



Employment Training Panel

**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL**

Friday, October 28, 2022

Panel Members

Janice Roberts
Acting Chairperson

Gloria Bell
Member

Dee Dee Myers
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

Jaime Gutierrez
Chief Deputy Director

Tara Armstrong
Deputy Director of
Technical Branch

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EMPLOYMENT TRAINING PANEL
Zoom Teleconferenced Meeting
Friday, October 28, 2022

I. PUBLIC PANEL MEETING CALL TO ORDER

Acting Chairperson Janice Roberts called the meeting to order at 9:33 a.m.

II. ROLL CALL

Present

Janice Roberts
Gloria Bell
Gretchen Newsom
Rick Smiles
Chris Dombrowski

Executive Staff

Reg Javier, Executive Director
Peter Cooper, Assistant Director
Jaime Gutierrez, Chief Deputy Director
Tara Armstrong, Deputy Director of Technical Branch

Absent

Ernesto Morales
Madison Hull
Douglas Tracy

III. AGENDA

September agenda was reviewed.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the Agenda with no changes. All Panel Members present voted in the affirmative for approval of the Meeting Agenda.

Motion carried, 5 to 0.

IV. MINUTES

Request for changes to copy from Tab 27 the 4th line "Comment was made that prevailing wage was paid regardless of whether it is a public or private job" be added to Tab 32 and Tab 51.

ACTION: Ms. Newsom moved and Mr. Smiles seconded the approval of the Meeting Minutes with changes to copy from Tab 27 the 4th line "Comment was made that prevailing wage was paid regardless of whether it is a public or private job" and add to Tab 32 and Tab 51. All Panel Members present voted in the affirmative for approval of the Meeting Minutes as moved.

Motion carried, 5 to 0.

V. REPORT OF DIRECTOR

Today's panel agenda includes 42 proposals, including six delegation orders for a total of about \$13.1 million in funding requests. There will be no Panel meeting in November, our next Panel meeting will be December 16 and will be virtual. Our January 27th Panel meeting is in person. The outlook for next fiscal year budget may be pretty tight, having potential impact on us. We have in past years, received additional funds (alternative funding) from the legislature for programs which we will continue to pursue. Our fiscal team is working on a plan for core ETP funds to maintain our current contracting capacity for next year. Alternative funds have two time limits one is encumbrance time limit and the other is completely spending our time limit. We have a limited period of time to cut and cover the funds. That is why we have been leaning heavily into this performance methods measurements around our utilization of tentative funded programs, if we don't use it we lose it back to the General Fund, unlike our ETP core funding.

VI. REPORT FROM ASSISTANT DIRECTOR

We are finishing up with apprenticeship proposals for the construction sector, non-construction apprenticeship programs will be coming up throughout the year. ETP applied for a grant with the National Skills coalition to help us look at how we can better serve small businesses and essential businesses. Expansion Fund contractors and Community College Fund contractors need to show documented performance to ensure that funds are being spent. These funds have a clawback provision that will allow us to reallocate the unused amount prior to them being lost.

VII. UPDATE ON CAL-E-FORCE

Some requested programs have been added under Cal-E-Force to help stakeholders with their contracts and to submit information. One is contract specific and stakeholders who have multiple contracts can look at them individually rather than grouped by type. The other is a training report which displays any training with over eight hours in one day. We've added some invoicing for automations for internal fiscal staff to help with efficiency.

VIII. REPORT FROM STAFF ATTORNEY

The legislative memorandum in the panel packet is essentially the final scorecard for the bills that we were tracking for you. September 30th was the last day for the Governor to either sign or veto any bill that had passed the Legislature by September 1st. There are two bills that are worth noting. The first is AB 1573 which was a small business technical assistance bill that was vetoed by the governor, this would have been a supplemental grant program. As Reg discussed given lower than expected state revenues, the Governor concluded that this program should be considered as part of the budget process. The second is AB 2949 which is an employee bereavement bill that would mandate among other things, five days of bereavement leave and some privacy protections, this bill was signed by the Governor and became law.

IX. REPORT OF THE CHIEF DEPUTY DIRECTOR

Regarding Funding

Today's Panel Meeting is for approximately \$13.1 million, which include six approved Delegation Orders for a total of \$259,785. Delegation Orders are Proposals capped at \$75K and approved under delegated authority by the Director on a continuous flow basis. If all proposals scheduled for this Panel Meeting are funded today, the Panel will be approving 42 projects and one amendment. After today's panel meeting the Employment Training Panel will have approximately \$49.5 million left in contracting capacity for the fiscal year 2022-23.

Regarding Demand and Allocations:

There are 189 applications currently in demand and 78 applications are with the Regional Offices in development. With 47 applications under review with the applications and assessment unit and 64 submitted applications pending review. The estimated value of the 189 applications is \$43.4 million (\$28.1 million for single employers, \$5.9 million for multiple employer contracts, \$8.5 million for small business and \$441,600 for Critical Proposals. There is \$431,040 in demand for Apprenticeships). We are well within our allocations for this fiscal year.

X. CONSENT CALENDAR

It was requested that Tab 1 (Cart Mart, Inc.) and Tab 5 (Motivo Engineering, LLC) be pulled.

ACTION: Mr. Smiles moved and Ms. Bell seconded the approval of the Consent Calendar. All Panel Members present voted in the affirmative for approval of the Consent Calendar.

Motion carried, 5 to 0.

XI. ETP POLICY COMMITTEE MEETING

ETP Policy Committee met on Thursday, October 6th. The first agenda topic was use of productive lab training, centering on problematic practices that are allowing this training delivery method to be taken advantage of. As a result the committee has requested additional questions and justifications regarding productive lab training to be included in the applications and panel proposals going forward. Next the committee approved to move to full panel for approval the guidelines for the new Workforce Literacy Program. The last topic centered on a second new gen funded program, with the committee also approving the Healthcare Workforce Advancement program guidelines for full panel approval today.

XII. PRESENTATIONS

A presentation was given by CivicMakers reporting their progress.

A presentation was given by Amanda Burks for the nonprofit, nonpartisan National Skills Coalition.

XIII. REVIEW AND ACTION OF ITEMS PULLED FROM CONSENT CALENDAR

Tab No. 1: Cart Mart, Inc.

Repeat contractor. Funding requested \$89,700 to train 65 workers including 25 new employees. Training will take place at Cart Mart's five locations in San Diego, Orange, Los Angeles and Riverside counties. Correction to wage range by occupation table for administration trainees under job number one the correct wage should be \$27 to \$59.

The applicant was asked to elaborate as to what the wage payments, specifically the incentive bonus of up to \$3 per hour that is being used to meet the post retention wage in job number one is and how it is structured. Is there a risk that Cart Mart will not be able to claim them and the work if the incentive bonus is not met? How does that work?

Ms. King responded that there are three group of employees eligible to receive this incentive (transportation, technicians and the leads) and there are two incentive programs. Structure is simple, delivery drivers are eligible to receive based on delivery completion percentage, 90% is \$300 per month and 98% is \$500. A wage increase of \$3.12 per hour. Incentive is paid monthly.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by Cart Mart, Inc. in the amount of \$89,700. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 5: Motivo Engineering, Inc.

Repeat contractor. Second contract in the past five years. Funding requested \$108,675 to train 100 retrainees over two job numbers. Training will take place at locations in Los Angeles and Orange counties. Training will be focused on implementing new equipment (laser cutter and press) and new enterprise resource software. Its prior project earned 99% of their awarded funding amount.

Comment was made that the 18% productive lab is acceptable, however under the training curriculum it says under commercial skills productive lab things such as manufacturing practices, inventory management, inspection techniques, and GMP's which are not productive lab. In your narrative you outlined as to what kind of equipment you'll be using but are a bit squishy under commercial skills. It was requested that Motivo relook at their productive lab training. Productive lab is anything that cannot be taught in the classroom or on the floor. It means that you cannot transport heavy equipment, or a prototype or anything into the classroom. So better clarification is needed. What you have listed in your narrative; running grinding machines, presses, lays, machinery, prepare composite and layout, technology, welding, CAD systems these are things that should be under productive lab. Request was made to cut out the commercial skills.

Mr. Dunham responded that the productive lab was meant to be only equipment operations on the shop floor. Yes, they can remove the commercial skills.

ACTION: Acting Chairperson Roberts moved and Ms. Newsom seconded approval of the proposal submitted by Motivo Engineering, Inc. in the amount of \$108,675, with the

reconfiguration of the commercial skills agenda in the training curriculum. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

XIV. REVIEW AND ACTION OF COMMITTEE MEETING GUIDELINES

Workforce Literacy Guidelines

Workforce Literacy pilot guideline changes were made as per the policy committee meeting. The guidelines will include giving priority to programs with training certifications. The community based organization definition includes that the organizations must have a least two years' experience providing literacy education. A reimbursement rate for distant learning and hybrid learning which will be under one delivery method, with a reimbursement rate of \$19 per hour. The definition is defined as formal interaction, which uses one or more technologies to deliver instruction to students who are separated from the instructor which supports regular and substantive interactions between the students and the instructor. Either synchronously or asynchronously and may include utilizing technology to assist with the comprehension of the curriculum. No program should be more than 50% if CBT. Per the policy meeting the wording has been changed from primarily to majority. Lastly, the definition for qualified instructor is someone who is competent in the subject matter, holds a bachelor's degree and has a minimum of two years of directly relevant teaching experience.

Public comment from Andre questioned whether CBT would need to have a cap.

Response was that only 50% of CBT training would be reimbursed. Also instruction needs to be met with ratios (ETP ratio is 20 to 20) and rosters with class set schedules and curriculum.

Public comment made by Mr. Sachs that there is a requirement for the instructor to have a BA or other college degree. This is restrictive. He suggested that this requirement be removed.

Response was given that a bachelor's degree and two years of experience are required. This determined based on research and feedback. There will be three information sessions provided, these will be a requirement, and communications will be going out.

ACTION: Mr. Smiles moved and Ms. Newsom seconded the approval of the Workforce Literacy Guidelines. All Panel Members present voted in the affirmative for approval of the Workforce Literacy Guidelines.

Motion carried, 5 to 0.

HealthCare Workforce Advancement Fund

AB 178 allocated \$25 million for the Healthcare Workforce Advancement Fund The aim of the fund is to provide pathways for entry level workers for both wage and career progression into higher paying occupations. ETP is targeting entities that are not eligible for core funding. Since these are general funds, it means we can deviate from the legislative guidelines that govern our core funded projects. For example, there will be four years terms, up to 400 hours of training, required wage and occupation progressions and the amounts of the contracts will be higher than

ETP traditional core funded contracts (up to \$1 million) and we will even allow amendments. The Fund will include clawback features with 60% performance benchmarks within the first year. Guidelines will include 25% within the first six months and 60% within the first year performance benchmarks. Only those health and human service employers not eligible for Employment Training tax will be eligible. (We currently provide between \$16 and \$18 million per year to healthcare entities that are eligible for funding). Current and past performance will be factors. Prohibition on concurrent enrollment remains the same, one application per fiscal year, all other eligibility requirements in the core funding remain. Entry level and other workers, those who do not have a four year degree (such as long term care behavioral health, allied health, respiratory therapists, phlebotomists, telehealth workers, community health and social workers) training may lead towards licensing and certification. Hours of training may differ case by case with up to 400 hours which can be requested and the contractor will be required to provide wages at enrollment and at the end of training, with training being reported within 90 days of delivery. Applicants may be asked to provide information about their plan or policy. The policy committee adapted these guidelines.

ACTION: Mr. Smiles moved and Ms. Bell seconded the approval of the Healthcare Workforce Advancement Fund Guidelines as adapted by the policy committee. All Panel Members present voted in the affirmative for approval as moved.

Motion carried, 5 to 0.

Retrainee Job Creation Guidelines

In 2018 the policy committee meeting imposed a \$15 minimum wage for retrainee job creation, prior to that the new hirer wage was quite a bit lower. In October ETP performed its annual calculation of what ETP minimum wage requirements are for next calendar year starting in January. It was found that the statewide minimum wage had risen to \$15.50 surpassing the imposed retraining job creation wage. For this reason due to urgency (we have already published our wages for next year) we are coming to Panel directly to discuss the different options. Option one would be to eliminate the retrainee job creation wage, which would revert to pre 2019 rules where the wage would be governed by the new higher minimum wage. Which is the lowest wage requirements for ETP. This option would allow the Panel to continue with pre 2019 rules but then bring it back to the policy committee for further discussion. Option two would be to remove the retrainee job creation wage and hold trainees to wage levels which are much higher than new hire requirements, which would lose any incentive for job creation for those trainees to be tracked in that way. ETP would rather encourage tracking and training because these are the jobs created within 90 days before the start of training or during the course of training. Option three is the in between to pick a wage somewhere in between the two. Using the minimum wage of \$15.50 and pegging it to \$2 more than that or \$1 more than that or \$1.50. So when the statewide minimum wage increases in the future this kind of redetermination would not be necessary. This could potentially affect alternatively funded programs as well.

Concern was raised as to the memo saying that the RJC wage does not appear in any legislative or regulatory wage. Do we have the authority?

Response was that there was a determination of authority last time based upon the panel's discretion for establishing policies. So ETP would be utilizing that same authority.

Comment was that option three seems to be the unanimous choice the one with the addition of the \$2 over minimum wage.

ACTION: Mr. Smiles moved and Ms. Newsom seconded the approval of option 3 with the \$2 addition to the minimum wage. All Panel Members present voted in the affirmative to table this to the next policy committee meeting for review.

Comment was made that the new hire minimum wage at \$17.50

Mr. Jester commented that this would raise the wage for the Central Valley but lower the wage for Alameda, Marin, San Mateo, Santa Clara, San Francisco, and Contra Costa Counties giving an unfair advantage to the metropolitan areas. This would be a detriment to high unemployment areas. He requested that it should be discussed and considered.

Comment was given that it did not make a difference before when it was implemented.

Comment was raised that Panel should consider using a percentage rather than a specific amount. Back when the \$2 extra was added it was about 15% over the \$13 minimum wage and now would be about 13% which means that the percentage increase will shrink as the minimum wage goes up making the \$2 less valuable.

Comment was made that we are recalculating every year and this is something we should consider. If the Panel would like to choose option one we can bring this matter back to the policy committee for further discussion. A policy committee meeting could be scheduled for mid to late November and any decisions made would be brought back to Panel for the December meeting.

Comment was made that if the matter goes back to the policy committee the issue of authority could also be looked into further if needed.

Mr. Smiles withdrew his prior motion.

ACTION: Mr. Smiles moved and Ms. Newsom seconded the approval to table this matter and take to the policy committee meeting for review to be brought back to the Panel. All Panel Members present voted in the affirmative to table this to the next policy committee meeting for review.

Motion carried, 5 to 0.

PERFORMANCE CLAWBACK

We are hitting the one year benchmark on performance of the expansion and CCCF funded projects. Provisions have been built into the contracts that require that they should have 60% performance by this time. Our Legal Unit will start sending notices to those who are not meeting the benchmark. ETP may choose to invoke the clawback provision to some of the funds that are not performing well. We may be bringing a change in guideline to allow for amending up above the cap on the projects that are doing well, to be able to redistribute and maximize the use of these funds, since our authority to spend the expansion and CCCF funds is very short and expires in 2024.

XV. REVIEW AND ACTION OF PROPOSALS

A request was made for each proposal to explain in their opening remarks what programs and policies they are employing to bring more women, people of color and persons from disadvantaged communities into the apprenticeship program, and how are you measuring your success in that regard. In an effort to share information.

A second request was made to include this information in the narrative.

APPRENTICESHIPS

Tab No. 10: Apprentice and Journeymen Training Trust Fund of the Southern California Plumbing and Piping Industry.

Repeat contractor. Funding requested \$489,514 to train 311 trainees in one job number.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by Apprentice and Journeymen Training Trust Fund of the Southern California Plumbing and Piping Industry in the amount of \$489,514. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 11: Associated Builder sand Contractors of Southern California Inc. Merit Training Trust Fund.

Repeat contractor. Funding requested \$498,760 to train 250 trainees over four job numbers.

Questions were raised: Is the program you offer only four years to train electricians? It's usually five. And what is the North Orange County ROP that you are accredited through? What does ROP stand for? Is prevailing wage paid?

Ms. Burdick responded that four years is correct. The North Orange County ROP (Regional occupational program) is the local education agency. We are state approved apprentice programs. Yes, prevailing wage is paid across the board.

Mr. Betat commented that he is not the consultant for this group and to please remove him for the record.

ACTION: Mr. Smiles moved and Mr. Dombrowski seconded approval of the proposal submitted by Associated Builder sand Contractors of Southern California Inc. Merit Training Trust Fund in the amount of \$498,760. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 12: Finishing Trades Institute of District Council 36 Joint Apprenticeship Training Trust Fund.

Repeat contractor. Funding requested \$494,479 to train 289 trainees in one job number.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the proposal submitted by Finishing Trades Institute of District Council 36 Joint Apprenticeship Training Trust Fund in the amount of \$494,479. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 13: Los Angeles & Orange Counties Air Conditioning & Refrigeration Apprentice Training Committee.

Repeat contractor. Funding requested \$494,661 to train 309 trainees over three job numbers.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by Los Angeles & Orange Counties Air Conditioning & Refrigeration Apprentice Training Committee in the amount of \$494,661. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 14: Operating Engineers and Northern California Surveyors Pre-Apprentice and Apprentice and Journeyman Affirmative Action Training Fund.

First time contractor. Funding requested \$441,507 to train 215 trainees over three job numbers.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by Operating Engineers and Northern California Surveyors Pre-Apprentice and Apprentice and Journeyman Affirmative Action Training Fund in the amount of \$441,507. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 15: Southern California Floor Covering Apprenticeship & Training Trust Fund.

Funding requested \$413,800 to train 311 trainees over two job numbers.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by Southern California Floor Covering Apprenticeship & Training Trust Fund in the amount of \$413,800. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 16: U.A. Local 342 Joint Apprenticeship and Training Trust.

Repeat contractor. Funding requested \$493,433 to train 288 apprentice retrainees.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by U.A. Local 342 Joint Apprenticeship and Training Trust in the amount of \$493,433. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 17: Bay Area Counties Roofing Industry Apprenticeship Training Fund.

Repeat contractor and priority industry. Ninth ETP contract within the last five years. Funding requested \$493,641 to train 80 job ones and 231 trainees under job two. Training will be delivered at its Livermore facility.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by Bay Area Counties Roofing Industry Apprenticeship Training Fund in the amount of \$493,641. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 18: Carpenters Training Trust Fund for Northern California.

First time contractor. Funding requested \$494,000 to train 304 apprentice trainees.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by Carpenters Training Trust Fund for Northern California in the amount of \$494,000. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No.19: Heat and Frost Insulators and Allied Workers of Northern CA and Local 16 Apprenticeship Training Trust.

Repeat contractor. Funding requested \$349,044 to train 204 apprentice trainees.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the proposal submitted by Heat and Frost Insulators and Allied Workers of Northern CA and Local 16 Apprenticeship Training Trust in the amount of \$349,044. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 20: Northern California Elevator Industry Joint Apprentice Training Committee

Repeat contractor. Funding requested \$494, 000 to train 304 apprentice trainees.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by Northern California Elevator Industry Joint Apprentice Training Committee in the amount of \$494,000. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 21: Stationary Engineers Northern California and Northern Nevada Apprenticeship and Training Trust Fund.

Repeat contractor. Funding requested \$494,126 to train 214 apprentice trainees.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by Stationary Engineers Northern California and Northern Nevada Apprenticeship and Training Trust Fund in the amount of \$494,126. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

SINGLE EMPLOYER CONTRACTS

Tab No. 22: Bernards Bros, Inc.

Repeat contractor. Funding requested \$310,500 to train 300 workers. Training will take place at their five locations in San Fernando, Irvine, Ontario, Fresno and San Luis Obispo.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by Bernards Bros, Inc. in the amount of \$310,500. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 23: Relativity Space, Inc. (Critical Proposal).

Critical proposal, new contractor. Funding requested \$383,640 to train 834 workers, including 284 new employees. Training will take place in Long Beach location. This is a project that is a result of a collaboration between ETP and GoBiz to engage partnerships and organizations to develop contracts for commercial space, Department of Defense Supply Chain and other advanced technologies in California. There is a correction to the health benefits section, they does pay health benefits but they are not being used to meet ETP wages.

Elaboration was requested regarding wage ranges that are very wide with engineers earning between \$25 up to \$150 and similarly the support staff and the manufacturing technician wages. How any of the engineers are earning closer to the bottom?

Response from Mr. Yamaguchi was that most fall within the midrange.

Request was made that in future please deviate in next application those ranges a bit more so they are not so broad for all occupation titles in one.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by Relativity Space, Inc. (Critical Proposal) in the amount of \$383,640. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 24: United Parcel Service, Inc.

Repeat contractor. Funding requested \$414,000 to train 500 workers. Training will take place at their two facilities in Montello Park and Riverside. Please note that there is a correction to the Union section of the proposal, there are two unions that represent United Parcel Service Workers missing is Teamsters Joint Council 7. ETP has both union letters on file.

Question was asked if there is a solid commitment to retain these workers and not “gigify” them and make them 1099 positions which would then not qualify for ETP funding.

Response made by Mr. Simpson that he thought the Twitter gigify was in reference to the drivers that are temporary help for the Christmas season. They absolutely have confirmed it through management that they are going to hit 500 full time UPS drivers.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by United Parcel Service, Inc. in the amount of \$414,000. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 25: Vitas Healthcare Corporation of California.

Repeat contractor. Funding requested \$499,928 to train 572 workers. Training will take place at Vitas 13 locations throughout California.

ACTION: Mr. Smiles moved and Ms. Bell seconded approval of the proposal submitted by Vitas Healthcare Corporation of California 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. 26: Balfour Beatty Construction, LLC.

Repeat contractor, third ETP contract second in the last five years. Funding requested \$247,020 to train 277 retrainees over three job numbers. Training will take place at the San Diego, Orange, Riverside and Sacramento locations. Balfour Beatty’s prior project earned 72% of their awarded funding amount.

ACTION: Mr. Smiles moved and Ms. Bell seconded approval of the proposal submitted by Balfour Beatty Construction, LLC in the amount of \$247,020. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 27: Bapko Metal, Inc.

Request to Table for a future Panel meeting due to waiting on union letters.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the request to table the proposal submitted by Bapko Metal, Inc. in the amount of \$327,750 for future Panel meeting. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 28: Bill Howe Plumbing, Inc.

Priority industry and new contractor. Funding requested \$298,540 to train 175 retrainees under job one and 45 job creation trainees under job two. Training will take place at the company's San Diego location.

Question was raised regarding productive lab which looks to be about 50%. Why do they need 50%?

Response from Mr. Sacks was that they are looking at approximately 45 trainees receiving about 35 hours, so comes down to about 12% productive lab.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by Bill Howe Plumbing, Inc. in the amount of \$298,540. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 29: Exo Imaging, Inc.

Priority industry and first time contractor. Funding requested \$285,200 to train 100 trainees under job one retraining and 80 under job two job creation retraining. Training will be delivered at company's Santa Clara location.

Question was asked as to what kind of experience they had in the ETP process.

Ms. Ruggeri responded that they have prior experience working with companies going through the entire ETP application process and implementing training with the organizations successfully and getting reimbursed for training.

ACTION: Mr. Smiles moved and Ms. Bell seconded approval of the proposal submitted by Exo Imaging, 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. 30: H.M. Electronics, Inc.

Priority industry and repeat contractor. Funding requested \$270,066 to train 579 under job one retrainee and 66 under job two job creation retrainee. 5th ETP contract and fourth in the last five years. Training will be delivered at the company's Carlsbad and Alameda facilities.

ACTION: Mr. Smiles moved and Ms. Newsom seconded approval of the proposal submitted by H.M. Electronics, Inc. in the amount of \$270,066. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 31: Musco Olive Products, Inc.

Priority industry and a repeat contractor. Funding requested \$161,345 to train 129 under job one retrainees and 22 under job two job creation retrainees. 2nd contract with ETP first in the last five years. Training will be delivered at the company's headquarters in Tracy. Correction the other two facilities in Orland and Lindsay will not be part of this proposal. The other correction was that farm staff was separated out and should be under storage yard staff.

ACTION: Mr. Smiles moved and Ms. Bell seconded approval of the proposal submitted by Musco Olive Products, Inc. in the amount of \$161,345. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 32: North Star Emergency Services, Inc. dba NORCAL Ambulance.

Priority industry and a first time contractor. Funding requested \$450,800 to train 400 under job one retrainee medical skills and 90 under job two job creations retrainee medical skills. Training will be conducted at its northern and central California locations.

Questions regarding occupation title EMT and emergency medical technician where it states that 40 will be at a wage range of \$19.81 an hour to \$20 an hour and then 170 at \$20.01 an hour and 15 at \$25.01 up to \$33/95. Do the EMT's move up in their wages? Do their wages progress with this training? Specifically the 40 that are in the wage range in the 19 cents difference. When do they get to move up and bump up to the next year wages?

Ms. Popnoe replied that at six months after training they get an additional 50 cents a year and at a year they get a \$1 increase. Then every year after they get 3% more with the opportunity to earn more as they promote and train into different types of shifts like advanced care and critical care.

ACTION: Mr. Smiles moved and Ms. Bell seconded approval of the proposal submitted by North Star Emergency Services, Inc. dba NORCAL Ambulance in the amount of \$450,800. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 33: Threshold Enterprises, LTD.

Priority industry and a repeat contractor. Funding requested \$495,880 to train 490 under job one retrainee. Training will be delivered at the Scotts Valley manufacturing facility. 3rd ETP contract third in last five years.

Question was raised as to why the threefold increase in funding over last year (\$143,000 to \$495,000). Threshold barely squeaked by with 85%

Mr. Sacks responded that they have a pilot project in place and are having great success. They have built infrastructures to train their folks and are preparing to move to a learning management system.

Comment was made that the productive lab under the training curriculum and manufacturing skills much of it is not productive lab such as inventory control. Be careful in future with the training curriculum and make sure it is solid productive lab.

Comment was made that with the shaky performance last time the proposal should be right sized to 85% of the request. Reducing the funding by 15%

Mr. Sacks responded that 10% would be better.

Ms. Arndt agreed to the 15% reduction.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the proposal submitted by Threshold Enterprises, LTD in the amount not to exceed \$421,500. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 34: Foster Poultry Farms, LLC.

Repeat contractor. Funding requested \$499,100 to train 1065 workers, including 80 new employee. Training will take place at Livingston location.

Comment was made that the turnover rate is at 14% which is on the higher end and this is the sixth contract. Looking at the wages for job number two under job creation, specifically for the occupations of sanitation and also production whose wages are much lower than job number one for retraining. How soon will these trainees and workers progress in their wages after receiving training? Can the wage ranges for job number two be elevated to match job number one wages for sanitation and production?

Mr. Sims (Foster Poultry Farms, LLC) agreed that the wages ranges for job number two be elevated to match job number one wages for sanitation and production.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval of the proposal submitted by Foster Poultry Farms, LLC in the amount of \$499,100 with the amendment to increase job number two wages to match those of job number one. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

Tab No. 35: George Reed, Inc. dba Basic Resources, Inc.

Request to withdraw proposal.

ACTION: Ms. Newsom moved and Mr. Smiles seconded approval to table for future Panel meeting the proposal submitted by George Reed, Inc. dba Basic Resources, Inc. in the amount of \$496,800. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

MULTIPLE EMPLOYER CONTRACTS

Tab No. 36: Associated Builders and Contractors Central California Chapter.

Repeat contractor. Funding requested \$349,320 to train 355 trainees in job number.

Comment was made that this is the ABC related to the oil producers and contractors of the Central Valley and does not perform prevailing wage work or public works.

Mr. Johnson responded that was correct.

Request was made to insert into proposal that the training is not duplicative of the DAS approved apprenticeship training and that Mr. Betat is not a consultant but Propel Consulting is on this proposal.

Mr. Johnson responded that it is not duplicative.

ACTION: Mr. Smiles moved and Ms. Bell seconded approval of the proposal submitted by Associated Builders and Contractors Central California Chapter in the amount of \$349,320. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried, 5 to 0.

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

Acting Chairperson Roberts provided an opportunity for Panel Members to request agenda items for future panel meetings.

No comments were made.

XVII. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

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

Daniel Mariano inquired about approval of the consent calendar.

Acting Chairperson Roberts explained the consent calendar process.

XVIII. MEETING ADJOURNMENT

Acting Chairperson Roberts adjourned the meeting at 1:18 p.m.