



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL**

Zoom Virtual Meeting
Wednesday, May 25, 2022

Panel Members

Janice Roberts
Acting Chairperson

Gloria Bell
Member

Chris Dombrowski
Ex-Officio Member

Ernesto Morales
Member

Gretchen Newsom
Member

Rick Smiles
Member

Douglas Tracy
Member

Madison Hull
Member

Executive Staff

Reg Javier
Executive Director

Peter Cooper
Assistant Director

Michael Cable
Staff Attorney

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I. PUBLIC PANEL MEETING CALL TO ORDER

Acting Chairperson Janice Roberts called the meeting to order at 9:31 a.m.

II. ROLL CALL

Present

Janice Roberts
Chris Dombrowski
Gretchen Newsom
Ernesto Morales
Rick Smiles
Douglas Tracy

Executive Staff

Peter Cooper, Assistant
Director Michael Cable, Staff
Attorney

Absent

Reg Javier, Executive Director
Gloria Bell
Madison Hull

III. AGENDA

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

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

Motion carried, 6 to 0.

IV. MINUTES

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

ACTION: Mr. Smiles moved and Mr. Tracy seconded the approval of the Meeting Minutes. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative for approval of the Meeting Minutes from the last panel meeting.

Motion carried, 6 to 0.

V. FAREWELL TO STEVE DUSCHA

Acting Chairperson Roberts announced that Steve Duscha has been diagnosed with an aggressive form of cancer and will be retiring his consultation practice with ETP. He has sent out messages in a newsletter to many of his clients and friends, but the Panel wanted to take this time today to honor his achievements and his dedication to ETP. Steve was the first Executive Director with ETP in 1983. Over the last 40 years, Steve has been dedicated to the growth and stability of the California economy, through providing funds to enhance employee skills and create better jobs for all sectors in the California workplace. At times he could be challenging to work with, but through his passion and desire to make ETP stronger and viable, he gained a great deal of respect and gratitude. Acting Chairperson Roberts stated that she has personally had many interactions with Steve over the years and always came away with more knowledge and a better understanding of ETP and its complexity. Acting Chairperson Roberts thanked Mr. Duscha and wished him peace, comfort, and strength through this difficult time. ETP will always be appreciative for his contributions and dedication.

Gretchen Newsom thanked Mr. Duscha for being such a champion and carrying such a torch strongly for workers. Ms. Newsom thanked Mr. Duscha for always encouraging the Panel to take the high road for better wages and really making that impact at the local level with the local workers and lifting them up. Ms. Newsom also thanked him for being a mentor to herself and the rest of the Panel Members and Staff.

Rick Smiles thanked Mr. Duscha for everything he has done for ETP and stated that Mr. Duscha is an icon. Mr. Smiles state that he appreciates everything that Mr. Duscha brought to the table and everything he has done for ETP.

Stewart Knox thanked Mr. Duscha for all the work he has done for ETP. Mr. Knox noted that they didn't always agree on every principle or idea, but they always listened and learned from him. Mr. Knox remembered that during his five years as ETP director, many times they had coffee and conversations at Ambrosia on how to make ETP a strong and viable entity in the State of California, which Mr. Duscha always pushed for. Mr. Knox stated that the piece of what he learned from Mr. Duscha is that advocacy on his type of level pushes state government to do better and he appreciates that.

Mr. Duscha thanked the Panel Members and Staff and all of whom he has worked with for so long. He thanked everyone for recognizing that ETP is not just another job training fund. ETP is a program for people, for employees, for unions, for good wages. And that sets it apart from every other job training fund in California and almost every state. Mr. Duscha noted that he was sorry he will be missing ETP's 40th anniversary in the first week of January 2023. Mr. Duscha requested that Panel and Staff make ETP what it is today – make it better, make it stronger, make it bigger. Mr. Duscha again thanked everyone who's been involved in this program, everyone who has supported him, everyone who has argued with him on occasion and straightened him out sometimes. Mr. Duscha noted that he hopes he straightened them out sometimes, too.

Acting Chairperson Roberts thanked Mr. Duscha and wished him the best always.

VI. REPORT OF THE ASSISTANT DIRECTOR

Peter Cooper stated that on behalf of ETP Executive Leadership and all ETP Staff, he would like to thank Steve for pushing them and for always making them look to figure out how they can do things better for California's workers and for our communities and employers. Mr. Cooper wished Mr. Duscha the very best.

Mr. Cooper welcomed the Panel Members, Applicants, and Stakeholders and recognized the following persons in attendance: Kellen Hernandez, San Diego Regional Office Manager; Ryan Swier, Hollywood Regional Office Manager; Chris Hoover, Foster City Manager; and Jana Lazarewicz, Sacramento Regional Office Manager. Mr. Cooper also noted that Mario Maslac, Division Chief, will be presenting ETP's funding strategy for this coming fiscal year.

Mr. Cooper noted that this is the first in-person Panel Meeting after two and a half years. Staff is still trying to make the meetings accessible both to people online and those in person. Mr. Cooper stated that the next Panel Meeting will also be in-person and will be at the CalEPA building. Please note the June Panel Meeting will now be held on June 30 to accommodate Labor Secretary Natalie Palugyai who would like to come to the Panel and speak to everyone directly. Secretary Palugyai wants to discuss her vision for ETP as it fits within Workforce Development and what she's trying to do in the Labor Agency. She has some concerns about ETP not serving women as much as it could with its funding resources.

Regarding the apprenticeship program, Mr. Cooper stated that the window for applying for apprenticeship funding is closing and will close on May 31st. Mr. Cooper explained that this is in an effort to make the apprenticeship programs more equitable and treat small and large programs fairly. In June, Staff will be reviewing the proposals and verifying the number of trainees at the June 30 Panel Meeting. Staff will be making recommendations regarding the cap for apprenticeship. Staff plans to process all the proposals for apprenticeships following the existing guidelines for apprenticeship and bring them to the September Panel Meeting for your consideration. Mr. Cooper explained that ETP is expanding the Priority Industry list in order to support the employers most impacted by the State's recession, as well as to clarify determination of eligibility. Information has been posted on the ETP website and has been emailed to the Stakeholder list.

Mr. Cooper noted that ETP is in a period where it is significantly growing - not only in funding, but also by reaching out to new populations and doing work that ETP has never done before.

Mr. Cooper reported that at today's Panel Meeting there will be about \$7,080,000 in proposals in 24 projects. Before the Meeting today, the Panel has approved approximately \$96.6 million in projects for the year, leaving \$18.8M in contracting capacity for the remaining end of the fiscal year. Regarding general funds, the Governor's Office and Labor Agency continue to be very interested in the SEED program (Social Entrepreneurs for Economic Development) and ETP is working closely with them to keep them informed of the progress of this initiative. Mr. Cooper noted that there was \$10M in Round 1 (SEED 1) and \$20M in Round 2 (SEED 2). Mr. Cooper explained that Staff was able to get trailer bill language in the May revise to extend the term of SEED 1 contracts from one year to two years in order to make the program more successful. Mr. Cooper explained that Staff is listening to this new community of CDOs to see what kind of programs they need to have in place to make it successful.

Regarding the possible new funds for Fiscal Year 22/23, Mr. Cooper explained that proposals are being considered by the Legislature. Mr. Cooper acknowledged and thanked staff members who testified before budget subcommittees, including Jaime Gutierrez, Diana Torrez, Mario Maslac, Ilya Launitz, and Courtney Hoyt. Mr. Cooper explained that this has been a real growing experience for everybody at ETP, as Staff has been more engaged with the Legislature and educating them about ETP and what the ETP program can do.

Regarding the ETP Healthcare Workforce Advancement Fund, Mr. Cooper explained that it was originally paid at \$90M to support job entry and career advancement for entry level and other workers in healthcare and human service settings. But in the May revise, it was reduced to \$50M and that is likely where it will remain. Mr. Cooper shared that this is a great opportunity for ETP to serve new communities. Much of the healthcare sector was not able to participate in ETP, because they are not paying into the fund, being nonprofit. So this will allow ETP to reach that group of employers and workers. Another new program, the Workforce Literacy Program, is intended to expand workplace literacy training in contextualized English, digital skills, and technical skills training for incumbent workers. This will enable employers to build skilled workforces, increase employee retention, and provide pathways to higher wages and better jobs for immigrants. Mr. Cooper explained that this program will remain intact at \$20M for this next fiscal year. Mr. Cooper also explained that the Legislature now has until June 15th to pass the budget and get it to the Governor's desk for his action by June 30.

VII. UPDATE ON CAL-E-FORCE

Tara Armstrong shared an IT system update. Regarding the Cal-E-Force system, Staff is working on lots of internal and external enhancements to assist customers. Staff is working to make those amendments and create a system that can be more efficient. Additionally, there is an application workgroup working to make it easier for all customers to come in and understand what they are applying for and not to know ETP lingo. Ms. Armstrong explained that under the Cal-E-Program, Staff has added a new efficiency for concurrent enrollment. Now stakeholders can use the system to find out if they are conflicted or not, without having to go through their own manual process.

Ms. Armstrong shared that the legislative data requirement has been added. The California Community College (CCC) and Expansion Funding have legislative data requirements, which have been built into the system so that it can be collected online and added within the contract without a manual process. Now that information can be gathered and reported easily.

Regarding contract migration, Ms. Armstrong reported that next month the migration will be finished for all the contracts from 2016 through present. Stakeholders will be able to look at past contracts, as well. Ms. Armstrong explained that next year, Staff will be looking at the ability to edit applications so that any applications that don't make it through a funding cycle will have the ability to go into the system and edit or update the application and submit for the following year's funding, instead of completely starting over and resubmitting.

Regarding the Cal-E-Grants, Ms. Armstrong stated that ETP is working with the State Board and is now supporting seven grant systems within Cal-E-Grants – five of them are the State Board's and two of them are ETP's. Ms. Armstrong explained that Staff is in the fund management deployment part, and will have a large deployment coming in June.

VIII. REPORT OF STAFF ATTORNEY

Staff Attorney Michael Cable reported that he has provided a Legislative Memorandum to the Panel Members that is dated May 17th. The bills that Staff are tracking are still working their way through Committee. Regarding AB 1733, which is the State bodies: open meetings bill which would allow for teleconference meetings, Mr. Cable explained that the bill was set for Committee, but then it was postponed by Committee and is not currently on calendar. Mr. Cable also reported that this Friday, May 27, is the last day for each House to pass bills introduced in that House. Mr. Cable stated that because of that and the status of the bill, he believes that the bill will not likely be included in this session.

IX. REPORT OF THE CHIEF DEUPTY DIRECTOR

Jaime Gutierrez welcomed Panel Members and stakeholders and provided a summary of the Employment Training Panel's funding. Regarding an informal practice of returning reimbursed training funds identified as overpayment through an unofficial offset process, Mr. Gutierrez explained that over time, this informal practice has increased the workload for fiscal staff, increased ETP's outstanding financial liabilities, and instilled expectations from contractors who have come to view this process as a standard operating procedure regarding the repayment of funds to ETP. However, Mr. Gutierrez explained that this informal practice is not in alignment with ETP's regulations and therefore effective immediately ETP will stop the practice of using informal offset requests for overpayments. ETP will revert back to the official appeal process as outlined in ETP regulation 4450 for request to offset overpayments and/or waive interest.

Regarding Funding:

Today's Panel Meeting is for approximately \$7.1M, which includes two approved Delegation Orders for a total of \$81,432. Delegation Orders are Proposals capped at \$75K and approved under delegated authority by the Director on a continuous flow basis. For this fiscal year, ETP has approved a total of 30 delegation orders. If all proposals scheduled for this Panel Meeting are funded today, the Panel will be approving 24 projects. After today's Panel Meeting, the Employment Training Panel will have approximately \$18.8M left in contracting capacity for fiscal year 21/22. ETP has received 221 Pre-applications, and of those there are currently 68 applications in the Regional Offices and 153 applications are with the Application and Assessment Unit (AAU).

Regarding Demand and Allocations:

Mr. Gutierrez also shared that ETP is currently within the allocations of \$25.6M in demand for Single Employer Contracts, \$5.3M in demand for Multiple Employer Contractors (MEC) requests, \$5.6M in demand for Small Business, zero in demand for Apprenticeships and zero in demand for Critical Proposals.

Regarding the Consent Calendar:

Mr. Gutierrez stated he would like to request that at this time, the Panel Members identify which proposals they would like to pull from today's consent calendar, if any, and then for a motion to approve the consent calendar with the exception of those proposals being pulled, which will be heard individually in order.

Acting Chairperson Roberts asked the Panel if there were any items they would like to pull from the Consent Calendar.

Ms. Newsom stated that for Tabs 3, 8, and 9, she would like to request an instruction to Staff to make sure that they are not duplicating DAS approved apprenticeship curriculum and training.

Acting Chairperson Roberts confirmed that they are not going to pull those items, but just make note of that instruction.

Acting Chairperson Roberts asked if the Panel would like to pull any more proposals from the calendar, or if the Panel or public had any questions regarding the consent calendar.

Hearing none, Acting Chairperson Roberts asked for a motion,

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

Motion carried, 6 to 0.

X. PRESENTATION AND ACTION ITEMS ON FISCAL YEAR 22/23 FUNDING STRATEGIES: CAPS, REIMBURSEMENT RATES, MORATORIUMS, ALLOCATIONS

Mario Maslac presented a report on ETP's strategies for the next year. Mr. Maslac explained that at this time, Staff usually presents the strategies for next year including caps, reimbursement rates, moratoria, and allocations. This does not include anything other than ETP or core funding. Mr. Maslac explained that ETP's general funds, namely healthcare and literacy skills, have still not been approved, so they are not included in these projections yet.

Regarding project caps, Mr. Maslac explained that Staff is essentially asking that the caps remain the same for this year. Mr. Maslac offered a correction to the slide presentation, the slide states that Apprenticeships are capped at \$600,000, however, per Peter's comments, Staff would like to defer that decision to June. Mr. Maslac explained that the application window for apprenticeship project applications ends at the end of May. Staff wants to look at the totality of everything they received before coming back and making a recommendation for that cap. Mr. Maslac stated that the only difference from what is represented on the slides is that the caps are for MECs only. Mr. Maslac confirmed that the caps will remain the same at \$500,000 for Single Employer, \$600,000 for Critical Proposals and for MECs.

Regarding reimbursement rates, Mr. Maslac explained that the rates will remain largely the same except for one small change on the Apprenticeships. Mr. Maslac explained that because the Montoya funds for RSI funding have now increased and ETP is not allowed to displace those funds, Staff is making a commensurate adjustment to ETP's reimbursement rates. So, it is dropping from \$18 to \$16.

Regarding moratoriums, Mr. Maslac explained that the moratoriums are largely staying the same except for truck driving schools because there is a need, not just in the State but nationally, for truck drivers, as well as lifting the moratorium on non-priority industries. Mr. Maslac stated that ETP should be able to start funding non-priority industry projects going forward, as well.

Regarding allocations, Mr. Maslac shared that Staff is still working through the June Panel because it is one of the rare instances where the current year's funds will be used in June (usually its next year's funds that are used). So this is a conservative projection for next year. Mr. Maslac stated that next year, there will be about an \$81 million contracting capacity and Staff does anticipate that this will increase. Mr. Maslac projected it will flow about \$30M for Single Employers, about \$5M for Small Businesses and Critical Proposals, and about \$20M for MECs and Apprenticeships. Staff is expecting that this will increase as the June Panel Meeting wraps up and possibly even increase ETP's appropriation for this year.

Mr. Maslac requested Panel approval of the project caps, reimbursement rates, moratorium, and allocations with the understanding that the apprenticeship projects do not have a cap approved yet, but that will happen at the next Panel Meeting.

Acting Chairperson Roberts confirmed that the Panel will approve the apprenticeship caps at the next Panel Meeting separately. Acting Chairperson Roberts asked if the Panel had any questions regarding Mario's proposal.

Hearing none, Acting Chairperson Roberts asked for a motion,

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

Motion carried, 6 to 0.

XI. REVIEW AND ACTION OF PROPOSALS

SINGLE EMPLOYER CONTRACTS

Tab No. 16: Consolidated Disposal Service, LLC dba Republic Services, Inc.

Mr. Swier presented a proposal on behalf of Consolidated Disposal Service, LLC dba Republic Services, Inc., a repeat contractor requesting \$599,978 to train approximately 434 Retrainees and 300 Job Creation trainees located statewide. Multiple Union support letters have been received for the proposed training population.

Mr. Swier stated there are representatives present to respond to any questions the Panel Members might have and introduced Christine Peterson, West Area HR Director and Judith Kriegsman, Consultant.

Acting Chairperson Roberts stated that in the past, the Panel hasn't asked for any comments from this contractor, but because the Meeting is in person again, she suggested the representative could say a few words about the project if they would like.

Ms. Peterson thanked the Panel for their consideration and stated that this is a great opportunity. Ms. Peterson stated that SB 33 is kicking off with an end date of 2025, where there's a huge launch for organics. So this is allowing them to staff up and train individuals to be able to manage through this piece of their business.

Ms. Newsom pointed out that under Development Services it says that the consultant is receiving a flat fee of \$59,000.

Ms. Peterson confirmed that was accurate and stated that they have been working on this project for two years and the fee is not coming out of the budget for training.

Acting Chairperson stated that it is usually 10%.

Acting Chairperson Roberts asked if the Panel or the public had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Mr. Morales seconded approval of the proposal submitted by Consolidated Disposal Service, LLC dba Republic Services, Inc., in the amount of \$599,978. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 6 to 0.

Tab No. 17: Virgin Orbit, LLC

Mr. Swier presented a proposal on behalf of Virgin Orbit, LLC a repeat contractor requesting \$404,800 to train approximately 500 Retraitees, 20 Veteran Retraitees, and 50 Job Creation trainees, located in both LA and Kern County. Please note that the prior project had earnings of 69% of the past contract amount and this proposal was right-sized accordingly.

Mr. Swier stated there are representatives present to respond to any questions the Panel Members might have and introduced Johanna Kent, VP People & Culture, and Barry Menzel, Consultant.

Ms. Kent thanked the Panel and introduced Virgin Orbit as a company that designs, builds, and launches rockets that deploy satellites into orbit. Ms. Kent explained that their main point of differentiation from other satellite providers and launch providers is that they are all ground launch providers. Virgin Orbit actually launches under the wing of a 747 airplane. Mr. Kent explained that, while other providers must launch from only a couple of different locations, Virgin Orbit can launch from anywhere a 747 can take off, which opens space for countries that have never been able to put satellites into air before. These can be customers and countries that are opening communications that are fighting climate change. Ms. Kent shared that they have been working with the State of California on fire sites to help fight wildfires and climate change. Ms. Kent stated that they are also working with the government, as well, on national security. Ms. Kent shared that the responsiveness of their system allows them to be able to get a satellite up into the air to either replace one or put one there within 24 hours.

Acting Chairperson Roberts stated that she noticed on the NTMA proposal, which was just approved under the Consent Calendar, that some of their contracting employees are listed as Virgin Orbit. Acting Chairperson Roberts asked if Ms. Kent was aware that NTMA was going to do some training for them. Acting Chairperson Roberts noted that this proposal is for \$400,000 and the cap is \$500,000. So, if for some reason NTMA trains more than \$100,000 worth of

Virgin Orbit's employees, they will be over the cap. Acting Chairperson Roberts stated that there are systems in place to prevent employees from being enrolled twice, but advised the Contractor to be cautious of this.

Acting Chairperson Roberts asked if the Panel or the public had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the proposal submitted by Virgin Orbit, LLC in the amount of \$404,800. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 6 to 0.

Tab No. 18: Lee's Accu-Tech Service, Inc.

Mr. Maslac presented a proposal on behalf of Lee's Accu-Tech Service, Inc. requesting \$272,320 to train 175 Retraitees distributed across three job numbers. Training will take place at their locations in Placer, Fresno, Madera, Tulare, and Yolo Counties. This will be Lee's second ETP contract in the last five years. Lee's prior project currently has potential earnings of \$129,168. The final payment invoice submitted on April 7, 2022, requesting valuation to earn 100% of their funding amount.

Mr. Maslac stated that representatives are present to respond to questions the Panel Members might have and introduced Jay DeHaro, HR Manager and Keith Brama, Consultant.

Acting Chairperson Roberts explained that the only thing the Panel Members see is what is presented to them on the 130 forms and on Lee's proposal the table shows 0% payment earned with some comments underneath. Acting Chairperson Roberts asked if they had enough hours in, but just haven't received payment yet.

Mr. DeHaro affirmed.

Acting Chairperson Roberts stated that she gets concerned when people come before the Panel before they get all their monies in Lee's for the statement that they are not duplicating DAS-approved apprenticeship training, but asked Mr. DeHaro to elaborate on how soon their workers can anticipate moving from Level One to Level Two in their different classifications, including HVAC installer, plumber, and service tech.

Mr. DeHaro explained that it typically happens within three to six months, and they currently have a school available. Mr. DeHaro stated that their plumbing school is a 12-week accelerated program that gives them the school training necessary to get a jumpstart on their technical, so that when they come in, they don't have the same questions and concerns that they normally would starting out fresh. And then after about three or six months after they complete the three month school training is when they typically get classified.

Ms. Newsom asked if that would be when they would get classified as a Level Two and bump up in their wages.

Mr. DeHaro confirmed.

Acting Chairperson Roberts asked if the Panel or public had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the proposal submitted by Lee's Accu-Tech Service, Inc. in the amount of \$272,320. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 6 to 0.

Tab No. 19: Outback Contractors, Inc.

Mr. Maslac presented a proposal on behalf of Outback Contractors, Inc., a first-time contractor requesting \$244,720 to train approximately 266 Retraimees distributed across two job numbers. Outback has one location participating in this project in Tehama County. The company has maintenance staff, operation staff, and operators represented by the IBEW Local 1245. Union has submitted both a notice of intent and letter of support for this training project.

Mr. Maslac stated that representatives are present to respond to questions the Panel Members may have and introduced Trevor Hammam, General Manager, Anne Durbin, Senior Manager Safety & Compliance, and Michael Snead, Consultant.

Acting Chairperson Roberts noted that one of the projects they approved in Consent Calendar is based in enterprises and is owned by the same company.

Ms. Durbin explained that the owners are the same, but the companies do completely separate different work.

Acting Chairperson Roberts said because the two projects don't even meet the cap, it's not a problem. But Acting Chairperson Roberts stated that she just wanted to make note of that. She also asked if both companies were woman-owed.

Ms. Durbin affirmed.

Ms. Newsom added that she wanted to make sure they will not be duplicating DAS-approved apprenticeship training.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Mr. Morales seconded approval of the proposal submitted by Outback Contractors, Inc. in the amount of \$244,720. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 6 to 0.

Tab No. 20: Cognizant Technology Solutions U.S. Corporation

Ms. Lazarewicz presented a proposal on behalf of Cognizant Technology Solutions U.S. Corporation, a first-time contractor requesting \$458,850 to train approximately 950 workers. Training will take place at their three California locations in San Francisco, Pleasanton, and Oceanside.

Ms. Lazarewicz stated that representatives are present to respond to questions the Panel Members may have and introduced Amy Dietz, HR & EVP Communications, and Rob Sanger, Consultant.

Ms. Dietz explained that Cognizant is a large global professional services organization. Ms. Dietz stated that they provide software and digital engineering consulting to a wide variety of clients, including healthcare, financial services, life sciences, etc. Ms. Dietz thanked the Panel and said they are excited about this opportunity.

Acting Chairperson Roberts stated that she normally gets worried about first-time contractors with large projects almost at the cap, but feels better with Rob Sanger as their consultant. Acting Chairperson Roberts said she wants to make sure that Cognizant understands ETP and its systems and can perform accordingly, because their project is for a lot of money.

Ms. Dietz shared that their learning and development ecosystem is really well regarded and they have a robust team that includes internal and external experts to make sure that the funds are well spent. Ms. Dietz explained that she is the lead of HR communications and her job is to know their people programs and help articulate them to their associates, including their learning and development programs.

Acting Chairperson Roberts stated that she wants to make sure that Ms. Dietz will be onboard with this project for the next two years and doesn't plan to leave.

Ms. Newsom pointed out that their wage range is very broad, between 25 – 62 or 25 – 85. Ms. Newsom asked approximately what percentage of their workforce is at the lower end of the 25 versus the upper end.

Ms. Dietz stated that she wasn't sure of the exact answer at the moment, but can get the data back to the Panel.

Ms. Newsom asked Ms. Dietz to explain how their workforce progresses in their wages and how soon they can anticipate an increase in their wages if they are receiving that kind of training.

Ms. Dietz shared that they have varied levels of careers in their company and a very clear hierarchy and a ladder. Ms. Dietz stated that the way they measure people and progress them along the career ladder is based on performance, so that when somebody joins, they have a good path in terms of what the next level would be, what their career architecture is, and then depending upon their performance, in addition to the learning and development and the skills that they are gaining and their time, they will progress them along the journey depending on their role. Ms. Dietz explained that they have a job-moves program internally that ensures that when an associate is performing for a particular period of time, say two years, they progress them along the path and open up additional opportunities for them at the next level, which includes a wage progression.

Acting Chairperson Roberts asked if the Panel or the public had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the proposal submitted by Cognizant Technology Solutions U.S. Corporation in the amount of \$458,850. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 6 to 0.

Tab No. 21: Mountain F. Enterprises, Inc.

Ms. Lazarewicz presented a proposal on behalf of Mountain F. Enterprises, Inc., a repeat contractor with good performance requesting \$504,252 to train approximately 252 workers, including 178 new employees. There has been an update to Mountain F's number of employees, currently the 130 shows 1,200, but the actual current number of employees is closer to 1,500. This is close to double the amount of employees that they have listed on their 2020 proposal. Training will take place at their nine locations throughout California.

Ms. Lazarewicz stated that representatives are present to respond to questions the Panel Members may have and introduced Robert Ruiz, Training Coordinator; Annie Rafferty, Consultant; and Alastair Roughton, Consultant.

Mr. Ruiz thanked the Panel for the opportunity of their last project and explained that they have been able to make good strides moving forward and they have been able to incorporate their training site for the equipment operators, all doing tree work for fire restoration, making sure that they do what they can for California to prevent wildfires. Mr. Ruiz stated that the training was very helpful because they were able to go one-on-one or one-to-two, very small ratios to make sure that it was effective.

Acting Chairperson Roberts noted that the table on their 130 was incomplete.

Ms. Rafferty stated that they are at 100% and have been at 100% for a significant period of time. Ms. Rafferty noted that the last billing was based off modification and they had 56% Job Creation on their first project and they needed to switch dollars between the jobs, so they are waiting on

that to be processed within ETP. Ms. Rafferty explained that the final billing was submitted on April 12th in timing of that, but they have been at 100% performance.

Ms. Newsom commended Mountain F. for having their arborist's certification training program with that set number of hours and thanked them for getting that done. Ms. Newsom stated that it really means a lot to the workers to be able to receive that kind of certification through that training.

Acting Chairperson Roberts asked if the Panel or the public had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Newsom moved and Mr. Tracy seconded approval of the proposal submitted by Mountain F. Enterprises, Inc. in the amount of \$504,252. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 6 to 0.

Tab No. 22: Valdez Painting, Incorporated

Ms. Lazarewicz presented a proposal on behalf of Valdez Painting, Incorporated, a first-time contractor requesting \$249,090 to train 266 workers, including 19 new employees. Training will take place at their locations in Sacramento, San Francisco, and Yolo Counties.

Ms. Torres stated there are representatives present to respond to any questions the Panel Members might have and introduced Erik Tickler, General Manager and Michael Snead, Consultant.

Ms. Newsom asked that they confirm they are not duplicating DAS-approved apprenticeship curriculum and training.

Mr. Tickler confirmed they are not and that it is in addition to product-specific certifications.

Acting Chairperson Roberts asked if the Panel or the public had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Morales moved and Mr. Smiles seconded approval of the proposal submitted by Valdez Painting, Incorporated in the amount of \$249,090. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 6 to 0.

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

Acting Chairperson Roberts provided an opportunity for Panel Members to request for consideration an Agenda Item for a future Panel Meeting.

Acting Chairperson Roberts stated that at the next subcommittee meeting she would like to have more questions regarding productive lab, because in the past, productive lab has been a certain percentage of the dollars and she's noticed that over the Pandemic it has crept up to almost 100%. Acting Chairperson Roberts said she would like to talk more about how to get it back down to a reasonable number or, alternatively, if they should lower the reimbursement rate based on productive lab.

No other comments were made.

XII. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

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

Phil Herrera thanked Steve Duscha for his years of service to the agency and for being his boss, mentor, and friend. Mr. Herrera gave a heartfelt recounting of his first encounter with ETP and Mr. Duscha.

Juliana Kirby, Training Planning Partners, shared that she has known Mr. Duscha for over 25 years as they have been involved in ETP work together and workforce development, federal programs, and other workforce programs in other parts of the country, but mainly through ETP. Ms. Kirby thanked Mr. Duscha for being a great advocate for the program and for providing leadership not only to her firm, but to the whole consulting community for so many years.

Acting Chairperson Roberts shared that Mr. Duscha will not be selling his business, but giving it away, which is very gracious and professional.

XIII. MEETING ADJOURNMENT

Acting Chairperson Roberts adjourned the meeting at 10:32 a.m.