



Employment Training Panel

STATE OF CALIFORNIA EMPLOYMENT TRAINING PANEL

Friday, June 09, 2023

Panel Members

Rebecca Bettencourt
Chair

Dee Dee Myers
Ex-Officio Member

Rick Smiles
Member

Ernesto Morales
Member

Gretchen Newsom
Member

Douglas Tracy
Member

Madison Hull
Member

Michael Hill
Member

Executive Staff

Reg Javier
Executive Director

Peter Cooper
Assistant Director

Erich Shiners
Assistant Director/Chief Counsel

Jaime Gutierrez
Chief Deputy Director

Tara Armstrong
Deputy Director of Technical Branch

**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL
Teleconferenced Via Zoom Meeting
Friday, June 09, 2023**

I. PUBLIC PANEL MEETING CALL TO ORDER

Chair Bettencourt called the meeting to order at 9:31 a.m.

II. ROLL CALL

Present

Rebecca Bettencourt
Gretchen Newsom
Douglas Tracy
Michael Hill
Chris Dombrowski

Not in attendance

Rick Smiles
Madison Hull
Ernesto Morales

Executive Staff

Reg Javier, Director
Peter Cooper, Assistant Director
Erich Shiners, Assistant Director/Chief Counsel
Tara Armstrong, Deputy Director of Technical Branch

III. AGENDA

The June Agenda was reviewed.

ACTION: Member Newsom moved and Mr. Dombrowski seconded approval of the June Agenda with no changes. All Panel Members present voted in the affirmative for approval of the June Agenda.

Motion carried, 5 to 0.

IV. MINUTES

The April Meeting Minutes were reviewed.

ACTION: Member Newsom moved and Member Tracy seconded the approval of the April Meeting Minutes with no changes. All Panel Members present voted in the affirmative for approval of the April Meeting Minutes.

Motion carried, 5 to 0.

V. REPORT FROM THE EXECUTIVE DIRECTOR

Funding for Fiscal year, the Governor's May revised budget did not change anything for ETP. We are expecting a budget allocation of about \$121 million dollars, which does not change any of our contracting capacity numbers for next year. I would like to let you know that I am retiring from State service, this is my last Panel meeting. Erich Shiners will be taking over as the Acting Executive Director.

VI. REPORT FROM THE ASSISTANT DIRECTOR

Regarding the Health Care Workforce Advancement Fund and the Workforce Literacy Fund we are planning on funding all applications that are qualified. Today you will see 10 Health Care Workforce Advancement Fund projects for just over \$5 million dollars and 6 Workforce Literacy Projects for nearly \$2 million dollars. The remainder of the proposals will be coming to the Panel in July and August.

VII. UPDATE ON CAL-E-FORCE

Cal-E-Force program has 5 enhancements. The first one is stakeholder recommendation enhancements. The second is our new customer relation management systems, a new tool that is for our economic development and marketing department. It will help the unit track and reach out to new customers. Third is the Health Care and Literacy alternative funding, certification statements have been adjusted with the necessary requirements to accept participating employers under those categories for occupational data. Communications have gone out that we are collecting this information at enrollment. Lastly is under the Cal-E Program our NAICS codes have been updated to match with those voted on by Panel in April. On the Cal-E-Grants system, we are still working with the California Workforce Development Board on a new funding opportunity called HIRE (helping justice involved re-enter employment). Under our enterprise, security and support, we will be bringing on a dedicated network security engineer to keep ETP systems secure and to meet all the necessary state security requirements.

VIII. LEGISLATIVE AND LEGAL UPDATE

Update on a couple of bills we are watching in the Legislature. The first is Assembly Bill 1766, which includes clean ups to language and some Unemployment Insurance Code sections that apply to ETP. It passed out of the Assembly a couple of weeks ago. It has now been assigned to the Senate Labor Public Employees and Retirement Committee. We are waiting for a hearing date to be set for that. The second bill is Senate Bill 525, this would raise the minimum wage for health care workers to \$21 an hour (effective June 1, 2024) and then to \$25 per hour (effective June 1, 2025). As you know we are funding workforce training for health care so there is a potential impact these wages could have on the contractors or employers under the Health Care Workforce program. This bill passed out of the Senate and is now in the Assembly waiting on committee assignment.

At the February Panel Meeting the Panel approved revisions to ETP's Conflict of Interest Code. The code has been posted on the ETP website and will be sent to all staff as required by law to begin the 45 day comment period. The FPPC has made some adjustments to how the document looks and reads. Legal has reviewed the adjustments and has concluded that they do

not affect the substance of what Panel approved and we are going ahead with the notice period beginning June 9, 2023.

Legal requests that in order to make sure that any oral changes to a proposal be clearly restated in the motion to approve.

IX. REPORT OF THE CHIEF DEPUTY DIRECTOR given by Marcela Loza

Regarding Funding

Today's Panel Meeting is for approximately \$9.77 million, which includes five Delegation Orders with a total of \$221,605. Delegation Orders are Proposals capped at \$75K and approved under delegated authority by the Director on a continuous flow basis. For this state fiscal year ETP has approved a total of 69 Delegation Orders. If all proposals scheduled for this Panel Meeting are funded today, the Panel will be approving 50 projects including 2 Critical Proposals (\$518,650). These projects also include 10 Healthcare Workforce Advancement Fund projects (\$5,246,881) and 6 Workforce Literacy projects (\$1,852,618).

Regarding Demand and Allocations:

There are 187 applications currently in demand and 136 applications are with the Regional Offices in development. With 13 applications under review with the applications and assessment unit and 38 submitted applications pending review. The estimated value of the 187 applications is \$51.7 million (\$26.3 million for single employers, \$19.6 million for multiple employer contracts, \$4.2 million for small business and \$939,306 for Apprenticeship Proposals and \$483,000 demand for Critical Proposals.) We are currently within our total allocations for this fiscal year 2022-23.

X. CONSENT CALENDAR

Tab 3 (CytomX Therapeutics, Inc.), Tab 10 (Murrieta Chamber of Commerce) & Tab 12 (The Wonderful Company, LLC) were pulled from the consent calendar.

ACTION: Member Newsom moved and Member Tracy seconded approval of the Consent Calendar without Tabs 3 (CytomX Therapeutics, Inc.), 10 (Murrieta Chamber of Commerce) & 12 (The Wonderful Company, LLC). All Panel Members present voted in the affirmative to approve as moved.

Motion carried, 5 to 0.

XI. ACTION ON PROPOSALS

SINGLE EMPLOYER CONTRACTS

Tab No. 14: Children's Hospital Los Angeles

First time contractor. Funding requested \$499,928 to train 247 employees consisting of CNNS, grads, medical assistants and respiratory care practitioners.

ACTION: Member Newsom moved and Member Tracy seconded approval of the proposal submitted by Children's Hospital Los Angeles in the amount of \$499,928. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 15: Community Hospital of the Monterey Peninsula

First time contractor. Funding requested \$499,698 to train 426 workers with occupations ranging from behavioral health, CNN, therapist technicians, registered nurses.

Comment was made regarding the lack of wage progression.

Ms. Rossi responded that they have a step program for new hires. Salary range is dependent upon training, education and work experience. Depending on where someone comes in they are eligible for a 5% pay increase each year.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Community Hospital of the Monterey Peninsula in the amount of \$499,698. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 16: Family HealthCare Network

First time contractor. Funding requested \$749,340 to train 64 retrainees and 170 job creation trainees. Occupations range from dental assistant, medical assistant optometry and dispensary clerk. They are committed to a 10% or more wage progression from the start of the training to the end of the retention period for all participants.

Question was raised as to what was driving the large job creation numbers.

Ms. Barragan responded that they will be opening 5 new sites and the patient health care need is growing as people age.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Family HealthCare Network in the amount of \$749,340. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 17: Lompoc Hospital District Foundation dba Lompoc Valley Medical Center

First time contractor. Funding requested \$499,928 to train 247 employees. Occupations ranging from CNN, medical assistant, technical staff and therapist.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Lompoc Hospital District Foundation dba Lompoc Valley Medical Center in the amount of \$499,928. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 18: NorthBay Healthcare Corporation

First time contractor. Funding requested \$499,928 to train 247 workers. Occupations range from CNA to entry level nurses, RN, LVN, medical assistant, and technicians. Submitted a

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted NorthBay Healthcare Corporation in the amount of \$499,928. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 19: Rady Children's Hospital-San Diego

First time contractor. Funding requested \$499,928 to train 247 workers. There is a letter of Union support from the United Nurses of Children's Hospital Local 1699. Occupations include Behavioral Health Assistant, new nurse grad and CAN patient care associates.

Concern was raised regarding the Behavioral Health Assistant and Patient Care Associates starting at \$20.96 an hour and if and when they would be seeing a wage progression to \$25 per hour.

Ms. Sweeny responded that the progression will be re-evaluated at the one year mark based on tenure and achievement of skills.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Rady Children's Hospital-San Diego in the amount of \$499,928. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 20: Sharp Healthcare

First time contractor. Funding requested \$499,520 to train 446 workers. We have a union letter of support from the United Nurses Association of California Union of Health Care professionals. Occupations range from newer RN, LVN and CNN's. They have submitted a diversity, including inclusion plan.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Sharp Healthcare in the amount of \$499,520. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 21: The Regents of the University of the California; University of San Diego Health

First time contractor. Funding requested \$499,376 to train 368 workers both new nurse graduates and RN's. They have submitted a union letter of support from the California Nurses Association and a diversity, equity and inclusion policy.

Question was asked as to how long it took for a new graduate to progress to a registered nurse and move to the \$89 an hour wage range.

Ms. Korkis answered that it took a 6 month residency training program.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by The Regents of the University of the California; University of San Diego Health in the amount of \$499,376. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 22: USC Verdugo Hills Healthcare dba USC Verdugo Hospital

First time contractor. Funding requested \$499,560 to train 362 workers, comprised of technicians, technologists, care partners, CNA's. RN's, unit grad and LVN's. They have submitted a union letter of support from the California Nurses Associations, National Nurses United and a DEI statement.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by USC Verdugo Hills Healthcare dba USC Verdugo Hospital in the amount of \$499,560. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 23: Valley Children's Healthcare dba Valley Children's Hospital

First time contractor. Funding requested \$499,675 to train 395 workers, consisting of pediatric nurses extern, entry level nurses, senior grads, RN's, respiratory practitioners clinicians, technicians and assistants. They are located in a high unemployment area in Madera County. They are requesting a wage modification the lowest wage of \$17 per hour which would not include health benefits. They did include a diversity, equity and inclusion policy.

The question as to whether the \$17 per hour is applicable to the pediatric nurse extern and would someone please elaborate on this job and how they progress in wages?

Ms. Sanders replied that there are a couple of level for this position. These are student positions so depending on their pediatric rotation completion. They could see a 5% increase in salary and promote further to take their nursing boards and move to an RN position.

Do they have the opportunity to stay on with full recruitment after completing their externships?

Ms. Sanders replied that it was the intention of the position. Having a position waiting for them, they would then start at the entry level nurse wages.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Valley Children's Healthcare dba Valley Children's Hospital in the amount of \$499,675. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 24: El Sol Neighborhood Educational Center

First time contractor. Funding requested \$319,125 to train 70 retrainees and 41 job creations trainees located at multiple facilities throughout Southern California.

Elaboration was requested regarding the impact and outcome component of the completion of training and the receipt of a community health worker certification or community health worker apprenticeship certification and how they were eligible.

Mr. Fajardo replied that in order to gain the certificate they needed to improve their literacy and workforce preparation skills.

Question was asked as to how with the sizable amounts of money being asked for they planned to manage the administration of the contract.

Mr. Fajardo stated that they would be bringing in a person for each region to lead the project. But one person would be doing the data.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by El Sol Neighborhood Educational Center in the amount of \$319,215. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 25: San Bernardino Community College District

Repeat contractor. Funding requested \$497,800 to train 5461 retrainees throughout Southern California.

Comment was made that they currently have an active contract that expires at the end of this year and is at 54%. The prior contract that closed out in 2022 came in at 87%. The point is that the number are being looked at with multiple applications.

Ms. Lester replied that in the last 4 weeks they increased an additional 12.8%.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by San Bernardino Community College District in the amount of \$497,800. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 26: California Manufacturers and Technology Association

Repeat contractor. Funding requested \$497,880 to train 461 trainees. Training will be delivered primarily at worksites throughout California.

A question was raised regarding the training vendor in New York and how this suits their needs and whether they augment with local training.

The reply by Mr. Hasting was that the vendor is global and they have 24/7 capabilities.

The question of the reason for having a vendor outside of California was expressed.

Mr. Hasting stated that it was the curriculum and the scale of their capabilities for providing training quickly.

The legal unit was asked about regulations around outside vendors and the requirements.

It was stated that Regulation 4421 says that the training vendor should be from within the State of California. It can be out of the State if they have an office within California and provide the training from that office. Otherwise there needs to be a unique need of the contractor to have that out of state vendor provide the training before the Panel will reimburse.

Mr. Snead replied that it was their understanding that so long as the trainees and the training was in California that the aspect of the trainer being out of state was not a concern. Boxy does have a customer success manager here in California that will be working to create custom programs for each participant employer. Training would be by e-learning and the trainer might now be in California.

Comment was made that the regulation requirements need to be met. The questions of how to vet a vendor against say one in California should be considered. After some back and forth discussion it was recommended that the proposal be tabled until it could be ensured that there was compliance with the regulation.

ACTION: Member Newsom moved and Member Tracy seconded the tabling of the proposal for a future Panel meeting. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 27: California Manufacturing Technology Consulting

Repeat contractor. Funding requested \$183,114 to train 75 trainees and 16 new employees. Training will be delivered at participating employers work sites throughout California.

Training will be primarily provided by in house trainers. But may be a blend depending on the needs of the employer.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by California Manufacturing Technology Consulting in the amount of \$183,114. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 28: Jon K Takata Corporation dba Restoration Management Co.

Repeat contractor. Funding requested \$113,827 to train 101 workers. Training will take place at their 10 locations in Los Angeles, Hayward, Venetia, San Jose, Stockton, San Jose, Sacramento, Lake Forest, Riverside and San Mateo.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Jon K Takata Corporation dba Restoration Management Co. in the amount of \$113,827. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 29: State Center Community College Fund

Repeat contractor. Funding requested \$240,840 to train 446 trainees. Training will take place at the Fresno, Madera and King County locations. Please note the name correction the agenda shows State Center Community College Foundation and has been correct to State Center Community College District.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by State Center Community College Fund in the amount of \$240,840. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 3: CytomX Therapeutics, Inc.

First time contractor. Funding requested \$105,800 to train 80 workers, including 20 new employees. Training will take place their South San Francisco location.

Concern was raised at the high 30% turnover rate.

CytomX replied that last year the company made a strategic decision to prioritize the early clinical pipeline and partnerships and so turnover was really focused in clinical development.

The Panel can choose to impose a turnover penalty. Failure to stay under a maximum rate will trigger forfeiture of 25% of the amount earned for each training. Typically 20 % turnover during

the 12 month period preceding the termination of the contract. This was requested to be attached to this contract.

Training vendor is incorrectly listed and is in fact headquartered in San Francisco. They do have offices in Maryland.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by CytomX Therapeutics, Inc. in the amount of \$105,800 with the update of the correct address in California for the vendor and the applying the turnover penalty at 20%. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 10: Murrieta Chamber of Commerce

Repeat contractor. Funding requested \$586,710 to train 530 trainees. Training will take place throughout California.

Concern was raised regarding the employers that are seeking to train their employees outside the Marietta area in other counties. It would be better to see a quality regionalized training issued instead of going to somebody else's Chamber of Commerce or area or jurisdiction and poaching those employers rather than building the economic value in the central local county. The 8% marketing support costs seem like they are for marketing outside Mariette Chamber of Commerce.

Patrick Ellis responded this is one of the challenges within the chamber industry. Most Chambers do not have the bandwidth to be able to facilitate a program such as ETP. So we work with a lot of Chambers in Southern California on regional marketing. We train the chamber to understand how this process works and encourage them to get involved.

A request was made that in future these remarks should be in the application and listing out the other team member Chambers of Commerce. In fact it would be helpful to list out the other Chambers that are being collaborated with in this proposal.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Murrieta Chamber of Commerce in the amount of \$586,710. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 12: The Wonderful Company, LLC

Repeat contractor. Funding requested \$172,040 to train 253 retrainees located in LA County.

Comment in reviewing the proposal is that it is not a priority industry. The proposal looks like a copy and paste from LinkedIn, learning different module online training courses that an individual can pay \$39.99 per course to obtain.

Ms. Fernandes responded that they do partner with LinkedIn learning for the CBT courses. It is a catalogue list. We tried to revamp the way we think about learning because of our diverse workforce and the many staff functions we support. We do blended learning and virtual, in person, instructor training and this provides optionality.

Question was how many hours of computer based training are you seeing (we have regulations regarding the hours)? How are you bridging that developments journey or is it very much just focused on the CBT training?

Ms. Fernandes replied that there is less than 4 hours of CBT time in the recommended curriculum. Which is supplemented by in person, classroom time and virtual instructor led training.

Request was made to go in and update the curriculum to tighten it up. It's almost like a library. We want to see some of those pathways that you are talking about. The other piece to look at is ETP's dollars are about keeping business within California, growing business within California. This is very much focused on your head office based employees most of those not actually producing. How is this training going to impact the company's progress to make it more effective and profitable to compete in California?

Bills Sacks stated they could remove the CBT component and tighten the curriculum if it is something that would allow the project to move forward today. 80-90% of the training is instructor lead.

If that was removed then the total ETP funding amount would be lower. Also they are asking for an exception around the role of the director.

Bills Sacks stated they could take off the Director.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by The Wonderful Company, LLC in the amount of \$172,040 with the removal of the CBT component and the Director title and job role be removed. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Request was made to move Tab 30 (Alhambra Healthcare & Wellness Centre, LP to be presented after Tab 34 (Rivian Automotive, LLC) in order to group the health care related proposals together.

Tab No. 31: Old Pueblo Ranch Inc. dba La Reina Inc.

Repeat contractor. Funding requested \$259,440 to train 253 retrainees and 47 job creation trainees located in LA and San Bernardino Counties. They are requesting a HUA wage modification for some trainees in job 2.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Old Pueblo Ranch Inc. dba La Reina Inc. in the amount of \$259,440. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 32: P2S Inc.

Repeat contractor. Funding requested \$310,500 to train 222 retrainees and 40 job creation trainees located at 4 locations throughout California.

Question of wages under Job number one engineering start off in the range of \$21.65 per hour going up to \$25 per hour and under Job number two, job creation under engineering 2 individuals at \$17.23 per hour up to \$20 which seems low. Would you be willing to match the wages so Job number two would increase to those of Job number one? And what is driving the growth of the 14 new job creations?

Ms. Bonney agreed to have staff update the contract to increase wages to those of Job number one. And stated that they have had a significant increase in our customer base and demand, so are confident that we have the work.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by P2S Inc. in the amount of \$310,550 with the caveat of moving the wage ranges from Job number 2 to up to the wages for engineering to match job number one. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 33: Raymond Handling Solutions, Inc.

Repeat contractor. Funding requested \$313,590 to train 395 retrainees and 90 job creation trainees. Training will take place at 4 facilities located throughout California. The company is requesting HUA wage modification for some trainees in Job 2.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Raymond Handling Solutions, Inc. in the amount of \$313,590. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 34: Rivian Automotive, LLC

Critical Proposals, first time contractor. Funding requested \$248,400 to train 100 trainees. Training will take place at throughout California

Question regarding this is a fairly sizable contract with a lot of moving pieces and it's your first time with ETP, how are you setting yourself up for success?

Ms. Freeman replied that this is their first time applying but not their first time administering this training. Marty Thomas administered the same or similar training at Tesla before, and most of the 17 people that work under and report to Marty also worked at Tesla.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Rivian Automotive, LLC in the amount of \$248,400. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 30: Alhambra Healthcare & Wellness Centre, LP

First time contractor. Funding requested \$393,185 to train 169 retrainees and 54 job creation trainees located in LA County. They are requesting modifications for a priority wage reduction in Job one and decrease in full time employment hours from 35 to 30, which is consistent with industry standards. Additionally please not a correction underneath the introductions section at the top of page 3, a group of investors hold the majority investment of the multiple wellness centers and not Rockport administrative service.

In looking at Tabs 30, 35 and 36 they are all connected to one major investment company for a combination of one million dollars. These should be looked at by the Policy Committee to make a determination as to how we move forward with things like this. It feels as though we are in violation of our caps for single employers.

Ms. Meeuwsen replied that these operate completely, independently and the group of investors is different with each facility.

ACTION: Member Newsom moved and Mr. Dombrowski seconded approval of the proposal submitted by Alhambra Healthcare & Wellness Centre, LP in the amount of \$443,900. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 35: Santa Ana Healthcare & Wellness Centre, LP

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Santa Ana Healthcare & Wellness Centre, LP in the amount of \$377,200. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 36: Anaheim Point Healthcare & Wellness Center, LP dba Windsor Gardens Healthcare

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Anaheim Point Healthcare & Wellness Center, LP dba Windsor Gardens Healthcare in the amount of \$251,390. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 37: Bath Makeover by Shugarman's Inc.

First time contractor. Funding requested \$8,280 to train 8 employees is Job number one. Training will take place at headquarters in San Diego. This will support the company to expand into other service areas by providing upscale worker training. They are requesting productive lab training for all trainees in this project. They may receive between zero and 45 hours of productive lab training. This amount could be 100% of the individual weighted average hours of training.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Bath Makeover by Shugarman's Inc. in the amount of \$8,280. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 38: Orange Coast Title Company

Repeat contractor, second ETP contract (first in last 5 years). Funding requested \$176,115 to train 293 retrainees over 3 job numbers. Training will take place at their headquarters is Santa Ana, with additional webin locations across Imperial, Los Angeles, Orange, Riverside and San Bernardino Counties.

Question to staff- Is a moratorium on funding projects and contracts under mortgage banking?

Staff replied yes.

Comment was made that this feels like it's tied to mortgage banking, it is a title company. The applicant lists Cash Call as one of their primary clients. Cash Call, has questionable "shady patterns" and is currently buried in legal and regulatory actions.

Mr. Brama replied that he cannot speak to the percentage of revenues or whatnot from Cash Call specifically they are not part of Orange Coast Title but rather brought in to ensure the properties themselves, so they are protecting the home buyer

Ms. Koorey stated they are specifically title and settlement services to support the consumer in home ownership and refinance transactions. They are directly regulated by the Department of Insure out of Sacramento.

It was determined that this proposal should be tabled to confirm the NAIC codes do not fall under the moratorium. Also to updated the proposal to remove Cash Call.

ACTION: Chair Bettencourt moved and Member Newsom seconded tabling this proposal to a future Panel meeting in order to check the NAIC code and the removal of Cash Call from the proposal submitted by Orange Coast Title Company. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 39: SeaSpine, Inc.

First time contractor. Funding requested \$489,118 to train 434 workers over three job numbers. Training will take place at headquarters in Carlsbad and additional facility in Orange County. This project will focus on manufacturing and business skills training. They are requesting productive lab training for 192 lab technicians and manufacturing staff.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by SeaSpine, Inc. in the amount of \$489,118. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 40: 10X Genomics, Inc.

Priority industry and first time contractor. Funding requested \$483,000 to train 600 under Job one retraining and 100 under Job 2 job creation. There is a correction to the turnover rate it should reflect 9%. Training will take place at its headquarters in Pleasanton.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by 10X Genomics, Inc. in the amount of \$443,900. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 41: ARC Document Solutions, LLC

First time contractor. Funding requested \$445,050 to train 315 Job one retrainees, 71 under Job 2 for JUA retrainees and 85 under Job 3 job creation retrainees. Training will take place at their 46 locations across California.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by ARC Document Solutions, LLC in the amount of \$443,900. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 42: Electronic Interface Company, Inc. dba Applied Engineering

First time contractor. Fifth ETP contract and first in the last five years. Funding requested \$202,400 to train 88 retrainees under Job one small business retrainees. Training will take place at their headquarters in San Jose.

Question raised as to will this training of pretty much everyone in the organization lead to wage increases or just skills required for their current work?

Viet Pham replied that this will lead to wage increases as the gain new skills.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Electronic Interface Company, Inc. dba Applied Engineering in the amount of \$202,400. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 43: Mercer Foods, LLC dba Thrive Foods

Priority industry and first time contractor. Funding requested \$282,900 to train 432 under Job number one HUA retrainees and 432 under Job 2 job creation HUA retrainees. Training will take place at their headquarters in Modesto.

Chair Bettencourt abstained.

Comment related to productive lab under your curriculum just production equipment, safe operation and preventative maintenance which sounds a little light for 12 hours of productive lab. That's creating a lot of product with profit doing the basics of being safe.

Mr. Jester replied that it is 3 pieces of machinery that require a front and back end, so maybe 4 hours on each machine. The percentage is a lot because we right-sized it.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Mercer Foods, LLC dba Thrive Foods in the amount of \$280,900. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 4 to 0.

Tab No. 44: Brower Mechanical CA LLC dba Brower Mechanical

First time contractor. Funding requested \$243,800 to train 142 workers, including 52 new employees and 7 veterans. Training will take place at their Rockland and Grass Valley locations.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Brower Mechanical CA LLC dba Brower Mechanical in the amount of \$243,800. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 45: Cepheid

Repeat contractor. Funding requested \$499,100 to train 390 workers, including 220 new employees. Training will take place at their locations in Sunnyville, Newark and Lodi.

You have had multiple successes with ETP in the past five years, except the 2017-2019 one with a 67% earning base. It sounds like the high productions demands fell through. You are looking at hiring 220 additional hires this next 2 years. I'm guessing from productions growth. How are you going to ensure this one will meet completion?

Mr. Herrera stated that they are no longer using paper records for training attendance and have adopted a LMS system and the contracts since have had exceptional performances.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Cepheid in the amount of \$499,100. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 46: Mountain G Enterprises, Inc.

Repeat contractor. Funding requested \$285,200 to train 280 workers, including 60 new employees. Training will take place at their Butte, Fresno, Sacramento and Sonoma county locations.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Mountain G Enterprises, Inc. in the amount of \$285,200. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 47: TAE Technologies, Inc. dba Tri Alpha Energy, Inc.

First time contractor. Funding requested \$270,250 to train 260 workers, including 90 new employees. Training will take place at the Lake Forest location.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by TAE Technologies, Inc. dba Tri Alpha Energy, Inc. in the amount of \$270,250. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 48: Varni Brothers Corporation

First time contractor. Funding requested \$112,332 to train 148 workers. Training will take place at Varni Brothers in Modesto.

Wages are low for the production and facilities workers starting at \$16.50 per hour and going up to \$20. How soon will they be able to start achieving wage progression and earning higher wages? Would it be agreeable to move that up to \$17 per hour?

Ray Morales responded between 3 to 6 months. The increase to \$17 per hour was agreed to.

Chair Bettencourt abstained.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Varni Brothers Corporation in the amount of \$112,332 with the wage correction for production and facility workers to start at a minimum of \$17 per hour. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 4 to 0.

MULTIPLE EMPLOYER CONTRACTS (MEC)

Tab No. 49: San Joaquin County Economic Development Association

Repeat contractor. Funding requested \$276,012 to train 374 trainees. Training will take place primarily at work sites throughout San Joaquin counties.

Concern was raised that Tesla is included as one of the employers in the MEC. Tesla came before the Panel in February 2020. There are questions and concerns regarding wages, a commitment to California and California job employee retention and workplace layoffs, safety, respect and dignity. A request was made to remove the Tesla component of this proposal. Since this is a large chunk of the jobs within this contract tabling this to a future Panel meeting was suggested.

ACTION: Member Newsom moved and Member Hill seconded tabling this proposal submitted by San Joaquin County Economic Development Association to a future Panel meeting. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 50: Viticulture and Enology Technician Apprenticeship Program

First time contractor. Funding requested \$36,945 to serve 15 apprentices in Riverside and San Diego Counties. This proposal is requesting a wage modification to the ETP standard minimum wage in order to ensure that the trainees are aligned with the industry wages of the employers in the area.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Viticulture and Enology Technician Apprenticeship Program in the amount of \$36,945. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

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

No comments were made.

XIII. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

Public comment by Rocio Leon at CMTC regarding letters of support when a MEC is obligated to provide actual certification statements, so the letter would be duplicative if additional information is being supplied as part of the application process

Public Comment by Deanna Krehbiel regarding what a pleasure it has been to have virtual Panel meeting and to work with Reg Javier.

Public Comment by Julianna Kirby at Training Funding Partners thanking Reg Javier.

Public Comment by Eldon Davidson thanking Reg Javier.

Public Comment by Phillip Herrera thanking Reg Javier.

Assistant Director Cooper reminding participants that there will be a time to thank Reg Javier after the adjournment of this panel meeting.

Public Comment by Annie Rafferty thanking Reg Javier.

XIV. MEETING ADJOURNMENT

Member Newsom moved to adjourn the panel meeting.

ACTION: Member Newsom moved and Member Hill seconded to adjourn the panel meeting. All Panel Members present voted in the affirmative to adjourn the panel meeting as moved.

Motion carried, 5 to 0.

Chair Bettencourt Adjourned the meeting at 12:49 a.m.