic control equipment, crews and signage, sold and manufactured at KRC, the Company must hire additional staff to meet this demand.

In light of the increased customer demand, KRC is expanding services, and has purchased five specialty trucks for traffic control, and two cranes for the K-Rail placement. In addition, the Company must hire additional staff to help with the business growth and current workload. As such, KRC has committed to hiring five new employees to perform services in Visalia (Job Number 4). The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into “net new jobs” as a condition of contract.

The Panel is offering incentives to companies that commit to hiring new employees. Training will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

## Training Plan

**Business Skills** – Training will be offered to all occupations to enhance the interests of the organization and its goals. Frontline Managers, Supervisors and Administrative Staff will receive training to provide time management skills, improve workflow, and increase profits and market share. Training topics will include Handling Special Orders, Materials Staging and Project Communications.

**Commercial Skills** – Training will be offered to all occupations to emphasize safe operation, proficiency of use, handling and preventative maintenance on equipment, knowledge of traffic control patterns. Graphic Design Staff and Supervisors will attain increased knowledge on set-up, design and programming of the equipment and machines. Training topics will include Computer Assisted Machinery Programming/Operation, Hoist/Crane Training, Traffic Flow Planning and Set-Up, and Safe Loading, Unloading and Transport of Materials.

**Manufacturing Skills** – Training will be offered to Graphic Design Staff to gain expertise in printing and fabrication functions and the technical application of wraps. Training topic will be Sign/Wrap Production Best Practices.

**Continuous Improvement** – Training will be offered to Leads, Supervisors and Frontline Managers to strengthen motivation skills, build consensus, and create a productive team atmosphere. Training topics will include Leadership, Teambuilding, Lean Processes, and Materials Handling Equipment training.

**Computer Skills** - Training will be offered to all occupations to expand knowledge and advance skills in software used throughout the Company. This will allow staff to be more efficient in software such as Sunburst software used for payroll, overtime tracking, prevailing wage tracking which is integrated with Quickbooks to provide a synergy between office operations and data gathering for management reports. The Service Plan software training supports the Company's fleet with a detailed service and repair, and maintenance schedule. Training topics will include Intuit, Rapid Plan Software and CAD software.

## SET/HUA

Under Special Employment Training (SET), the participating employer is not required to demonstrate out-of-state competition, as is the case in Job Numbers 1, 3, and 4 in this proposal. To qualify under SET, trainees must be earning at least the statewide average hourly wage at

the end of the retention period, (SET Wage), although there is a wage modification for HUA as discussed below. All trainees under SET must be frontline workers.

### **SET/HUA Wage Modification**

The 81 trainees in Job Numbers 1, 2 and 4 work in a High Unemployment Area (HUA) with unemployment exceeding the state average at least 25%. The determination of HUA status is based on unemployment data from the Labor Market Information Division of the Employment Development Department.

In an HUA, all trainees are eligible for the ETP Minimum Wage of \$15.07 per hour rather than the SET Wage, and KRC is asking for this modification in Job Numbers 1 & 2. However, the occupations to be trained under Job Number 3 all earn at least the SET Wage of \$27.40 per hour. As such, KRC is not asking for a wage modification for Job Number 3.

The Job Creation trainees in Job Number 4 are eligible for the HUA New Hire wage of \$14.00 per hour, but KRC is not requesting wage modification.

### **RECOMMENDATION**

Staff recommends approval of this proposal, with the modifications shown above.

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

8 - 60      Trainees may receive any of the following:

**BUSINESS SKILLS**

- Account Development
  - Advanced Customer Service Skills
  - Total Account Strategies
  - Purchasing Best Practices
  - Handling Special Orders
  - Conflict Resolution
- Project Management
  - Scheduling
  - Materials Staging
  - Purchasing
  - Project Communications
  - Time Management
  - Equipment Procurement
  - Worksite Safety

**COMMERCIAL SKILLS**

- Safe Loading, Unloading and Transport of Materials
- Traffic Flow Planning and Set-Up
- Hoist/Crane Training
- Computer Assisted Machinery Programming/Operations
- Sign/Wrap Mounting and Placement Training

**COMPUTER SKILLS**

- Quickbooks
- Intuit
- Sunburst Software
- Microsoft Office (intermediate/advanced)
- The Service Plan Software
- Rapid Plan Software
- CAD Software

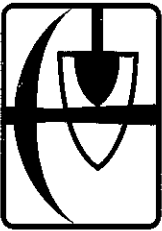
**CONTINUOUS IMPROVEMENT**

- Leadership
- Teambuilding
- Lean Processes
- Material Handling Equipment

**MANUFACTURING SKILLS**

- Sign/Wrap Production Best Practices

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



## Laborers Training and Retraining Trust Fund for Northern California

1001 Westside Drive • San Ramon, CA 94583-4098

Phone: 925.828.2513 • Fax: 925.828.6142

Email: [training@norcalaborers.org](mailto:training@norcalaborers.org) • Website: [www.norcalaborers.org](http://www.norcalaborers.org)

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***Commitment • Integrity • Quality • Teamwork • Balance***

September 4, 2015

The Application Review Unit  
Employment Training Panel  
1100 J Street, 4<sup>th</sup> FL  
Sacramento, CA 95814

RE: ETP Training Program

On behalf of the Northern California Laborers Training Center and Laborers Local 294, I am writing this letter to express strong support for the grant application prepared by KRC Safety for professional and job skills training that will be provided to our members employed by KRC Safety.

Our members are dispatched with a level of training that allows them to explore many opportunities within the construction industry but the grant funds from the Employment Training Panel (ETP) will bring additional training that KRC Safety can provide to our members working in their facility(s). The nature of their work and unique job site challenges requires a level of training and development that these grant funds will provide.

As the KRC Safety continues to develop its employees, it makes us all more competitive while providing our members with the evolving job skills necessary to remain safe and productive.

Respectfully,

Leonard Gonzales  
Executive Director

## DELEGATION ORDER



### Training Proposal for:

## Lam Research Corporation

**Agreement Number: ET16-0304**

**Approval Date:** December 11, 2015

**ETP Regional Office:** San Francisco Bay Area

**Analyst:** C. Hoover

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing Technology/Other  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Alameda, Santa Clara	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 2,459	U.S.: 4,046	Worldwide: 6,922
<u>Turnover Rate:</u>	5%		
<u>Managers/Supervisors:</u> (% of total trainees)	10%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$48,816		\$0	\$0		\$48,816

In-Kind Contribution:	100% of Total ETP Funding Required	\$124,200
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Cont. Imp., Computer Skills	113	8-200	0	\$432	\$24.00
				Weighted Avg: 24			

**Minimum Wage by County:** \$16.44 per hour for Alameda and Santa Clara counties.

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

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

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

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Senior Manager		6
Manager		6
Senior Scheduler/Planner		2
Senior Buyer/Expeditor		12
Buyer/Expeditor		12
Senior Engineer		4
Engineer		4
Supplier Quality Engineer		6
Finance Analyst		4
Operations Analyst		12
Supplier Bus Manager		30
Pilot Planner		7
Product Change Analyst		8

**INTRODUCTION**

Lam Research Corporation (Lam) ([www.lamrc.com](http://www.lamrc.com)) was founded in 1980 and is headquartered in Fremont with a facility in Livermore. Lam is a supplier of wafer fabrication equipment and provides services to the semiconductor industry (Samsung, Intel, TSMC, Toshiba). Lam's acquisition of Novellus Systems, Inc. (Novellus) created a broad portfolio of product capabilities. This includes Lam's etch and single-wafer clean; and, Novellus' thin film deposition and photoresist strip.

This is the fourth ETP Agreement and training will be similar to the previous project. The Company will train its employees in Continuous Improvement and new software applications. Some trainees not employed during the previous contract will be included, but no training will be duplicated.

## **PROJECT DETAILS**

Lam is focused on creating positive change. The Company's objective is to develop employee skills that turn tactical workers into strategic thinkers. The curriculum will include new software applications to drive efficiency and scalability. Lam will focus on employee development with the following:

- Accelerate performance (Waste Reduction)
- Create positive-change strategies (Value Stream Mapping)
- Establish a sense of urgency (Lean Management)
- Create & communicate a shared vision. (Standardizing Work)

## **Training Plan**

All training will be Classroom/Laboratory training.

**Continuous Improvement** (80%): Training will be offered to all occupations. This training will focus on the need to eliminate waste in processes, while meeting customer demands for high-quality products with greater speed and flexibility.

**Computer Skills** (20%): Training will be offered to all occupations. This training will be used to enhance the capability of the employees to extract data from local servers and perform data analysis and present in a manner that can be summarized in a spreadsheet or chart format for management reviews.

## **Commitment to Training**

Lam spends \$446,000 on training annually in California with \$424,000 (95%) allocated to Fremont facility and \$22,000 to the Livermore facility. Most training is company-wide, and it's delivered via Class/Lab, on-the-job (for new hires) and Computer-Based Training (CBT) in the following:

- Work Place Harassment Prevention (annually)
- Information Security (annually)
- Environmental Health and Safety (quarterly)
- Copy Exactly! (annually)
- Legal & Ethics Compliance (every 2 yrs)
- Kronos (time-cards)
- Foreign Trade Awareness & Anti-boycott Compliance (every 2 yrs)
- New Hire Employee Training
- General Finance Overview
- Lean All Enterprise

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

Lam will continue with its required training (above), as well as other needed training related to newly adopted software applications and/or changes in its business processes.

### ➤ Training Infrastructure

This training project will be managed by the Global Manufacturing Inventory Management & Global Operations business process teams, consisting of two Directors, one Manager and one Analyst.

### **Impact/Outcome**

The Continuous Improvement training's "Lean All The Enterprise" topic is focused on employee development, specifically around Statistical Process Control techniques. For example, this Lean training will teach employees how to develop a Value Stream Map that helps identify steps in a process that may be of no benefit, while learning how to quantify the savings in hours and money saved by eliminating non-value added steps and standardizing processes across the organization.

With the acquisition of new software applications, the Company gives the employees the capability to obtain data on their own without having to request special reporting from its Information Technology. Certifications will be given to the trainees for the completion of training under Computer Skills for two courses - Every Angle Software Application and Kinaxis Software Application.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned	
				\$	%
ET13-0318	Fremont, Livermore	4/1/13 – 3/31/15	\$99,000	\$49,221 (50%)	
ET11-0209	Fremont, Livermore	3/28/11 – 3/27/13	\$249,984	\$123,966 (50%)	

ET13-0318, not all of the participants were able to complete training in Continuous Improvement due to peak business periods. Trainees that didn't fully participate will be included in the current ETP Agreement.

- The current project has been right-sized to reflect the company's previous performance.

ET11-0209: Three months after the ETP Agreement was signed, Lam announced the acquisition of Novellus. At that point in time, 40% to 60% of the employees scheduled to attend ETP training were diverted to work on merging the two companies' ERP systems. Executive management wanted the two ERP systems migrated into a single system, which includes all functions. This was a huge undertaking as both companies had taken different approaches in business process and system configuration.

The Livermore employees were the most affected by the merger, and their training was delayed by several months. As well, due to unforeseen year-end reporting requirements, the Fremont staff were



pulled from training to work on auditors' requests. Overall, training was delayed and fewer staff was able to reach the minimum number of hours required for ETP training.

### **DEVELOPMENT SERVICES**

N/A

### **ADMINISTRATIVE SERVICES**

N/A

### **TRAINING VENDORS**


Center for Manufacturing Education of San Jose has been retained to provide Continuous Improvement (Lean All The Enterprise) for approximately \$60,000. Other training vendors will be identified for ETP record-keeping purposes, as they are retained by Lam Research Corporation.

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




8-200

Trainees may receive any of the following:

**CONTINUOUS IMPROVEMENT**

-  Lean All The Enterprise:
  - History of Lean, TQC and JIT
  - Lean Management
  - Value Stream Mapping
  - Waste Reduction
  - Finding and Fixing Root Cause and the Tools Needed
  - Measuring and Reducing Variation
  - Standardizing Work
  - Developing a 6S Program

**COMPUTER SKILLS**

-  Every Angle Software Application
-  Kinaxis Software Application
-  OPT (Information Delivery/Qlik) – Lam Designed Software Application

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



**Training Proposal for:  
Maricopa Orchards, LLC**

**Small Business**

**ET16-0315**

**Approval Date:** December 23, 2015

**ETP Regional Office:** Sacramento

**Analyst:** M. Jones

**CONTRACTOR**

- Type of Industry: Agriculture
  - Number of Full-Time Employees
    - California: 47
    - Worldwide: 47
    - Number to be trained: 47
  - Out-of-State Competition: Competitors Outside CA
  - Special Employment Training (SET): ☐ Yes ☒ No
  - High Unemployment Area (HUA): ☒ Yes ☐ No
  - Turnover Rate: 1%
  - Repeat Contractor: ☐ Yes ☒ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$36,660
- In-Kind Contribution: \$145,528

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills, Computer Skills, Cont. Imp., Commercial Skills, Literacy Skills	47	8-60	0-19	\$780	\$16.13
				Weighted Avg: 30			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Fresno, Kern
- Occupations to be Trained: Administrative Staff, Manager, Supervisor, Compliance Staff, Accounting Staff, Research Business Analyst
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: N/A

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**INTRODUCTION**

Maricopa Orchards, LLC (Maricopa) was established in 2003 in Fresno. It is a Central Valley grower that has a diversified mature crop portfolio that includes: almonds, pistachios, blueberries, and walnuts. These foods are shipped both domestically and internationally through handlers such as Sierra Valley, Paramount Farms, Dole and Sunkist. The Company has three locations in Fresno and Bakersfield.

**Need for Training**

Maricopa has plans to make changes companywide due to the current drought conditions and a competitive market. Maricopa will train staff in a diverse array of skills to ensure sustainability. New skills will allow staff to increase harvesting and reduce water usage by increasing efficiency.

To remain competitive, staff will train in new irrigation techniques, monitoring systems coupled with Deficit Irrigation Techniques/Best Practices. Maricopa also developed a custom software program Meter Database. The modules within the database tracks water usage, acreage information, and harvest information to create reports. It is an intricate part of the business as it is needed to forecast water usage per acreage and best harvesting times.

In addition, staff will need training as the company transitioned from Quickbooks to Famous software. This new software is more specific to the agricultural industry as well as connected to the implementation of Data Streamline software (ECM) organization wide. Staff will also receive skills to improve interactions with customers. Training will include Storm 21, Fixed Assets CS, Leadership Training, Effective Communications, Risk Management and Deficit Irrigation Techniques.

### **Training Plan**

Staff will receive up to 60 hours training via Classroom/laboratory and Computer-Based Training in the following:

**Business Skills:** Training will be offered to all occupations to increase marketing strategies, cost controlling and water resources planning. Training topics will include Water Resource Management, Information Workflow, and Data Report Generation and Interpretation.

**Literacy Skills:** Training will be offered to Field Managers. The vocational course will build communication, reading and comprehension skills that are specific to the job.

**Commercial Skills:** Training will be offered to Field Supervisor to enhance skill set in equipment use. Training topics will include Harvest Equipment, Irrigation Equipment and Chemical Tracking Systems.

**Computer Skills:** Training will be offered to all occupations to increase efficiency, communication and organization throughout the Company. Training topics include CAD, Data Streamline Software and Storm 21.

**Continuous Improvement:** Training will be offered to all occupations to ensure the Company's ongoing effort to improve products and processes. Training topics will include Leadership training, Teambuilding training, Project Management and Effective Communications.

### **High Unemployment Area**

All trainees work in a High Unemployment Area (HUA), with unemployment exceeding the state average by at least 25%. The Company's locations in Fresno and Kern counties qualify for HUA status under these standards. However, Maricopa is not asking for a wage modification.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

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

8-60 Trainees may receive any of the following:

**BUSINESS SKILLS**

- Water Resource Management
- Drought
  - Deficit Irrigation Techniques
  - Best Practices
- Risk Management
- Utilities Permits, Applications, Approval Processes
- Information Workflow
- Data Report Generation and Interpretation
- Advanced AG Accounting
- Advanced 1031 Exchange

**COMPUTER SKILLS**

- Famous
- QuickBooks
- Fixed Assets CS
- CAD Training
- GIS Mapping Software
- Storm 21
- Data Streamline Software (ECM)
- Intermediate/Advanced Microsoft Suite

**CONTINUOUS IMPROVEMENT**

- Leadership Training
- Teambuilding
- Financial Statement Preparation
- Control Systems
- Project Management
- Effective Communications
- Meter

**COMMERCIAL SKILLS**

- Harvest Equipment
- Irrigation Systems
- Chemical Tracking Systems

**LITERACY SKILLS**

- Vocation English as Second Language: Basic English Language Skills/Reading/Comprehension

Literacy Training cannot exceed 45% of total training hours per-trainee.

**CBT Hours**

0-19

**COMPUTER SKILLS**

- Famous (2 hrs)
- QuickBooks (1 hr)
- Fixed Assets CS (1 hr)
- CAD Training (2 hrs)
- GIS Mapping Software (1 hr)
- Storm 21 (2 hrs)
- Data Streamline Software (ECM) (2.5 hrs)
- Intermediate/Advanced Microsoft Suite (2.5 hrs)

**BUSINESS SKILLS**

- Water Resource Management (2 hrs)
- Risk Management (1 hr)
- Advanced AG Accounting (1 hr)
- Advanced 1031 Exchange (1 hr)

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

# DELEGATION ORDER



## Training Proposal for:

**Maxim Healthcare Services, Inc.**

**Agreement Number: ET16-0282**

**Approval Date:** November 20, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** L. Vuong

### PROJECT PROFILE

Contract Attributes:	Medical Skills Training Priority Rate Retrainee SET	Industry Sector(s):	Healthcare Services  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Statewide	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 2,344	U.S.:14,756	Worldwide: 14,756
<u>Turnover Rate:</u>	13%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$82,080		\$0	\$0		\$82,080

In-Kind Contribution:	100% of Total ETP Funding Required	\$95,769
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Medical Skills Training Priority Rate SET	Continuous Impr., MS-Clinical w/Preceptor, MS-Didactic	120	8-200	0	\$684	\$28.84
				Weighted Avg: 38			

**Minimum Wage by County:** \$20.55 (SET/Priority Industry) per hour for all Counties.

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

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

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Registered Nurse		100
Manager/Supervisor (Frontline)		20

**INTRODUCTION**

Founded in 1988, Maxim Healthcare Services, Inc. (MHS) ([www.maximhealthcare.com](http://www.maximhealthcare.com)) is accredited by the Accreditation Commission for Health Care, Inc. MHS is a healthcare services company providing continuous skilled nursing care in the home (sometimes referred to as Private Duty Nursing) for adult, senior and pediatric patients. It serves approximately 5,600 pediatric and 6,400 adult patients in California which makes MHS the largest home healthcare provider in California.

The Company's services, facilities and staff are available 24/7.

- MHS works with patients who have medically complex conditions, are often permanently disabled and require extended or continuous care including ventilation, tracheotomy and feeding via a gastric tube (G-tube feeding).
- MHS provides specific healthcare services such as in-home personal care that includes the management and/or treatment of a variety of conditions.
- MHS provides companion care for seniors, new and expectant parents, and individuals who may need non-medical care or additional help around the house.
- MHS serves the staffing needs of local, regional and national businesses and organizations through specialized divisions: autism tutoring; therapy services; school healthcare services; and flu and wellness services.
- MHS provides immunization programs, health screenings and education programs.

Headquartered in Columbia, Maryland, MHS has facilities in 41 states and operates 24 facilities throughout California. This will be MHS's first ETP Agreement. The proposal will target 120 workers from all 24 facilities in California. The majority of training will be held in Gardena; and the remainder will be held at other California facilities.

## **PROJECT DETAILS**

MHS's goal is to upgrade worker skills as the Company faces complex healthcare challenges, improves customer services for higher quality care, and designs new programs and services to meet changing needs. MHS recently invested approximately \$61,000 to build an innovative simulation laboratory in Gardena and purchase new equipment including medical mannequins, durable medical equipment, haptics device and desktop computers. Additionally, ETP funds will help the Company deliver formalized training to its workforce and standardize processes and procedures across all facilities.

### **Training Plan**

MHS will use Classroom/Laboratory and Video Conference methods to deliver training.

**Continuous Improvement (20%):** This training will be offered to all occupations. Training will improve employee skillsets in identifying patients' conditions and determining the best courses of action. Training will also improve communication skills, discharge and patient care plans, assessments, documentation procedures and problem resolution.

### **Medical Skills Training (80%)**

All trainees will participate in Clinical Preceptor and Didactic training. Trainees will be focused on advance technical skills designed to improve performance and competency in caring for patient's in the home. The use of new equipment and technology will ensure that trainees have the skill sets, education and experience necessary to be the stewards of high quality, value-based care standards.

The Panel has established a "blended" reimbursement rate for this type of nurse upgrade training, recognizing the higher cost of delivery for the Clinical Preceptor model. The blended rate of \$22 per hour will apply to both the Didactic and Clinical Preceptor modes of delivery. The standard class/lab rate, \$18 per hour for priority industries will apply to Continuous Improvement training.

### **Frontline Worker**

MHS will be training frontline Managers and Supervisors. These employees are Registered Nurses who actively manage nurses, communicate and interact with patients and family members, and are available to provide services at all time. These individuals spend 100% of their time performing frontline work and do not hire, fire, or make company policy. Based on the nature and scope of their job duties, these trainees meet the Panel's definition of frontline workers. As frontline workers, these trainees qualify for SET funding.

### **Commitment to Training**

MHS has an annual training budget of approximately \$29,000. MHS provides new employee orientation, skills updates for clinical staff, safety, emergency training, sexual harassment prevention and compliance training for all employees. Most training is delivered via Class/Lab, Computer-Based Training and Preceptor training. Newly hired Registered Nurses (RNs) and

Licensed Vocational Nurses (LVNs) are required to participate in nursing shadow shifts and hands-on training within a patient's home.

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

➤ Training Infrastructure

MHS has designated a team consisting of the Regional Vice President of Clinical Operations, the Regional Vice President of Operations, Compliance Specialist and the Directors of Clinical Services to oversee ETP training including all administrative responsibilities (enrollment, recording, tracking, verifying retention, invoicing, and monitoring activities) to ensure compliance with all ETP requirements.

### **Special Employment Training**

Under Special Employment Training (SET), employers are not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention period.

Trainees in Job Number 1 qualify as SET High Wage Frontline Workers, exceeding the Statewide Average Hourly Wage of \$27.40 per hour for all counties.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

N/A

### **ADMINISTRATIVE SERVICES**

N/A

### **TRAINING VENDORS**

To Be Determined

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

8-200            Trainees may receive any of the following:

**CONTINUOUS IMPROVEMENT**

- Communication Skills
- Care Coordination
- Clinical Documentation
- Problem Analyst and Problem Solving

**MEDICAL SKILLS TRAINING - CLINICAL PRECEPTOR**

- Comprehensive Asssessment Skills
- High Acuity Patient Care
  - Feeding Tubes, Tracheostomy Care and Ventilator Dependency
- Medication Management
- Operation of Durable Medical Equipment

**MEDICAL SKILLS TRAINING - DIDACTIC**

- Critical Thinking
- Emergency Management
- Implementation of the Plan of Care and Physician Orders

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



**Training Proposal for:**  
**Merex Aircraft Company, Incorporated dba Kellstrom**  
**Defense, a Merex Group Company**

**Small Business**

**ET16-0323**

**Approval Date:** December 29, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** L. Vuong

**CONTRACTOR**

- Type of Industry: Manufacturing
  - Number of Full-Time Employees
    - California: 30
    - Worldwide: 150
    - Number to be trained: 30
  - Out-of-State Competition: NAICS Code Eligible
  - Special Employment Training (SET): ☐ Yes ☒ No
  - High Unemployment Area (HUA): ☐ Yes ☒ No
  - Turnover Rate: 15%
  - Repeat Contractor: ☒ Yes ☐ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$41,340
- In-Kind Contribution: \$46,220

## **TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100	Business Skills, Computer Skills, Continuous Impr., Haz. Materials, Mfg. Skills	30	8-60	0	\$1,378	\$15.07
				Weighted Avg: 53			

- Reimbursement Rate: Job #1: \$26 SB Priority
- County(ies): Ventura
- Occupations to be Trained: Administrative Staff, Production Staff/Warehouse Staff, Sales Staff, Purchasing Staff, Marketing Staff, Manager/Supervisor, Technician, Engineer
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$2.92 per hour

## **SUBCONTRACTORS**

- Development Services: Training Funding Source (TFS) in Seal Beach assisted with development for a flat fee of \$2,900.
- Administrative Services: TFS will also provide administrative services for an amount not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

## **OVERVIEW**

Founded in 1982, Merex Aircraft Company, Incorporated, dba Kellstrom Defense, a Merex Group Company (Merex), is an AS 9100/ISO 9001 certified manufacturer of obsolete, aftermarket military aircraft F5 and F16 components such as engines, radar, sonar, spare parts, electronic security and detection equipment, ground support equipment and accessories. In addition, the Company also provides logistic and technical support, repair/overhaul management, project management, and maintenance services.

Merex is experiencing significant growth and transition in several areas: (1) manufacturing new platforms, airframes and rotary wings for UH-1, AH-1, P-3 and C-130 aircrafts; (2) implementing Source Approval Request (SAR), a new process and procedure to facilitate government approval; and (3) keeping up with technological changes.

To support these initiatives, Merex needs to provide its workforce with the necessary skills to implement and address these challenges and put Merex in a better position to serve its current and potential customers, and become more efficient and competitive. Merex is requesting ETP funding to train 30 employees at its Camarillo location to assist the Company as it continues to grow.

## Training Plan

This is the second Agreement between ETP and Merex. The first Agreement focused on the development of formalized training to its workforce. For this proposal, the Company intends to implement new processes to enhance productivity and quality, integrate new products, new requirements from customers, adapt to new technologies and systems, design a Just-In-Time delivery system and improve overall customer service.

Merex has developed a company-wide training and employee development program. Workers in all departments will receive the skills necessary to better understand sophisticated products and services, customer requirements and become more consistent and efficient. In addition, workers will gain experience, proficiency, effective manufacturing skills and manage complex products and systems. The goal is to have all workers cross-trained to better meet customer demand and remain competitive. No trainees from the prior Agreement will receive duplicate training.

Classroom/Laboratory and Videoconference will be provided as follows:

**Business Skills:** This training will be offered to all occupations. Training will provide trainees with a greater understanding of customers' requirements and services, organization, sales, products and company operations.

**Computer Skills:** This training will be offered to all occupations to effectively utilize the Company's new and existing systems, to stay current with technology and manage overall business operations.

**Continuous Improvement:** This training will be offered to occupations with a focus on teambuilding, process improvements and maximizing efficiency to meet customers' expectations.

**Hazardous Materials:** This training will be offered to all occupations. Trainees will learn the proper techniques and knowledge for handling hazardous materials, chemicals, and hazardous waste.

**Manufacturing Skills:** This training will be offered to Production Staff/Warehouse Staff, Technicians and Engineers. Training will help staff improve manufacturing skills to meet customers' requirements and provide better products.

## RECOMMENDATION

Staff recommends approval of this proposal.

## PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0224	Camarillo and Livermore	11/25/13 – 11/24/15	\$99,372	\$87,191 (88%)

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

8-60

Trainees may receive any of the following:

#### **BUSINESS SKILLS**

- Accounting
- Bidding/Negotiation
- Coaching/Communication
- Conflict Resolution
- Credit & Collection skills
- Customer Relations
- Goal Setting, Company Mission
- Inventory Control
- Leadership
- Marketing
- Product Knowledge
- Project Management
- Sales & Business Development
- Time Management
- Technical Writing

#### **COMPUTER SKILLS**

- Business Insights Explorer Reporting
- CATIA (Engineering Modeling)
- Solid Works (Modeling)
- Costing and Pricing
- Customer Relationship Management (CRM)
- Computer Aided Design
- ERP Process Tracking Software (Quantum)
- Microsoft Office
- Statistical Financial Modeling
- Supply Chain Management
- Warehouse Management System

#### **CONTINUOUS IMPROVEMENT**

- AS9100
- AS9110
- ISO 9001: 2008
- Kaizen
- Process Problem Solving
- Process Improvement
- Root cause and Corrective Actions
- Statistical Process Control
- Six Sigma (Green belt, Black Belt)
- Teambuilding
- Process Value Stream Mapping



**HAZARDOUS MATERIALS**

- Hazardous Materials, Chemical and Waste Handling and Use

**MANUFACTURING SKILLS**

- Blueprint Reading
- Distribution Procedures
- Equipment Operations
- Federal Aviation Administration Regulations
- Geometric Design & Tolerancing (GD&T)
- Inspection Techniques
- Inventory Control-Cycle Counting
- Mechanical Systems
- Mini-Tab
- Operations Procedures
- Order, Picking, Packing, Shipping & Receiving Procedures
- Quality Control
- Shop Math
- Shop Procedures
- Soldering
- Testing Products
- Warehouse Procedures

Safety Training will be limited to 10% of total training hours per-trainee.

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.
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DELEGATION ORDER



**Training Proposal for:**  
**Metro R.F. Services, Inc.**

**Small Business**

**ET16-0317**

**Approval Date:** December 21, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Reeves

**CONTRACTOR**

- Type of Industry: Services  
Communication  
Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees  
California: 72  
Worldwide: 87  
Number to be trained: 48  
Owner ☐ Yes ☒ No
- Out-of-State Competition: Customers Outside CA
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 6%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$49,920
- In-Kind Contribution: \$39,440

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Commercial Skills, Continuous Imp., Hazardous Materials, OSHA 10/30	48	8-60	0	\$1,040	\$15.07
				Weighted Avg: 40			

- Reimbursement Rate: Job #1: \$26 SB Priority
- County(ies): San Bernardino
- Occupations to be Trained: Engineer Furnish & Install (EF&I) Technician, Electrical Staff, Field Technician, Foreman
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$2.34 per hour

**SUBCONTRACTORS**

- Development Services: Training Refund Group in Anaheim assisted with development for a flat fee of \$2,000.
- Administrative Services: Training Refund Group will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Metro R.F. Services, Inc. (Metro RF) was founded in 2001 to provide engineering and infrastructure development services to support the rapid expansion of an emerging wireless industry. Metro RF has become a full-service contractor that provides project management, as well as all aspects of civil and electrical solutions for today's evolving telecommunications industry. The Company works with major wireless providers to install new systems, equipment, and towers; upgrade older technology to current standards; and maintain systems once they are in place. Metro RF works with phone carriers (AT&T, Verizon, and Sprint) either directly or through third parties such as Bechtel or Black & Veatch.

Metro RF is headquartered in Ontario, California and also has an office in New Jersey. The Company has managed infrastructure implementation projects for both the public and private sectors, from San Diego to Seattle and Philadelphia to Buffalo.

## **Need for Training**

Wireless communication is becoming increasingly more vital to overall commerce. It is cheaper, faster, and more efficient to add spectrum for wireless devices than it is to lay more underground cable. The telecommunications industry is in a constant state of upgrading older technology to meet newer requirements and customer demand. New technology requires increasingly more sophisticated installation procedures and the requisite skills to install, test, maintain, and repair the equipment. Much of the Company's sales growth is dependent on having adequately trained workers to fulfill contracts.

Metro RF job sites can often be in remote locations that require employees to be fully self-sufficient for the entire day. As such, there is significant skills cross training that must occur prior to workers being deployed to distant worksites. In addition, there are several intrinsic safety risks due to electricity, RF Radiation, and tower climbing that require an enhanced level of safety training. Workers must also be able to recognize the differences between various brands of technology and the unique needs that each piece of equipment has for power utilization. Metro RF employees must understand how to work safely and properly with highly technical equipment at all times.

The proposed training is designed to provide employees with the knowledge and skills to install equipment and configure it to work with a specific network (carrier), as well as test the equipment to ensure that it is working properly. Training will be delivered at the Company's facility in Ontario and will be delivered by in-house subject matter experts and training vendors to be identified during the contract term.

**Commercial Skills** – This training will be offered to all occupations. Training will cover various network carrier and industry-specific telecommunication skills. This training will to help Metro RF improve performance efficiencies and reduce operational costs. Metro RF believes the commercial skills training outlined in the Curriculum will enable the Company to bid more competitively for work, particularly against out-of-state competitors.

**Continuous Improvement** – This training will be offered to all occupations. Training will focus on teambuilding, business communications, and leadership skills to enhance productivity.

**Hazardous Materials** – This training will be offered to Field Technicians, Electrical Staff, Foremen, and EF&I Technicians. These trainees will learn safe handling procedures for hazardous materials, including Hydrogen Sulfide.

## **Certified Safety Training**

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

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

8 - 60

Trainees may receive any of the following:

#### **COMMERCIAL SKILLS**

- Aerial Lifts
- Anritsu
- Antenna Alignment Tool Training
- ASP-EF&I
- AT&T Antenna Alignment
- AT&T Ask Yourself
- AT&T Best Practices
- AT&T CAM Compliance/OSP/Tool
- AT&T Civils
- AT&T EAMS
- AT&T Quality Installations
- AT&T Supplier Awareness/Network Space
- AT&T VAST
- Basic Hand & Power Tools
- Bechtel Passport
- Bechtel Stop Work Authorization
- CA DAS (Distributed Array System) Certified Electrician
- Cadweld
- Capstan Hoist
- Close Outs (Multiple Carriers)
- Confined Space
- DAS Network
- Driver Safety
- Electrical Safety
- Emergency Prep
- Fall Protection
- Fiber Testing
- Forklift Operation
- All Terrain Forklift
- Ground Kit Installation
- Grounding
- Heat Illness
- Heavy Equipment Operator
- LOTO (Lock Out Tag Out)
- Magnetic Drill
- PIM (Passive Intermodulation) Testing
- PPC Wireless Connector
- PPE (Personal Protective Equipment)
- Project Cost Estimating
- Project Management Professional Certification
- RET (Remote Electronic Tilt) Testing
- RF (Radio Frequency) Awareness
- Rigging/Signal Person

- Scaffold
- Sub-Contractor Requirements (Multiple Carriers)
- Tower Climbing & Rescue
- Weatherproofing

### **CONTINUOUS IMPROVEMENT**

- Communications
- Teambuilding
- Conflict Resolution
- Leadership

### **HAZARDOUS MATERIALS**

- Hydrogen Sulfide
- Hazard Communications
- Class of Fires & Extinguishers
- Chemical Storage
- Types of Exposure & Symptoms
- Exposure Control & Protective Equipment
- Emergency Response

### **OSHA 10/30 (Certified OSHA Instructor)**

- OSHA 10 (Requires Completion of 10 Hours)
- OSHA 30 (Requires Completion of 30 Hours)

<p>Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery.</p>
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**DELEGATION ORDER**



**Retrainee – Job Creation  
Training Proposal for:**

**Owen & Company dba Owen-Dunn Insurance Services**

**Small Business**

**ET16-0327**

**Approval Date:** December 31, 2015

**ETP Regional Office:** Sacramento

**Analyst:** M. Jones

**CONTRACTOR**

- Type of Industry: Insurance Services  
Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees  
California: 44  
Worldwide: 44  
Number to be trained: 49  
Owner ☒ Yes ☐ No
- Out-of-State Competition: Customers Outside CA
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 6%
- Repeat Contractor: ☒ Yes ☐ No

**FUNDING**

- Requested Amount: \$33,440
- In-Kind Contribution: \$56,704

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100	Business Skills, Commercial Skills, Computer Skills, Cont. Imp., Mngmt. Skills	44	8-60	0	\$660	\$22.56
				Weighted Avg: 30			
2	Retrainee SB<100 Job Creation Initiative	Business Skills, Commercial Skills, Computer Skills, Cont. Imp., Mngmt. Skills	5	8-60	0	\$880	\$15.00
				Weighted Avg: 40			

- Reimbursement Rate: Job #'s 1 & 2: \$22 SB Non-Priority
- County(ies): Sacramento
- Occupations to be Trained: Administrative/Clerical Staff, Technical Staff, Sales Staff, Supervisor/Manager, Owner
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: N/A

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: Insight Insurance Consulting of La Quinta for Continuous Improvement and Commercial Skills.  
  
Collins Communications of Fair Oaks for Business Skills.  
  
Vistage of San Diego for Continuous Improvement, Business and Management Skills.  
  
Hathaway Consulting of Sacramento for Continuous Improvement, Business, Commercial, Computer and Management Skills.



## **OVERVIEW**

Owen & Company dba Owen-Dunn Insurance Services (Owen-Dunn) was established in 1949 as a family owned personal insurance business. As a private corporation, it has since developed to include large and small business clients across multiple industries including manufacturing, lumber, construction, staffing, hospitality and property management.

Owen-Dunn acts as an “Employee Benefit Coordinator” to ensure that client health care benefits align to new reform standards and criteria. The health insurance industry requires new approaches and methodologies in managing employee benefits products due to the progressions and implementation of the 2014 Federal Health Care Reform Act. Therefore, the Company seeks training for incumbent and new staff to effectively address the industry change.

Owen-Dunn recently added Captives Business Products (Captives) to its business model by which its own insurance products are “bundled” with other insurance company offerings. The objective is to cover risks to which the parent is exposed, as a type of self-insurance. In offering a Captives product line, Owen-Dunn operates like any commercial insurer—i.e., it issues policies, collects premiums and pays claims, but it does not offer insurance to the public. Historically, the Captives customer concentration was on large corporations; whereas, current growth and demand are with now mid-range companies, which creates an opportunity to expand the customer base for Owen-Dunn.

This is Owen-Dunn’s second ETP contract. The previous contract training focused on new management systems upgrades and upcoming healthcare reform standards. Although some employees trained under the previous Agreement will participate again, they will receive training on new or advanced material. ETP funding will assist the Company in complying with the 2014 Federal HealthCare Reform Act and Captives to the development of employees’ skills, and remaining competitive.

### **Retrainee - Job Creation**

Owen-Dunn had invested over \$60,000 in management system upgrades since the previous Agreement to assist the implementation of their new Captives component and to address the HealthCare Reform Standards and anticipates approximately 3-5% growth in market share over the next two years in California due to the steady influx of new business. This projection will necessitate increased staffing levels to meet customer needs.

Owen-Dunn has committed to hiring 5 new employees (Job Number 2). Owen-Dunn represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into “net new jobs” as a condition of contract.

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

### **Training Plan**

Owen-Dunn proposes to train staff in a class/laboratory and E-learning as follows:

**Business Skills:** Training will be offered to all occupations to enable the organization to prospect, sell and service new lines of business while managing the performance of expanded

growth initiatives. Training will be related to job specific functions. Training topics include Customer Service Skills, Marketing and Sales and Presentation.

**Commercial Skills:** Training will be offered to all occupations in Captive and HealthCare Reform Products. This curriculum encompasses the Company's business component and addresses new industry standards. Training will be related to job specific functions. Training topics will be Captive Business Products, Health Care Reform Products and Insurance Products.

**Computer Skills:** Training will be offered to all occupations in Management Systems training as it relates to the specific job function. In addition, the Company will train Administrative Staff in Intermediate and Advanced Microsoft Applications to effectively generate data for reporting across all departments.

**Continuous Improvement:** Training will be offered to all occupations applicable to their department and job function in an effort to develop efficiency through High Performance Workplace training and to eliminate operational waste. Staff will be able to make decisions and take immediate action, resulting in a greater attention to detail and a reduction in customer response time. Training topics include Leadership Skills, Frontline Decision Making and Problem Solving and High Performance Workplace.

**Management Skills:** Training will be offered to the Owners and Supervisors/Managers to ensure skills to strategically plan resources, analyze financial performance, penetrate markets and act expeditiously to implement the business changes that will enable the Company to grow at a rapid rate, while ensuring the staff the practical skills and tools to be efficient. Training topics will be Business Strategies and Performance Management.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0172	Sacramento	09/23/13 – 09/22/15	\$79,860	\$30,930 (39%)

The Contractor completed 39% of the approved contract amount, due to scheduling conflicts. During the contract term, a local trainer partially retired and was no longer available for classroom instruction. Owen-Dunn tried to find substitute trainers without success.

Owen-Dunn has secured instructors for this proposal and should any of the trainers cancel in-house trainers will provide training. The Company is now ready to begin training and expects 100% performance.

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

8 - 60 Trainees may receive any of the following:

**BUSINESS SKILLS**

- Customer Service Skills
- Marketing
- Sales & Presentation

**COMMERCIAL SKILLS**

- Captive Business Products
- Health Care Reform Products
- Insurance Products

**COMPUTER SKILLS**

- Intermediate/Advanced Microsoft Applications
- Management Systems
  - EPIC/Applied Systems
  - Salesforce
  - Paylocity

**CONTINUOUS IMPROVEMENT**

- Frontline Decision Making & Problem Solving
- Leadership Skills
- High Performance Workplace
- Train-the-Trainer

**MANAGEMENT SKILLS (Owners/Managers Only)**

- Business Strategies
- Performance Management

**E-Learning**

8 – 60

**COMMERCIAL SKILLS**

- Captive Business Products
- Insurance Products

**CONTINUOUS IMPROVEMENT**

- Frontline Decision Making & Problem Solving
- High Performance Workplace

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery.
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# DELEGATION ORDER



## RETRAINEE - JOB CREATION

Training Proposal for:

**Prime Tech Cabinets, Inc.**

**Agreement Number: ET16-0300**

**Approval Date:** December 15, 2015

**ETP Regional Office:** San Diego

**Analyst:** J. Davey

### PROJECT PROFILE

Contract Attributes:	Job Creation Initiative Priority Rate Retrainee	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Orange	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 133	U.S.: 133	Worldwide: 133
<u>Turnover Rate:</u>	17%		
<u>Managers/Supervisors:</u> (% of total trainees)	8%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$74,400		\$0	\$0		\$74,400

In-Kind Contribution:	100% of Total ETP Funding Required	\$74,500
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Continuous Impr, Mfg Skills, PL-Mfg Skills	50	8-200	0	\$1,080	\$16.02
				Weighted Avg: 60			
2	Retrainee Priority Rate Job Creation Initiative	Business Skills, Computer Skills, Continuous Impr, Mfg Skills, PL-Mfg Skills	12	8-200	0	\$1,700	\$13.35
				Weighted Avg: 85			

**Minimum Wage by County:** Job Number 1: \$16.02 per hour for Orange County;

Job Number 2: \$13.35 per hour for Orange County

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

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

Up to \$2.65 per hour may be used to meet the Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
Assembly/Installation Staff		15
Manager/Supervisor		4
Production Staff		12
Sales & Administrative Staff		14
Warehouse Staff		5
<b>Job Number 2 – Job Creation</b>		
Assembly/Installation Staff		3
Production Staff		5
Sales & Administrative Staff		3
Warehouse Staff		1

**INTRODUCTION**

Established in 2007 and located in Irvine, Prime Tech Cabinets, Inc. (PTC) designs, manufactures, and installs custom and standard cabinetry (including cabinets, closets, and storages) for residential and commercial customers. The Company works with home developers, remodelers, and commercial customers from the design phase through production and installation. The Company operates two facilities: a manufacturing plant and a nearby showroom.

## **PROJECT DETAILS**

According to PTC, the building industry in the greater Southern California region is growing again after the recent economic downturn that started in 2009. Homeowners are renovating again and new construction has increased. This has caused a strain on PTC, as new orders for cabinetry have increased substantially. Additionally, the Company faces lower-cost competition from out-of-state competitors in Florida and Texas, as well as international competitors in China and Mexico.

In order to meet business needs and remain competitive, the Company must improve its production and installation processes. Specifically, the Company must institute process improvements to decrease production times, reduce waste, and streamline processes.

### **Retrainee - Job Creation**

In support of job creation, the Panel is offering incentives to companies that commit to hiring new employees. Under the Retrainee-Job Creation program, training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

In this proposal, Prime Tech Cabinets has committed to hiring 12 new employees as shown in Job Number 2. Prime Tech Cabinets represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into “net new jobs” as a condition of contract.

Due to expanding its current business capacity, PTC needs to hire more workers to increase production. Most of the new workers will be Production and Installation. The Company has ample space to fully assimilate new workers and will add some new equipment for this increase.

### **Training Plan**

PTC will provide the following skills to its workers at its two locations in Orange County. All of the training will be conducted by skilled internal trainers.

**Business Skills (10%):** Training will be offered to Sales & Administrative Staff, Managers/Supervisors, and Production Staff in Advance Financial Management Principles and Customer Service & Sales Skills. Training will improve skills in these essential areas to improve trainees’ overall business knowledge and communication with customers.

**Computer Skills (10%):** Training will be offered to Sales & Administrative Staff, Warehouse Staff, Assembly/Installation Staff, Managers/Supervisors, and Production Staff in job-specific skills in the Company’s new ERP system and in Microvellum CAD/CAM software and QuickBooks financial software. These skills are necessary to automate and streamline business processes throughout the organization.

**Continuous Improvement (20%):** Training will be offered to Sales & Administrative Staff, Warehouse Staff, Assembly/Installation Staff, Managers/Supervisors, and Production Staff in Lean Manufacturing, Production Workflow, and Warehouse Best Practices. Training is designed to provide the necessary skills to improve processes/production times and reduce waste.

**Manufacturing Skills (40%):** Training will be offered to Assembly/Installation Staff, Managers/Supervisors, and Production Staff. Trainees will learn how to properly and safely use wood drills, saws, dowel spoolers, laminators, paint sprayers, CNC machines, sanders, and

other wood working equipment. Trainees will be cross-trained on multiple pieces of equipment so that they will be able to work on any phase of the production process.

### **Productive Laboratory – Manufacturing Skills (20%)**

The Panel adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

Because PTC manufactures high-quality cabinetry, employees who make these products must have the requisite hands-on skills to be able to meet quality standards and customer requirements. PL-Manufacturing training will be delivered to Production Staff and Assembly/Installation Staff, both incumbent and newly-hired. Assembly/Installation staff will receive additional training on installation techniques delivered at customer job sites.

PL training will compliment Class/Lab training. Employees are coached and guided by technical experts in their respective departments. Trainees will mostly be one-on-one with trainers; however, some materials are large in size and may require a trainer-to-trainee ratio of 1:2. Trainees may receive up to 30 hours of PL training.

### **Commitment to Training**

PTC spends between \$50,000 to \$60,000 annually on training. The Company states that training provided in the past has centered on safety, basic production and installation training and company orientation for new workers. All occupations have received some training in these areas.

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

#### ➤ Training Infrastructure

PTC will use internal staff to provide project administration, with the help of an administrative subcontractor (Assured Incentives).

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

PTC retained Assured Incentives Group in San Clemente to assist with development of this proposal for a flat fee of \$6,000.

### **ADMINISTRATIVE SERVICES**

PTC also retained Assured Incentives Group to perform administrative services in connection with this proposal for a fee not to exceed 8% of payment earned.

### **TRAINING VENDORS**

To Be Determined

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

8 – 60

Trainees will receive any of the following:

**BUSINESS SKILLS**

- Advanced Financial Management Principles
- Customer Service & Sales Skills

**COMPUTER SKILLS**

- Advanced CAD/CAM Drawing & Design
- QuickBooks Software – Reports & Projections
- Custom ERP Training

**CONTINUOUS IMPROVEMENT**

- Lean Manufacturing (Value Stream Mapping)
- Production Workflow Improvement
- Warehouse Best Practices
  - Itemizing & Tagging Product Categories
  - Protective Wrapping & Processing

**MANUFACTURING SKILLS**

- Custom Assembly Troubleshooting
- Blueprint Reading & Measurements
- Advanced CNC Operations/CNC Boring
- Paint Spraying & Texturing Technique
- Cross-Functional Skills Training – Table & Band Saws
- Advanced Milling Techniques
- Advanced Finishing Techniques
- Safe Equipment/Machine Operation

**Productive Lab Hours**

0 – 30

**MANUFACTURING SKILLS (Trainer-to-Trainee Ratio: 1:2)**

- Custom Assembly Troubleshooting
- Blueprint reading & Measurements
- Advanced CNC Operations/CNC Boring
- Paint Spraying & Texturing Technique
- Cross-Functional Skills Training – Table & Band Saws
- Advanced Milling Techniques
- Advanced Finishing Techniques
- Safe Equipment/Machine Operation

Safety Training will be limited to 10% of total training hours per-trainee

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. PL is capped at 30 hours per-trainee.
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**DELEGATION ORDER**



**Retrainee - Job Creation  
Training Proposal for:  
Renovo Solutions, LLC**

**Small Business**

**ET16-0311**

**Approval Date:** December 21, 2015

**ETP Regional Office:** San Diego

**Analyst:** H. Bernard

**CONTRACTOR**

- Type of Industry: Biotechnology/Life Sciences  
Services  
Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees  
California: 79  
Worldwide: 240  
Number to be trained: 93  
Owner ☐ Yes ☒ No
- Out-of-State Competition: Competitors Outside CA
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 3%
- Repeat Contractor: ☒ Yes ☐ No

**FUNDING**

- Requested Amount: \$99,220
- In-Kind Contribution: \$171,155

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100	Business Skills, Commerical Skills, Computer Skills, Continuous Impr	79	8-60	0	\$1,100	\$16.02
				Weighted Avg: 50			
2	Retrainee Job Creation Initiative SB<100	Business Skills, Commerical Skills, Computer Skills, Continuous Impr	14	8-60	0	\$880	\$13.35
				Weighted Avg: 40			

- Reimbursement Rate: Job #'s 1 and 2: \$22 SB Non-Priority
- County: Orange
- Occupations to be Trained: Administrative Support Staff, Manager/Supervisor, Engineers
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$1.02 per hour; Job #2: \$0.35 per hour

**SUBCONTRACTORS**

- Development Services: Training Funding Source (TFS) in Seal Beach assisted with project development for a flat fee of \$4,900.
- Administrative Services: TFS will also assist with administration for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in February 2009, Renovo Solutions, LLC (Renovo) ([www.renovo1.com](http://www.renovo1.com)) is an independent service organization providing management and technical support solutions for hospitals and medical centers in the areas of medical equipment service and information technology. The Company's Biomedical Engineers service sophisticated clinical/medical equipment and provide on-going safety and preventive maintenance inspections. Renovo's engineering staff works with hospital health care information technology departments to efficiently network all medical devices with a hospital's existing computer systems.

**PROJECT DETAILS**

Renovo has participated in two previous Agreements with ETP (ET12-0256 & ET14-0220) within the last five years. The first Agreement trained employees in the Company's proprietary software system, *CE-IT Live*, a networked medical device management system and its proprietary database program, *RenovoLive*. Renovo's second ETP Agreement delivered

training in upgrades to *CE-IT* and *RenovoLive 2.0* and in the implementation and transition from laptops to mobile tablets and smart phones for customer service needs, equipment maintenance, and troubleshooting. There will be no duplication of training for Trainees who participated in previous ETP Agreements.

Renovo offers the same services as its large competitors but at much cheaper prices. To maintain its competitive price edge, the Company must ensure that employees are well trained in the latest technology and industry trends. Renovo must continue to provide its workers with highly technical computer and commercial skills training on new features and enhancements to the Company's existing software; and on the sophisticated medical equipment it services. Continued training is critical to develop the skills needed to meet marketplace changes.

The Company must train its workers on new technology. In the past, Renovo focused heavily on the management of medical devices. However, a shift in industry has now placed an emphasis on network interoperability and connectivity of the devices (the link between clinical systems and devices to create extensive clinical information exchanges between the devices and the hospitals' larger network systems). As such, Renovo staff must adopt new network and implementation skills; acquire additional medical device support skills; learn analytical and technical skills needed to operate and manage these systems and understand how devices are interconnected. Additionally, the Company has added new modules and revisions to its RenovoLive software which will improve user experience and streamline performance.

In addition to its technological challenges, the Company must account for industry changes. Medicare and Medicaid Services require healthcare providers and hospitals to be accredited by an approved national agency. Previously, The Joint Commission (TJC) has been the go-to organization in USA, accrediting more than 20,000 health care organizations. Recently, there has been a shift to a new accreditation firm, Det Norske Veritas and Germanischer Lloyd (DNV-GL Healthcare). The new firm maintains a stringent accreditation philosophy that emphasizes ongoing improvement, readiness, consistency and patient safety. As such, Renovo employees must be trained on DNV-GL's regulations and standard operating procedures to comply with these new regulations. Also, beginning in 2016, hospitals will be expected to develop and implement specific policies and procedures as well as educate clinical staff about proper usage and management of clinical alarms, alerts on critical care equipment designed to notify nursing staff of potential patient problems requiring immediate attention. Patients are often connected to several machines, each one having its own alarm. Hospital clinical staff often lack the breadth of knowledge needed to understand and manage the function and/or importance of these alarms, many of which are attached to critical lifesaving equipment. Training will allow the Company to work with hospitals to inventory medical alarm equipment, perform system configurations, conduct alarm testing, and provide training for all medical/clinical equipment operators.

### **Job Creation - Retrainee**

Renovo will expand its services to 3-5 additional hospitals as well as increase service offerings to existing customers. Renovo will also move from a 2,500 sq. foot location to a 5,500 sq. foot location during the first quarter of 2016. The new location will house a large training room with state of the art technology for improved training delivery. To support its market and business expansion, the Company has committed to hiring 14 net new employees during the term of this Agreement.

The date-of-hire for all Job Creation trainees (Job Number 2) will be within the three-month period before contract approval or within the term-of-contract. Newly hired trainees (Job Number 2) will be subject to a lower retention wage. These trainees will be hired into "net new jobs" as a condition of contract.

## Training Plan

ETP-funded training will be conducted via classroom/laboratory delivery method.

**Business Skills** - Training will be offered to all occupations to improve communication and customer relations. Selected Managers and Administrative Support Staff will receive skill sets needed to effectively negotiate contracts and navigate the billing process.

**Commercial Skills** - Training will provide Engineers and Managers/Supervisors with the technical and analytical skill sets needed to perform preventive maintenance procedures, equipment repair and troubleshooting, and network interoperability on a variety of laboratory and medical equipment. These trainees will also receive product knowledge training on a variety of equipment and updates on regulatory changes and new DNV-GL requirements.

**Computer Skills** - Training will be offered to all employees on the latest revisions and new modules of the Company's software programs. Job Creation Staff will learn to navigate the RenovoLive the program on both desktop and mobile devices. Administrative staff will receive training on Microsoft Office and QuickBooks.

**Continuous Improvement** - Training will be offered to all employees on performance reporting and productivity improvements.

## RECOMMENDATION

Staff recommends approval of this proposal.

## PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0220	Orange	11/23/13- 11/24/15	\$88,000	\$62,379 (71%)
ET12-0256	Orange	12/31/11- 12/30/13	\$51,768	\$51,876 (100%)




To date, Renovo has tracked 4,085 eligible training hours, which equates to 100% of potential earnings. Final invoices are still being processed. The Company anticipates earning 100% of Agreement amount once the final closeout invoice has been submitted.

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






8-60

Trainees may receive any of the following:




**BUSINESS SKILLS**

-  Customer Relations
-  Interpersonal Communications
-  Negotiation Techniques



**COMMERCIAL SKILLS**

-  Data Mining Processes
-  Equipment Operation, Maintenance, Configuration & Testing
-  Hospital Audit Standards and Corrective Action
-  Preventive Maintenance Procedures
-  Troubleshooting and Repairs on Medical Equipment

**COMPUTER SKILLS**

-  RenovoLive 2.0
-  Microsoft Office Application Skills
-  Accounting Software Application Skills

**CONTINUOUS IMPROVEMENT**

-  Reporting and Performance goals
-  Productivity Improvement

Safety Training will be limited to 10% of total training hours per-trainee.

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

**DELEGATION ORDER**



**Retrainee - Job Creation  
Training Proposal for:  
RuffStuff, Inc.**

**Small Business**

**ET16-0310**

**Approval Date:** December 22, 2015

**ETP Regional Office:** Sacramento

**Analyst:** W. Sabah

**CONTRACTOR**

- Type of Industry: Manufacturing  
Services  
Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees  
California: 28  
Worldwide: 28  
Number to be trained: 34  
Owner ☐ Yes ☒ No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 6%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$50,128
- In-Kind Contribution: \$29,355

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills, Comm. Skills, Mfg. Skills, Computer Skills, Cont. Imp., HazMat, PL-Comm. Skills, PL-Mfg. Skills	28	8-60	0	\$1,456	\$15.07
				Weighted Avg: 56			
1	Retrainee SB<100 Job Creation Initiative Priority	Business Skills, Comm. Skills, Mfg. Skills, Computer Skills, Cont. Imp., HazMat, PL-Comm. Skills, PL-Mfg. Skills	6	8-60	0	\$1,560	*\$12.50
				Weighted Avg: 60			

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

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Placer
- Occupations to be Trained: Administration Staff, Sales/Marketing Staff, Fabricator/Welder, Shipping/Logistics Staff, CAD Designer, Manager
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$0.57 per hour

**SUBCONTRACTORS**

- Development Services: Synergy Management Consultants, LLC in Grass Valley assisted with development services for a flat fee of \$4,010.
- Administrative Services: Synergy Management Consultants, LLC will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

## **OVERVIEW**

Founded in 1980 and located in Loomis, RuffStuff, Inc. (RuffStuff) (<http://www.ruffstuffspecialties.com>) is a manufacturer of custom off-road parts for four-wheel drive vehicles. The Company originally started as a custom mountain bike frame business; however it transitioned into producing, selling and installing automotive parts specified for off-road vehicles, such as Rock Crawlers and Jeeps. RuffStuff currently produces high-end components for four-wheel drive vehicles and ships worldwide.

### **Need for Training**

For RuffStuff to remain competitive, it must maintain a highly skilled workforce. RuffStuff's custom manufacturing process includes research, development, design, prototype, testing, manufacturing, logistics, marketing and shipping. This requires extensive training that is unavailable in typical automotive course work or vocational programs. The industry also requires extensive training as metallurgical and technological changes happen continuously. RuffStuff staff must learn the proper techniques of these specialized manufacturing components and regulations for off-road vehicles.

As customer demand increases, RuffStuff is improving customer service and sales skills to remain competitive in the industry. It is necessary for employees to stay current on product knowledge to provide customers with the proper information. In addition, the Company will implement a Lean quality program and production improvement system for staff to improve Lean processes, maximize productivity and reduce waste.

### **Retrainee-Job Creation**

In the last few years, RuffStuff's customer demand has grown at a rapid rate due to the success of their products combined with their reputation in off-road vehicles. Due to this success and significant marketing efforts, RuffStuff is anticipating a growth of 30% over the next 24 months. The Company is expanding their manufacturing business and shipping processes to support this demand.

RuffStuff will increase the number of full time permanent employees. The Company has committed to hiring six new full time employees (Job Number 2). The new positions needed include Sales/Marketing Staff, Fabricators/Welders, Shipping/Logistics Staff and CAD Designers.

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be subject to a lower post-retention wage. The Company represents that the date-of-hire for all trainees in the Job Creation program will be within the three month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

### **Training Plan**

Trainee will receive between 8-60 class/lab hours and up to 40 hours of productive laboratory training.

**Business Skills:** Training will be offered to Managers, Administration and Shipping/Logistics Staff. Training will focus on improving sales processes, customer service and communication. Training will include Customer Care Skills, Advanced Sales & Marketing Skills, Negotiation Skills, Conflict Resolution, Communication Skills and Presentation Skills.



**Commercial Skills:** Training will be offered to Fabricators/Welders and Sales/Marketing Staff. Training will encompass maintenance-service, warranty and off-road technologies. Fabricators will learn R&D skills, welding and plasma cutting methodologies, cutting techniques and various welding processes. Training for Sales/Marketing Staff will focus on product knowledge of materials used in 4X4 vehicles to provide customers with the proper equipment information. Training will include Production Knowledge and Original Equipment Manufacturer/Aftermarket Knowledge.

**Computer Skills:** Training will be offered to all occupations and focus on job specific software programs. Training will allow employees to accurately assess current conditions, set objectives, track costs, plan production and service flow, and maximize productivity. Training will include Quickbooks, Solid Works CAD, Torchmate CAD, Fishbowl Inventory and Parts Supply Chain, Microsoft Office Suite and Adobe Office Suite.

**Manufacturing Skills:** Training will be offered to Fabricators/Welders and CAD Designers on the different manufacturing processes of custom application parts. CAD Designers require training in manufacturing processes to determine the build procedures in design process. Fabricators/Welders will receive training to accurately develop, manufacture, test and install the specialized parts on off-road vehicles. Training will include Machining Skills, Stamping, Press Brake, Slide Forming, Screw Machining, Machine Maintenance, Component Set-Up, Welding, Die Making, Cutting Operations and Bending.

**Continuous Improvement:** Training will be offered to Fabricators/Welders, Managers, Sales/Marketing, Administration and Shipping/Logistics Staff on new processes to identify production and flow issues, detect root causes while strategizing cost-effective solutions, improve quality and reduce waste. Training will include Root Cause Analysis, Kaizen Event Strategy & Implementation.

**Hazardous Materials:** Training will be offered to Fabricators/Welders, Managers, Sales/Marketing and Shipping/Logistic Staff to ensure that hazardous materials are handled and disposed of properly. Training will include Completing Material Safety Data Sheets, Emergency Clean-Up, and Registration, Evaluation, Authorization & Restriction of Chemical Substances.

### **Productive Lab (PL)**

PL training in Manufacturing and Commercial Skills will be provided to Fabricators/Welders, CAD Designers and Shipping/Logistics Staff to supplement Class/Lab training. PL training is necessary as these trainees require the hand-on training that they do not receive in vocational schools. RuffStuff's custom nature of manufacturing and installation parts requires substantial hand-on training. Training will focus on design, build, testing, manufacture and installation of specific 4X4 vehicles. Trainees will learn to install with specific view of safety, drivability and regulatory compliance.

Trainees will use tig welders, plasma table and cutters, lathe, saws bending equipment, drill and mill presses, alignments systems, IT CAD and shipping, billing systems. Training will include Component Design, CAD Process, Torchmate Process, Machining Skills, Press Brake Skills, Stamping Skill, Machining Skills, Welding, Welding Aluminum, Plasma Cutting, Cutting Equipment Skills, Die Making, Bending Equipment, and Off Road Vehicle Dynamics.

The trainer will specify the scope of the work, explain the process, verify the employee understands standards and specification, observe the trainee perform the task and provide feedback on best practices. During training output is expected to decrease by 40%. Trainers will be journey-level fabricators, CAD designers, logisticians or subject matter experts. All PL training will take place onsite at RuffStuff. The trainer-to-trainee ratio will not exceed 1:1. All trainees will receive up to 40 hours of PL training.

Due to the custom nature of the business where concept vehicles are specifically designed, trainees require more than 40 hours of PL training to become proficient in the wide array of vehicles, drive systems, suspension systems and safety issues. However, RuffStuff is only requesting up to 40 hours.

**RECOMMENDATION**

Staff recommends approval of this proposal.

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

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Customer Care Skills:
  - Customer Retention
  - Customer Engagement
  - Customer Relationship Building
- Advanced Sales & Marketing Skills:
  - Prospecting & Closing
  - Sales Account Management
  - Advanced Closing Techniques
  - Sales Procedures & Strategies
  - Marketing Materials Development
- Negotiation Skills
- Conflict Resolution
- Communication Skills
- Presentation Skills

**COMMERCIAL SKILLS**

- Product Knowledge
- Original Equipment Manufacturer/Aftermarket Knowledge/Skills

**MANUFACTURING SKILLS**

- Measurement, Materials and Safety:
  - Job Planning, Benchwork, Layout
  - Manual Milling Skills
  - Turning Operations
  - Grinding Skills
  - Drill Press Skills
  - CNC Programming Set-Up
  - CNC Operations Milling
  - CNC Operations Turning
  - Metal Forming
  - Lathe Operation
- Stamping:
  - Tooling
  - Compound Dies
  - Progressive Dies
- Press Brake:
  - Drive Press Brake Skills
  - Non-CNC Set-Up Press Brake
- Slide Forming:
  - Slide Forming Set-Up and Operations
- Screw Machining:
  - Single Spindles
  - Multiple Spindles

- Machine Maintenance
- Component Set-Up
- Welding:
  - Mig Welding
  - Tig Welding
- Die Making
- Cutting Operations:
  - Plasma Cutting
  - Plasma Table Operations
  - Band Saw Operations Horizontal
  - Band Saw Vertical
- Bending:
  - Tube Bender
  - Tube Notcher

### **COMPUTER SKILLS**

- Quickbooks Software
- Solid Works CAD
- Torchmate CAD
- Fishbowl Inventory and Parts Supply Chain
- Microsoft Office Suite
- Adobe Office Suite

### **CONTINUOUS IMPROVEMENT**

- Leadership Skills
- Teambuilding
- Root Cause Analysis
- Kaizen Event Strategy & Implementation
- Lean Concepts/Lean Production/Lean Office
- Process/Quality Improvement
- Problem Solving/Decision Making Skills
- Inventory Control
- Standard Operating Procedures

### **HAZARDOUS MATERIALS**

- Completing Material Safety Data Sheets
- Emergency Clean-Up
- Registration, Evaluation, Authorization & Restriction of Chemical Substances

### **Productive Lab**

0-40

### **MANUFACTURING SKILLS (Ratio 1:1)**

- Component Design
- CAD Process
- Torchmate Process
- Machining Skills
- Press Brake Skills
- Stamping Skill
- Screw Machining Skills
- Welding

- Welding Aluminum
- Plasma Cutting
- Cutting Equipment Skills
- Die Making
- Bending Equipment

**COMMERCIAL SKILLS (Ratio 1:1)**

- Off Road Vehicle Dynamics

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. PL is capped at 40 hours per-trainee.
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# DELEGATION ORDER



## Training Proposal for:

**Southwest Material Handling, Inc.**

**Agreement Number: ET16-0308**

**Approval Date:** December 18, 2015

**ETP Regional Office:** San Diego

**Analyst:** S. Godin

### PROJECT PROFILE

Contract Attributes:	Retrainee HUA	Industry Sector(s):	Services Wholesale Trade  Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Counties Served:	Riverside, Orange	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 109	U.S.: 120	Worldwide: 120
<u>Turnover Rate:</u>	2%		
<u>Managers/Supervisors:</u> (% of total trainees)	3%		

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$72,000		\$0	\$0		\$72,000

In-Kind Contribution:	100% of Total ETP Funding Required	\$80,000
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, OSHA 10/30	100	8-200	0-27	\$720	\$15.07*
				Weighted Avg: 48			

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

**Minimum Wage by County:** Riverside County: \$15.07/hour; Orange County: \$16.02/hour  
**Health Benefits:** ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

**Used to meet the Post-Retention Wage?:** ☒ Yes ☐ No ☐ Maybe  
 Up to \$2.80 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Shop Technicians		18
Road Service Technicians		25
Parts Personnel		11
Administrative Support Staff		21
Sales Representatives		19
Senior Sales Representatives		3
Managers		3

**INTRODUCTION**

Founded in 1989, Southwest Material Handling, Inc. (SWMH) ([www.swmhinc.com](http://www.swmhinc.com)) sells, rents, and services industrial equipment and offers new and re-manufactured parts for six major product lines: Toyota forklifts; Aichi and JLG aerial lifts; Columbia Par Car utility vehicles; Tico yard tractors; Karcher warehouse sweepers and scrubbers; and Flexi-G4 specialty forklifts. Additionally, SWMH offers design, installation, and integration solutions for material handling challenges.

SWMH is headquartered in Mira Loma and has additional facilities in Anaheim and Thousand Palms. All facilities will participate in ETP-funded training. SWMH is eligible for ETP funding as a wholesaler and repairer of industrial machinery and equipment to customers located inside and outside of California.

## **PROJECT DETAILS**

Training is driven by the Company's strategic plan to set itself apart from its competitors through high quality, efficient service. The Company understands that customers have numerous choices when selecting an equipment rental company. However, providing quality service will distinguish it from competitors. As such, training will focus on customer service skills:

- The Company will be implementing Lean concepts. Previous training in 6S led to the reorganization of the shop floor where every machine and every tool has a place and a purpose. The Company must now focus on improving repair and delivery times by raising competency levels of service personnel through structured training.
- The Company is pushing for a higher certification level for its technicians through Toyota. As a preferred Toyota forklift dealer, technicians already meet Toyota's quality standards. However, technician certification levels distinguish dealership ratings (ratings distinguish the level of service that may be offered). A higher rating will give customers the confidence that equipment will be repaired competently.
- The Company will be training employees on the recently purchased Enterprise Resource Planning (ERP) software, Dysel Business Software. The Customer Relationship Management component went live in October; however, several training modules have yet to be delivered. The main component, Equipment Lifecycle, is scheduled to go live during the 4<sup>th</sup> quarter of 2016. It will link operations across all departments and provide real time tracking on sales, rental, trade, repair, installation and service.

### **Training Plan**

Training will be delivered via Class/Lab and Computer-Based Training. The majority of the training will be delivered by in-house trainers; however, training vendors may be hired at a later date for specific topics.

**Business Skills** (20%): Training will be provided to all occupations as it relates to individual job function. Trainees will receive product knowledge training on new SWMH products and processes. Advanced marketing and sales techniques will be delivered to the sales staff. Training will provide improved and consistent customer service/retention skills, and advanced marketing and sales skills.

**Commercial Skills** (50%): Training will be provided to Road Service and shop technicians and selected managers who need technical job skills to develop and support SWMH products, services and customers.

**Computer Skills** (15%): Training on the Dysel Everywhere Customer Relationship Management Software (CRM) and the Dysel Equipment Life Cycle (ELC) software will be delivered to all occupations as it relates to individual job function. The ELC software is scheduled to be delivered during the fourth quarter of 2016, when that component goes live. Selected Administrative Support staff will receive advanced skill sets in Microsoft Office Suite.

**Continuous Improvement** (10%): Trainees in all occupations will receive skill sets in topics such as team building, problem solving and decision making skills, leadership, process improvement, and quality concepts. Training will help workers standardize processes, and improve quality and efficiencies. Team building and problem solving will lead to improved operations and promote enhanced interactions with both internal and external customers.



**Certified Safety Training (5%)**

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

**CBT**

SWMH will offer up to 27 CBT hours to its Technical staff and selected Managers. CBT training will reinforce Class/Lab training. CBT hours are capped at 50% of total training hours per individual trainee.

**Commitment to Training**

SWMH states that it spends in excess of \$150,000 per year on training. The Company provides the following training: company orientation, safety training based on position/department or equipment used; California labor laws and regulations; basic computer skills; violence in the workplace prevention and sexual harassment prevention.

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

**Training Infrastructure**

SWMH has the full support of management to conduct the proposed training. The Company has a dedicated staff person as well as assistance from an administrative subcontractor, Employment Refund Group, to administer the Agreement.

**High Unemployment Area**

Seventy-Five trainees in Job Number 1 work in a High Unemployment Area (HUA), a region with unemployment exceeding the state average by at least 25%. The Company's location in Riverside County qualifies for HUA status under these standards. However, SWMH is not asking for a wage or retention modification.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

SWMH retained The Training Refund Group in Anaheim to assist with development of this proposal at no cost.

**ADMINISTRATIVE SERVICES**

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

**TRAINING VENDORS**

To Be Determined

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

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- 9-Series Reach Truck Sales Product Knowledge
- Financial Merchandising Skills
- Hydraulic Attachment Operation Product Knowledge
- Electrification - Selling Battery Powered Equip.
- Marketing and Product Sales Skills
- Customer Service Skills
- Communication Skills
- 1<sup>st</sup>, 2<sup>nd</sup> & 3<sup>rd</sup> Gear Knowledge Skills
- CSS Boot Camp

**COMPUTER SKILLS**

- CRM Software Skills
  - Data Merge & Purge
  - Field Sales Scheduling
  - Scheduling Reports
  - Opportunity Input
  - Maintaining Opportunities
  - Manual Navigation
  - Price Book
  - Equipment Configuration
  - Quoting Procedures
  - Monitoring Field Sales
  - Generating Dealer Sales Reports
  - Dealer Quote Reporting
  - Equipment Analytics
  - Error Handling & Maintenance
  - Integration with ELC
- Business Systems Training (ELC software)
  - Accounts Receivable
  - Accounts Payable
  - Purchasing (PO) System
  - Equipment Management (New/Used)
  - Rental
  - Service
  - Parts
  - General Ledger
- Advanced Microsoft Office Skills

**CONTINUOUS IMPROVEMENT**

- Leadership Skills
- Process Improvement Skills
- Team Building Skills
- Lean Concepts
- Kaizen Skills

- Decision Making & Problem Solving Skills
- Standard Operating Skills
- Quality Control Standards
- Inspection Skills
- 6S

**OSHA 10/30** (OSHA Certified Instructor)

- OSHA 10 (requires completion of 10-hour course)
- OSHA 30 (requires completion of 30-hour course)

**COMMERCIAL SKILLS**

- Vehicle Operation, Maintenance, & Troubleshooting
- Fuel Systems
- Brake Systems
- Engine Performance
  - Gasoline Engines
  - Diesel Engines
  - Drive Train
  - Suspension & Steering
  - Electrical/Electronic Systems & Theory
  - Truck Equipment Installation and Repair
  - Truck Equipment Auxiliary Power Systems Installation
  - Diagnostic Skills
  - Automotive Service Excellence (ASE) Certification Skills
  - Preventive Maintenance Inspections
  - IC Chassis Electrical Diagnosis-T250
  - Mast Inspection & Repair-T375
  - Industrial Combustion Engines
  - Steering & Suspension Systems
  - Large Capacity Diesel Training
  - -F1 Alternative Fuels
  - Computer Diagnostics
  - Advanced Troubleshooting
  - Gold Level Training Skills

**CBT Hours**

0-27

**COMMERCIAL SKILLS**

- 1<sup>st</sup> Level Technician Skills (2.5 hrs.)
- Bronze Level Training Skills Requirement
  - General Product/Toyota Engines-T140 (3.5 hrs.)
  - Electrical Systems & Theory (3.5 hrs.)
  - Class III T-650 Engines -T650 (3.5 hrs.)
- Silver Level Training Skills
  - Hydraulic Systems & Power Trains (4.0 hrs.)
  - Engine Control Systems (3.0 hrs.)
  - Electric Vehicles
  - Class 2 Order Picker & Reach Truck T600 (3.5 hrs.)
  - T752 Class 1 Electric Lift (3.5 hrs.)

Safety Training will be limited to 10% of total training hours per-trainee.

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

## DELEGATION ORDER



### Training Proposal for:

**Sparton Irvine, LLC**

**Agreement Number: ET16-0269**

**Approval Date:** November 19, 2015

**ETP Regional Office:** San Diego

**Analyst:** M. Ray

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing Aerospace and Defense  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Orange	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 340	U.S.: 1,700	Worldwide: 2,000	
<u>Turnover Rate:</u>	10%			
<u>Managers/Supervisors:</u> (% of total trainees)	9%			

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$24,120		\$0	\$0		\$24,120

In-Kind Contribution:	100% of Total ETP Funding Required	\$26,437
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Continuous Improvement	67	8 - 200	0	\$360	\$16.02
				Weighted Avg: 20			

**Minimum Wage by County:** \$16.02 per hour in Orange County

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

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

Up to \$2.61 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Production		47
Engineering		5
Quality		9
Supervisor/Manager		6

**INTRODUCTION**

Founded in 1900 and headquartered in Jackson, Michigan, Sparton Corporation (Sparton Corporation) ([www.sparton.com](http://www.sparton.com)) is an industry leader in designing, developing, and manufacturing complex electronic and electromechanical devices. Sparton Corporation specializes in regulated, industrial products such as car horns for the automobile industry; wearable and internal medical devices for the health industry; as well as defense, security devices and sonar for the military.

Sparton Corporation has three California facilities including one facility in Milpitas, which currently holds an active ETP Agreement (ET15-0129). Sparton Corporation acquired Hunter Technology Corporation (Hunter) in April 2015 subsequent to the approval of the ETP Agreement. All training under this Agreement will be completed by April 2016. However, Hunter will not participate in this training proposal. The proposed training will only target workers from Sparton Irvine, LLC (Sparton Irvine), a wholly-owned subsidiary of Sparton Corporation.

Sparton Irvine is a manufacturer of electronic assemblies. The facility provides contract design, manufacturing, and aftermarket repair and refurbishment of sophisticated printed circuit card assemblies, sub-assemblies, full product assemblies, and custom cable/wire harnesses. Customers include Original Equipment Manufacturer customers serving medical and biotechnology; military and aerospace; as well as industrial and commercial markets.

## **PROJECT DETAILS**

Sparton Irvine focuses on complex design manufacturing. Its customers frequently develop highly-specialized or highly-sophisticated electronics with a small margin for error. In addition, these customers are also in tightly regulated industries, thereby, requiring Sparton Irvine to adhere to stringent military and aerospace specifications; Food and Drug Administration guidelines and approvals; as well as internal product and process certifications.

To support industry and customer demands, Sparton Irvine must develop a more specific training program. Specifically, the Company must improve its business processes and services and maintain high quality standards to acquire and retain customers. To do this, Sparton Irvine will provide its workers with complex training focused on completing industry certification requirements. The Institute for Printed Circuits (IPC) Quality Standards certification process will involve initial classroom setting, testing, periodic classroom refresher, and/or re-testing after a period of time (typically two years). Further, the Company has hired a dedicated employee to manage, provide, and administer standards training and overall certification process.

Workers will train in specific Continuous Improvement topics to meet customer demands and remain competitive in the electronics industry market. With ETP funding, Sparton Irvine will be able to deliver classroom training to provide new and existing workers the skills necessary to prepare for IPC testing and maintain various IPC certifications. Trainees will need to test for these certifications outside ETP-funded training at the Company's expense.

### **Training Plan**

**Continuous Improvement** (100%) – Training will be offered to all occupations. Course topics are specific to IPC Standards such as IPC-A-610 F, IPC/WHMA-A-620 B, and IPC J-STD-001 F.

### **Commitment to Training**

The Company spends an estimated \$72,000 annually on training at its Irvine facility and includes company processes, policies and procedures for new hires. Training is reiterated as needed based on topic complexity and policy changes.

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

#### ➤ Training Infrastructure

The Company's in-house IPC trainer will oversee, manage and implement training. Outside vendors may be used if needed. Supervisors/Managers will be responsible for approving and scheduling training. Human Resources Staff will be responsible for the overall administration of the proposed ETP Agreement.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **ACTIVE PROJECTS**

The following table summarizes performance by Hunter Technology (subsidiary of Sparton Corporation) under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET15-0129	\$81,000	7/7/14 – 7/6/16	180	TBD	TBD

Training is ongoing in Milpitas at the newly acquired Hunter Technology. As of October 2015, the Contractor has documented 2,393 eligible training hours (57% of the Agreement amount). Based on the training schedule remaining for the workers at the Milpitas facility, the Contractor expects to earn 100% of the planned Agreement amount.

### **DEVELOPMENT SERVICES**

N/A

### **ADMINISTRATIVE SERVICES**

N/A

### **TRAINING VENDORS**

To Be Determined



## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

8 - 200

Trainees may receive any of the following:

### **CONTINUOUS IMPROVEMENT**

- Institute for Printed Circuits (IPC) Quality Standards
  - IPC-A-610 F
  - IPC/WHMA-A-620 B
  - IPC J-STD-001 F

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

DELEGATION ORDER



**Training Proposal for:**  
**Stanford Medical Billing Services, Inc.**

**Small Business**

**ET16-0321**

**Approval Date:** December 29, 2015

**ETP Regional Office:** Sacramento

**Analyst:** M. Jones

**CONTRACTOR**

- Type of Industry: Services
- Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees
  - California: 10
  - Worldwide: 10
  - Number to be trained: 10
- Owner ☒ Yes ☐ No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): ☒ Yes ☐ No
- High Unemployment Area (HUA): ☒ Yes ☐ No
- Turnover Rate: 13%
- Repeat Contractor: ☒ Yes ☐ No

**FUNDING**

- Requested Amount: \$7,700
- In-Kind Contribution: \$11,220

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 SET	Business Skills, Computer Skills, Commercial Skills	10	8-60	0	\$770	\$15.07
				Weighted Avg: 35			

- Reimbursement Rate: Job #1: \$22 SB Non-Priority
- County(ies): Fresno
- Occupations to be Trained: Owner, Financial Counselor, Accounting Staff, Medical Coding Staff, Administrative Staff, Billing Staff
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$2.07 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

Established in 1997, Stanford Medical Billing Services, Inc. (Stanford Medical) is a professional medical services company that offers medical practice management data support, medical coding, billing services, and invoicing/claims processing for medical specialty groups (such as Oncology and Neurology) and physicians' offices throughout Fresno County and Hawaii. The Company is expanding its services, growing and implementing new initiatives.

The Company also recently expanded its specialty services to include Behavioral Health, Pain Management, Sleep Medicine, and Rheumatology, thus staff must learn the terms, definitions, protocols and processes for these medical specialties.

Stanford Medical is also implementing new software programs: IMS Medical Practice Management software to interface with new clients) and MedSym (a medical specialization program).

All training will be conducted in a Class/Lab setting.

## Training Plan

Stanford Medical has held two previous ETP contracts. Although some employees that participated in the previous Agreement will also participate in this new Agreement, repeat trainees will not receive the same training as in the previous Agreement, but will receive training on new initiatives. ETP funding will assist the Company in complying with the medical industry's new ICD-10 system, the expansion into Behavioral Health, Sleep Medicine, Pain Management and Rheumatology to development of employees' skills, and remaining competitive.

**Business Skills:** Training will be offered to the Owner, Administrative Staff, Accounting Staff and Financial Counselor. Stanford Medical plans to develop a short to medium range Strategic Plan that will take the business to the next level by identifying new market segments and territories for investigation and development over the next three years. Staff will learn the tools and the planning strategies that will be imperative to a successful plan. Their focus will be on strategies for growth within existing service areas, growth into regional markets, and growth in new medical specialty service areas. Training topic will be Strategic Planning.

**Commercial Skills:** Training will be offered to all occupations in order for staff to better communicate with clients and effectively process various health plans. This training will teach staff proper Rheumatology, Sleep Medicine, Behavioral Health and Pain Management Terminology, Definitions, and Protocols. Medical Coding Staff and Administrative/Clerical Staff will receive training in the ICD-10 coding system, which has approximately six times the diagnostic and treatment codes as the previous ICD-9 version to ensure specificity of coding and billing accuracy. Training topics will be Terms, Definitions and Protocols, and ICD-10.

**Computer Skills:** Training will be offered to the Owner, Accounting Staff, Administrative Staff, Billing Staff and Medical Coding Staff. Trainees will receive software training in IMS and MedSym. In addition, Medical Coding Staff and Administrative Staff will take the Electronic Health Records Software Training course.

## High Unemployment Area

All trainees work in a High Unemployment Area (HUA), with unemployment exceeding the state average by 15%. Stanford Medical Billing is not requesting an HUA wage modification.

## RECOMMENDATION

Staff recommends approval of this proposal.

## PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0331	Fresno	04/05/13 – 10/27/14	\$19,602	\$17,669 (90%)
ET11-0292	Fresno	06/30/11 – 06/29/12	\$34,320	\$25,078 (73%)

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

8 - 60

Trainees may receive any of the following:

#### **Business Skills**

- Strategic Planning

#### **Computer Skills**

- IMS Training
- MedSym Training
- Electronic Health Records Software Training

#### **Commercial Skills**

- Sleep Medicine Terms, Definitions, and Protocols
- Behavioral Health Terms, Definitions, and Protocols
- Pain Management Terms, Definitions, and Protocols
- Rheumatology Terms, Definitions, and Protocols
- ICD-10 Training

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.
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**DELEGATION ORDER****Training Proposal for:****Temple Park Convalescent Hospital, Inc.****Agreement Number: ET16-0329****Approval Date:** December 30, 2015**ETP Regional Office:** North Hollywood**Analyst:** E. Fuzesi**PROJECT PROFILE**

Contract Attributes:	Retrainee SET Priority Rate HUA Medical Skills Training	Industry Sector(s):	Healthcare Services  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 242	U.S.: 242	Worldwide: 242
<u>Turnover Rate:</u>	1%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$98,172		\$0	\$0		\$98,172

In-Kind Contribution:	100% of Total ETP Funding Required	\$97,072
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SET Priority Rate Medical Skills Training	Computer Skills Continuous Impr. MS Didactic MS Preceptor	33	8-200	0	\$1,044	\$20.55
				Weighted Avg: 58			
2	Retrainee SET Priority Rate HUA Medical Skills Training	Computer Skills Continuous Impr. MS Didactic MS Preceptor	60	8-200	0	\$1,062	* \$11.98
				Weighted Avg: 59			

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

**Minimum Wage by County:** Job Number 1 (SET Retrainee): \$20.55 statewide. Job number 2 (SET HUA Reduced Wage): \$11.98 for Los Angeles County.

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

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

Job Number 2: Up to \$0.98 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Number 1</b>		
LVN		27
RN		6
<b>Job Number 2</b>		
CNA		60

**INTRODUCTION**

Temple Park Convalescent Hospital, Inc. (TPCH) and its sister facility Care for the Elderly Inc., dba Grand Park Convalescent Hospital (GPCH), are standalone, for profit nursing homes in the city of Los Angeles operating under the same ownership. TPCH, founded in 1976, is a 99-bed facility, and GPCH, founded in 1991, has 151 beds. TPCH is the lead contract holder, and this is their first ETP Agreement. Both nursing homes provide convalescent and medical care, and in-patient services for the elderly and patients recovering from illness or injury.

## **PROJECT DETAILS**

The passage of the Affordable Care Act (ACA) has resulted in increased patient care standards, billing code changes, and increased accountability in the healthcare field, which includes additional documentation requirements. TPCH has conducted a comprehensive review of their procedures, and identified steps and changes required of the Company to be in compliance with these new standards. As such, intensive training is required for staff to become competent with these new requirements.

These industry changes also impact TPCH's operations. Surveys conducted by the Director of Nursing identified deficiencies such as in-patient supervision and the lack of appropriate procedure documentation. TPCH plans to address these deficiencies with structured training focusing on specific areas. To standardize processes, and improve services and patient care, the nursing homes implemented communication procedures and operations with regular standup meetings, more frequent rounds, and increased staff involvement, more patient reviews, assessments, and documentation to address patient needs. The proposed training targets these areas for improvement.

### **Training Plan**

**Computer Skills (5%)** – Training will be offered to all occupations to ensure staff can navigate the nursing home's electronic medical recordkeeping system. Trainees utilize this system on a daily basis and must understand how to accurately submit and review data entered for patients. Trainees also need to properly document all staff-patient interactions, using internal software and MS Office. Special emphasis will be given on the new medical billing and coding program.

**Continuous Improvement (15%)** – Training will be offered to all occupations in topics such as Communication, Documentation, and Conflict Resolution Skills. As staff members interact with patients, families, and each other during times of medical challenges, staff needs to be able to effectively communicate to resolve issues, and provide the best service to patients and their families. Trainees will learn to manage difficult situations, and will be prepared for problems that may arise. The Utilization Review helps determine if patients have a medical necessity for different types of patient care.

**Medical Skills – (Didactic) (50%)** – Training will be offered to all occupations to cover the changes and requirements that are required by the ACA. Trainees will be able to update their skills to comply with ACA requirements. Additionally, trainees will learn the most current ways to perform procedures, and address issues that frequently arise when dealing with elderly patients or patients in rehabilitation. As ongoing research and recommended procedures are frequently updated, training will also address the most current techniques to support trainees in following recommended guidelines.

**Medical Skills (Preceptor) (30%)** – will be offered to all occupations in order to give them an opportunity to practice the skills and knowledge offered in the Didactic setting prior to training with a Preceptor. To enhance skills, training to ensure the staff deliver the high quality care expected in skills such as catheter care, IV care, feeding tubes, and positioning skills. The Panel has established a "blended" reimbursement rate for nurse upgrade training, recognizing the higher cost of delivery for the Clinical Preceptor model.

### **Commitment to Training**

Last year approximately \$4,700 was spent on training at TPCH and approximately \$9,000 at GPCH. The Nursing Home currently provides all legally mandated training, new hire and job specific orientations, and didactic and preceptor training as needed.



ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. ETP funding will allow the Contractor to build on the training currently offered, and enables TPCH to provide regularly scheduled training that provides the most up-to-date techniques and knowledge for the task at hand and to ensure that patient care is in line with the Affordable Care Act's requirements.

➤ Training Infrastructure

Human Resources (HR) staff at each facility will be responsible for oversight of the Agreement. TPCH has hired Tax Credit Co. as their third party administrator to assist with administrative duties such as online tracking, enrollment, reporting, invoicing, and meeting with ETP Staff. TPCH staff will provide and collect training rosters, track training hours, and schedule training in support of the implementation process of ETP within the Nursing Home.

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

### **Impact/Outcome**

The proposed ETP-funded training will help TPCH subsidize the high cost of training of staff. As a result of the training, trainees will better understand their roles and responsibilities, increase their efficiencies, and improve patient care. Training will generate quality survey outcomes and reduce customer complaints.

### **Special Employment Training (SET)**

Under SET, the Contractor is not required to demonstrate out-of-state competition. Trainees must earn at least the statewide average hourly wage at the end of the retention period. The Panel may modify the minimum wage requirement for companies in priority industries, such as healthcare up to 25% below the state average hourly wage (\$20.55). TPCH is requesting this modification for trainees in Job Number 1.

### **Wage Modifications HUA Reduced Wage**

All trainees in this proposal work in a High Unemployment Area (HUA), a region with unemployment exceeding the state average by 25%. The determination of HUA status is based on unemployment data from the Labor Market Information Division of the Employment Development Department. The Company's 2 locations in Los Angeles (Los Angeles County) qualify for HUA status under these standards.

The Panel may modify the ETP Minimum Wage by up to 25% for training in an HUA. TPCH is requesting this wage modification to \$11.98 in Job Number 2, where post-retention wages will have to exceed the start-of-training wages.

### **RECOMMENDATION**

Staff recommends approval of this proposal, and the HUA wage modification.

### **DEVELOPMENT SERVICES**

The TPCH retained Tax Credit Co. in Los Angeles to assist with development of this proposal for a flat fee of \$9,000.

### **ADMINISTRATIVE SERVICES**

Tax Credit Co. will also perform administrative services in connection with this proposal for a fee not to exceed 5% of payment earned.

### **TRAINING VENDORS**

N/A

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

8-200 Trainees may receive any of the following:

**COMPUTER SKILLS**

- Medical Record Coding
- MS Office (Intermediate/Advanced)
- Patient Billing
- Point Click Internal Software

**CONTINUOUS IMPROVEMENT**

- Case Management and Discharge Planning
- Charge Nurse Training
- CNAs Roles and Responsibilities
- Communication
- Conflict Resolution
- Customer Service
- Disaster Preparedness
- Documentation
- Managing Workplace Violence
- Organization and Time Management
- Performance and Quality Improvement
- Team Building Skills
- Utilization Review

**MEDICAL SKILLS DIDACTIC**

- Admissions, Discharges and Transfers
- Bladder and Bowel Training
- Body Mechanics, Accident Prevention and Safety Measures
- Confidentiality/HIPAA
- Death with Care and Dignity
- Decontamination Procedures
- Diabetes and Foot Care
- End of Life Ethics
- HIV/AIDS
- Immunization
- Infection Control
- Infection Control (H1N1)
- Intravenous (IV) Insertion and Therapy
- Managing Dementia and Alzheimer's Disease Abuse
- Managing the Effects of Tobacco Use
- Medication Administration and Management
- Meeting Residents' Spiritual Needs
- Monitoring Vital Signs
- Nutritional Needs of the Elderly
- Oral and Dental Care
- Pain Management
- Patient Assessment and Care
- Pharmacy Skills

- Problems and Needs of Aged, Chronically, Acutely Ill and Disabled
- Psychosocial Aspect of Aging
- Recognition and Treatment of Communicative Diseases
- Restraints Management
- Sex/Sexuality
- Signs and Symptoms of Cardiopulmonary Distress
- Total Parenteral Nutrition
- UTI/Catheter Care
- Wound Management and Skin Care

#### **MEDICAL SKILLS CLINICAL PRECEPTOR**

- Application and Release of Restraints
- Catheter Care
- Central Line Management
- Enteral Feeding Management
- Fall Prevention and Body Mechanics and Safety Measures
- Infection Control
- Intravenous (IV) Insertion and Therapy
- Medication Administration
- Patient Assessment and Care
- Proper Techniques for Walking Patients
- Repositioning Techniques and Transfers
- Respiratory Assessment and Care
- Total Parenteral Nutrition
- Wound Management and Skin Care

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

DELEGATION ORDER



**Training Proposal for:  
Top of the Third, Inc.**

**Small Business**

**ET16-0307**

**Approval Date:** December 22, 2015

**ETP Regional Office:** Sacramento

**Analyst:** W. Sabah

**CONTRACTOR**

- Type of Industry: Multimedia/Entertainment
- Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees
  - California: 14
  - Worldwide: 14
  - Number to be trained: 14
- Owner ☐ Yes ☒ No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): ☒ Yes ☐ No
- High Unemployment Area (HUA): ☒ Yes ☐ No
- Turnover Rate: 30%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$10,780
- In-Kind Contribution: \$15,000

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 SET HUA	Business Skills, Commercial Skills, Computer Skills, Continuous Improvement	14	8-60	0-8	\$770	*\$11.30
				Weighted Avg: 35			

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

- Reimbursement Rate: \$22 SB Non-Priority
- County(ies): Tulare
- Occupations to be Trained: Administration Staff, Facility Operations Staff, Marketing Staff, Event Coordinator, Ticketing Staff, Frontline Manager
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: \$0.97 per hour

**SUBCONTRACTORS**

- Development Services: Strategic Business Solutions, LLC of Visalia assisted with development services for a flat fee of \$900.
- Administrative Services: Strategic Business Solutions, LLC will also provide administrative services for a fee not to exceed 7% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 1946 and located in Visalia, Top of the Third, Inc. (Top of the Third) (<http://www.rawhidebaseball.com>) owns and operates The Visalia Rawhide, a class A baseball farm team affiliated with the Arizona Diamondbacks Major League Baseball franchise. This baseball venue provides professional baseball entertainment, high school playoffs, concerts, charitable events and other community activities. Under this ETP contract, Top of the Third plans to train stadium, operations and event employees.

**Need for Training**

Although Top of the Third is a for-profit corporation, it depends primarily on community support and disposable income, for ticket and related sales and event fees. This requires staff to

continuously improve services and maximize the value in products offered to the community. To attract more customers and increase market share, the Company will implement a comprehensive training plan to cross-train employees on computer software, ticketing software, facility equipment, sales, marketing and social media.

Top of the Third plans to improve employee professionalism to promote a cohesive corporate culture through leadership and teambuilding. Trainees will also receive training in facility management to better manage, maintain and repair the facility and its equipment.

## Training Plan

Trainees will receive between 8–60 hours of classroom/laboratory training and may receive between 0–8 hours of computer-based training.

**Business Skills:** Training will be offered to Marketing Staff, Event Coordinators, Ticketing Staff and Frontline Managers to improve employee skills on marketing strategies, social media tools, promotion and packages, charitable presence and broadcast/print media. Training will increase sales and allow the organization to obtain a larger fan base. Training course topics will include Sales and Marketing.

**Commercial Skills:** Training will be offered to Managers, Facility Operations and Administration Staff and on the newly upgraded systems and operations of the facility including environmental control systems, lighting, irrigation, fire suppressions and HVAC systems. Managers and Administration Staff will require training on some equipment in the case Facility Operations Staff are not available. Training will allow staff to apply best practices to insure an efficient, green oriented, community friendly facility. Training course topics will Facilities Operations and Maintenance, and Turf Maintenance Machinery Operation, Maintenance and Repair.

**Computer Skills:** Training will be offered to Administration Staff, Marketing Staff, Event Coordinators and Managers on new programs such as Vevonet Software and ACT! Sage Software to improve customer database, contact management, and sales functions. Training will also focus on QuickBooks and Ticket Return Software to increase efficiency between customers and vendors and improve ticket tracking, smartphone ticketing and ticket swap functions.

**Continuous Improvement:** Training will be offered to all occupations to provide a cohesive workforce to focus on the goals of the organization, promote a sense of team and support each other towards excellence. Managers and select trainees will also receive Leadership training to lead teams, coach, motivate and mentor staff to provide a better work environment and increase team morale. Training course topics will include Teambuilding and Leadership.

## Turnover Rate

The ETP program is designed to fund training for stable, secure jobs. Thus, the employer's turnover rate cannot exceed 20% annually for the facility where training is requested. But the Panel may accept a higher turnover rate if the employer provides evidence that the proposed training will significantly decrease the turnover, or if the employer experienced a singular reduction in workforce, or if industry data supports a higher turnover rate.

In 2014, Top of the Third experienced turnover at a rate of 30%. The Company represents that this is considered average for sports management, due to the cyclical nature of services delivered in this industry sector. According to the Company, employees routinely leave in order to pursue career advancement in a bigger market or at a major-league club. The occupations that typically leave the Company for higher pay are included in this proposal: Administration,

Ticketing and Marketing Staff. This factor is reflected in the high turnover rate. However, the company believes training will ultimately enable it to achieve its goal of lowering the turnover rate and providing more opportunities for employees.

If the Panel chooses to fund this training, Top of the Third understands that it will earn the final 25% payment for each trainee only if it achieves an average turnover rate of 20% or less for the last 12 months of the Agreement.

### **SET/HUA**

Under Special Employment Training (SET), the participating employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention period.

However, all trainees work in a High Unemployment Area (HUA) exceeding the state average by at least 25%. The Company's location in Tulare County qualifies for HUA status under these standards. Top of the Third is requesting an HUA wage modification to \$11.30 per hour.

### **RECOMMENDATION**

Staff recommends approval of this proposal, including the 20% turnover trigger rate and wage modification.



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

8- 60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Sales
- Marketing

**COMMERCIAL SKILLS**

- Facilities Operation and Maintenance
- Turf Maintenance Machinery Operation, Maintenance, and Repair

**COMPUTER SKILLS**

- QuickBooks
- Ticket Return Software
- ACT! Sage Software
- Vevonet Software

**CONTINUOUS IMPROVEMENT**

- Teambuilding
- Leadership

**CBT Hours**

0-8

**COMPUTER SKILLS**

- Ticket Return Software (4 Hours)
- Vevonet Software (4 hours)

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. CBT is capped at 50% of total training hours, per-trainee excluding OSHA 10/30, HAZWOPER or HAZMAT.

## DELEGATION ORDER



### Retrainee - Job Creation Training Proposal for:

**Tropicana Manufacturing Company, Inc.**

**Agreement Number: ET16-0339**

**Approval Date:** December 29, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Paccarelli

### PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Teamster Local Union No. 848			
Number of Employees in:	CA: 42,000	U.S.: 168,000	Worldwide: 285,000	
Turnover Rate:	5%			
Managers/Supervisors: (% of total trainees)	20%			

### FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$89,880		\$22,490 (30% Job 1)	\$0		\$67,390

In-Kind Contribution:	100% of Total ETP Funding Required	\$93,290
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Mfg. Skills, Business Skills, Continuous Imp., Computer Skills, PL-Mfg. Skills	130	8-200	0	*\$403	\$15.97
				Weighted Avg: 32			
2	Retrainee Priority Rate Job Creation Initiative	Mfg. Skills, Business Skills, Continuous Imp., Computer Skills, PL-Mfg. Skills	10	8-200	0	\$1,500	\$13.31
				Weighted Avg: 75			

\*Reflects substantial contribution

**Minimum Wage by County:** \$15.97 in Job Number 1 and \$13.31 in Job Number 2 in Los Angeles County

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

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

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

Job 1 & 2 Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Production Staff		120 8
Administrative Staff		2
Manager/Supervisor		10

**INTRODUCTION**

Founded in 1947, Tropicana Manufacturing Company, Inc. (Tropicana) ([www.tropicana.com](http://www.tropicana.com)), a subsidiary of PepsiCo, manufactures and distributes a line of fresh juices, blended juices and smoothies.

Tropicana developed a pasteurization process to pack pure chilled juices aseptically in glass bottles, allowing shipping without refrigeration. The Company also devised a method of freezing pure whole citrus juice in 20-gallon blocks for storage and shipping. Since its acquisition by PepsiCo in 1998, it has become a leading producer of branded fruit juices worldwide; supplying retailers, wholesalers, and education systems.

In this proposal, training will be provided to 140 employees of Tropicana's Naked Juice product line in its City of Industry facility. This site is the sole manufacturer of Naked Juice, a line of fresh premium fruit juices and smoothies.

Naked Juice has been an innovative product line for which the Company frequently introduces new flavors to meet consumer expectations and increase demand. As the only Naked Juice plant within the Company worldwide, it is continually seeking ways to remain competitive and to adhere to its guiding principles.

## **PROJECT DETAILS**

This will be Tropicana's fourth ETP Agreement within the last five years at the City of Industry. Training in this proposal differs from and/or expands on training delivered in previous projects. The ET11-0276 (Job Creation only) expanded the Company's operation and successfully hired and trained 49 new employees. In ET12-0423, the training focused on the conversion of its production lines as it switched from high-density polyethylene bottles to 100% recycled PET (polyethylene terephthalate).

The most recent Agreement (ET14-0204) focused on the implementation of the Company's \$8.9M investment in new equipment and system upgrades. The goal was to train employees in all phases of the new equipment and processes; however, not all phases of training were provided to all trainees. This new proposal will be a continuation of the last project, which will upgrade trainee skills in leading-edge technology and produce money-saving efficiencies.

### **Retrainee - Job Creation**

With the success of the Naked Juice products, the Company has expanded operations by installing new equipment and systems upgrades. As new manufacturing processes are introduced, new positions become available. Newly-hired employees must be trained so that the Company can develop and enhance critical manufacturing skills. Tropicana has committed to hiring 10 new employees (Job Number 2). Trainees must be hired within the three-month period prior to Panel approval or during the term of contract.

The Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage. To be eligible for reimbursement, trainees must be hired within the three-month period prior to Panel approval or during the term of contract. These trainees will be hired into "net new jobs" as a condition of contract.

### **Training Plan**

Tropicana is requesting ETP funding to help its employees upgrade their skills, grow within their current role, and ensure a broader understanding of the production process in the following areas:

**Manufacturing Skills (40%):** Training will be offered to Production Staff in the operation, repair and maintenance of new equipment and manufacturing processes. Courses will be specific to the type of equipment with cross-training provided to ensure a full understanding of the entire manufacturing process.

**Continuous Improvement (30%):** Training will be offered to all occupations with emphasis on Quality Concepts, Total Productive Manufacturing and Just-In-Time Processes.

**Business Skills (15%):** Training will be offered to Production and Administrative Staff. As they are placed in structured teams, trainees need business performance skills to ensure that costs are controlled and to improve communication skills.

**Computer Skills (15%):** Training will be offered to all occupations in intermediate and advanced Microsoft office to ensure they properly navigate and utilize this software to manage their workload and processes.

### **Productive Laboratory**

The Panel recently adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training, in the courses identified under the curriculum.

While some trainees may have good foundational knowledge, classroom training can only provide theory; trainees will need practical knowledge to reach optimal skill levels and become a valuable asset to Tropicana and its customers. Production Staff will receive 40 hours of PL in Manufacturing Skills. These trainees will be certified to operate, troubleshoot, manage and/or maintain the new equipment to the manufacturer's specifications.

Trainers will work directly with them on a 1:1 ratio with each trainee to provide hands-on, learning opportunities that would otherwise be too expensive or impossible to replicate in a classroom or simulated setting. The trainer will be dedicated to training delivery during all hours of training.

### **Commitment to Training**

ETP funds will not displace the existing financial commitment to training. In support of continuous employee development, The Company's current training budget is approximately \$215,000 and covers new hire orientation, OSHA-mandated training and other ongoing training effort to ensure a safe and efficient work environment. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

### **Union Support**

The Production Staff participating in this proposal is represented by a collective bargaining unit. These trainees are represented by the Teamsters Local Union No. 848. The union provided a letter of support for the training of their respective members.

### **Substantial Contribution**

Tropicana is a repeat contractor with payment earned in excess of \$250,000 at its facility within the past five years. (See Prior Projects Table)

The previous Agreement, completed in 2015 (ET14-0204), was assessed a 15% Substantial Contribution. Accordingly, reimbursement for incumbent worker trainees in Job Number 1 in this proposal must be reduced by 30% for a Substantial Contribution of \$22,490. In Job Number 2, the Substantial Contribution requirement does not apply to Job Creation trainees.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0204**	City of Industry	10/21/13- 10/20/15	\$274,200	\$67,315 (25%)
ET12-0423	City of Industry	06/30/12- 06/29/14	\$135,792	\$135,792 (100%)
ET11-0276 (Job Creation Only)	City of Industry	05/31/11- 05/30/13	\$182,250	\$179,754 (99%)

\*\*ET14-0204: The Contractor was unable to maximize earnings due to organizational changes within the Company including the transfer of the project administrator to another facility. It took several months before a new administrator was assigned. During that period, a lot of training was provided, but the training hours were not captured in accordance with ETP requirements. As a result, the majority of trainees fall short of the required 24 minimum hours.

To ensure the success in this new proposal, the new administrator will continue to oversee the new project and will include involvement of department managers/supervisors for proper documentation of the ETP training.

**DEVELOPMENT SERVICES**

N/A

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

To Be Determined

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

8-200

Trainees may receive any of the following:

**MANUFACTURING SKILLS**

- Production Equipment Operation/Maintenance
- Automatic Data Collection Blender Training
- Total Productive Manufacturing Equipment Based
- Conveyor Systems Operation, Maintenance and Repair
- Pumps Operation, Maintenance and Repair
- Electrical Equipment Operation, Maintenance and Repair
- Pneumatic Equipment Operation
- Hazard Analysis and Critical Control Point Advanced Training
- Quality Management Microbiology and Sanitation Training

**BUSINESS SKILLS**

- Business Performance/Skills Enhancement
- Business Basics
- Business Run Right
- Communication Skills
- Project Management
- Systems, Applications and Processes

**COMPUTER SKILLS**

- Microsoft Office Suite (Advanced & Intermediate)  
(Word, Excel, PowerPoint, Project, Access)

**CONTINUOUS IMPROVEMENT**

- Leadership Skills for Frontline Workers
- Quality Concepts
- Just-in-Time Processes
- Process Improvement
- Teambuilding (Natural Work Teams)
- Problem Solving
- Total Productive Manufacturing
- Quality Good Manufacturing Processes
- Organizational Capability and Continuous Improvement

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

**PL Hours**

0-40

**MANUFACTURING SKILLS (Ratio: 1:1)**

- Production Equipment Operation/Maintenance
- Automatic Data Collection Blender
- Total Productive Manufacturing Equipment Based
  - Autonomous Maintenance
  - Depalletizer

- Rinser/Filler/Capper
- Kronos Labelers
- Tray Shrink Packer
- Dynac/Laner
- Case Packer
- Case Erector and Sealer
- Palletier
- Stretchwrapper
- VideoJet Coder
- Coder Training
- Pallet Labelers
- Zarpac Scada System
- Juice Storage and Blending
- Protein Stabilizing Pasteurization Systems
- Conveyor Systems Operation, Maintenance and Repair
- Pumps Operation, Maintenance and Repair
- Electrical Equipment Operation, Maintenance and Repair
- Pneumatic Equipment Operation
- Hazard Analysis and Critical Control Point Advanced
- Quality Management Microbiology and Sanitation
  - Packaging Floor Sensory Training
  - Fill Weight SPC
  - Product Quality Training
  - Hold IT Program
  - Organic Training

<p>Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 40 hours per-trainee.</p>
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# Teamsters Local Union No. 848

Chartered in 1937

**ERIC TATE**  
SECRETARY-TREASURER

December 1, 2015

Employment Training Panel  
1100 J Street  
Sacramento, CA 95814

Ref: Tropicana Beverages North America Contract

Dear Panel Members:

Tropicana Beverages North America is requesting an Employment Training Panel contract with your office. The training curriculum proposed by Tropicana, City of Industry plant will significantly help to increase the capability and skill of its employees. Our union fully supports the proposed curriculum and believes that it will enhance our members' skill set and productivity. The contract with your office will provide the employees the knowledge and the tool to function in a continuous improvement environment. After review of the training plan, we determine that it plays an important role in the furtherance of objectives between this Union and Tropicana.

The cooperation arrangements among Public Sector, Corporations, and Unions are beneficial to all parties. We fully support it. We greatly appreciate your panel's efforts and endeavor.

If I can be of further assistance, please let me know.

Sincerely,

Charles Tran  
Business Representative  
Teamsters Union Local 848  
Cell: (626) 705-8123

*Our Members Are Our Strength. . . Our Children Are Our Future. . . Our Retirees Are Our Foundation*

**DELEGATION ORDER**



**Retrainee - Job Creation  
Training Proposal for:  
Tucker Autobody & Towing, Inc.**

**Small Business**

**ET16-0313**

**Approval Date:** December 23, 2015

**ETP Regional Office:** San Diego

**Analyst:** J. Davey

**CONTRACTOR**

- Type of Industry: Services
- Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees
  - California: 21
  - Worldwide: 21
  - Number to be trained: 25
- Owner ☒ Yes ☐ No
- Out-of-State Competition: Customers Outside CA
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☒ Yes ☐ No
- Turnover Rate: 6%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$28,600
- In-Kind Contribution: \$29,404

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 HUA	Business Skills, Comm. Skills, Computer Skills, Cont. Imp., HazMat., PL-Comm. Skills	20	8-60	0	\$1,100	*\$11.30
				Weighted Avg: 50			
2	Retrainee Job Creation SB<100 HUA	Business Skills, Comm. Skills, Computer Skills, Cont. Imp., HazMat., PL-Comm. Skills	5	8-60	0	\$1,320	*\$10.10
				Weighted Avg: 60			

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

- Reimbursement Rate: Job #'s 1 & 2: \$22 SB Non-Priority
- County(ies): Imperial
- Occupations to be Trained: Administrative Staff, Estimator, Technician, Parts/Production, Manager, Sales Staff, Owner
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$0.30 per hour

**SUBCONTRACTORS**

- Development Services: Synergy Management Consultants, LLC in Grass Valley assisted with development services for a flat fee of \$2,288.
- Administrative Services: Synergy Management Consultants, LLC will also assist with administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 1988 and located in Imperial, Tucker Autobody & Towing, Inc. (Tucker AB) services greater Imperial County and parts of Western Arizona. The Company provides auto and truck body repair, windshield and glass repair, finishing, painting, and other auto body repair and towing services.

Tucker AB has undertaken an aggressive growth strategy to build existing market share to include new Auto Insurer Direct Repair Programs and increase business with USAA customers (military personnel). Further, Tucker AB plans to expand its repair capabilities to include vehicles such as Ford Aluminum, Toyota, Honda and Cadillac. There is a currently need for a collision repair facility that can accommodate these vehicles in the greater Imperial area.

With the introduction of large conglomerate consolidators (Headquartered out-of-state) into the local market, smaller businesses such as Tucker AB must grow to have the geographic footprint to service auto insurance companies. The Company must also grow to be able to take advantage of cost savings based on volume parts purchasing and other components (economies of scale) in the repair process.

Furthermore, changes within the automotive collision repair industry, including the processes and materials used to meet Corporate Average Fuel Economy (CAFE) standards, have created the need to re-tool and retrain employees to handle the repairs needed on these new vehicles. The use of both aluminum and ultra high-strength steels in the automotive manufacturing process requires different welding machines and techniques, which require training. Additionally, electric and hybrid vehicles, also manufactured to meet CAFE standards require special repair methods that most employees currently lack.

While Tucker AB has always been committed to training, additional training will be necessary to provide skills in new techniques and equipment for newer automobiles. In addition, Tucker AB can improve quality and efficiency by implementing Lean Quality and Production Improvement systems. New continuous improvement processes will give trainees the ability to identify production flow issues and root causes, then develop strategies and solutions to improve cost-effectiveness, quality, reduce waste and errors across the company (thus increasing customer satisfaction).

## **Training Plan**

Training will take place at the Company facility in Imperial by experienced in-house trainers and outside vendors in the skills below:

**Business Skills:** Training will be offered to Administrative Staff, Estimator and Managers on intermediate and advanced business skills topics. This training will be customized and job-specific skills to improve trainees' ability to perform their jobs.

**Commercial Skills:** Training will be offered to Production/Parts, Estimators, Technicians, Sales Staff and Managers in skills related to autobody/collision repair, maintenance-service, new vehicle technologies, aluminum, electric and hybrid repair, and extended Inter-Industry Conference on Auto Collision Repair credential training for collision center. Training also encompasses specific Original Equipment Manufacturer certified coursework. Sales Staff will also need to receive limited hours associated with these services to enhance both sales penetration and customer service.

**Computer Skills:** Training will be offered to all occupations in software applicable to their department and job function. This training will enable the Company to use IT systems to track costs, plan production and service flow while communicating with customers and employees. The collision industry has seen wide sweeping changes in how insurers and other partners exchange data. Training in these industry-specific software will improve efficiency in working with different customers.

**Continuous Improvement:** Training will be offered to all occupations to improve quality, cycle time, and cost efficiency by implementing Lean Quality and Production Improvement systems. These processes identify service, production and flow issues and as well as the root cause. The training will provide solutions to improve quality, reduce waste and defects across all areas of the company. Tucker AB expects to increase efficiency by 15% with continuous improvement training.

### **Certified Safety Training**

Hazardous Materials (HAZMAT). This training is also a series of courses, specific to industry sectors involved in the transport of hazardous materials. The coursework varies in length depending on the industry and the occupational title. Certified training is generally a minimum of 24 hours with an 8-hour annual refresher, and may be delivered by classroom or CBT.

In this proposal, Technicians will receive up to 3 hours of training. Field training may be required, although not funded by ETP. Completion of the training does not result in a certificate. This coursework is not under Cal-OSHA, nor is it administered under the Department of Transportation and CalTRANS.

### **Productive Laboratory**

The Panel has adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods or services for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

**PL-Commercial Skills:** Training will be offered to 13 Estimators and Technicians in skills such as Aluminium Spot Welding, Estimating, Structural Resistance Spot Welding, Body Filler Techniques, Color Tinting, Paint Spraying/Blending Techniques, Alignment and other Body/Collision repair skills. Training will be delivered 1:1 with qualified trainers for approximately 7-9 hours per trainee, depending on prior experience with the specific auto body repair techniques. However, some trainees may need as many as 24 hours of PL training, depending on need. Equipment used in training includes spot welders, mig (metal inert gas) welders, frame rack and measuring system, spray guns, spray booths, various hand tools, All-data IT, estimatics and ADP system for estimators including Mitchell, CCC and ADP estimating systems and CCC One Software.

Trainees will be given specific assignments from a trainer who will specify the scope of work, explain the process and needed equipment, verify that the employee understands standards and specifications, watch the employee perform the task, provide feedback on best practices and better ways of performing the task, help the employee with re-work if necessary. Then the trainer will ensure completion of the final stage, that the task has been performed correctly, that the employee understands the process and is proficient in the given body repair technique.

### **High Unemployment Area**

Trainees work in a High Unemployment Area (HUA), with unemployment exceeding the state average by at least 25%. The Company's location in Imperial qualifies for HUA status under these standards. Tucker AB is requesting a wage modification to \$11.30 per hour for Job Number 1 and \$10.10 per hour for Job Number 2.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

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

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Customer Care Skills
- Advanced Sales & Marketing Skills
- Negotiation Skills
- Conflict Resolution
- Communication Skills
- Presentation Skills

**COMMERCIAL SKILLS**

- I-CAR Collision Repair Certification Skills
- Refinishing Skills
- Structural Repair
- Non-Structural Vehicle Repair Skills
- Estimating Skills
- Vehicle Operation, Maintenance & Troubleshooting
- Alternative Fuel & Hybrid Vehicle Repair Diagnostics
- Service Procedures & Scheduling
- Product Knowledge
- Original Equipment Manufacturer Knowledge/Skills

**COMPUTER SKILLS**

- CCC One Software (auto collision repair software)
- Mitchell & Mitchell Repair Center Software
- Nugen IT
- Audatex Software
- Alldata Software
- Microsoft Office Suite
- Quickbooks

**CONTINUOUS IMPROVEMENT**

- Leadership Skills
- Teambuilding
- Root Cause Analysis
- Kaizen Event Strategy & Implementation
- Lean Concepts
- Process/Quality Improvement
- Problem Solving/Decision Making Skills
- Inventory Control
- Standard Operating Procedures

**HAZARDOUS MATERIALS**

- Completing Material Safety Data Sheets
- Volatile Organic Compound Tracking
- Emergency Clean-Up
- Registration, Evaluation, Authorization & Restriction of Chemical Substances

**PL Hours**

0-24

**COMMERCIAL SKILLS (Ratio 1:1)**

- **Body Filler Methods:** Task assigned-repair small to medium-sized dent in a typical steel panel.
- **Structural Resistance Spot Welding:** Task assigned-weld 15 welds per manufacturer guidelines.
- **Mig Brazing Techniques:** Task assigned-Mig braze a 6 inch section.
- **Color Tinting:** Tasks assigned-match 1, solid color, 1, two-stage color and 1 metallic color.
- **Spraying/Blending Techniques:** Tasks assigned-Refinish 1 panel, perform blend on adjacent panel.
- **Measuring Vehicle Structures:** Tasks assigned-set up vehicle on frame rack along with measuring system, create initial measurements.
- **Alignment Process for Unitized Vehicles:** Task assigned-Complete frame alignment for a unitized vehicle with a front sway or sag condition.
- **Alignment Process for Full Frame Vehicles:** Task assigned-Complete frame alignment for a full-frame vehicle with a front sway or sag condition.
- **Aluminum Repair:** Task assigned-repair as small dent in an aluminum panel

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. PL is capped at 24 hours per-trainee.
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**DELEGATION ORDER****Training Proposal for:****Ultimate Formulations, Inc. dba Best Formulations****Agreement Number: ET16-0325****Approval Date:** December 30, 2015**ETP Regional Office:** North Hollywood**Analyst:** M. Webb**PROJECT PROFILE**

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Los Angeles	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No			
Number of Employees in:	CA: 290	U.S.: 290	Worldwide: 290	
<u>Turnover Rate:</u>	15%			
<u>Managers/Supervisors:</u> (% of total trainees)	16%			

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$93,600		\$0	\$0		\$93,600

In-Kind Contribution:	100% of Total ETP Funding Required	\$125,827
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skills, Cont. Improv., Mfg. Skills, HazMat, PL-Mfg. Skills	130	8-200	0	\$720	\$15.97
				Weighted Avg: 40			

**Minimum Wage by County:** Job Number 1: \$15.97 per hour for Los Angeles County.

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

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

Up to \$1.49 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
JOB NUMBER 1		
Production Staff		53
Technical/Quality Staff		40
Administration Staff		17
Supervisors/Managers		20

**INTRODUCTION**

Founded in 1984, Ultimate Formulations, Inc. dba Best Formulations (Best Formulations) ([www.bestformulations.com](http://www.bestformulations.com)) is a nutraceutical and pharmaceutical company located in the City of Industry. Best Formulations is a contract manufacturer and private labeler of nutritional supplements which include tablets, soft gels, powders, capsules, dietary teas and over-the-counter and prescription drugs. This will be Best Formulations fourth ETP Agreement.

Under the last ETP Agreement, training focused on inventory management and in-house testing in their laboratory to reduce testing costs and lead times. The Company also purchased a new pill pouching machine to cut production costs and material waste. As such, training was focused on Operating Procedures delivered to Production Staff, Technical/Quality Staff, and Supervisors/Managers via Productive Laboratory training.

## **PROJECT DETAILS**

To remain competitive, Best Formulations must increase its production capacity and improve quality to continue manufacturing and delivering cost effective products to its customers. The Company has purchased a new SYMETIX VeriSym Inspection System, Scale Printers, Tablet Presses, Soft gel Polishing System, and Packaging System which was installed November/December 2015.

The inspection system will remove defected soft gels (leakers, misshaped, etc.) from batches manufactured. The system will also mechanically inspect every soft gel by color, size, and symmetry. This unit will increase productivity as well as reduce overhead in the production process. The soft gel polishing system will be integrated with the inspection system to provide soft gel finishing/polishing. In addition, Best Formulations will also train staff on its Gas Chromatograph Mass Spectrometer (GC-MS), laboratory equipment that can measure and identify certain chemicals and compounds. In the past, contaminants found were sent to labs. However, with GC-MS, Best Formulations is able to cut down lead time thus providing customers quicker turnaround times.

The final step of the manufacturing process is to insert capsules into master containers (manual process). The new packaging system will automatically count, weigh, package, and seal finished soft gels into master cartons. Training will be provided to staff to ensure they are capable of running newly purchased machinery properly.

Training in Business Skills, Continuous Improvement, and Computer Skills will be provided to all employees to enhance employee skill sets and operational processes. Curriculum topics include Coaching, Communication, Efficiency Analysis, and Goal Setting.

### **Training Plan**

**Business Skills** (20%): Training will be offered to all occupations to increase team building and customer service skills. Trainees will also receive training in Conflict Resolution and Market Analysis.

**HazMat** (5%): Training will be offered to Production Staff, Technical/Quality Staff, Administration Staff, and Supervisors and Managers. Trainees will learn how to safely handle hazardous materials encountered during the production process.

**Computer Skills** (15%): Training will be offered to all occupations to ensure employees are capable of utilizing computer programs used by Best Formulations. Staff will learn how to use the company's database for Quality and Business Intelligence Reporting).

**Manufacturing Skills** (30%): Training will be offered to Production Staff, Technical/Quality Staff, and Supervisors/Managers. Training on equipment usage and maintenance skills will provide staff with the knowledge to run machinery independently.

**Continuous Improvement** (20%): Training will be offered to all occupations to improve employee skills and increase efficiency in the workplace. Trainees will be provided curriculum that can enhance skills in lean production (manufacturing), waste reduction, and good manufacturing practices.

### **Productive Laboratory (10%):**

The Panel adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor will be dedicated to training delivery during all hours of training, and special attendance rosters will be used to assist in monitoring.

Best Formulations has purchased new equipment that will be used by incumbent and newly hired staff. As a result, the Company has developed a training plan that includes Productive Lab (PL) training to equip Production Staff with the knowledge necessary to safely operate equipment and maintain production flow. Trainees will be assigned job tasks to perform utilizing equipment such as the soft gel inspection system, encapsulation machines, presses, pill pouching lines, and powder filling machines. Trainees will work under the direct supervision of a qualified instructor as batches are assigned and completed by the trainee. ETP staff has also received Best Formulations tasks and competency sheet used during the PL training process.

PL Trainees are expected to produce the same output levels as more experienced workers at Best Formulations. Trainers will examine and review work performed by staff to determine if the trainee can independently complete job duties as assigned. Training will be conducted in small groups with a 1:1 trainer-to-trainee ratio not to exceed 25 PL hours per trainee.

### **Commitment to Training**

Best Formulations continues to deliver mandatory, company-wide training to its employees.

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

#### ➤ Training Infrastructure

The Company has hired Training Funding Source to provide administrative services under this Agreement. As a repeat contractor, designated company employees have been assigned to handle the following; schedule training, meeting with ETP and third party staff, collecting rosters, and tracking training hours.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **ACTIVE PROJECTS**

The following table summarizes performance by Best Formulations under an active ETP Agreement:

<b>Agreement No.</b>	<b>Approved Amount</b>	<b>Term</b>	<b>No. Trainees (Estimated)</b>	<b>No. Completed Training</b>	<b>No. Retained</b>
ET15-0120	\$110,040	07/01/14-06/30/16	201	235	141

Based on ETP Systems, 6,839 reimbursable hours have been tracked for potential earnings of \$110,040 (100% of approved amount). The Contractor projects final earnings of 100% based on progress and final payments in progress through December 2015.

### **PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0385	Industry	05/11/12- 05/10/14	\$97,308	\$96,845 (99%)
ET10-0287	Industry	10/27/09- 10/26/11	\$74,880	\$62,546 (83%)

**DEVELOPMENT SERVICES**

Best Formulations retained Training Funding Source in Seal Beach to assist with development of this proposal for a flat fee of \$5,900.

**ADMINISTRATIVE SERVICES**

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

**TRAINING VENDORS**

N/A

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

8-200

Trainees may receive any of the following:

#### **BUSINESS SKILLS**

- Customer Retention
- Market Analysis
- Coaching
- Goal Setting
- Inventory Analysis
- Communication
- Standard Operating Procedures
- Conflict Resolution
- Team Building
- Leadership Skills

#### **COMPUTER SKILLS**

- Structured Query Language Database
- Access Database
- Business Intelligence Reporting
- Material Requirements Planning Wizard
- Quality Database
- Bar Coding

#### **CONTINUOUS IMPROVEMENT**

- GMP Documentation
- Six Sigma
- Lean Production
- Spaghetti Diagrams
- Waste Reduction
- Efficiency Analysis
- 5 S
- Material Review Board
- Facilities Design
- Audits Preparation

#### **HAZMAT**

- Hazardous Materials
- SDS (Safety Data Sheets)

#### **MANUFACTURING SKILLS**

- Hazard Analysis and Critical Control Points (HACCP)
- Housekeeping
- Good Manufacturing Practices
- Softgel Inspection System
- Equipment Operations
- Machine Maintenance
- Facilities Maintenance

Safety Training cannot exceed 10% of total training hours per-trainee  
(This cap does not apply to Hazmat)

**Productive Lab Hours (1:1)**

0-25

**MANUFACTURING SKILLS**

- Process Validation
- Equipment Validation
- Inductively Coupled Plasma Mass Spectrometer (ICP-MS)
- Gas Chromatograph Mass Spectrometer (GC-MS)
- Method Development
- Micro Testing
- Good Laboratory Practices

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



### Training Proposal for: Vital Research, LLC

#### Small Business

**ET16-0303**

**Approval Date:** December 11, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** M. Reeves

#### **CONTRACTOR**

- Type of Industry: Services
  - Number of Full-Time Employees
    - California: 22
    - Worldwide: 22
    - Number to be trained: 22
  - Out-of-State Competition: Customers Outside CA
  - Special Employment Training (SET): ☐ Yes ☒ No
  - High Unemployment Area (HUA): ☐ Yes ☒ No
  - Turnover Rate: 1%
  - Repeat Contractor: ☐ Yes ☒ No
- Priority Industry: ☐ Yes ☒ No
- Owner ☒ Yes ☐ No

#### **FUNDING**

- Requested Amount: \$11,616
- In-Kind Contribution: \$23,189

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100	Business Skills, Commercial Skills, Computer Skills, Continuous Imp., Mgmt. Skills	22	8-60	0-30	\$528	\$20.00
				Weighted Avg: 24			

- Reimbursement Rate: Job #1: \$22 SB Non-Priority
- County(ies): Los Angeles
- Occupations to be Trained: Clerical/Administration Staff, Data Entry Staff, Project Manager, Director, Research Assistant, Research Associate, Information Technology Staff, Programmer, Owner
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: N/A

**SUBCONTRACTORS**

- Development Services: Judith's Training Services (JTS) in Los Angeles assisted with development for a flat fee of \$600.
- Administrative Services: JTS will also provide administrative services for a fee not to exceed 10% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Founded in 1982, Vital Research, LLC (Vital Research) is a consulting firm specializing in research and evaluation. Based in Los Angeles, the Company provides expertise in research design, customized survey development, and statistical analysis for a variety of service areas. Vital Research's primary areas of focus include aging and disabilities; consumer feedback surveys; community service evaluation programs; and education and evaluation research. The Company's clients include state government agencies, school districts, utility companies, universities, and various foundations/associations.

Vital Research is growing rapidly as it takes on several new projects. For example, the Company is currently working on the Ohio Nursing Homes Project, conducting 30,000 interviews from 1,500 nursing homes in that state. Vital Research is also currently working on projects for state agencies in Colorado, Mississippi, and Minnesota, and was recently awarded a contract with the state of Delaware.



## Need for Training

Vital Research retained a consultant during 2014/2015 to help the Company outline a strategic plan for growth, and to find effective ways to meet new challenges in the industry. The outcome of this planning helped Vital Research revitalize its purpose and vision. The Company has set financial goals for the next five years and has refined its focus in the areas of human resources, marketing, and project development.

The Company's staff is primarily comprised of researchers who possess strong academic training. However, from a business training perspective, Vital Research has identified a need to train its employees to work more efficiently and collaboratively with clients across multiple service areas. Vital Research is involved with diverse projects, and its staff needs to be trained on all facets of communication, data collection, marketing, and client services. Staff also needs training on security issues pertaining to the sensitive nature of the information that the Company collects. Two specific pieces of legislation that directly impact the Company's confidentiality protocol are: the Health Insurance Portability and Accountability Act (HIPPA) and the Health Information Technology for Economic and Clinical Health Act (HITECH).

The proposed training will focus on strategic planning, communication, time management, network and data security, teambuilding, data visualization, and the use of statistical programs.

## Training Plan

Training will take place at the Company's location in Los Angeles, and will be provided by both in-house subject matter experts and outside vendors to be identified during the contract term. The majority of training will be delivered via class/lab; however, a small percentage of training will be conducted via computer-based training (CBT) to reinforce learning. CBT training will focus on survey development, data analysis, and web services applications.

**Business Skills** – Training will be offered to Project Managers, Research Associates, Administration Staff, and Research Assistants. Trainees will learn to strategically launch new projects from conception through completion. In addition, this training will teach employees how to properly gather information from clients, conduct research accurately, and present data properly in the form of reports and content evaluation.

**Commercial Skills** – Training will be offered to Research Associates. Trainees will learn to properly capture and visualize data, as well as use multiple statistical programs for data analysis.

**Computer Skills** – Training will be offered to Information Technology Staff, Programmers, Research Assistants, Data Entry Staff, and Clerical/Administration Staff. This training will include office automation, software applications and security, computer networking (hardware/software), scheduling, data entry, and systems programming. This training is designed to provide workers with the business application tools to perform their respective job duties more efficiently.

**Continuous Improvement** – Training will be offered to all occupations. This training will help workers stay current on HIPPA and HITECH confidentiality measures. Training will also cover company-specific programs and project management skills.

**Management Skills** – Training will be offered to Project Managers. This training will equip the Company's leadership team with the skills to manage rapid growth, motivate employees, and promote team-oriented productivity throughout the organization.

**RECOMMENDATION**

Staff recommends approval of this proposal.

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

8 - 60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Business Administration
- Strategic Planning, Evaluations, Monitoring
- Marketing
- Business Plans
- Communications
  - Report Writing (Editing and Negotiating)
  - Content Analysis
  - Research
  - Evaluation
  - Client Interfacing

**COMMERCIAL SKILLS**

- Data Visualization
- Statistic Programs (SPSS – Social Sciences, SAS – Statistical Analysis, R)

**COMPUTER SKILLS**

- Office Automation
- Computer Networking (hardware, software)
- Information Technology (scheduling, data entry)
- Website Security
- Data Transmission
- Microsoft Certified Systems
- Cisco, Certified Network Associate
- Security Software

**CONTINUOUS IMPROVEMENT**

- HIPPA Compliance
- Confidentiality
- HITECH Requirements
- Data Handling
- Programs (PACE)
- Project Management (Strategic planning, evaluations, monitoring, scheduling, data, Census, interviewing/surveys)

**MANAGEMENT SKILLS**

- Leadership
- Decision Making
- Motivation
- Teambuilding
- Time Management

**CBT Hours**

0 – 30

**CBT – COMMERCIAL SKILLS*****SurveyGizmo***

- Email Campaigns (1hr)
- Open-text Questions (1 hours)
- Automated Email Communication (1hr)
- Piping and Repeating Questions (1hr)
- Survey Style: Branding Your Survey (1hr)
- Summary Reports (1hr)
- Data Analysis Tools (1hr)
- Comparison and Cross-tab Data Analysis – Best Practices (1hr)
- Asking the Right Questions – Best Practices (1hr)

**CBT – CONTINUOUS IMPROVEMENT*****Lynda.com***

- Google Analytics Essential Training (3hr 35min)
- Communication Tips (3hr 22min)
- Working Remotely (32min)
- Organization Communication Fundamentals (1hr 20min)
- Prezi Essential Training (1hr 34min)
- Tableau 9 Essential Training (2hr 55min)

**CBT – COMPUTER SKILLS*****Pluralsight***

- Exploratory Data Analysis with R (2hr 30min)
- Amazon Web Services (AWS) Fundamentals for System Administrators
  - Getting Started (47min)
  - Introduction to AWS (31min)
  - Understanding AWS Global Infrastructure (29min)
  - Understanding AWS Security Measures (37min)
  - The AWS Free Tier (43min)
  - Working with ASW Storage: Ephemeral and S3 (33min)
  - Working with ASW Storage: EBS and Glacier (33min)
  - AWS Compute Options (28min)
  - Understanding EC2 Pricing (32min)
  - Understanding AWS Networking, CloudWatch, and Auto Scaling (49min)
  - Amazon Database Options, APIs, and Lambda (36min)
  - Amazon Simple Service (24min)
  - CloudFront, CloudFormation, Elastic Beanstalk, and CloudTrail (21min)

<p>Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee.</p>
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**DELEGATION ORDER**



**Retrainee - Job Creation  
Training Proposal for:  
Watsonville Auto Body, Inc.**

**Small Business**

**ET16-0299**

**Approval Date:** November 25, 2015

**ETP Regional Office:** San Francisco Bay Area

**Analyst:** R. Jackson

**CONTRACTOR**

- Type of Industry: Services
- Priority Industry: ☐ Yes ☒ No
- Number of Full-Time Employees
  - California: 38
  - Worldwide: 38
  - Number to be trained: 39
- Owner ☒ Yes ☐ No
- Out-of-State Competition: No OSC
- Special Employment Training (SET): ☒ Yes ☐ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 14%
- Repeat Contractor: ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$42,900
- In-Kind Contribution: \$33,160

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SET SB <100	Cont. Imp., Business Skills, Computer Skills, Comm. Skills, HazMat, PL-Comm. Skills, PL-Computer Skills	25	8-60	0	\$1,100	\$27.40
				Weighted Avg: 50			
2	Retrainee SET Job Creation SB<100	Cont. Imp., Business Skills, Computer Skills, Comm. Skills, HazMat, PL-Comm. Skills, PL-Computer Skills	14	8-60	0	\$1,100	\$13.70
				Weighted Avg: 50			

- Reimbursement Rate: Job #'s 1 & 2: \$22 SB Non-Priority
- County(ies): Santa Cruz, Monterey
- Occupations to be Trained: Manager, Owner, Estimator, Technician, Administrative Staff
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$2.11 per hour

**SUBCONTRACTORS**

- Development Services: Synergy Management Consultants LLC, Grass Valley, assisted with development for a flat fee of \$3,000.
- Administrative Services: Synergy Management Consultants LLC will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: Intra-industry Conference on Automotive Repair, Los Angeles, Commercial Skills;  
Tesla Motors, Fremont, Commercial Skills;  
Pittsburgh Plate and Glass, San Jose, Business Skills

## **OVERVIEW**

Founded in 1981, Watsonville Auto Body, Inc. (Watsonville) ([www.fixauto.com/watsonville](http://www.fixauto.com/watsonville)) provides automotive repair services and sales of parts and accessories. The Company has two facilities located in Freedom and Salinas.

Rapid business growth and industry changes are presenting the need for skill upgrades. For Watsonville to remain competitive, staff needs to train on new industry conditions. The automotive collision repair industry has experienced changes to processes and materials as new vehicles must meet Corporate Average Fuel Economy (CAFE) standards. CAFE standards require a much higher level of fuel economy and vehicle weight is a significant factor.

To meet these standards, manufacturers are reducing the weight of new vehicles by incorporating materials such as aluminum, ultra high strength steels, borons, and composites. These new materials and methods of vehicle construction require different methods of repair. Alternative fuel, hybrid technology and electric vehicles also require different repair methods. These changes create the need to re-tool and retrain employees to handle the repairs and to provide accurate estimates. Industry specific training such as Inter-Industry Conference on Auto Collision Repair (ICAR) and Automotive Service Excellence (ASE) are examples of training standard expectations set by insurance companies. Training in software systems and quality improvements are necessary at all locations to ensure consistency, timely reporting to insurance companies, and improve customer service.

### **Retrainee - Job Creation**

In early 2016, Watsonville will open a third service location in Santa Cruz County and needs to hire and train an estimated 14 employees. Watsonville projects a 25% (2016-17) revenue growth from parts and automotive repair services. Watsonville is entering a market offering specialty repairs for new aluminum vehicles supported mainly by Direct Repair Programs which consists of several participating insurers. Changes in recently increased business further influenced the decision to open a new shop in Santa Cruz and invest in new equipment along with hiring new employees.

Until the new facility is fully operational newly hired employees will work and train at its headquarters location in Salinas. The Company has verified that there is ample space in their existing garage to accommodate the new employees.

The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of the contract.

### **Training Plan**

Training will be provided by in-house trainers and vendors in the following:

**Business Skills** - Training will be provided to Administrative Staff, Estimator and Manager. This training is necessary for employees to understand the sales and claims processes and understand how their job function impacts the total customer experience.

**Commercial Skills** - Training will be provided to Technicians, Estimators and Managers. Training will include maintenance-service, new vehicle technologies, aluminum, electric and hybrid repair, and extended ICAR credentials. Topics will also include certification for Honda, Mercedes, Lexus, BMW, Toyota, Ford, Tesla, and other specific original equipment

manufacturers. Sales Staff will need this training to understand the changes in the manufacturing process and be able to accurately estimate damage and create repair plans for the Technicians.

**Computer Skills** - All occupation will receive training relevant to their job functions. Training is necessary to accurately assess current conditions, set objectives, notice trends and communicate in a fast paced environment. The collision industry has seen changes in how insurers and other partners exchange data. The Direct Repair Programs requires trainees to be updated on new processes and procedures. Computer Skills will enable the Company to use IT systems to track costs; plan production and service flow while communicating with customers, potential customers and employees. Training will provide skills to reduce waste, and maximize efficiency and productivity.

**Continuous Improvement** - Training will be provided to all occupations to improve quality, cycle time, and cost efficiency by implementing Lean Production and Quality Control Process systems. These processes identify service, production and flow issues as well as their root causes. This training will provide solutions to improve quality, reduce waste and defects across all areas of the Company. Watsonville expects to increase efficiency by an estimated 15% with continuous improvement training.

**Hazardous Materials** – Training will be delivered to Technicians and will cover hazardous materials handling and disposal. Toxic debris, waste, and other contaminated materials are often processed during automotive repair work. Training will give trainees the skill sets needed to manage materials encountered during collision repair and clean-up.

### **Productive Laboratory**

The Panel recently adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting. PL trainees may produce goods for profit as part of the training, in the courses identified under the Curriculum and with no more than one trainee per instructor. The instructor must be dedicated to training delivery during all hours of training. A task competency list is on file and supports the request for Commercial and Computer Skills to be delivered via PL.

Watsonville estimates that 14 Technicians and Estimators will receive up to 24 hours of PL training. Newly hired Technicians and Estimators will receive the most PL hours. PL training will utilize an experienced trainer to specify the scope of work, explain the process and needed equipment, verify that the trainee understands standards and specifications. The trainer will observe the employee perform the task, provide feedback, assist with re-work if necessary, and ensure that the task has been performed correctly to ensure that the employee understands the process and is proficient in the task.

PL is needed to increase skills and capacity of trainees. The Company states coaching on actual work product is a necessary training process. Estimators were assessed as needing upgraded computer skills to complete work orders. PL allows the company to fill the gap between classroom-based instruction and hands on learning opportunities using real scenarios.

The PL trainer-to-trainee ratio will not exceed 1:1. PL training hours will be capped at 24 hours per trainee.



**RECOMMENDATION**







Staff recommends approval of this proposal.

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





8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

-  Customer Care Skills:
  - Customer Retention
  - Customer Engagement
  - Customer Relationship Building
-  Advanced Sales & Marketing Skills:
  - Prospecting & Closing
  - Sales Account Management
  - Advanced Closing Techniques
  - Sales Procedures & Strategies
-  Negotiation Skills
-  Conflict Resolution
-  Communication Skills
-  Presentation Skills

**COMMERCIAL SKILLS**

-  I-CAR Collision Repair Certification Skills
-  Refinishing Skills:
  - Trim & Hardware
  - Surface Preparation
  - Vehicle Priming/Sealing
  - Paint Spray Guns Maintenance & Set-Up
  - Corrosion Protection Process
  - Sand, Buff & Detail
  - Color Theory & Tints
  - Blending Techniques
  - New Technologies
-  Structural Repair:
  - Unibody Alignment
  - Three Dimensional Measuring
  - Repair & Replacement of Outer Body Panels
  - High Strength Steels
  - Aluminum Repair Processes
  - MIG Welding Skills
  - Straightening Structural Damage
  - Glass Replacement
  - Pillars, Rocker Panels, Rails, Front Structures & Floor Pan
  - Heating Cooling and AC Systems
  - Steering & Suspension Systems
  - Advanced Vehicle Systems
-  Non-Structural Vehicle Repair Skills:
  - Remove & Install Trim & Hardware
  - Adhesive Bonding
  - Diagnose Wind Noise & Water Leaks
  - Aluminum Cosmetic Damage

- Spot Welding
- ✚ Estimating Skills:
  - Steering & Suspension System Damage Analysis
  - Damage on Non-Drivable Vehicles
  - Electrical/Mechanical Systems
  - Stationary Glass
  - Advanced Materials
  - Advanced Vehicle Systems
- ✚ Vehicle Operation, Maintenance, & Troubleshooting
- ✚ Alternative Fuel & Hybrid Vehicle Repair Diagnostics
- ✚ Service Procedures & Scheduling
- ✚ Product Knowledge
- ✚ Original Equipment Manufacturer Knowledge/Skills
- ✚ Tesla, Honda, Toyota, Lexus and BMW Certification Training

### **COMPUTER SKILLS**

- ✚ CCCOneSoftware:
  - Job Costing
  - Production Flow
  - Production Planning - ETA Times & Dates
- ✚ Michell & Michell Repair Center Software
- ✚ Audatex Software
- ✚ CCC Info Systems Software
- ✚ Alldata Software
- ✚ Microsoft Office Suite
- ✚ Quickbooks Accounting

### **CONTINUOUS IMPROVEMENT**

- ✚ Leadership Skills
- ✚ Teambuilding
- ✚ Root Cause Analysis
- ✚ Kaizen Event Strategy & Implementation
- ✚ Lean Concepts
- ✚ Process/Quality Improvement
- ✚ Problem Solving/Decision Making Skills
- ✚ Inventory Control
- ✚ Standard Operating Procedures

### **HAZARDOUS MATERIALS**








- ✚ Completing Material Safety Data Sheets
- ✚ Volatile Organic Compound Tracking
- ✚ Emergency Clean-Up
- ✚ Registration, Evaluation, Authorization & Restriction of Chemical Substances

### **Productive Lab Hours**



0-24

### **COMMERCIAL SKILLS (1:1 RATIO)**

- ✚ Body Filler Methods
- ✚ Structural Resistance Spot Welding
- ✚ Mig Brazing Techniques
- ✚ Disabling Electric or Hybrid Vehicles

-  Color Tinting
-  Spraying/Blending Techniques
-  Measuring Vehicle Structures
-  Alignment Process for Unitized Vehicles
-  Alignment Process for Full Frame Vehicles
-  Aluminum Repair
-  Technical Estimating Skills

**COMPUTER SKILLS (1:1 RATIO)**

-  Estimating Direct Repair Program Skills
-  Estimating System Software Skills

<p>Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery. PL is capped at 24 hours per-trainee.</p>
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**Training Proposal for:**  
**White Labs, Inc.**

**Small Business**

**ET16-0295**

**Approval Date:** December 11, 2015

**ETP Regional Office:** San Diego

**Analyst:** M. Ray

**CONTRACTOR**

- Type of Industry: Manufacturing
  - Number of Full-Time Employees
    - California: 91
    - Worldwide: 95
    - Number to be trained: 46
  - Out-of-State Competition: NAICS Code Eligible
  - Special Employment Training (SET): ☐ Yes ☒ No
  - High Unemployment Area (HUA): ☐ Yes ☒ No
  - Turnover Rate: 10%
  - Repeat Contractor: ☐ Yes ☒ No
- Priority Industry: ☒ Yes ☐ No
- Owner ☐ Yes ☒ No

**FUNDING**

- Requested Amount: \$19,136
- In-Kind Contribution: \$11,385

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SB <100	Business Skills, Computer Skills, Continuous Impr, Mfg Skills	46	8 - 60	0	\$416	\$15.07
				Weighted Avg: 16			

- Reimbursement Rate: \$26 SB Priority
- County(ies): Yolo, San Diego
- Occupations to be Trained: Accounting, Customer Service, Human Resources, Packaging, Shipping, Production, Analytical Services, Quality Control, Manager
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: \$1.44 per hour

**SUBCONTRACTORS**

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

**OVERVIEW**

Founded by Dr. Chris White in 1995, White Labs, Inc. (White Labs) ([www.whitelabs.com](http://www.whitelabs.com)) started as a provider of yeast for home brewers. White Labs now provides yeast and analytical services to commercial craft breweries, wineries, and distilleries. The Company's growth is due in part to the opening of a tasting room in 2012 to the public to survey customer satisfaction and capture data needed to improve yeast manufacturing.

Headquartered in San Diego, White Labs has other U.S. facilities, in Davis and Boulder, CO. The Company also has international facilities, in Denmark and Hong Kong. The Company plans to open another facility in Asheville, NC in mid-2016. However, all told, the number of employees in California is less than 100 and otherwise less than 250, thereby the Company qualifies as a small business. Both California locations will participate in this training proposal.

**Need for Training**

White Labs' most significant growth occurred after January 2014 when it increased its staffing levels by 50% at California facilities. This was due to the explosion of the craft beer industry. Today, the craft beer industry is still expanding and demand for the Company's products is

increasing. As a result, White Labs has installed proprietary technology and purchased new equipment to revamp its overall business and manufacturing processes to keep up with industry and customer demands. Accordingly, employees will require training to deploy and support these new technologies.

1. White Labs recently received a patent for its FlexCell™ product. This high technology packaging system ensures yeast quality and purity while reducing impact on the environment. It also uses new packaging made from a recyclable, flexible film that allows increased breathability, reduces change of gas buildup, and maintains an optimal environment for the yeast.
2. White Labs just purchased a new ERP system, Netsuite, and plans to systematically implement it in 2016. The ERP system will impact all departments. The new system will improve inventory control, order tracking, invoicing, and management reporting for improved efficiency, productivity, and decision-making.

## **Training Plan**

White Labs is poised to provide its workers with a comprehensive training program to improving overall operating efficiencies including product development, research collaboration, and business management. Training will be delivered in classroom/laboratory setting and will take place at the Company's San Diego and Davis facilities.

**Business Skills** – Training will be offered to Accounting, Customer Service, and Human Resources. Training will provide skills necessary to effectively interact with clients on a variety of levels with emphasis on negotiating and sales to improve the acquisition of new clients.

**Computer Skills** – Training will be offered to all job occupations. The majority of training will be in the Company's ERP system. Training will provide trainees with skills to improve entire production planning and inventory processes.

**Continuous Improvement** – Training will be offered to all job occupations. Topics in Lean Manufacturing, Process Improvement, Contamination Control, and Fermentation Science will provide trainees with skills to improve yeast production while conserving energy resources.

**Manufacturing Skills** – Training will be offered to Packaging, Shipping, Production, Analytical Services, and Quality Control. Course topics include Equipment Operations, Equipment Maintenance, HVAC Systems, Production Planning, Waste Elimination, and FlexCell™ Technology. Training will allow workers to ensure quality and purity of products while minimizing environmental footprint. The new eco-friendly manufacturing method will streamline production processes, increase product consistency, and improve inventory management.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

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

8 – 60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Customer Service
- Sales/Marketing Strategies
- Budget Creation & Planning

**COMPUTER SKILLS**

- Enterprise Resource Planning (ERP) System
- Customer Relationship Management (CRM) Software

**CONTINUOUS IMPROVEMENT**

- Team Building
- Data Analysis
- Lean Manufacturing
- Process Improvement
- Contamination Control
- Product/Services Knowledge
- Fermentation Science

**MANUFACTURING SKILLS**

- Equipment Operations
- Equipment Maintenance
- HVAC Systems
- Production Planning
- Waste Elimination
- FlexCell™ Technology

Safety Training will be limited to 10% of total training hours, per-trainee.

Note: Reimbursement for retraining is capped at 60 total hours, per-trainee, regardless of method of delivery.
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## DELEGATION ORDER



### Training Proposal for: XYZ Graphics, Inc.

#### Small Business

**ET16-0260**

**Approval Date:** November 19, 2015

**ETP Regional Office:** San Francisco Bay Area

**Analyst:** R. Jackson

#### **CONTRACTOR**

- Type of Industry: Manufacturing  
Services  
Priority Industry: ☒ Yes ☐ No
- Number of Full-Time Employees  
California: 56  
Worldwide: 56  
Number to be trained: 56  
Owner ☒ Yes ☐ No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): ☐ Yes ☒ No
- High Unemployment Area (HUA): ☐ Yes ☒ No
- Turnover Rate: 14%
- Repeat Contractor: ☒ Yes ☐ No

#### **FUNDING**

- Requested Amount: \$34,944
- In-Kind Contribution: \$90,720

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 Priority Rate	Business Skills, Commercial Skills, Computer Skills, Cont. Imp.	56	8-60	0-30	\$624	\$20.00
				Weighted Avg: 24			

- Reimbursement Rate: \$26 SB Priority
- County(ies): San Francisco, Los Angeles
- Occupations to be Trained: Senior Production Artist, Junior Production Artist, Sales Account Director, Sales Development Associate, Senior Project Lead Producer, Junior Project Lead Producer, Administrative Staff, Managers, Owners
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: N/A

**SUBCONTRACTORS**

- Development Services: Training Funding Source (TFS) of Seal Beach developed this proposal for \$2,900.
- Administrative Services: TFS will also provide administrative services for an amount not to exceed 13% of amount earned.
- Training Vendors: Heidi Kraft, San Francisco, Business Skills

**OVERVIEW**

XYZ Graphics, Inc. (XYZ) provides creative services, image creation, and post-production studio services. From its San Francisco and Los Angeles facilities, this small business creates and alters still and motion imagery using state-of-the-art technologies. XYZ's clients include advertising agencies such as Goodby Silverstein & Partners, Venable Bell & Partners, and brands such as; Cisco, Williams Sonoma, Logitech, Audi and Virgin America.

This is XYZ's third ETP proposal in the last five years. The most recent ETP Agreement provided training to respond to action and fast-paced commercials and advertising. The print and pre-press services XYZ offers are being replaced by motion graphics and post production work. Therefore, XYZ is actively transitioning from print to digital technology to remain competitive. Additionally, the Company is expanding services by adding digital prototyping, augmented reality and creative/design consulting.

Technology changes in pre-press, motion graphics, mobile technologies and trends require significant routine skill upgrades. For example, software platforms such as Maya are updated annually. XYZ and similar companies then tweak the upgraded software by writing Java scripts to customize and enhance it to their own specifications to better meet customer demands. Furthermore, changes in business culture require more negotiation with clients directly rather than through conventional ad agencies. Consequently, project management and creative direction are managed radically differently today. As technology changes quickly in high tech fields, skills must be updated to remain competitive. ETP-funded training will provide a skills upgrade designed to keep the company competitive.

## **Training Plan**

XYZ will provide company-wide training to expand upon its earlier ETP-funded plan. Class Lab and Computer-Based Training (CBT) will be provided.

Any topics repeated from the prior Agreement will only be attended by new employees or employees that have not attended before. Training will be delivered by subject matter experts in-house or by California based vendors.

**Business Skills:** Training will be provided to all occupations to build competencies that maintain and support business growth objectives. Topics will include sales and marketing development, project management techniques, customer service, financial planning and leadership and development. This training will enable the organization to better service new clients, while managing outcomes.

**Commercial Skills:** Training will be provided to Production Artists, Project Lead Producer and Managers. Training will help create the proper architecture of software, hardware and production equipment and familiarizes staff with creating and implementing architectures for newer technology to better serve clients.

**Computer Skills:** Training will be provided to all occupations to increase efficiency and productivity. Computer and software knowledge is critical to all positions within XYZ. For the operation and sales, topics include the use of standard software and programs. Topics will cover ways to input, review, design and present information. For the production, topics include how to transform images for print, video, web, mobile devices or interactive kiosks using many types of software programs.

**Continuous Improvement:** Training will be provided to all occupations. All employees will be provided with training in communication and team building to assist the company in meeting leadership and quality improvement goals which includes sharing new ideas and best practices. XYZ topics focus on the establishment of working relationships which the company represents is core to being effective and efficient.

## **Computer-Based Training (CBT)**

Computer Skills delivered through CBT will be provided to all occupations.

Software programs are critical; CBT offers a helpful self-paced course option for learning new skills. XYZ has purchased \$10,000 dollars in state-of-the-art CBT software. Topics include administration tools such as MS Word for compensation reports and financial statements to software design programs. CBT hours will not exceed 50% of the total training hours per trainee.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0106	Los Angeles, San Francisco	8/14/12 – 8/13/13	\$49,504	\$39,675 (80%)
ET11-0299	Los Angeles, San Francisco	6/7/11 – 6/6/12	\$15,730	\$15,730 (100%)

**DELEGATION ORDER**



**Retrainee - Job Creation  
Training Proposal for:  
Zinc Financial Inc.**

**Small Business**

**ET16-0326**

**Approval Date:** December 29, 2015

**ETP Regional Office:** Sacramento

**Analyst:** K. Smiley

**CONTRACTOR**

- Type of Industry: Financial Services
  - Number of Full-Time Employees
    - California: 19
    - Worldwide: 19
    - Number to be trained: 22
  - Out-of-State Competition: No OSC
  - Special Employment Training (SET): ☒ Yes ☐ No
  - High Unemployment Area (HUA): ☒ Yes ☐ No
  - Turnover Rate: 5%
  - Repeat Contractor: ☒ Yes ☐ No
- Priority Industry: ☐ Yes ☒ No
- Owner ☒ Yes ☐ No

**FUNDING**

- Requested Amount: \$22,770
- In-Kind Contribution: \$26,000

**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee SB <100 SET	Business Skills, Computer Skills	19	8-60	0	\$990	\$15.60
				Weighted Avg: 45			
2	Job Creation Retrainee SB <100 SET	Business Skills, Computer Skills	3	8-60	0	\$1,320	*\$12.77
				Weighted Avg: 60			

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

- Reimbursement Rate: Job #'s 1 & 2: \$22 SB Non-Priority
- County(ies): Fresno
- Occupations to be Trained: Administrative Staff, Underwriting Staff, Frontline Managers and Owner.
- Union Representation: ☐ Yes  
☒ No
- Health Benefits: Job #1: \$0.60 per hour

**SUBCONTRACTORS**

- Development Services: Strategic Business Solutions, LLC of Visalia assisted with development for a flat fee of \$1,523
- Administrative Services: Strategic Business Solutions, LLC will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

**OVERVIEW**

Zinc Financial Inc. (Zinc), [www.zincfinancial.net](http://www.zincfinancial.net), founded in 2007 and located in Clovis, is a private money lender that provides loan services to individuals, real-estate investors and automobile dealerships. Zinc specializes in strategic lending for distressed properties that do not meet the requirements for a traditional mortgage. Zinc provides automobile and mortgage loans to individuals who have credit barriers.

## Need For Training

This is Zinc's second ETP Agreement in the last five years. Zinc's first agreement focused on newly purchased software that streamlined all aspects of mortgage documentation and the loan servicing process. Zinc provided training to incumbent staff on Customer Service skills which allowed Zinc to more effectively serve their customer base. Zinc also trained staff on mortgage underwriting skills.

The training focus for this proposal will be on newly purchased software programs which include Defi Solutions, Lending 360 and Dealer track Collateral Management System. These programs are used in underwriting, document generation and processing of automobile loans. These newly purchased programs are being installed in December of 2015. Zinc's proposed Agreement will also build upon the Business Skills training topics offered under the previous agreement.

## Retrainee - Job Creation

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

In an effort to expand Zinc's customer base, Zinc has expanded its lending services to include automobile lending. In the last six months, Zinc has contracted with ten dealerships to offer lending services to the dealership's customers. Some of these dealerships include Nissan of Stockton, Tracy Ford and Future Nissan of Roseville. In order for Zinc to successfully expand into this market and meet the needs of the dealerships that they serve, Zinc must hire and train employees.

## Training Plan

**Business Skills:** Job specific training will be delivered to all occupations to improve customer service skills and underwriting skills. Courses will include Advanced Customer Service Skills and Advanced Financial Services Underwriting Skills.

**Computer Skills:** Job specific training will be delivered to all occupations to enhance competencies in loan documentation generation and lending processes for automobile loans. Staff will receive training on software programs that are unique to their position to improve knowledge and processing efficiency. Courses will include Defi Solutions Software, Lending 360 Software and Dealer Track Collateral Management Systems.

## SET/HUA

Under Special Employment Training companies are not required to demonstrate out-of-state competition. Trainees must be earning at least the statewide average hourly wage at the end of the retention period. However, the trainees enrolled in this project qualify for the ETP Minimum Wage rather than the statewide average hourly wage, because the Company is located in a high unemployment area (HUA) of the State. Zinc is not requesting an HUA wage modification.

## PRIOR PROJECTS

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0313	Clovis	03/03/2014 - 03/02/2015	\$7,920	\$5,564.00 (70%)

**RECOMMENDATION**

Staff recommends approval of this proposal.



**Exhibit B: Menu Curriculum****Class/Lab E-Learning Hours**

8-60

Trainees may receive any of the following:

**BUSINESS SKILLS**

- Advanced Customer Service Skills
- Advanced Financial Services Underwriting Skills

**COMPUTER SKILLS**

- Microsoft Office Suite
- QuickBooks
- The Mortgage Office Software
- DocMagic
- Omega Software
- Defi Solutions Software
- Lending 360
- Dealer Track Collateral Management Systems
- Payment Vision Software

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