

STATE OF CALIFORNIA EMPLOYMENT TRAINING PANEL

Friday, August 22, 2025

Panel Members

Rebecca Bettencourt Chair

Dee Dee Myers Ex-Officio Member

> Rick Smiles Member

Gretchen Newsom Member

> Doug Tracy Member

Michael Hill Member

Jennifer Fothergill Member

Mike Greenlee Member

Executive Staff

Jessica Grimes Executive Director

Peter Cooper Assistant Director/Senior Advisor

Kumani Armstrong Assistant Director/Chief Counsel

> Laura Campbell Chief Deputy Director

Tara Armstrong Deputy Director of Technical Branch

STATE OF CALIFORNIA EMPLOYMENT TRAINING PANEL CalEPA Coastal Room 1001 I Street Sacramento, California 95814 Friday, August 22, 2025

CALL TO ORDER BY CHAIR BETTENCOURT

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

ROLL CALL

Present:

Rebecca Bettencourt
Rick Smiles
Gretchen Newsom
Michael Hill
Jennifer Fothergill
Derek Kirk
Mike Greenlee

Not Present Douglas Tracy

Executive Staff Present:

Jessica Grimes, Executive Director
Peter Cooper, Assistant Director
Kumani Armstrong, Assistant Director/Chief Counsel
Laura Campbell, Chief Deputy Director
Tara Armstrong, Deputy Director of Technical Branch

ACTION TO APPROVE AUGUST PANEL MEETING AGENDA

The August Agenda was reviewed.

ACTION: Member Newsom moved to approve the August Agenda. Member Smiles Seconded. All Panel Members present voted in the affirmative for approval as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye Rick Smiles – aye Gretchen Newsom – aye Mike Hill – aye Jennifer Fothergill – aye Derek Kirk – aye Mike Greenlee – aye

ACTION TO APPROVE JULY PANEL MEETING MINUTES

The July 2025 Panel Meeting Minutes included in the Panel Packet were reviewed.

ACTION: Member Newsom moved to approve the July 2025 Panel Meeting minutes. Member Smiles Seconded. All Panel Members present voted in the affirmative for approval as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye Rick Smiles – aye Gretchen Newsom – aye Mike Hill – aye Jennifer Fothergill – aye Derek Kirk – aye Mike Greenlee – aye

EXECUTIVE REPORT

As we convene for the second panel meeting of the 2025–26 fiscal year, I have some exciting news to share! The 2025 Budget Act, chaptered last month, included \$7.5 million for the Social Entrepreneurs for Economic Development (SEED) funding. For those who don't know, SEED provides micro-grants, entrepreneurial training, and technical assistance for special populations to support them in starting—or maintaining—a small business in California.

Since its inception, SEED has had far-reaching success and has awarded over \$17 million dollars. ETP staff are excited to build upon the success of the SEED initiative. This investment from the Legislature reflects growing confidence in SEED's impact, and I'm eager to continue collaborating in support of more opportunities that will drive meaningful change in the year ahead.

We are actively working on an Interagency Agreement to transfer the funds to ETP, so as we move forward, we will share more information about SEED in the coming months.

In addition to SEED, ETP is working with the Employment Development Department (EDD) to pursue federal funding from the U.S. Department of Labor's Industry-Driven Skills Training Fund (IDSTF). This grant opportunity is intended to strengthen workforce development in skilled trades and emerging industries, with a focus on advanced manufacturing.

This grant will encourage businesses to invest in workforce training that can effectively respond and build a stronger talent pipeline to high-growth and emerging industries. We'll continue to share updates on these additional funding opportunities.

Proposal Highlights

Now, for this panel, we have one amendment, and 15 proposals submitted for review. If approved, ETP will award approximately \$6 million dollars. Quick stats from today's

proposals are the following:

- 73% are from repeat contractors,
- 53% fall within the priority industry sector of manufacturing,
- 73% represent small businesses, and
- 46% originate from High Unemployment Areas.

The proposals will be presented for review and action by Jana Lazarewicz and Heather Miguel.

Presentations

For presentations today, we are excited to hear from Panel Member Derek Kirk, who will be presenting on California Jobs First, a statewide initiative aimed at aligning regional economies, workforce training, and industry needs to drive equitable job creation and long-term economic resilience for all of California.

REPORT OF THE CHIEF DEPUTY DIRECTOR

Regarding Funding:

- Today's Panel Meeting is for approximately \$6 million dollars. That includes 3 approved delegation orders for a total of \$132,328.
- Delegation Orders are proposals capped at \$75,000 and approved under delegated authority by the Director on a continuous flow basis.
- If all the proposals scheduled for today's Panel Meeting are approved, the Panel will fund 15 projects for a total of \$6,027,357.

Regarding Demand/Allocations:

- We have 338 applications in demand.
- 217 applications are currently in development.
- 31 applications are in eligibility review.
- 90 applications have been submitted and are pending review.

The estimated value of 338 applications is \$138 million and breaks down as follows:

- \$41 million in demand for Single Employer Contracts,
- \$14.8 million in demand for Small Business,
- \$11 million in demand for Multiple Employer Contracts,
- \$70 million in demand for Apprenticeships, and
- \$690,000 for Critical Proposals.

We are currently within our total allocation for this fiscal year 2025-26.

POLICY COMMITTEE REPORT

The first agenda item was a discussion item on the CNA to LVN guidelines. There will be small edits made, and it will return to the next policy meeting for action and then move to full panel for approval.

There was also a discussion on the Medical Skills training guidelines. Committee requested some additional data, and it will return for discussion again in the next policy meeting.

Finally, there was a proposed action for new MEC application questions. There was some work needed to revise the organization of the MEC application, and as a result, the topic will return at a later meeting and was tabled for further discussion.

ACTION ON PROPOSALS

Single Employer Contracts

Tab No. 1: Mechanical Analysis/Repair, Inc. dba Mar-Tech

ACTION: Member Newsom moved to approve Mechanical Analysis/Repair, Inc. dba Mar-Tech in the amount of \$145,600. Member Smiles Seconded. All Panel Members present voted in the affirmative for approval as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye Rick Smiles – aye Gretchen Newsom – aye Mike Hill – aye Jennifer Fothergill – aye Derek Kirk – aye Mike Greenlee – aye

Tab No. 2: Sysco Los Angeles, Inc.

Panel questioned turnover rate being at 10%.

Melissa Sanchez explained that following the pandemic, they had lost some sales, being that their customers were restaurants. They are committed to finding and retaining the right talent and pay employees very well with great benefits.

ACTION: Member Smiles moved to approve Sysco Los Angeles, Inc. in the amount of \$595,056. Member Greenlee Seconded. All Panel Members present voted in the affirmative for approval as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye Rick Smiles – aye Gretchen Newsom – aye Mike Hill – aye Jennifer Fothergill – aye Derek Kirk – aye Mike Greenlee – aye

Tab No. 3: Vinotheque Wine Cellars dba WhisperKOOL

Panel asked for elaboration on how the proposal stated their program was designed collaboratively by management and worker representatives to ensure that training outcomes aligned with both business objectives and employee advancement goals.

Kayla Martinez explained that management along with employees develop what they want to see within the organization, and the organization takes employee input in terms of position growth and want them to be successful.

Panel inquired about examples from their past contract where they've seen the funding lead to promotions or any movement to advance wages.

Kayla Martinez stated that a lot of employees who had started on the manufacturing line had gotten into management roles.

ACTION: Member Smiles moved to approve Vinotheque Wine Cellars dba WhisperKOOL in the amount of \$134,400. Member Hill Seconded. All Panel Members present voted in the affirmative for approval as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye Rick Smiles – aye Gretchen Newsom – aye Mike Hill – aye Jennifer Fothergill – aye Derek Kirk – aye Mike Greenlee – aye

Tab No. 4: The Jon Renau Collection Inc.

Panel questioned the drastic range in wages such as Warehouse/Purchasing from \$22.00 to \$30.00 and Product Development from \$22.00 to \$46.00, and what the track rate is of how employees get wage increases and how often.

Selima Abdulla explained the lower end was for new hires. The Company goes through an annual process to review employee performance and the Company's performance with the potential for a bonus. Employees are also evaluated for an annual increase. Their HR does this, so they're on market and also takes into account cost of living.

ACTION: Member Newsom moved to approve The Jon Renau Collection Inc. in the amount of \$82,600. Member Greenlee Seconded. All Panel Members present voted in the affirmative for approval as moved.

Motion carried by roll call vote, 7 to 0.

Gretchen Newsom – aye Rebecca Bettencourt – aye Rick Smiles – aye Mike Hill – aye Jennifer Fothergill – aye Derek Kirk – aye Mike Greenlee – aye

Tab No. 5: Lancaster Hospital Corporation dba Palmdale Regional Medical Center

Withdrawn

Tab No. 6: MBV-CA, LLC

Panel questioned how Productive Lab was listed but didn't see the average number of hours per employee or number of employees in the proposal for Productive Lab.

Jana Lazarewicz pointed out that there is a paragraph in the proposal with that information.

Panel questioned how the \$50,000 annual training budget will help their training and being able to pull employees off the floor.

Remy Spearman explained that they operate in what they call pay for performance, where they have union associates in Sacramento and non-union associates in southern California. When they come in at the base level, they want them to advance and might need to bring in outside people that are subject matter experts. They've been doing it internally for 1 ½ years but now require some outside resources.

ACTION: Member Newsom moved to approve MBV-CA, LLC in the amount of \$269,568. Member Smiles Seconded. All Panel Members present voted in the affirmative for approval as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye Rick Smiles – aye Gretchen Newsom – aye Mike Hill – aye Jennifer Fothergill – aye Derek Kirk – aye Mike Greenlee – aye

Tab No. 7: Trojan Battery Company, LLC

Withdrawn

Multiple Employer Contracts

Tab No. 8: California Manufacturers and Technology Association

Jana Lazarewicz stated there was a correction to the starting wages of Administrative and Manufacturing/Production occupations. Instead of \$16.06, it should be \$17.67.

ACTION: Member Kirk moved to approve California Manufacturers Technology Association in the amount of \$849,779. Member Smiles Seconded. All Panel Members present voted in the affirmative for approval as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye Rick Smiles – aye Gretchen Newsom – aye Mike Hill – aye Jennifer Fothergill – aye Derek Kirk – aye Mike Greenlee – aye

Tab No. 9: South Modesto Business United, Inc.

Heather Miguel stated participating employers outside of the Company's geographic region had been removed per Panel's request.

Panel questioned the fact there are a lot of food and beverage companies which typically have a higher turnover rate and not a lot of full-time staff. Panel asked how, administratively, they will be ensuring they're getting the right team members since the staff have to be employed and full-time.

Tony Madrigal explained that the employees have been workers at the companies for a long time, and the companies hold onto their staff.

Panel questioned what the type of training servers and cashiers would be doing.

Lourdes Uranday stated the training is so that the participating employers are able to promote within, so they'd be doing a lot of supervisory training as well as continuing the food safe serve type training.

Panel questioned the safe serve training not being in the curriculum and suggested adding it in future proposals.

Heather Miguel stated they would ensure those are added.

Panel appreciated the removal of businesses outside their geographic region but remained skeptical about the amount of funding requested being that it is their first contract and are a smaller organization. Panel questioned how they are setting themselves up for success in administrating the contract and asked who would be delivering the training, doing the administration, and managing the day-to-day.

Tony Madrigal explained they are dedicating two team members for administration, and they are committed to adapting themselves and understand what it takes.

Lourdes Uranday stated they've also hired an additional team member they are training, so there would be three team members in total assisting. They have a participating employer training that is scheduled.

Panel questioned whether the employers are aware of the expectations of the contract and what is set up to help them.

Tony Madrigal explained they are planning to have weekly check-ins with participating employers, so they know the importance of consistent communication. He also stated they have experience with managing big projects which include five annual community events.

Panel proposed right-sizing the funding amount to up to \$300,000.

Tony Madrigal respected whatever decision they make. Additionally, he shared about previous experiences of his organization helping local small businesses apply for County COVID relief funding and the impact they were able to make by bringing resources to the community that hadn't heard of the funding if it wasn't for them.

ACTION: Member Newsom moved to approve South Modesto Business United, Inc. in the right-sized amount of up to \$300,000. Member Smiles Seconded. All Panel Members present voted in the affirmative for approval as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye Rick Smiles – aye Gretchen Newsom – aye Mike Hill – aye Jennifer Fothergill – aye Derek Kirk – aye Mike Greenlee – aye

Tab No. 10: California Manufacturers Technology Consulting

Withdrawn

Tab No. 11: Kern Community College District

Panel encouraged the increase of wages, because wages were near the minimum wage of California and questioned about collaboration with employers and what they are doing, so trainees are seeing wage progression.

Contractor explained the intention of training is to lead to wage progression. He also stated that in the last contract, their average wage was slightly above \$27.00 per hour, and not many people were in the lower wages, which was reflective of the HUA/SET portion of the wages.

ACTION: Member Kirk moved to approve Kern Community College District in the amount of \$839,346. Member Greenlee Seconded. All Panel Members present voted in the affirmative for approval as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye Rick Smiles – aye Gretchen Newsom – aye Mike Hill – aye Jennifer Fothergill – aye Derek Kirk – aye Mike Greenlee – aye

Tab No. 12: Santa Clarita Community College District

ACTION: Member Newsom moved to approve Santa Clarita Community College District in the amount of \$849,089. Member Hill Seconded. All Panel Members present voted in the affirmative for approval as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye Rick Smiles – aye Gretchen Newsom – aye Mike Hill – aye Jennifer Fothergill – aye Derek Kirk – aye Mike Greenlee – aye

Amendments

Tab No. 13: <u>Dumont Printing, Inc.</u>

Susan Moore stated she currently had three out-of-state vendors she contracts with for training due to the fact that it's very difficult to locate the specific expertise in California. She is constantly trying to use California vendors for everything for cost purposes and training.

She also explained she had a long-term salesperson retire in January and replaced them with two additional salespeople, but they need industry training and sales training.

Panel questioned why the amendment was brought to Panel, since the amount is in the Director's designation authority.

Jana Lazarewicz states it was approved by Panel to have all out-of-state training vendors come before Panel for Panel approval.

ACTION: Member Newsom moved to approve Dumont Printing, Inc.'s request for an amendment as presented. Member Smiles Seconded. All Panel Members present voted in the affirmative for approval as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye Rick Smiles – aye Gretchen Newsom – aye Mike Hill – aye Jennifer Fothergill – aye Derek Kirk – aye Mike Greenlee – aye

PRESENTATIONS

California Jobs First Presentation given by Derek Kirk

OPPORTUNITY FOR PANEL MEMBERS TO REQUEST AGENDA ITEMS FOR FUTURE PANEL MEETING

Panel wants to hear an update on Literacy contracts and how they're going, being about a year and a half into them.

Panel also wants to have a conversation around delegation authority and the contract issue regarding out-of-state vendors at a future policy meeting.

PUBLIC COMMENT ON MATTERS NOT ON THE AGENDA

Phillip Herrera commented on California Jobs First and how in his 30 years working in government, he's never seen a plan as well put together as California Jobs First. He thanked Derek Kirk and everyone who contributed.

MEETING ADJOURNMENT

Chair Bettencourt asked for motion to adjourn the panel meeting.

ACTION: Member Smiles moved to adjourn the Panel meeting. Member Greenlee Seconded. All Panel Members present voted in the affirmative to adjourn the Panel meeting as moved.

Motion carried by roll call vote, 7 to 0.

Rebecca Bettencourt – aye Rick Smiles – aye Gretchen Newsom – aye Mike Hill – aye Jennifer Fothergill – aye Derek Kirk – aye Mike Greenlee – aye

Chair Bettencourt Adjourned the meeting at 11:17 a.m.