



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL**

Friday, May 31, 2024

Panel Members

Rebecca Bettencourt
Chair

Dee Myers
Ex-Officio Member

Rick Smiles
Member

Gretchen Newsom
Member

Doug Tracy
Member

Madison Hull
Member

Michael Hill
Member

Jennifer Fothergill
Member

Executive Staff

Jessica Grimes
Executive Director

Peter Cooper
Assistant Director

Jaime Gutierrez
Chief Deputy Director

Tara Armstrong
Deputy Director of Technical Branch

Laura Campbell
Chief of Program Operations

**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL
California Environmental Protection Agency
1001 I Street, Sierra Room, Second Floor
Sacramento, California 95814
Friday, May 31, 2024**

I. PUBLIC PANEL MEETING CALL TO ORDER

Chair Bettencourt called the meeting to order at 9:30 a.m.

II. ROLL CALL

Present

Rebecca Bettencourt
Rick Smiles
Mike Hill
Gretchen Newsom
Chris Dombrowski
Doug Tracy
Jennifer Fothergill

Not in attendance

Madison Hull

Executive Staff

Jessica Grimes, Executive Director
Peter Cooper, Assistant Director
Jaime Gutierrez, Chief Deputy Director
Tara Armstrong, Deputy Director of Technical Branch
Laura Campbell, Chief of Program Operations

III. AGENDA

The May Agenda was reviewed.

ACTION: Member Newsom moved and Member Smiles seconded approval of the May Agenda with a change that the presentations be moved to the end of the meeting following the proposals. All Panel Members present voted in the affirmative for approval as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill - aye

IV. MINUTES

The April Meeting Minutes were reviewed.

ACTION: Member Newsom moved and Member Smiles seconded the approval of the April Meeting Minutes. Panel Members present voted in the affirmative for approval of the April Meeting Minutes as moved.

Motion carried by roll call vote, 5 to 0 (2 abstentions).

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – abstained
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill - abstained

V. REPORT FROM THE EXECUTIVE DIRECTOR

Introduction of new Panel member Jennifer Fothergill.

Today's meeting presents 24 projects - 7 of which are delegation orders. If all proposals are funded, the Panel will be approving projects in support of 5,897 trainees for approximately \$6.1 million.

VI. UPDATE ON CAL E FORCE

Under Cal E Force Program, after last month's Panel on funding strategies, the changes have been implemented to the system and are ready for applications next fiscal year. This includes updates to the NAICS codes, priority status, and the reimbursement rates. There have been updates to the terms and conditions when registering, so it is clear to our customers about the information we collect. There was also an update regarding removal of case sensitive data.

Under Cal E Grants we are continuing with the closeout and participant data functionality supporting CWDB.

VII. LEGISLATIVE AND LEGAL UPDATE

Legislation Memorandum was given out that outlines the legislation that the Legal Unit is tracking during the 23-24 regular legislative session. Three bills to highlight are AB 1163, which was approved and chaptered by the Governor. It adds intersexuality when collecting voluntary self-identification information pertaining to sexual orientation and gender identity in accordance with the Lesbian Gay Bisexual and Transgender Disparities Reduction Act. Staff is ensuring compliance.

Second is SB 525 the minimum wage for healthcare workers will change to \$21 per hour from June 1, 2024 to June 1, 2025. At which time the minimum wage will increase to \$25 per hour. Again, Staff is reviewing these requirements and taking steps to ensure compliance.

Lastly SB1321 is the Employment Training Panel bill that proposes to make significant changes to the program. Generally speaking, SB 1321 currently proposes to make changes in order to support DAS-approved training programs to give funding priority to applicants that advance workers in disadvantaged, unrepresented communities, and to put into place protections and requirements to prohibit bad actors from receiving ETP funding. There is probably a lot of work to be done on it at this time. It is out of the Senate (on deadline) and has been referred to the Assembly Committee on Labor and Employment earlier this week. Of course we will continue to track and monitor the progress of SB 1321 and provide the Panel members with any significant events as they develop.

VIII. REPORT OF THE CHIEF DEPUTY DIRECTOR

Overall Fiscal Impacts

The May Revision, early action package the Governor and Legislature agreed to earlier this year has a budget short fall for 2024-2025 of approximately \$27.6 billion. In order to address this there is a proposed across-the-board reduction to state operations by approximately 7.95 percent. This proposal is tied to savings associated with vacant positions. The initial proposal intended a one-time reduction. The May Revision proposes to make this permanent. The Department of Finance is expected to provide guidance in early fall to address the reduction.

ETP is funded through the Employment Training Tax (ETT) and is not dependent on the General Fund. ETP must abide by the directions provided by the Administration and will see some impact (unknown at this time).

Collections and ETT Reserve Funding

Based on the most recent data, collections are currently 16% under the initial projected collections for the year. The good news is if collections come in 15-20% lower than projected, we hope to draw upon our reserves to make up the difference in order to keep ETP's contracting capacity at approximately \$95 million.

Regarding Funding:

Today's Panel meeting is for approximately \$6.2 million. It includes seven Delegation Orders for a total of \$436,609. Delegation Orders are proposals capped at \$75K and approved under the delegated authority of the Executive Director on a continuous flow basis. ETP has approved a total of 42 delegation orders for this State Fiscal Year. If all proposals scheduled for this Panel Meeting are funded today, the Panel will be approving 26 projects.

Regarding Demand and Allocations:

There are 155 applications currently in demand,, and 48 applications are with the Regional Offices in development. 23 applications are under review with the Applications and Assessment Unit, and 84 submitted applications are pending review. The estimated value of the 155 applications is \$36.4 million (\$14.4 million in demand for single employers, \$16.9 million in demand for multiple employer contracts, \$5.1 in demand for small business, zero for apprenticeships, and zero in demand for Critical Proposals). We are currently within our total allocations for this fiscal year 2023-24.

IX. ACTION ON PROPOSALS

SINGLE EMPLOYER CONTRACTS

Tab No. 1: Pioneer Circuits, Inc.

Priority industry, repeat contractor. Funding requested \$88,366 to train 113 trainees under Job one (priority rate retrainees). 3rd ETP contract, 3rd in past 5 years.

Question was asked regarding post retention wage and wage ranges because of prior ineligibility. The wage range before training is below the \$20, but post retention wage is \$22.55- are they receiving wage increases after training? They are using healthcare as well.

Pioneer Circuits HR Specialist stated they schedule performance reviews between 12 to 16 months after their last review.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Pioneer Circuits, Inc. in the amount of \$88,366. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye

Gretchen Newsom – aye

Rick Smiles - aye

Douglas Tracy – aye

Mike Hill – aye

Chris Dombrowski – aye

Jennifer Fothergill - aye

Tab No. 2: SonRay Solar, Inc.

Repeat contractor. Funding requested \$223,215 to train a total of 197 workers, including 42 retrainees. Training will take place at their Rocklin location.

A statement was made that SonRay Solar received an ETP contract in the amount of \$330,000 for the term of January 30th, 2022 to January 30th, 2024. During this timeframe, there were multiple serious OSHA violations. One particular violation on February 17th, 2022 at 3:15 p.m. reads employee number one was working as part of a crew installing a new roof on a 3 story multifamily structure. The roof had open sides, and employee number one was not wearing fall protection at the time of the incident. Employee number one fell 30 feet, hitting a wood stair handle on the way down and landing on the compact dirt group. Employee number one was hospitalized and treated for multiple body injuries, including a skull fracture and spinal injuries. There are also other OSHA violations listed. ETP wants all workers to be safe. We would like to discuss what happened, and how is training being provided to make sure that these kinds of incidents do not happen again?

Monica Dueling responded that they live by the quality of work and safety of their employees. Accidents do happen, and it's important to learn from them. The assumption was made that the

general contractor would install parapet walls on the roof since they had on the first couple of buildings. They did not. They now are training employees on hazard identification. Once identified if they cannot be eliminated they are to stop work. That is our focus since this accident.

Request was made for explanation regarding Job number 2 where the stated post retention wage is significantly lower than Job number one at \$30.75, and the Job Creation Initiative which is on its way out is being used to try to lower the wage to \$20 per hour for post retention.

Monica Dueling responded that it is a struggle to find good quality skilled employees. They get a lot of people with zero experience and are giving these people an opportunity to train. That why it's considerably lower than Job number one.

Question as to why in the last contract the performance that was projected on your new hires was not in line with what you ended up hiring. Can you help us understand how you plan to be above the 75% this time? How you are tracking your hours?

Monica Dueling explained that it was their first contract, and they had a slow start. Now they have written training documentation for guidance and are focusing on more of a lean construction to maximize profits through these busy times to help sustain and retain employees and continue to train during slow times. They have a spreadsheet to track hours, send out monthly updates, and have weekly training meeting with department heads and individual managers.

ACTION: Member Newsom moved and Member Tracy seconded motion to deny the proposal submitted by SonRay Solar, Inc. in the amount of \$223,215. All Panel Members present voted to deny the proposal as moved.

Public comment was made by David Vincent regarding their OSHA violations and that there were 3 violations in the 3 years prior to their ETP award in 2022. A number of incidents from personal fall restraint systems, heat illness prevention, and eye and face protection violations in California and in Nevada one of them being a repeated offense.

Public comment Vince Sugre responding to the comment applicant made that accidents are going to happen. It should have been accidents shouldn't happen and can be avoided. It reflects a poor company culture focused on what the applicant said is maximizing profits rather than safety. The employee wasn't wearing fall protection and that is important to note.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill - aye

Tab No. 3: All American Racers, Inc.

Repeat contractor. Funding requested \$65,600 to train 144 retrainees. Training will take place at their Santa Anna location.

Question regarding who is doing the productive lab training. Appreciation was given on the choice to have 1:1 productive lab.

Sandy Lopez explained that their trainers are their leads (supervisors and managers). They have started at the bottom and moved up, so they have years of experience. The company uses HRIS (Paylocity) to qualify them.

ACTION: Member Hill moved and Member Smiles seconded approval of the proposal submitted by All American Racers, Inc. in the amount of \$65,600. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill - aye

Tab No. 4: Murrietta Circuits

Repeat contractor. Funding requested \$92,920 to train 101 retrainees. Training will take place at their Anaheim location. 2nd ETP contract, 2nd in 5 years.

Request to elaborate on the wage progression, specifically for the operators.

Monica Gallegos explained in about 6 months they could see an increase of \$1-\$2, depending on how much and how fast they learn, and then in one year, they get an evaluation.

ACTION: Member Newsom moved and Member Smiles seconded approval of the proposal submitted by Murrietta Circuits in the amount of \$92,920. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill - aye

Tab No. 5: Reborn Cabinets

Repeat contractor. Funding requested \$499,468 to train 356 retrainees. Training will take place at their locations in Orange, Alameda, Los Angeles and Sacramento counties. 4th ETP contract, 3rd in 5 years.

Question regarding how they are qualifying their internal trainers for the productive lab.

Raul Weapon explained that they have developed a field certification program.

Question about how they develop their culture given their retention rate. How are you managing turnover?

Raul Weapon explained that they have developed a certification field training program, and they have developed a career plan with multiple routes.

ACTION: Member Hill moved and Member Smiles seconded approval of the proposal submitted by Reborn Cabinets in the amount of \$499,468. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye

Gretchen Newsom – aye

Rick Smiles - aye

Douglas Tracy – aye

Mike Hill – aye

Chris Dombrowski – aye

Jennifer Fothergill - aye

Tab No. 6: Grandmark Service Company, Inc. dba Grandmark Roofing

Priority industry, first time contractor. Funding requested \$89,700 to train 6 under Job one (small business retrain) and 44 under Job 2 (HUA small business retrain) and 15 under Job 3 (job creation, small business retrain). Training will take place at their locations in Fresno, Bakersfield, and Sacramento locations.

Comment was made that the Job Creation Initiative is about to be retired, but it is being used to seek a wage modification to lower the wages from a post retention wage of \$30.75 per hour to \$19 per hour. What is the wage progression, and how will the installers in Jobs 2 and 3 move up from the wage range of \$19-\$20 per hour?

Carlos Colima stated that there are hires without experience. They want them to achieve certifications but those numbers are mainly for the people who do not move past based on their effort.

Elaboration was requested regarding a May 8, 2024 OSHA violation in Fresno. What are you doing to make sure you employees are safe?

Carlos Colima stated that OSHA is still finalizing their investigation, but it was an accident, and there was no violation on their side. There is a zero tolerance for not following safety rules, and were making sure that whether they think they need it or not, workers have to follow safety rules. Managers are also doing assessments prior to starting jobs.

Questions as to how the training is done with such a small company and 50 new hires and how the record keeping is being tracked.

Carlos Colima responded that they have Excel for the record keeping and certified trainers that they currently hire for air conditioning and roofing.

ACTION: Member Smiles moved and Member Hill seconded approval of the proposal submitted by Grandmark Service Company, Inc. dba Grandmark Roofing in the amount of \$89,700. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill - aye

Tab No. 7: Knighthawk Building Services, Inc.

Withdrawn

Tab No. 8: Northstar Energy Management LLC dba NovaSource Power Services

Withdrawn

MULTIPLE EMPLOYER CONTRACTS (MEC)

Tab No. 9: Economic Development Collaborative-Ventura County

Repeat contractor. Funding requested \$236,160 to train 240 retrainees. Training will take place at their locations.

Concern was raised as to the status of an active workforce literacy project in the approved amount of \$226,000, which is showing no movement, and since this proposal is planning on doing upgrades for farmworkers, a question was raised about what is the plan is to be successful.

Reminder was given that the farmworker wage range is \$25-\$30 per hour.

Bruce Densley stated that after a slow beginning they are now onboarding their 1st employer and expanding into other industries as well. So, they are confident that the funds will be expended.

Concern was raised as to why the Literacy has not been started off or engaged. How many of these employers are repeat employers who have worked with ETP? Potentially you may have the same starting problems as you had with Literacy.

Bruce Densley explained that the problem with the Literacy was that it was an entirely new project and a new design. Due to the emphasis on immigrants and refugees and the structure of the English language, learning, training and how that can be successful is very different than an ISO. It is about establishing a structure. You cannot do an 8 hour training in one day to learn English language. It takes training over a period of time. So it presented challenges.

Question was asked if there were barriers in ETP policy limiting the ability to train in Literacy.

ACTION: Member Hill moved and Member Newsom seconded approval of the proposal submitted by Economic Development Collaborative-Ventura County in the amount of \$236,160. All Panel Members present voted in the affirmative to approve the proposal as moved.

Public comment by John Fox regarding the Literacy pilot challenges, San Bernardino Community College District, has a Literacy Pilot contract and it has been very challenging to execute. There could be some structural issues within the requirements of the contract that could be adjusted to make it easier to perform. His understanding is that other Literacy contract holders are having similar issues, and a conversation with Staff would be welcome and even an opportunity to present to Panel with some alternative would help contractors be more successful.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill - aye

Tab No. 10: South Bay Workforce Investment Board, Inc.

Repeat contractor. Funding requested \$726,810 to train 700 workers. Training will take place primarily throughout the greater Los Angeles region. An updated curriculum was recently submitted with changes to the productive lab courses.

Question as to who is actually delivering the training. How are the productive lab trainers qualified?

Chris Cagle replied that the employers are delivering the trainings, and they coordinate classroom training. When interviewing employers they are asked if they have certified qualified experts in their field before it is endorsed.

ACTION: Member Newsom moved and Member Smiles seconded approval of the proposal submitted by South Bay Workforce Investment Board Inc. in the amount of \$726,810

with the amended productive lab curriculum as submitted. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill - aye

Tab No. 11: The Chamber of the Chino Valley

Repeat contractor. Funding requested \$528,780 to train 660 retrainees. Training will be coordinated with employers at their training locations. 2nd ETP contract. 2nd in past 5 years.

ACTION: Member Newsom moved and Member Smiles seconded approval of the proposal submitted by The Chamber of Chino Valley in the amount of \$528,780. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill - aye

Tab No. 12: Fullerton Chamber of Commerce dba North Orange County Chamber

Repeat contractor. Funding requested \$531,114 to train 654 retrainees. Training will be coordinated to take place at the employer's location. 3rd ETP contract. 3rd in past 5 years.

ACTION: Member Newsom moved and Member Smiles seconded approval of the proposal submitted by Fullerton Chamber of Commerce dba North Orange County Chamber in the amount of \$531,114. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye

Chris Dombrowski – aye
Jennifer Fothergill - aye

Tab No. 13: Grossmont Cuyamaca Community College District

Repeat contractor. Funding requested \$127,240 to train 20 new hire trainees. 6th ETP contract. 3rd in past 5 years.

Comment was made that the proposal is not the usual for Grossmont Cuyamaca Community College District, and appears as a pass through to the Grand Foundation, which is a non-profit. So you are going to essentially retain or hire Grand Foundation to provide the continuous improvement skills for a fee of \$104,000 and the difference is going to the college for administrative fees. Also the cost per trainee is high at \$6,362 with a low retention wage. The connection to these trainees being employed and having the clear path to a high road job is not evident. Why the drastic change in the model? QCMI is owned by the same person who owns Grand Foundation.

Javier responded that they are looking at something different because in San Diego East County, 60% of high school students do not pursue anything beyond high school. They are looking to expand the skilled trades especially around manufacturing and do not have the facility for it. It was felt that this was innovative and they have the employee relations, job placement, etc. This is a beta test and that is why the amount is low.

Question regarding the proposal you are looking for 260 hours but have listed a 320 hour training. Are you taking the funds we give you and then asking the employee (they are not employed) to pay the difference? So does the trainee see the cost?

Javier responded that there is zero cost to the trainee. There are opportunities for wage progression after 6 months. We have employees to support placement. Grossmont is serving as the fiscal agent.

Request to either table or include the names of employers that are going to put them, after training into those high road jobs.

Staff stated that a 100B was given but not included in the final proposal.

Javier listed QCMI, Adams, AI Tech Machining, GKN Precision Machining, Fission Metals, Senior Aerospace, Solar Turbines, Thor Knives and 5th Axis. There might be more.

ACTION: Member Newsom moved and Member Smiles seconded approval of the proposal submitted by Grossmont Cuyamaca Community College District in the amount of \$127,240. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye

Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill - aye

Tab No. 14: South Orange County Community College District, Saddleback College

Repeat contractor. Funding requested \$663,960 to train 680 retrainees. 3rd ETP contract. 2nd in past 5 years.

ACTION: Member Hill moved and Member Smiles seconded approval of the proposal submitted by South Orange County Community College District, Saddleback College in the amount of \$663,960. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill - aye

Tab No. 15: City of Richmond

Priority industry, repeat contractor. Funding requested \$103,500 to train 20 trainees under Job one (new hire at risk youth, ex offender and individuals with multiple barriers). Training will take place at their location in Richmond. 6th ETP contract, 2nd in last 5 years.

ACTION: Member Newsom moved and Member Smiles seconded approval of the proposal submitted by City of Richmond in the amount of \$103,500. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill - aye

Tab No. 16: Greater Modesto Chamber of Commerce

First time contractor. Funding requested \$408,606 to train 302 workers. Training will take place at their locations in San Joaquin, Stanislaus and Hilary counties.

Question regarding several single employers who have active single employer contracts. The numbers that were stated in your 100B are not the same as those reported to us in their proposals of active employees, and they are working through their contracts. How are you going to manage or work together because you cannot have active trainees in both contracts?

Trish Christiansen stated that they have one dedicated staff member talking with everyone as they have new hires come on, or they finish one training ,and they want to put them through another. They also have other members to participate.

ACTION: Member Newsom moved and Member Smiles seconded approval of the proposal submitted by Greater Modesto Chamber of Commerce in the amount of \$408,606. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 6 to 0 (1 abstention).

Rebecca Bettencourt – abstained
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill - aye

AGRICULTURE

Tab No. 17: Fowler Packing Company, Inc.

Repeat contractor. Funding requested \$93,288 to train 69 workers. Training will take place at their two locations in Fresno County.

Comment was made regarding a wage class action lawsuit made by 20,500 seasonal agricultural workers filing against Fowler Packing Company, Inc. and AgForce alleging various State and Federal labor laws were violated between March 2011 and January 2019. Violations included failing to pay all wages due including overtime pay, failure to provide rest breaks and meal periods, requiring off the clock work and allowing the use of “ghost workers”, failure to record and or pay for travel, wait time, including use of personal vehicle expenses, and failure to provide necessary tools or reimburse for tools and underpaying workers in general.

Since 2018 all parties in lawsuit engaged in discovery and private mediations and a settlement agreement was reached. In 2023, a District Court in California approved the lawsuit in the amount of \$7.8 million. The filing date of the lawsuit and the time of when the labor laws were violated, ran concurrent to 2 of Fowler’s previous ETP contracts. Since this occurrence what changes have you made to made sure these kinds of things never happen again?

Brett Saul stated that they did not wait until the settlement to fix issues. A new CEO started in 2018 and he started making changes. A piece rate payroll processing software was created to ensure compliance when paying employees piece rate. A 3rd party audit is done on wage hour records. And an internal audit is done constantly.

Question as to how they can assure each worker is receiving the minimum post retention wage. What is a piece meal rate? There is nothing in the contract regarding piece meal wages?

Brett Saul explained that the software processes the payroll. The employees that will be in the contract are not piece meal. There is a confidential 800 number. They have multiple HR employees in the fields and packing houses. There is an opportunity to speak collectively with management.

ACTION: Member Newsom moved and Member Smiles seconded approval of the proposal submitted by Fowler Packing Company, Inc. in the amount of \$93,288. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill - aye

Tab No. 18: Mariani Packing Co., Inc.

Repeat contractor. Funding requested \$210,680 to train 229 workers. Training will take place at their two locations in Marysville and Vacaville.

ACTION: Member Newsom moved and Member Hill seconded approval of the proposal submitted by Mariani Packing Co., Inc. in the amount of \$210,680. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill - aye

Tab No. 19: Tulare-Kings Hispanic Chamber of Commerce Incorporated

First time contractor. Funding requested \$615,000 to train 500 workers. Training will take place throughout Tulare and Kings County.

Comment was made to make sure the employers that are on the sign-in sheets are clear as to what is productive lab and what is classroom or simulated lab because it does affect the reporting and the hours you have toward productive lab.

ACTION: Member Newsom moved and Member Smiles seconded approval of the proposal submitted by Tulare Kings Hispanic Chamber of Commerce Incorporated in the amount of \$615,000. All Panel Members present voted in the affirmative to approve the proposal as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – aye
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill – aye

X. CIVICMAKERS APPRENTICESHIP WORKGROUP UPDATES AND NEXT STEPS

Judi Brown, Project Director, and Brittany Henry, Project Manager, of CivicMakers conducted a presentation regarding apprenticeship training, the apprenticeship workgroup, and next steps, outlining those written materials included in the panel packet.

XI. PRESENTATION ON APPRENTICESHIP FUNDING UPDATE FY24/25

Heather Miguel, Manager of the Program Projects Unit, and Willie Atkinson, Manager of the Application & Assessment Unit, conducted a presentation regarding apprenticeship funding, outlining those written materials included in the panel packet

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

Comment regarding the Literacy training policies and staff was asked if some numbers could be run to see mid-year where they are. Staff agreed to connect with individuals and see what challenges were referenced.

No other comments.

Member Newsom left the meeting at 12:25 p.m.

XIII. PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

Michelle Rickner speaking to the 75% performance rule that needs to be shown for projects to come back to Panel. Wanted to express how difficult it is to show 75% performance for a MEC in a short timeframe.

John Fox, San Bernardino Community College District, commented regarding change to repeat contractor rule as it regards MEC's and hopes Panel will consider reverting.

Eldon Davidson commented in agreement with Michelle Rickner and John Fox (handed out map) regarding MEC's and 75% performance

Annie Rafferty echoed previous comment regarding 75% performance and MECs.

Laura SeLeon, California Manufacturing Technology Consulting echoed previous comments.

Nathan Daily, CMTA in support of revisiting the 75% actual earned rule as applied to MECs.

Phillip Herrera explained that a group of stakeholders are watching the legislative bills and trying to work with the Governor's office on budget issues.

Chris Cagle, South Bay Workforce Investment Board stated that the average wage on their program is \$43. Also echoed the previous comments on revisiting the 75% rule. His company started the Southern California Apprenticeship Network and are the administrative and fiscal agent for them.

XIV. MEETING ADJOURNMENT

Acting Chair Bettencourt asked for motion to adjourn the panel meeting.

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

Motion carried, 6 to 0.

Rebecca Bettencourt – aye
Gretchen Newsom – not present
Rick Smiles - aye
Douglas Tracy – aye
Mike Hill – aye
Chris Dombrowski – aye
Jennifer Fothergill – aye

Chair Bettencourt Adjourned the meeting at 12:59 p.m.