



RETRAINEE - JOB CREATION

Training Proposal for:

Cox Communications California, LLC dba Cox Communications California

Agreement Number: ET17-0116

Panel Meeting of: June 24, 2016

ETP Regional Office: San Diego

Analyst: K. Campion

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate SET Job Creation Initiative Veterans	Industry Sector(s):	Services Communication Multimedia/Entertainment Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	San Diego, Orange, Santa Barbara	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 4,320	U.S.: 41,276	Worldwide: 41,276
<u>Turnover Rate:</u>	2%		
<u>Managers/Supervisors:</u> (% of total trainees)	0%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$516,420		\$59,241 30%	\$0		\$457,179

In-Kind Contribution:	100% of Total ETP Funding Required	\$810,992
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SET	Commercial Skills, Business Skills, Computer Skills	273	8 - 200	0 - 40	**\$503	\$21.28
				Weighted Avg: 40			
2	Retrainee Priority Rate SET	Commercial Skills, Business Skills, Computer Skills	168	8 - 200	0 - 40	\$720	\$21.28
				Weighted Avg: 40			
3	Retrainee Priority Rate SET Job Creation Initiative	Commercial Skills, Business Skills, Computer Skills	60	8 - 200	0 - 40	\$2,600	*\$13.00
				Weighted Avg: 130			
4	Retrainee Priority Rate Job Creation Initiative Veterans	Commercial Skills, Business Skills, Computer Skills	15	8 - 200	0 - 40	\$2,860	*\$13.00
				Weighted Avg: 130			

* It will be made a condition of contract that the trainees in Job Numbers 3 and 4 will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

** Reflects Substantial Contribution

Minimum Wage by County: Job Numbers 1 and 2: \$21.28 per hour SET Statewide Average Hourly Wage (priority industry); Job Numbers 3 and 4: \$13.72 per hour for San Diego County; \$13.76 per hour for Orange County; and \$12.77 per hour for Santa Barbara County (Job Creation).

Health Benefits: Yes No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: Yes No Maybe
 Up to \$5.44 per hour may be used to meet the Post-Retention Wage, in Job Numbers 1 & 2.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
JOB NUMBER 1 (Incumbent Retrainee)		
Field Service Technician I		79
Field Service Technician II		45
Sales Staff I		123
Sales Staff II		26

JOB NUMBER 2 (Incumbent Retrainee)		
Field Service Technician I		49
Field Service Technician II		28
Sales Staff I		76
Sales Staff II		15
JOB NUMBER 3 (Retrainee Job Creation)		
Field Service Technician		15
Sales Staff		45
JOB NUMBER 4 (Veterans Retrainee Job Creation)		
Field Service Technician		8
Sales Staff		7

INTRODUCTION

Cox Communications California, LLC dba Cox Communications California (Cox California), <http://www.cox.com/>, is a multi-service/cable services provider in Southern California. The Company serves residential and commercial customers and offers analog and digital video cable television, local and long-distance telephone services, high-speed Internet, data and video transport, home security services, and national and local cable advertising.

Cox California is a wholly-owned subsidiary of Cox Enterprises, Inc., in Atlanta GA. As a service provider, Cox California is eligible for ETP funding under Special Employment Training (SET) provisions for frontline workers.

This is the sixth proposal between Cox California and ETP within the last five years. The previous projects were primarily in San Diego County and Orange County. In this proposal, the Company has combined its request to include all of Southern California under one Agreement. There are 15 facilities in Southern California, of which 11 will participate (eight in San Diego County, two in Orange County and one in Santa Barbara County).

Each of the prior projects was targeted for specific training needs at that time. Because cable products and services are changing rapidly, the Company has new training needs that necessitate additional job-skills training.

The future of television viewing is transitioning to video streaming on multiple devices. Programs will be viewed on tablets, phones, and laptops as well as televisions. Cox California faces increased competition from web-based providers such as Netflix, Hulu and Amazon Fire. As such, Cox California must develop new and unique cable services in order to compete.

PROJECT DETAILS

In 2014, the Company consolidated its customer care functions in San Diego County and Orange County, and moved them out-of-state to reduce costs. This action enabled it to expand, and upgrade other job functions that remained in this state. Cox California currently employs more full-time workers than it did in 2013 prior to this action, and is hiring more new workers as reflected in the Job Creation component of this proposal.

At the time of this action, the Company took several steps to mitigate its effect on workers in California, including: a hiring preference in other occupations at the same or other locations; assistance in placement in the same occupations, at other companies; or severance packages, based on seniority and other factors.

Cox California is committed to growing its business, and it has several new products being rolled out. Training in this proposal focuses on new high-speed internet service for home (Gigablast) and business (Gig) along with the expansion of Contour and Home Security product lines.

Gigablast and Gig both rely on the use of fiber optic cable to deliver internet service at the fastest speed offered by Cox to date. In 2015 and 2016, Cox spent in excess of \$58 million in equipment costs for these products, including the installation of fiber optic cabling. The Cox Homelife and New Contour Flex products also require extensive upskill training for Sales Staff and Field Service Technicians.

Retrainee - Job Creation

Cox California's 2016 Strategic Plan calls for the hiring over 200 new, permanent Field Service Technician and Sales Staff workers over the next two years. As such, 75 Job Creation trainees are included in this proposal (60 in Job Number 3 and 15 in Job Number 4). The net new increase in jobs is intended to support the expansion discussed above. The new Field Service Technicians will receive 560 hours and Sales Staff will receive 200-240 hours of training. ETP will fund a maximum of 200 hours per-trainee; the remaining cost will be borne by the Company.

The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract. As a feature of this program, the Substantial Contribution requirement will be waived for Job Numbers 3 and 4.

Veterans Program

Cox California hires Veterans on a regular basis and is committed to hiring and training at least 15 Veterans under this proposed Agreement (Job Number 4). The Panel has established a higher reimbursement rate and other incentives for training California veterans. [Note: All Veteran trainees are classified as Job Creation, and will be hired under the benchmark period set forth above.

SET Wage Modification

Under SET, the employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention period. For trainees employed in a priority industry, the Panel may modify the State Average Hourly Wage of \$28.37 per hour by up to 25%, or \$21.28 per hour. Cox California requests the modified wage of \$21.28 per hour for its incumbent workers (Job Numbers 1 and 2).

Substantial Contribution

Cox California is a repeat contractor with payment earned in excess of \$250,000 and a former Substantial Contribution at the 15% level at various facility locations in San Diego County (ET14-0226; see Prior Project Table). In keeping with Panel standards, a 30% Substantial Contribution will be applied to funding for all San Diego facilities in this proposal. This means

reimbursement for trainees in Job Number 1 will be reduced by 30% to reflect the Company's \$59,241 Substantial Contribution.

Job Number 2 trainees are located in Orange/Santa Barbara Counties. No single facility within these counties has earned in excess of \$250,000 for incumbent workers; therefore, Job Number 2 will not include a Substantial Contribution reduction. Job Numbers 3 and 4 are Job Creation trainees, as such, Substantial Contribution is not applicable.

Training Plan

The majority of training will be delivered via class/lab using primarily in-house instructors. Training vendors may be utilized, but have yet to be determined. A small percentage of the total training hours will be delivered via Computer-Based training (CBT), which supports the class/lab training.

Commercial Skills (45%) – This training will be provided to all occupations in order to ensure employees are competent in the new technologies and processes. They must effectively understand the new technologies and products being offered to ensure the customer is being provided with accurate information on the technical requirements and attributes of the new products as well as understanding how to properly install these products and services.

Business Skills (45%) – This training will be provided to all occupations so trainees can learn to manage client data, learn negotiation and project management skills, and learn new sales techniques. Trainees need to learn to effectively communicate the merits of the products and ensure customer needs are being met to result in employees who are business savvy, approachable and conversant with the customer.

Computer Skills (10%) – This training will be provided to all occupations. Trainees need to learn new software skills to effectively operate the applications that run the new products and support the technical operations of the Cox service lines and platforms.

Impact/Outcome

Cox California projects that this training project will provide the necessary skills and knowledge to its frontline staff to better serve customers. Training will help position the Company to be a leader in the new news, sports, and entertainment broadcasting market spaces, and to grow its customer base.

Commitment to Training

ETP funds will not displace the existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. The Company spends in excess of \$2.6 Million annually in training for its California workforce in topics such as OSHA-mandated training, sexual harassment prevention, new hire orientation, basic computer skills training, basic commercial skills and on-the-job training as needed. In addition, training has been provided to employees when the Company implements new services and technologies.

Under the proposed Agreement, there will be no duplication of training for the same trainees delivered in prior contracts.

A Manager of Technical Training and a Learning Administration Manager will have oversight of this project. Training will be scheduled by in-house coordinators in San Diego and Orange County. The San Diego Training Coordinator has been designated the lead and will be

responsible for maintaining the rosters for all training locations. The Orange County Training Coordinator will collect attendance rosters and submit them to San Diego.

ETP project administration, including enrolling and tracking all trainees in the ETP on-line systems, will be provided by an administrative subcontractor.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Cox California under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0226	San Diego County	12/01/13 – 11/30/15	* \$449,848	<u>\$416,175 – 92%</u> <i>Of which \$260,409 was incumbent earnings</i>
ET13-0421	Orange/LA/Santa Barbara Counties	6/30/13 – 6/29/15	\$456,656	<u>\$175,835 – 38.5%</u> <i>Of which \$92,756 was incumbent earnings</i>
ET13-0123	San Diego County	9/04/12 – 9/03/14	\$399,750	<u>\$399,750 – 100%</u> <i>Of which \$174,750 was incumbent earnings</i>
ET11-0232	Orange/LA/Santa Barbara Counties	5/02/11 – 5/01/13	\$173,550	<u>\$167,504 – 96%</u> <i>Of which \$0 was incumbent earnings</i>
ET11-0141	San Diego County	12/20/10 – 12/19/12	\$199,800	<u>\$199,800 – 100%</u> <i>Of which \$199,800 was incumbent earnings</i>

* 15% Substantial Contribution applied.

ET13-0421 – The Contractor reports that the 38.5% earnings under this contract were an anomaly, due to the business consolidation that occurred in 2013/14. Cox California was able to return to its regular and full training schedule for the ET14-0226 contract and earned 92%.

DEVELOPMENT SERVICES

Cox California retained Tax Credit Co. in Los Angeles to assist with development of this proposal for a flat fee of \$15,000.

ADMINISTRATIVE SERVICES

Tax Credit Co. will also perform administrative services in connection with this proposal for an amount not to exceed 8% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum

Class/Lab Hours

8 – 200

Trainees may receive any of the following:

COMMERCIAL SKILLS

- ✚ AgileMax Fiber Optic Hardware/Software
- ✚ Contour Flex
- ✚ Customer Kiosk Operations
- ✚ Equipment Operations – Cable, Internet, Video
- ✚ Equipment Repairs and Maintenance
- ✚ Field Sales Product Training - Virtual offering
- ✚ Go All Digit (GAD)
- ✚ Gigablast
- ✚ Geospatial Network Infrastructure System (GNIS) Fiber to the Home (FTTH)
- ✚ Home as a Hot Spot (HaaHS)
- ✚ Home Automation – Multi-Dwelling Unit (MDU)
- ✚ Home Networking
- ✚ Ingress Mitigation
- ✚ Installation Techniques
- ✚ Managed WiFi (Sales)
- ✚ Multi-Dwelling Unit/Bulk Installation Training
- ✚ New Contour: Universal Home Technician (UHT) New Hire Updates –
- ✚ Operating Procedures
- ✚ Panel Swaps
- ✚ Provider Edge (PE): Ingress Mitigation
- ✚ Pricing and Packaging
- ✚ Proactive Network Maintenance
- ✚ Product Training Simplification
- ✚ Product Service Center (PSC) Self-Generated Requests
- ✚ Switched Digital Video (SDV) Deployment
- ✚ Small Cell Outdoor
- ✚ Video Service Performance R2.0
- ✚ Video on Demand (VOD) Quadrature Amplitude Modulation (QAM) Expansion

BUSINESS SKILLS

- ✚ Managing Client Data
- ✚ Marketplace Knowledge
- ✚ Negotiating Skills
- ✚ Project Management
- ✚ Sales Techniques
- ✚ Process Improvement
- ✚ Team Building

COMPUTER SKILLS

- ✚ Application Security Automation Tool
- ✚ Cox Homelife (CHL) Home Automation
- ✚ New Contour/Contour Flex for Technology
- ✚ Distributed Denial of Service (DDoS) Virus Mitigation

- ✚ Emerging Technologies program
- ✚ Full Band Capture
- ✚ Home as a Hot Spot (HaaHS)
- ✚ Integrated Communications Operations Management system (ICOMS) 4262
- ✚ Internet Protocol version 6 (IPv6) Dual Stack on Modems
- ✚ Managed Router
- ✚ Managed Wi-Fi (Field) -
- ✚ Retail Sales Kiosk Operating System –
- ✚ Technology Learning Series (TLG) - Product Simplification

CBT Hours

0 – 40

COMPUTER BASED TRAINING (CBT)

COMMERCIAL SKILLS

- ✚ Cox Business Internet Gateway (CBIG) (2 hours)
- ✚ Cox Business Service System (CBSS) (2 hours)
- ✚ CFI 2.1 STU/HBB (2 hours)
- ✚ Cox Business Security Solutions (2 hours)
- ✚ Cox Fiber Internet (2 hours)
- ✚ Cox Business Distributed Denial of Service (DDoS) Mitigation (2 hours)
- ✚ HomeWorld 2 (HW2) (2 hours)
- ✚ Integrated Access Device (IAD) Replacement (2 hours)
- ✚ Integrated Management System (IMS) Conversion Tool (Legacy to Voice Manager) (2 hours)
- ✚ Internet Protocol (IP) Centrex 3.2 (2 hours)
- ✚ Internet Protocol (IP) Centrex 3.3 (2 hours)
- ✚ Internet Protocol (IP) Audio Call Reporting (2 hours)
- ✚ Internet Protocol (IP) Centrex Call Detail Reporting (2 hours)
- ✚ Internet Protocol (IP) Centrex Enhanced Phase II (2 hours)
- ✚ Internet Protocol (IP) Centrex Enhanced Training Phase I (2 hours)
- ✚ Internet Protocol (IP) Centrex Enhanced Training Portal (2 hours)
- ✚ Cox Business Sales and Order Entry/Service Delivery (2 hours)
- ✚ Cox Business Voice Transformation (Legacy to Voice Manager) (2 hours)
- ✚ Hospitality WiFi 2.0 Feature Commercialization (1 hour)
- ✚ Cox Business Internet Gateway (CBIG) New Modem for CBIG (1 hour)
- ✚ Connect 2 Compete (C2C) Update (2 hours)
- ✚ Contour Guide 2.5 (2 hours)
- ✚ Cox Tech Solutions (CTS) New Hire Updates (2 hours)
- ✚ Data Usage Billing (2 hours)
- ✚ Digital Video Recorder (DVR) Handling (2 hours)
- ✚ Equipment Essentials WBT (1 hour)
- ✚ Cox Business Internet Review Tool 3.0 (2 hours)
- ✚ Explore Homelife (1 hour)
- ✚ Cox Business Gigablast (GIG) Refresher – SALES (2 hours)
- ✚ Cox Business Go All Digital - Content Updates (2 hours)
- ✚ Hospitality WiFi 2.0 Migration (1 hour)
- ✚ Phone Tool Enhancements (2 hours)
- ✚ Pricing & Package Updates (2 hours)
- ✚ Retail - Queuing Upgrades (2 hours)
- ✚ Sales Work Order Guidelines (2 hours)
- ✚ Trimester One - Campaign Offers (2 hours)

- ✚ Vantage Photo Capture (2 hours)

COMPUTER SKILLS

- ✚ Circuit Switch to Packet Switch (2 hours)
- ✚ Cox Business Internet Gateway (2 hours)
- ✚ Cox Homelife (CHL) Card User Interface (1 Hour)
- ✚ Go All Digital – Task Order Management System (TOMS) Training (2 hours)
- ✚ New Point of Service Upgrade Enhancement (2 hours)
- ✚ Project Atlas/Task Order Management System (TOMS) (1 Hour)
- ✚ Retail Kiosk (2 hours)
- ✚ Retail Point of Sale Hardware Replacement (.5 hours)
- ✚ Retail Point of Sale upgrade (2 hours)
- ✚ Sales Desktop Enhancement (2 hours)

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. CBT is capped at 50% of total training hours, per trainee.