



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL**

Zoom Virtual Meeting
Thursday, January 27, 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

STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL
Zoom Virtual Meeting
Thursday, January 27, 2022

I. PUBLIC PANEL MEETING CALL TO ORDER

Acting Chairperson Janice Roberts called the meeting to order at 9:29 a.m.

II. ROLL CALL

Present

Janice
Roberts
Gloria Bell
Chris Dombrowski
Gretchen Newsom
Madison Hull
Rick Smiles

Executive Staff

Reg Javier, Executive
Director Peter Cooper,
Assistant Director Michael
Cable, Staff Attorney

Absent

Douglas Tracy
Ernesto Morales

III. AGENDA

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

ACTION: Ms. Newsom moved and Mr. Smiles 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: Ms. Newsom moved and Mr. Smiles 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. REPORT OF THE EXECUTIVE DIRECTOR

Mr. Javier welcomed the Panel Members, Applicants, and Stakeholders and recognized the following persons in attendance: Diana Torres, Southern California District Manager; Ryan Swier, North Hollywood Regional Office Manager; Robert Meyer, Economic Development Unit; Chris Hoover, Foster City Manager, San Francisco Bay Area Regional Office, Manager; Jana Lazarewicz, Sacramento Regional Office Manager, and Heather Miguel, Program Projects Unit Manager. Also, Willie Atkinson, Assessment and Application Unit Manager, will present on Apprenticeship processing changes and Gretchen Newsom will report on the activities of the Policy Committee.

Mr. Javier reported that at today's Panel Meeting there will be about \$15.8M in proposals in 51 projects. Projects that are approved today will be funded from both the remainder of the General Funds, as well as from the ETF, or core funding. ETP's goal has always been to get all of the general funds out into contracts as quickly as possible and then go back to funding projects out of the ETF funding. Mr. Javier shared that almost all of the general funds are out in contracts and there is just a small amount being held over for projects that are already in the development process at different stages and will be presented at the March Panel Meeting. So, by March, all of the general fund money will be out in contracts. Mr. Javier thanked ETP staff and managers for all their hard work, long hours, and stress over the past few months to successfully get all those funds out.

Mr. Javier shared that the Governor's January Budget Proposal shows ETP administering two new initiatives. One is \$90M for a healthcare initiative and the other is \$20M for a literacy initiative. ETP also has solicitations for both SEED and Paid Family Leave projects available right now. More information on the solicitations themselves can be found on the ETP website. As a reminder, Mr. Javier stated that the Panel did adopt some changes to the Paid Family Leave program that are incorporated in that solicitation.

Mr. Javier noted that there is a slight correction to the Panel Packets – under the tab for future meeting sites, it shows that the May and June Panel Meetings will be virtual, but at this point there is only authorization to hold virtual meetings through the end of March. So, unless that Executive Order gets extended, Staff has begun planning for the May and June Panel Meetings to be in person.

VI. REPORT OF THE ASSISTANT DIRECTOR

Mr. Cooper shared that after today's Panel, ETP will have spent all of the \$12M from the Community College Fund and almost all of the \$42M of the Expansion Funds. Roughly \$4M from the Expansion Fund is being set aside for proposals already in the queue that would not be able to be funded by core dollars, such as projects from the healthcare sector.

Mr. Cooper also shared that ETP is administering the on-going \$1M per year for the PFL grant and \$10M for the SEED grant. Round two of these grants is beginning and both grants opened

up for applications on January 11, 2022. If folks are interested, please go to the ETP website under the Grants tab for more information. Applications can be submitted online through Cal-E-Grants and proposals are due by February 8, 2022, with estimated project start date of June 1, 2022. Proposals will be brought to the Panel for consideration and approval and more information will be provided as time gets closer.

Regarding 23/24 Fiscal Year

Regarding possible new funds for the 22/23 fiscal year, Mr. Cooper stated that the Governor's January Budget Proposal added \$110M in general fund dollars to ETP, in addition to the ETF. This would mean that ETP would be administering two new initiatives that are part of a much larger workforce training investment that the administration is looking at. Staff does not know the details yet, because it is a long process and there are a lot of discussions and negotiations that will need to occur between the legislature and the administration around these funds. ETP will have to wait for the final budget to be signed at the end of July to know exactly what it's going to look like.

Regarding the Governor's January Budget Proposal

Regarding the Budget summary that came out on January 10, 2022, Mr. Cooper explained that from the Healthcare Workforce Advancement Fund, there are a lot of funds going out beyond ETP, across the whole workforce system. In the Budget Proposal, under the headline Expanding the Care Economy Workforce, it talks about a one-time \$1.7 billion investment over three years in care economy workforce development. This would be a collaboration between the Labor Agency and the California Health and Human Services Agency. There is a lot more to find out about what that is going to look like. ETP's part will be the Healthcare Workforce Advancement Fund, which will be \$90M in general fund to support job entry and career advancement for entry-level and other workers in health and human service settings, with \$40M set aside from that intended for social worker training.

Additionally, there is a focus on the immigrant workforce in the January Budget. Mr. Cooper explained that immigrants bolster California's workforce across industries and are essential to a competitive and diverse labor force. A California for All approach recognizes the skills and expertise of immigrants and creates pathways into good jobs. ETP will receive \$20M 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 and increase employee retention and provide pathways to higher wages and better jobs for immigrants.

Mr. Cooper shared that it is still undetermined how this funding will go out, whether it would go through ETP's system like the Expansion and College Funds where Staff will be able to get it out super-fast, or if there are other contracting methods that it will have to go through.

VII. UPDATE ON CAL-E-FORCE

Tara Armstrong explained that in order to prepare for the potential funding that will be coming in, it is important that ETP's systems are updated so that they can be efficient. Ms. Armstrong reported that Staff is currently working on two main things. One is enhancements for the Cal-E-Program, which are largely internal hotspots to help Staff be more efficient. This includes creating output documents, reporting dashboards, and streamlining processes inside the agency. The second is focusing on the Cal-E-Grants system, which went live on January 11,

2022 with the Paid Family Leave and SEED (Social Entrepreneurs for Economic Development) grants. The system has been open for four weeks now and Staff is able to look at what has been submitted and what is in progress, and Staff can now collect that kind of data.

Ms. Armstrong shared that ETP is also working with the California Workforce Development Department on two grants. One of those grants is the Workforce Accelerator Fund grant, which is currently in the second part with a go-live date set for early February. The other grant is the High Road Training Partnership, the fast track program.

Acting Chairperson Roberts inquired about some possible missing information in the Cal-E-Force system. She pointed out that in the Panel Packets, especially around the 130s and tables regarding performance, there is a lot of missing data. Acting Chairperson Roberts shared that she has heard that the data is not in there because Cal-E-Force is not putting the data in until the contract closes out or final funding goes out to contractors.

Ms. Armstrong explained that the Cal-E-Force system is only going to be as good as the data that gets put in. She shared that if there is no requirement for a timeline when data needs to be reported to ETP, then the data would not be in the system in time to report out in the Panel proposals. Ms. Armstrong explained that if the data hasn't been reported, then Staff is not able to collect the information to put it in the Panel Packets. She explained further that it is governed by ETP's business rules whether or not to require data by certain timelines or data points.

Acting Chairperson Roberts asked if they plan to put those timelines in place.

Ms. Armstrong replied that it would be possible to put parameters in place that says a contractor cannot come before the Panel for a new project until a certain amount of data is provided to show progress, but those decisions have not yet been made internally or with the Panel.

VIII. REPORT OF STAFF ATTORNEY

Staff Attorney Michael Cable reported that there is no Legislation Memo for this meeting because the legislature just reconvened on January 3, 2022. The last day for each house to pass any bills that were introduced last year is coming up on January 31st, and the last day for bills to be introduced for this coming year is February 18th. Mr. Cable explained that means that those budget bills, AB 1624 and SB 840, the initiatives mentioned earlier, those are really your legislative headlines this time. Mr. Cable stated that Staff will prepare an updated legislation memo at the end of February and will drop any bills that will not be moving forward, add any new bills that have been introduced for the coming year, and add some new bills that may be subject matter related to ETP's new initiatives, such as mental health and literacy.

IX. REPORT OF THE CHIEF DEPUTY DIRECTOR

Mr. Gutierrez welcomed Panel Members and stakeholders and provided a summary of the Employment Training Panel's funding.

Regarding Funding:

As Director Javier stated, today's Panel Meeting is for \$15.8M that includes \$229,402 in Delegation Orders. Delegation Orders are Proposals capped at \$75K and approved under delegated authority by the Director on a continuous flow basis. Since last Panel Meeting, the Director has approved 20 delegation orders. If all the proposals scheduled for this Panel Meeting are funded today, the Panel will be approving 50 projects. After today's Panel Meeting the Employment Training Panel will have approximately \$26.2M left in contracting capacity for this state fiscal year. ETP has received 299 Pre-applications, with an estimated value of just over \$59M. There are currently 77 applications in the Regional Offices and 222 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 \$32.9M in demand for Single Employer Contracts, \$12.5M in demand for Multiple Employer Contractors (MEC) requests, \$7M in demand for Small Business, \$350,000 in demand for Critical Proposals, \$6.3M in demand for Apprenticeships.

Mr. Gutierrez stated that with the approval of the Expansion and CCC Guidance in the last Panel Meeting, ETP now has a contracting capacity of a little of \$100M with approximately \$26.2M in contracting capacity remaining after this Panel Meeting.

Regarding the Consent Calendar, Mr. Gutierrez stated there is one correction and one withdrawal that he would like to point out. First, Tab 5 for contract ET22-0951 District Council 16 Northern California Journeymen and Apprenticeship Training Trust Fund - Drywall Finishers and Floor Covering Installers. The correction is for the health benefits amount on Page 2 of the 130. The amount should state up to \$2.50, instead of the \$0.84 that is currently stated. The withdrawal will be Tab 17 for ET21-0138 Safran Passenger Innovations LLC, who are withdrawing their proposal from the consent calendar.

Mr. Gutierrez requested 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 stated that before she asks the Panel for the projects they'd like to pull, she would like to open up to the public to see if they have any comments regarding any of the projects on the consent calendar.

Mr. Alex Beltran stated he had a comment on the proposal for Chrisp Co. Mr. Beltran shared that under the training listed on their proposal, they are signatory with District Council 16 and that Robert Chrisp himself sits on their JATC board. Mr. Beltran explained that they have been trying to work with Mr. Chrisp to hire apprentices to train and Mr. Chrisp has not trained apprentices under their JATC in several years. Mr. Beltran stated that he doesn't feel right that Chrisp is requesting money for training when they are not seeking the proper training through his apprenticeship programs which Mr. Chrisp signed and agreed to under state and federal regulations. Mr. Beltran requested that the Chrisp Co. proposal be pulled from today's meeting and he would be more than happy to discuss further information. Mr. Beltran reiterated that he does not believe in giving taxpayer funds to someone that is not properly training or even trying to do the training.

Acting Chairperson Roberts clarified that Mr. Beltran was speaking about a Single Employer Contractor not on the Consent Calendar and currently they are only discussing the Consent Calendar. Acting Chairperson Roberts stated that they will come back to Mr. Beltran's comments when they are at the Single Employer Contractor time for public comments.

Ms. Newsom stated that she would like to pull Tab 10 and Tab 22.

Acting Chairperson Roberts stated that she would like to pull Tab 21.

Ms. Hull recused herself from the Consent Calendar.

Acting Chairperson Roberts asked if the Panel would like to pull any more proposals from the calendar, or if they have questions.

Hearing none, Acting Chairperson Roberts asked for a motion,

ACTION: Mr. Smiles moved and Ms. Newsom seconded the approval of the remaining items on 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, 5 to 0.

X. POLICY COMMITTEE MEETING REPORT TO PANEL

Ms. Newsom reported the ETP's Policy Committee met Friday, January 14 at 1:00 p.m. via Zoom.

The first item on the agenda was a discussion to generate a definition for High Road Employers. After an interesting conversation, a basic definition was formulated. This item will return to Committee in February as an action item.

The second item on the agenda was an action item to approve staff's proposed method of handling apprenticeship project applications in the next fiscal year. Committee approved staff's approach, and this item will be heard later today when it comes before Panel for full approval.

Ms. Newsom suggested if anyone has any potential agenda topics for future Committee meetings, please email your suggestions, ideas, or comments to Elisabeth.testa@etp.ca.gov.

The next Policy Committee meeting will be held in mid-February or early March 2022.

XI. DISCUSSION OF APPRENTICESHIP PROJECT APPLICATION PROCESS

Willie Atkinson explained that at the December 2, 2021 and January 14, 2022 Policy Committee Meetings, recommendations were presented for informational purposes to solicit and receive feedback from the committee members, contractors, stakeholders, and public concerning the apprenticeship application process. During the latter, the Committee approved the motion to move the new apprenticeship application process for fiscal year 22/23 to bring it to the full Panel for review and approval. In an effort to streamline processes and creating efficiencies for

apprenticeship applicants, ETP is considering changing the way Staff process apprenticeship applications, which include the following elements: (1) An annual application period - processing all applications

received with an open window allows ETP to assess both total demand for funding and staff workload resources to develop all proposals for presentation during one Panel Meeting; (2) Funding per trainee – funding proposals on a per-trainee cost, based on the allocated funding for the coming fiscal year and the total overall demand received during the annual application period; (3) Verification with the Division of Apprenticeship Standards (DAS) – utilizing DAS enrollment data for verification of reported number of apprentices in application funding requests; (4) Streamlined process – establish a renewal process for repeat applicants, revise apprenticeship application, and reformat proposal template to streamline the development process; and (5) Reserve funds – reserve 3-5% of the apprenticeship allocation to fund new non-traditionally funded apprenticeship programs and/or programs unfamiliar with the new annual application period.

Mr. Atkinson explained that the proposed implementation timeline includes bringing the proposal to the Panel in January 2022 for approval, open the application period in early 2022, and present apprenticeship applications for proposals to Panel for review and approval in June or July 2022. Mr. Atkinson requested the Panel to move and approve these recommendations for a new apprenticeship process for fiscal year 2023 which states approval shall be effective immediately.

Acting Chairperson Roberts asked if the public had any comments on this proposal.

Hearing none, Acting Chairperson asked if Panel Members had any questions.

Acting Chairperson Roberts inquired into Staff's reasoning behind these changes and why they are singling out apprenticeships.

Mr. Atkinson explained that they are not singling out apprenticeships, but just starting there. ETP has been reexamining all of their internal processes and attempting to become more efficient. Mr. Atkinson shared that Staff decided to look at apprenticeship first because they come back every year and seem to have their applications ready to go, it is the same players ETP works with, and Staff is trying to figure out how ETP can equitably distribute a certain amount of allocation in order to fund all of the apprenticeship programs that apply. Mr. Atkinson further explained that one of the key reasons to start with apprenticeships, is that ETP wants to be in line with the Governor's plan of creating more apprenticeship programs and to help spark more interest in apprenticeship programs. Mr. Atkinson shared that overall, these proposed changes will help Staff be more efficient, manage workload, and better coordinate ETP's funding processes regarding funding and development for these types of programs.

Mr. Javier added that this is part of a broader effort inside ETP to take a close look at all internal processes, because ETP is diversifying its funding, Staff is hoping to find every efficiency possible to push out the amounts of money that is needed. Mr. Javier noted that a couple of Panel Meetings ago, Staff announced that they would be starting a work group around taking a closer look at the first in, first out process. All of these are part of the bigger goal to gain efficiencies throughout ETP and address concerns of the Panel and stakeholders. Therefore, since the apprenticeship funding group is well-defined, it seemed like an appropriate place to start.

Acting Chairperson Roberts noted that there are apprenticeship proposals that the Panel will be approving at this Panel Meeting and likely at the next and asked if, at the start of the new fiscal year, those same apprenticeship programs will be coming through again.

Mr. Atkinson replied that he cannot guarantee that because currently Staff has not decided on what the parameters are for those that can apply coming into the next fiscal year. But when those parameters are developed, they will be brought before the Panel for approval and comment.

Acting Chairperson Roberts commented that this is kind of like ground zero and going forward they will see all the apprenticeship projects coming through in June or July, so she wanted to know if the ones that will be coming to Panel over the next couple of months will come through again in June or July or not.

Mr. Atkinson stated that he will be sure to communicate that to the Panel.

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

Hearing none, Acting Chairperson Roberts asked for a motion,

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

Motion carried, 6 to 0.

XII. REVIEW AND ACTION OF PROPOSALS

ITEMS PULLED FROM CONSENT CALENDAR

Tab No. 10: L&S Framing, Inc.

Ms. Lazarewicz presented a proposal on behalf of L&S Framing, Inc., requesting \$264,776 in funding to train approximately 435 workers, including 67 new employees.

Mr. Swier stated there are representatives joining virtually to respond to any questions the Panel and, Members might have and introduced Tim LaVoie, Owner; Jon Wagner, VP of Operations; and Keith Brama, Consultant, Propel Consulting Group.

Acting Chairperson Roberts confirmed that Ms. Hull had rejoined the meeting.

Ms. Newsom pointed out that this is the fourth contract from this entity and requested more information from the applicant regarding the value of the training to the worker. Ms. Newsom noted that what she is seeing absent from this proposal is certifications for the worker to advance in their construction career. Ms. Newsom also stated that she does not see apprenticeship mentioned in the proposal and because it appears the contractor is mostly a residential construction entity, she wants to hear how the workers are advancing in their careers.

Ms. Newsom asked where the trainees are going with the ETP funded training or if the company is just utilizing productive lab to provide training while making money off the contract.

Keith Brama clarified that this will be their third contract. Mr. Brama shared that he has worked with L&S on every ETP contract and has seen tremendous growth. Mr. Brama explained that in their first contract, training was slightly unorganized in nature, but since then Mr. Lavoie and his team have been putting together a much more concise, reward-oriented, goal-oriented, and wage progression-oriented training plan. Mr. Brama further explained that in the past, they did do more on-the-job training, but currently they have purchased more space in their warehouse and most of their training occurs there where they're teaching the trainees how to do some of their prefab walls, trusses, etc. Now they are really taking the next steps with engineering equipment and training with more high tech equipment versus just hammer, nail, and saw. Mr. Brama noted that he has personally seen their wages go up considerably, and in general across the industry. Mr. Brama stated that their wages mostly meet the \$21.57 mark, but a lot of their trainees are making well over that.

Ms. Newsom pointed out that what is presented to the Panel shows that 107 carpenters and assemblers making between \$19.07 and \$20/hour, so less than a \$1 raise if they go through the training perhaps. And another 200 workers making between \$20 to \$25/hour. Ms. Newsom reiterated that her focus is on how the training is benefiting the worker and advancing them in their construction career and what certifications they are receiving through this training. Ms. Newsom noted that it jumped out at her to ask these questions, because under training vendors, it states "To be determined." She explained that gave her a red flag and made her question the quality of the training that they're receiving and how it is connected to advancing their construction careers.

Mr. LaVoie added that with the introduction of ETP funding they have been able to increase their training robustly. Mr. LaVoie stated that for the past seven years, they've had 10 – 15% and they are looking at a 20% growth this year. He explained that they always hire from within, so when they bring on carpenters of any level, as they build their crews, from Carpenter 1 to Carpenter 2 from Lead Man 1 to Lead Man 2 from Foreman to Superintendent, and even the guys in the office, their estimators and project managers, all that training from their carpentry skills, gives them that path to help them grow within the company.

Regarding wage increases, Mr. LaVoie explained that most of their carpenters receive \$1 to \$2 increase in wage within the first six months to a year, as they're going through the program. Then, they usually review all of their carpenters on an annual basis and through the last five or seven years on probably an 18 month basis, they reevaluate all of their base wages for the entire company to stay up with competitiveness and training.

Ms. Newsom asked if the training they're providing to these workers results in any certificates or college credits. Ms. Newsom stated that she is looking for something tangible that if one of their carpenters went through the training, that they'd have something to carry them forward in their career if they don't stay with L&S. Ms. Newsom noted that they have a really low turnover rate and commended them for that, but stated she is really looking for proof of the quality of training.

Mr. LaVoie explained that in their part of the industry in residential construction, a lot of it is based on what a person has learned and how long they have been in the profession. So when their workers leave L&S, between what they trained in safety and what they trained to skill space, as they go to L&S's peers, the fact that they've worked with L&S is kind of a certificate

because their peers know the kind of training their workers get. Mr. LaVoie admitted that they do not have a formal document to give out, but stated that he knows his peers and he knows his industry and when someone comes over for a year or two and they are not able to accommodate what that person was hoping to achieve, and they go to one of L&S's competitors, the skills that are taught at L&S, mainly from the skill space and the safety base, gives them an upper hand on a lot of other competition coming from other companies.

Ms. Newsom expressed frustration with the industry itself, not necessary L&S as the applicant, in making sure that these workers can advance in their careers and go out and get even higher paying jobs.

Acting Chairperson Roberts added that she understands that a lot L&S teaches a lot of portable skills and she commended them for that. She stated that by L&S training their employees like they do, they make them very marketable with other industries and with their competition. So with all the training they provide, their employees would not become unemployed, they would probably move into either a higher paid job or a different industry or even be able to relocate.

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

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Bell seconded approval of the proposal submitted by L&S Framing, Inc. in the amount of \$264,776. 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: Taylor-Listug, Inc.

Acting Chairperson Roberts stated she had some concerns with this proposal and noted that this is their fourth project and they've done a great job with performance, but have a high turnover rate. She stated that it is not over 20%, but it is still high. Acting Chairperson Roberts observed that a lot of the new jobs listed are probably filling in the gaps created by the Pandemic, which caused a lot of turnover, so that is understandable. But she also noticed their lower wages in Job Number 2, which is new hires, versus their Job Number 1 wages. Acting Chairperson Roberts asked when the new hires would get the same wages as the retrainees.

Jo Ann Peterson, Director of Training and Development for Taylor Guitars, explained that in the last year, they have been continuously looking at their compensation for new hires, their unskilled workers, because they do fully train them when they come onboard to Taylor Guitars. Ms. Peterson stated that last year, they went from \$14 start to \$16 start and they know that they will also be raising again this year that is what their strategic plan is. Ms. Peterson explained that when their unskilled workers come in, they spend time to scale them up and give them the training they need and the certifications they need so they can continue to increase their wages. As part of that, there is a compensation plan that allows the worker to work through. When they are hired in, if they are unskilled they would be a Level 1 and that has a range of \$16 to \$22 and then they can work their way to Level 2 which is from \$21 to \$27, to Level 3 which is \$26

and higher. Ms. Peterson stated that they do have a career path and the compensation package that they have in place allows the worker to continue to increase their compensation as they increase their skills.

Acting Chairperson Roberts noted that some of their workers are coming in and making \$15.39/hour, but other jobs are listed with the lowest wage being \$19.07, so it appears there is a progression involved. Acting Chairperson Roberts asked how soon those workers would get the \$4 bump.

Ms. Peterson reiterated that they are starting at a minimum of \$16/hour with their new increase that they have put in place and it's going to vary depending on their skill set and how quickly they learn the skills as the business continues to grow and enhance and there is need for those skills. Ms. Peterson noted that it could be 90 days, six months, or two years depending on the individual. However, if the worker has the skill set and they have the need, the worker will get the increase.

Next, Acting Chairperson Roberts asked what the contributing factors were to their 19% turnover rate.

Ms. Peterson explained that over the last two years, it was predominantly due to COVID because people were working from home, but they were also leaving the state. Ms. Peterson stated that they had quite a few folks who left California and that is what a lot of the turnover was from. Ms. Peterson also added that they hired 175 new workers last year, as they continue to increase the need for their product, which has been great, and the innovations that they have to offer for affordable guitars.

Acting Chairperson Roberts commented that they said they are making a new guitar body, but in looking back on their last contract, the training looks to be the same or similar with the previous 520 trainees from last time as is listed in this proposal. Acting Chairperson Roberts expressed concern that the workers are getting the same training over and over.

Ms. Peterson explained that when they have a new body shape, it is a new skill and technique that is required, so the skill set is going to vary from someone working on a lower end guitar that is not skilled to them teaching the worker how to build that specific guitar to one that is more intricate, like a handcrafted guitar. Ms. Peterson shared that the skillset needed to work on a handcrafted guitar is more advanced because there needs to be precision in the sanding, finishing, and quality of the guitar itself. Ms. Peterson further explained that when they change the guitar shape, it takes a different skill set typically to build the new guitars. Additionally, they have partnered with Urban Woods, which means they are getting woods from California and when a person is working with a different type of wood they have never worked with, that also takes a different set of skills to set it, treat it, cut it, and finish it. Ms. Peterson stated that they have also built out their ebony products and they do not waste any wood at all, so now they are actually taking their scrap ebony and are building out different kitchenware items in another area, so that is also a different skill set than building a guitar, so they are expanding the skills of their current worker base.

Acting Chairperson Roberts stated she did not feel confident about this project, but knows that the Panel wants to get the Expansion Funding out.

Ms. Newsom asked if Acting Chairperson Roberts would feel better about this applicant if the wages of Job Number 2 were the same as the wages of Job Number 1.

Acting Chairperson Roberts stated that it would certainly help, but \$15 or \$16 is the low end of any training for this amount of money.

Ms. Peterson stated that as she shared with the Panel, last year they decided to raise the minimum start from \$14 to \$16 and it will be \$17 shortly. Ms. Peterson stated that they are continuing to go above and beyond what is asked for a minimum wage, because for one thing, they are trying to make sure that they are able to hire folks who want to work in their local community and they want to continue to keep their people for their average of 10 years. Ms. Peterson shared that as their workers continue to move up, they continue to increase their compensation, and so when they think about their wages, Taylor is trying to get on the higher side, since the turnover from COVID was so high. Ms. Peterson explained their number one priority is getting people to come in and apply and making sure that they are retained. Ms. Peterson shared that they are invested in the community – they are going into high schools, working with teachers in the skilled workforce and their local community colleges to bring in folks that they can help employ and give a career for their life.

Acting Chairperson Roberts explained that since they are requesting Expansion Funding, she is treating this a little differently than core funding. Acting Chairperson Roberts pointed out that they have 105 new employees being trained at \$2,300 each, they are coming through now for \$480,700 for their fourth project, and their last project was for \$600,000.

Acting Chairperson Roberts decided she would like to cut this project down to \$300,000 because she does not want the same people being trained over and over with these funds, but doesn't mind training the new hires. Acting Chairperson Roberts stated that she is going to look at this closely because she has seen Taylor come through many times and never really had any issues with it because they always did a great job with performance.

Acting Chairperson Roberts made a recommendation to cut this project to \$300,000 and asked if the Panel had any other questions.

Ms. Newsom asked if the recommendation also includes increasing the wages from Job Number 2 to match the wages from Job Number 1.

Acting Chairperson Roberts asked Ms. Peterson if, from an HR standpoint, it would be a problem for the company to look at increasing those wages in a timelier manner than two years.

Ms. Peterson replied that she is currently working with their VP of HR and actually have a compensation audit they have brought in, so they are hoping to get the results from that because it is very important that they make sure they are where they need to be from a compensation standpoint, so they are doing the audit and will take the recommendations.

Acting Chairperson Roberts clarified the Panel's recommendations stating that based on what they see in the packet, the lowest wage on Job Number 1 is \$19.07, so they are asking if they can increase Job Number 2 to at least \$19.07. And if not, then whatever employees are making lower than that, they just do not get ETP funding to train them, since the Panel is cutting their dollars anyway.

Mr. Cable asked to clarify that there are two modifications – wages being increased to \$19.07 and the funding amount being reduced to \$300,000. Acting Chairperson Roberts and Ms. Peterson both confirmed.

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

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by Taylor-Listug, Inc. for the reduced amount of \$300,000 and lowest wages increased to \$19.07. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative to approve the proposal as moved with modifications.

Motion carried, 6 to 0.

Tab No. 22: Vellutini Corporation

Ms. Lazarewicz presented a proposal on behalf of Vellutini Corporation, requesting \$499,560 to train approximately 543 retrainees and 158 job creation trainees.

Ms. Lazarewicz stated there are representatives joining virtually to respond to any questions the Panel Members might have and introduced Serena Tsan, Training Development Specialist and Keith Brama, Consultant, Propel Consulting Group.

Ms. Newsom stated that she has a similar line of questioning to that of the last project and noted that they have the same consultant. Ms. Newsom asked if the company could elaborate on connecting the training that the workers receive to the advancement of their construction careers.

Ms. Tsan explained that as an organization, their core purpose is to build people, build relationships, and build projects. Ms. Tsan stated that they grow their own and from the curriculum they've laid out, it can be seen that a majority of their training internally goes towards a lot of these business skills that they teach their employees. So, they don't stick with just technical training, they also train their employees in process improvement, leadership skills, and levels training. Ms. Tsan shared that a lot of their training is geared towards developing their interpersonal and communication skills, as well as technical skills as technology is continuing to advance. Ms. Tsan stated that they are currently doing a lot more technical training around different applications that their employees use.

Ms. Newsom noted that, as an electrical contractor, some of the projects that they are working on include airports and high schools, which are public works projects. Ms. Newsom stated that it appears that they may be paying prevailing wages, but she is curious as to whether or not they are also hiring apprentices and what apprenticeship program they are using to train their electricians, laborers, and other construction persons.

Ms. Tsan replied that that they do have an apprenticeship and that they have a partnership with WECA for electrical. Ms. Tsan explained that they do have a partnership with WECA, but the courses that they teach are very different – their training is very much geared towards internal processes, but when it comes to electrical apprenticeship trainings, their workers take it with WECA and they don't document any of that unless it's just for them getting their ET certifications. Ms. Newsom asked to confirm that the trainees are earning their hours as apprentices toward advancing themselves in the apprenticeship.

Ms. Tsan confirmed.

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

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Bell seconded approval of the proposal submitted by Velluntini Corporation in the amount of \$499,560. 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.

SINGLE EMPLOYER CONTRACTS

Tab No. 24: Community Hospitals of Central California dba Community Regional Medical Center

Mr. Swier presented a proposal on behalf of Community Hospitals of Central California dba Community Regional Medical Center, a first-time contractor requesting \$464,600 in Expansion Funds to train approximately 425 Retraitees and 200 Job Creation trainees located throughout Fresno County at four different hospitals. Although all locations are located in HUAs, they are only requesting HUA wage modification in Job Number 3 for 88 trainees.

Mr. Swier stated there are representatives joining virtually to respond to any questions the Panel Members might have and introduced Carla Milton, Senior VP of Human Resources and Michael Jester, Consultant, Strategic Business Solutions.

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

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Hull moved and Mr. Smiles seconded approval of the proposal submitted by Community Hospitals of Central California dba Community Regional Medical Center in the amount of \$464,600. 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. 25: SonRay Solar, Inc.

Mr. Swier presented a proposal on behalf of SonRay Solar, Inc., a first-time contractor requesting \$330,510 in Expansion Funds to train approximately 349 retrainees and 65 job creation trainees located in the Sacramento area.

Mr. Swier stated there are representatives joining virtually to respond to any questions the Panel Members might have and introduced Monica Dooling, HR Manager and Keith Bram Consultant.

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

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Bell moved and Mr. Smiles seconded approval of the proposal submitted by SonRay Solar, Inc. in the amount of \$330,510. 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. 26: Tarzana Medical Center, LLC dba Providence Cedars-Sinai Tarzana Medical Center

Mr. Swier presented a proposal on behalf of Tarzana Medical Center, LLC dba Providence Cedars-Sinai Tarzana Medical Center, first-time contractor requesting \$499,905 in Expansion Funds to train 449 Retraitees and 75 Job Creation trainees located in LA County. A letter of support has been received by SEIU Local 121RN

Mr. Swier stated that representatives are joining virtually to respond to questions the Panel Members might have and introduced Lydia Wong, Director of Education and Professional Services and Larry Mandell, Consultant, Training Refund Group.

Ms. Newsom thanked them for their high wages for nurses.

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

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by Tarzana Medical Center, LLC dba Providence Cedars-Sinai Tarzana Medical Center in the amount of \$449,905. 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. 27: Pharmapacks, LLC

Ms. Torres presented a proposal on behalf of Pharmapacks, LLC, a priority industry and first-time contractor requesting \$275,310 in Expansion Funds to train approximately 266 Job Creation retrainees. This training plan represents 100% frontline workers, as there are no managers or supervisors in the plan. The company will be expanding its location-base and opening its first out-of-state fulfillment center in Perris, Riverside County by February 2022. The

projected hire numbers for Job 1 are based off the opening of the new larger facility needed to meet customer demand. With the opening of the Perris facility, Pharmapacks anticipates to hire over 270 California employees. They have a variety of skills that will be provided to their new staff, including productive lab under commercial skills offered to all occupations in a 1:3 trainer: trainee ratio for up to 60 hours of training. In addition to the new Perris facility, the company is also looking into potentially developing 3 to 4 microcenters in California to help support same- and next-day operations in the West Coast.

Ms. Torres stated that representatives are joining virtually to respond to questions the Panel Members may have and introduced Jonathon Webb, Partner; Caressa Foreman, Vice President of Fulfillment Operations; and Jill Zweigbaum, Director of People and Culture for Operations.

Acting Chairperson Roberts thanked them for expanding to California from the West Coast and for coming into ETP. She additionally thanked them for hiring 266 employees and then putting on a training project. She acknowledged that they have been working closely with GoBiz and ETP staff, so hopes they will be 100% successful in this project.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by Pharmapacks, LLC in the amount of \$275,310. 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. 28: Reliable Energy Management, Inc.

Ms. Torres presented a proposal on behalf of Reliable Energy Management, Inc. a priority industry and first-time contractor requesting \$253,805 in Expansion Funds to train approximately 140 employees. The company has targeted marketing campaigns geared towards veterans. They have partnered with HIRE Vets and Troops to Trades, which are local organizations that assist veterans with job placement. The company has committed to training seven veterans under Job Number 3 in the training plan. In addition, due to the expanded business offerings, the company will hire at least 33 new employees, which are noted in Job Number 2 under Job Creation. The trainees will receive a combination of business, commercial, and computer skills. In computer skills, they will receive productive lab training which will focus on new equipment operations, forklift operations, etc.

Ms. Torres stated that representatives are joining virtually to respond to questions the Panel Members may have and introduced Ron Garcia, Rob Garcia, and Jill Meeuwsen, Consultant.

Acting Chairperson Roberts thanked the company for including veterans in their project and for their efforts in recruiting them.

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

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Bell moved and Mr. Smiles seconded approval of the proposal submitted by Reliable Energy Management, Inc. in the amount of \$252,805. 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. 29: Chrisp Company

Mr. Hoover explained that this company has requested to table their proposal until the next Panel Meeting.

[Ms. Hull recused herself from this proposal and was removed from the Zoom discussion.]

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval to withdraw Chrisp Company's proposal from the January 2022 Panel Meeting and move it to the next Panel Meeting. Acting Chairperson Roberts called for a vote, and all Panel Members present voted in the affirmative to approve the withdrawal of Chrisp Company's proposal from the January 2022 Panel Meeting and move it to the next Panel Meeting.

Motion carried, 5 to 0.

[Ms. Hull returned to the meeting.]

Tab No. 30: Hunter Industries, Incorporated

Mr. Hoover presented a proposal on behalf of Hunter Industries, Incorporated, a priority industry and repeat contractor requesting \$256,680 to train an estimated number of 470 trainees under Job Number 1 Retraitees and 40 trainees under Job Number 2 Job Creation. ETP Training will be delivered at its three locations in San Marcos. This will be their third ETP contract and second in the last five years. Although Hunter may hire and train veterans, it does not wish to include a separate veteran's job number in this proposal. Hunter is increasing its manufacturing capacity by hiring 40 new employees under Job Number 2, which is due to the company investing \$35 million in new equipment to upgrade and expand its production capacity. There is a temp-to-perm component within this proposal. Hunter will train 45 workers under the Panel's guidelines for Temporary to Permanent Program Job Number 2. Average time for converting the temp workers into full-time permanent employment is six months.

There is one correction under the training vendors, Red Truck Fire and Safety Co. in San Diego will not be retained to provide training.

Mr. Hoover stated there are representatives joining virtually to respond to any questions the Panel Members might have and introduced Scotty Lombardi, Senior Manager of Global Talent Management and Rob Sanger, Subcontractor, CMTA.

Acting Chairperson Roberts acknowledged that there were some issues in their prior performance and they have right-sized this proposal to reflect that. Acting Chairperson Roberts stated she hopes they get 100% performance on this project and going forward.

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 Ms. Hull seconded approval of the proposal submitted by Hunter Industries, Incorporated in the amount of \$256,680. 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. 31: Nibbi Bros. Associates, Inc.

Mr. Hoover presented a proposal on behalf of Nibbi Bros. Associates, Inc. a priority industry and first-time contractor requesting \$483,000 to train a total of 271 trainees under Job Number 1 Retraitees and 79 under Job Number 2 Job Creation. ETP training will be delivered at their headquarters in San Francisco and an Oakland facility in Alameda County. Even though Nibbi does not have a separate veteran's job number, the company recruits veterans through referral sources and considers applicants based on their work experience.

There are a few updates to their proposal. There will be two unions involved: the Northern California Carpenters Local 22 and Northern California Labor's Local 261. Also, the second union support letter was received on Monday and is now included in the file. Additionally, under the Job Creation job number, the company plans to hire 79 new employees due to increased business capacity.

Ms. Lazarewicz stated that representatives are joining virtually to respond to questions the panel members may have and introduced Brian Green-Krugman, Controller; Laura Guilfoyle, Director of HR; Raj Choudhary, CFO; and Keith Brama, Subcontractor, Propel Consulting Group.

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

Acting Chairperson Roberts noted that the proposal states Nibbi is working on the restoration of Cliff House. Acting Chairperson Roberts asked it was the Cliff House that was part the Sutro Baths that closed down during the Pandemic due to lease issues.

Mr. Choudhary confirmed it was the same Cliff House.

Acting Chairperson Roberts asked if they plan to rebuild it or tear it down.

Mr. Choudhary stated that Nibbi did remodeled it, but the current owner got out of the building, but they are hoping that when life returns to normal that someone else will take over the Cliff House and reopen it for business.

Mr. Choudhary stated he wanted to explain the biggest value that Nibbi's training program will bring to the state. He shared that 75% of the work they do is affordable low-income and public housing, which are almost exclusively built in underserved communities. Since these projects have some elements of public funding in them, they have high Section 3 and local hire requirements from these communities. So basically, they pull people off the street, advocate for a construction career, and then spend a lot of time training them up. The biggest benefit their training program does is take people from underserved communities and help them achieve successful construction careers.

Acting Chairperson Roberts thanked them for their proposal and asked if there were any other questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Bell seconded approval of the proposal submitted by Nibbi Bros. Associates, Inc. in the amount of \$483,000. 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. 32: Balanced Comfort

Ms. Lazarewicz presented a proposal on behalf of Balanced Comfort, a first-time contractor, requesting \$213,210 to train a total of 170 workers, including 108 new employees. Training will take place at their Fresno location.

Ms. Lazarewicz stated that representatives are joining virtually to respond to any questions the Panel Members may have and introduced Aaron Husak, CEO and Keith Brama, Subcontractor, Propel Consulting Group.

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

Hearing none, Acting Chairperson Roberts asked for a motion

ACTION: Ms. Hull moved and Ms. Bell seconded approval of the proposal submitted by Balanced Comfort in the amount of \$213,210. 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. 33: ConAgra Foods Packaged Foods, LLC

Ms. Lazarewicz presented a proposal on behalf of ConAgra Foods Packaged Foods LLC, a repeat contractor requesting \$385,020 to train a total of 372 workers. This will be ConAgra's third ETP contract, but the first within the last five years. Training will take place at their Oakdale location.

Ms. Lazarewicz stated that representatives are joining virtually to respond to questions the panel members may have and introduced Mauricio Chang, Human Resources Generalist; Carmen Rodriguez, Human Resources Manager; Phil Brewer, Plant Manager; Sabrina Sanderson, Financial Analyst; and Melanie Rosa, Finance Manager.

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 Ms. Hull seconded approval of the proposal submitted by ConAgra Foods Packaged Foods LLC in the amount of \$385,020. 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. 34: Elica Health Centers

Ms. Lazarewicz presented a proposal on behalf of Elica Health Center, a first-time contractor requesting \$289,800 to train a total of 105 workers, including 16 new employees. This project focuses training on medical assistants, with 100 out of the 105 workers in the medical assistant occupation. Training will take place at their 13 facilities throughout Sacramento.

Ms. Lazarewicz stated there are representatives joining virtually to respond to any questions the Panel Members may have and introduced James Mohrherr, Controller; Laurie Bringuel, Director of Human Resources; and Nicola Bennion, Manager of Workforce Development.

Acting Chairperson Roberts questioned why it looks like their training vendors are getting more money in training than they requested in ETP funding.

Ms. Bringuel explained that they are using one training vendor who makes use of multiple clinicians who will help train their employees. The trainers have either held medical positions in the past or do currently. They are high-level trainers, because they want the best quality of training for their employees. Ms. Bringuel explained that what they do is so critically important that they want to offer them the best, which is what they've done in this program. They really wanted to focus their efforts on getting their people trained up and skilled so that they can treat as many patients as possible – that is their goal.

Acting Chairperson Roberts asked to clarify that the vendor listed, Jeanne Reaves Consulting, would be getting the full funding for this project.

Ms. Bringuel confirmed and explained that they are interested in getting training at the highest levels and that is what the vendor can provide.

Acting Chairperson Roberts asked if this is something that needs to be looked at from an ETP staff perspective regarding one consulting company getting all the money for the training instead of the entity that ETP is contracting with.

Ms. Lazarewicz added that they have an in-kind contribution from Elica of \$300,000, but staff can take a further look at it if the Panel would like.

Acting Chairperson Roberts stated that they have come across this problem before with one vendor taking all the money and using the contractor as a pass-through because the vendor itself cannot present their own proposal. Acting Chairperson Roberts said she understands that health centers want the best training, but she would like to get a better handle on the issue of this amount of money going to one consulting company.

Mr. Maslac explained that ETP has had issues in the past where one subcontractor was doing the training and the administration, but that is not the case with this proposal. He stated that here it is not the same subcontractor doing both the admin and the training, it's only the training delivery.

Acting Chairperson Roberts pointed out that the amount of money listed in the proposal for the vendor is actually \$1,000 more than the ETP funding, so either it was right-sized or something else happened there and she wondered why it didn't match up correctly.

Mr. Maslac stated he believes that in this case they have \$300,000 in in-kind contribution which would cover any additional training beyond what ETP is providing, and they are providing much more training than what ETP is funding.

Mr. Meyer added that what might not be reflected there is the right-sizing that happens during the course of development.

Acting Chairperson Roberts expressed concern that Jeanne Reaves Consulting is not who ETP will be holding accountable on this project, Elica Health Centers is. And she doesn't want to see the vendor getting all the money and then something goes wrong. Acting Chairperson Roberts stated that she is fine with the project as long as ETP staff has vetted it.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Hull seconded approval of the proposal submitted by Elica Health Centers in the amount of \$289,800. 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. 35: Kozy Shack

Ms. Lazarewicz presented a proposal on behalf of Kozy Shack, a subsidiary of Land O'Lakes, requesting \$409,400 to train a total of 255 workers, including 35 new employees. This will be Kozy Shack's first ETP project and the third for Land O'Lakes. Currently Land O'Lakes has two active ETP projects, one being a COVID Pilot project and the other a core project currently showing good performance with over 29,000 hours tracked for potential earnings of 100%.

Training will take place at their location in Turlock and at their three participating affiliate locations in Acampo, Madera, and Turlock.

Ms. Lazarewicz stated there are representatives joining virtually to respond to any questions the Panel Members may have and introduced Jeffery Gaines, Plant Director; Rebecca Cameron, Real Estate and Facilities; and Angela Jones, Consultant, Training Grants Intelligence.

Ms. Newsom asked how long it would take for workers under Job Creation to receive their training and then advance up to the wages that are displayed under Job Number 1.

Mr. Gaines shared that on average it takes between six to nine months.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Newsom moved and Ms. Bell seconded approval of the proposal submitted by Kozy Shack in the amount of \$409,400. 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. 36: Michaels Stores Procurement Company, Inc.

Ms. Lazarewicz presented a proposal on behalf of Michaels Stores Procurement Company, Inc., a first-time contractor requesting \$269,928 to train 200 workers, including 98 new employees. Training will take place at their location in Tracy.

Mr. Swier stated there are representatives joining virtually to respond to any questions the Panel Members may have and introduced Mikel McMullen, HR Manager; Victoria Hooks, HR Director; April Nevarez, Director - Sales and Use Tax; Savanna Jermance, Consultant, Ryan, LLC

Acting Chairperson Roberts pointed out that Ryan, LLC is asking for more than 10% of the funding, and asked if they could look at getting the funds down to 10%.

Ms. Jermance agreed that they would right-size to 10%.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Hull seconded approval of the proposal submitted by Michaels Stores Procurement Company, Inc. in the amount of \$269,928. 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. 37: Pitman Farms Holding Company

Ms. Lazarewicz presented a proposal on behalf of Pitman Farms Holding Company, a first-time contractor requesting \$402,040 in funding to train 814 trainees, including 30 new employees. Training will take place at Pitman's locations in Fresno, Kern, Kings, Madera, Merced, San Bernardino, and Tulare Counties.

Ms. Lazarewicz stated there are representatives joining virtually to respond to any questions the Panel Members may have and introduced Sheryl Morse, CFO; David Rubenstein, Operations Manager; and Michael Jester, Consultant, Strategic Business Solutions.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Bell moved and Mr. Smiles seconded approval of the proposal submitted by Pitman Farms Holding Company in the amount of \$402,040. 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. 38: Vino Farm, LLC

Ms. Lazarewicz presented a proposal on behalf of Vino Farms, LLC, a repeat contractor requesting \$313,260 in funding to train 297 trainees, including 17 new employees. This project was carried over from last Panel Meeting, so there is information on their two current ETP projects available. One project is a COVID Pilot project and the other is a core project with good performance and potential earnings of 100%. Training will take place at Vino Farms five locations in Lodi, Healdsburg, Napa, Los Alamos, and San Miguel.

Ms. Lazarewicz stated that representatives are joining virtually to respond to any questions the Panel Members may have and introduced Veronica "Roni" Natera, Director of Human Resources and Keith Brama, Consultant, Propel Consulting Group.

Acting Chairperson Roberts pointed out that on this project and a few others, she doesn't see all the tables listed in the proposal under Active Projects. Acting Chairperson Roberts asked if that was something that will no longer be included in the proposals.

Ms. Lazarewicz affirmed and explained that staff does not look at performance on the COVID projects because they are part of a pilot program, so staff has determined to put that information in the narrative. She stated that staff is only including the active core projects in the table.

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

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Hull moved and Ms. Bell seconded approval of the proposal submitted by Vino Farms, LLC in the amount of \$313,260. 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. 39: Cepheid

Ms. Miguel presented a proposal on behalf of Cepheid, a repeat contractor requesting \$391,000 in Expansion Funds to train 500 Job Creation trainees. Training will occur in Alameda, Santa Clara, and San Joaquin Counties.

Ms. Miguel stated that representatives are joining virtually to respond to any questions the Panel Members may have and introduced Esther Rivera, Senior Learning and Development Manager at the Lodi Campus and Phil Herrera, Consultant, Herrera & Company.

Acting Chairperson Roberts asked why there are zero dollars and zero hours of completed training listed, but the number of trainees is listed and there is a little narrative underneath that. Acting Chairperson Roberts asked why it is not filled out.

Mr. Herrera explained that the company has always been very conservative about invoicing ETP for training. They have not submitted an invoice even though it is 100% complete training and 90 days of employment, but will do that shortly. Mr. Herrera shared that with the advice of staff, they felt that it was good to come to the Panel meeting with everything ready. He explained that normally they would have statistics in there for placements and things, but they have a lot of training listed in the system.

Ms. Miguel clarified that until the invoices have been approved, and staff knows the exact number of trainees that have been retained, the numbers Acting Chairperson Roberts is referring to will show up as zero. So, the projected earnings in the system are showing 100% performance, but if the invoices have not been submitted, particularly the final invoices where they track the retention on the contract, the other numbers will still show as zero in the system.

Acting Chairperson Roberts asked if that was a system error.

Ms. Miguel replied that it is not a system error, because they are still within the contract term. She explained that some companies will wait to submit invoices until all training is completed, so they know who will be placed into retention successfully. So, the training hours are uploaded, it's just the invoicing has yet to occur.

Mr. Maslac added that the requirement in general is that the hours are in the ETP system, which they have done in this case, not that they bill for them.

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 Ms. Hull seconded approval of the proposal submitted by Cepheid in the amount of \$391,000. 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. 40: Los Angeles Metropolitan Transportation Authority

Ms. Miguel presented a proposal on behalf of Los Angeles Metropolitan Transportation Authority, a first-time contractor (but they have participated in a past ETP contract) requesting \$497,168 in Expansion Funding to train 386 transit workers in LA County. The workers are represented by the Amalgamated Transit Union Local 1277 and support has been secured from the Union.

Ms. Miguel stated there are representatives joining virtually to respond to any questions the Panel Members may have and introduced Obed Mejia, Instructor; Kelly Greer, Consultant, Strategy Workplace Communications; and John Brauer, California Labor Federation.

Ms. Newsom stated that she really loves this proposal. They are demonstrating a just transition for these workers as their agency is adopting zero emission busses and a new technology. Ms. Newsom commended them on that and for their higher wages.

Ms. Miguel added that this project would not normally have been eligible, but is now eligible under Expansion Funds.

Mr. Brauer thanked staff and the Panel for allowing them to be eligible under the Expansion Funds. He shared that all of the transit agencies in the state of California have a requirement between now and 2040 to move to zero emission vehicles, either electric or hydrogen fuel cell. So, they are all buying new busses and incorporating that training, which affects both the maintenance side and the operator side. And the journey-level workers and bus operators who will be around high voltage will also need to be trained in this, so it really is advancing the State, both from a skill level, but also from an environmental level.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the proposal submitted by Los Angeles Metropolitan Transportation Authority in the amount of \$497,168. 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.

MULTIPLE EMPLOYER CONTRACTS

Tab No. 41: Building Skills Partnership

Mr. Swier presented a proposal on behalf of Building Skills Partnership, a repeat contractor requesting \$479,218 in Expansion Funds to train 482 trainees and 490 Job Creation trainees with Multiple Barriers consisting of airport service workers. All training will take place in Los Angeles. At the time of the development of this proposal, BSP had tracked 52% of the active project, but is anticipating 100% earnings. A union support letter has been received from SEIU USWW Local 1877.

Mr. Swier noted that there is a correction on Page 6 under Training Providers - CalFed is located in Sacramento, not Orangevale as indicated.

Mr. Swier stated there are representatives joining virtually to respond to any questions the Panel Members may have and introduced Luis Sandoval, Executive Director; Sara Caughey, Director for Airport Training; and Kelly Greer, Consultant, Strategy Workplace Communications.

Acting Chairperson Roberts asked to clarify that they have an active project and this proposal and is under Expansion Funds and the other under Core Funds.

Mr. Swier explained that this proposal is under Expansion Funds, and the other project was under Core Funds.

Acting Chairperson Roberts noted that the projects are running concurrently and they did not meet the 70% threshold that she looks for.

Mr. Swier shared that Ms. Greer does have an updated amount and he believes it is over 70%. He stated that they were likely not over 70% at the time of development, but now are around 85%.

Acting Chairperson Roberts reiterated that all the Panel has to go on is what is written in the proposals.

Mr. Sandoval stated that they are confident they will have 100% and that, as of today, they are between 79 – 85%. They have 18,540 hours already in the system and they are still continuing to upload those records, so they are very confident that they will get to 100%. Mr. Sandoval shared that they have had quite a bit of demand right now because of the active shooter situation at the San Francisco airport last week. So that is something they are trying to address through this training, as well, at LAX.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Ms. Newsom moved and Ms. Hull seconded approval of the proposal submitted by Building Skills Partnership in the amount of \$479,218. 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. 42: California Manufacturing Technology Consulting

Mr. Swier presented a proposal on behalf of California Manufacturing Technology Consulting, a repeat contractor requesting \$599,694 in Expansion Funds to train 630 Retraitees and 132 Job Creation trainees located statewide. CMTC is requesting an HUA wage modification in Job Number 3 consisting of 130 trainees. At the time of development, the proposal for CMTC had tracked 65% of their active project, but is anticipating 100% earnings.

Mr. Swier stated there are representatives joining virtually to respond to any questions the Panel Members may have and introduced Rocio Leon, Manager of Training & Strategic Partnership and Patrick Biller, CFO.

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 California Manufacturing Technology Consulting in the amount of \$599,694. 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. 43: The Chamber of Chino Valley

Mr. Swier presented a proposal on behalf of The Chamber of Chino Valley, a first-time contractor requesting \$249,845 to train 455 Retraitees and 80 Job Creation trainees located throughout Southern California.

Mr. Swier stated there are representatives joining virtually to respond to any questions the Panel Members may have and introduced Zeb Welborn, President and Larry Mandell, Consultant.

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 Ms. Newsom seconded approval of the proposal submitted by The Chamber of Chino Valley in the amount of \$249,845. 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. 44: Sacramento Employment & Training Agency

Mr. Meyer presented a proposal on behalf of Sacramento Employment & Training Agency (SETA), a repeat contractor requesting \$569,333 in funding to train 410 priority industry

Retraitees and 245 Job Creation trainees. SETA is a joint powers agency with the City and County of Sacramento. The local Workforce Development Board and Sacramento Works operate in conjunction with SETA to provide workforce services throughout the Sacramento region. This project supports training needs for new and existing workers for employers in healthcare and construction industries. Although they are not specifically identified by job number in the project, SETA works with these employers to provide ongoing recruitment, training, technical assistance, and grant support services for veterans, refugees, and justice-involved individuals. The project intends to include trainees from all three underserved workforce populations in the Job Creation job number. Training will be provided primarily at Sacramento sites, but may also be provided to workers employed in additional Northern California counties, including Santa Clara, Solano, and San Joaquin.

Mr. Meyer stated there are representatives joining virtually to respond to any questions the Panel Members may have and introduced Terri Carpenter, Manager, SETA – Sacramento Works.

Acting Chairperson Roberts acknowledged that they have had some performance problems on prior projects, but she understands that those were pilot projects and they did what they could during that time. And hopefully they will get 100% this time. Acting Chairperson Roberts noted that they also have the same consulting company doing some of the training for their healthcare workers.

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 Ms. Bell seconded approval of the proposal submitted by Sacramento Employment & Training Agency in the amount of \$569,333. 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. 45: Riverside Community College District (CCCF)

Ms. Torres presented a proposal on behalf of Riverside Community College District requesting \$221,495, inclusive of the 8% support cost. This project will be funded from the California Community College Funds and represents the last 13 out of 13 of that funding. Their training plan includes proposed training for 280 priority industry Retraitees and approximately 17 Retraitees from non-priority industry participating employers. Riverside Community College Economic Development Office and Customized Training Center is located in Riverside and creates and markets customized vocational training to incumbent workers employed by local businesses across Southern California. This represents Riverside's 10th ETP contract and 4th in the last five years. With regard to employer demand, Riverside will conduct outreach through new established relationships with region workforce agencies, nonprofit and community organizations, and professional organizations. Approximately 89% of this proposal's employer core group represents employers who are recognized as small businesses. In addition, trainees enrolled in these programs will receive and have the potential to receive industry certifications. With regard to the high unemployment areas, some trainees is Job Numbers 1 and 2 are

considered to be working in areas of high unemployment. Those locations are Inglewood, Commerce, and La Mirada in Los Angeles County. Because of this, Riverside is requesting wage modification to no lower than \$16.62. Riverside's most recent agreement, which termed in November 2021 is in the close-out phase and has tracked hours with eligible potential earnings of \$281,427, which represents 41% of the approved amount. Accordingly, this proposal has been right-sized to that potential amount.

Mr. Swier stated there are representatives joining virtually to respond to any questions the Panel Members may have and introduced Debra Mustain, Director of the Riverside Office of Economic Development and Annette Vargas, Administrative Assistant.

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 Ms. Bell seconded approval of the proposal submitted by Riverside Community College District in the amount of \$221,495. 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. 46: California Labor Federation, AFL-CIO

Ms. Miguel presented a proposal on behalf of California Labor Federation, AFL-CIO, a repeat contractor requesting \$462,784 in Expansion funding to serve 448 transit worker trainees in Alameda, Contra Costa, San Francisco, and Santa Clara Counties. Workers are represented by the Amalgamated Transit Union Local 1575, 265, and 192 and support has been secured from those entities. There is an update to the performance on their ET21 core contract – when the proposal was submitted for the internal review process, there were no hours uploaded. Currently they are tracking approximately 43% of potential earnings in that contract.

Ms. Miguel stated that representatives are joining virtually to respond to any questions the Panel Members might have and introduced John Brauer, Executive Director and Kelly Greer, Consultant, Strategy Workplace Communications.

Acting Chairperson Roberts asked if the Panel had any questions.

Hearing none, Acting Chairperson Roberts asked for a motion.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by California Labor Federation, AFL-CIO in the amount of \$462,784. 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.

XIII. 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.

No comments were made.

XIV. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

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

Robert Meyer shared an update that ETP is working with GoBiz in a new creative team called Community-Based Solutions to be reviewing projects as part of the ETA Good Jobs challenge. They are still in the application process but are looking at project overviews with potential applicants, mainly to identify new partnerships and potential contractors that are aligned with the job creation, apprenticeship, climate change mitigation and equity that the Department of Labor is seeking to fund. This is a great team who is really looking to see some new partnerships engaging regional economic and workforce development activity through new jurisdictions, community-based organizations, university and community college partnerships, and the economic development practitioner community.

Mr. Meyer shared that his team would like to offer condolences to the CMTC team with the recent passing of Director of Field Operations Roz Samia. Roz was a big part of the success CMTC has enjoyed and supported manufacturing in California, particularly within the fund supply chain as they expanded statewide. CMTC is a family, much like ETP, so they would like to take a moment to recognize Roz for the record and send their love to CMTC.

Acting Chairperson Roberts noted that CMTC has been a great partner for ETP and thanked Mr. Meyer for sharing and acknowledging Ms. Samia.

Next, Mr. Jackie Bowers from Sturgeon Services International, Inc. inquired if their company was supposed to be called to speak today regarding their project, Tab 20.

Acting Chairperson Roberts explained that their project was approved during the Consent Calendar blanket approval, but asked if there was anything he would like to add.

Mr. Bowers shared that as their company grows outside of the oil industry, they are training a lot of their employees internally, as well. He stated that most of their company is made up of employees who have started from the very bottom and thanks to ETP, they have been able to

train them and move them up into higher positions, including supervision, management, and safety. Mr. Bower thanked staff and the Panel for that.

Next, Mr. Maslac wanted to recognize ETP staff for their hard work in getting all of the Community College funding out and approved. Mr. Maslac also stated that they are on track for next Panel Meeting to have all of the Expansion Funds expended, as well.

XV. MEETING ADJOURNMENT

Acting Chairperson Roberts adjourned the meeting at 11:41 a.m.