

PANEL PACKET

FEBRUARY 2015





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Friday, February 20, 2015 at 9:30 a.m.
New City Hall
Council Chambers Room 1103, 1st Floor
915 I Street
Sacramento, CA 95814
Phone: (916) 327-5640

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Qualified Billing and Collections, LLC
Vionic Group LLC



M e m o r a n d u m

To: Panel Members Date February 11, 2015

From: Stewart Knox Executive Director File: Panel Memo Jan.

Subject: **Directions to Meeting Site**

The Employment Training Panel will meet on FRIDAY, **February 20, 2015 at 9:30 a.m.**

**New City Hall
Council Chambers, Room 1103, 1st Floor
915 I Street
Sacramento, CA 95814**
Telephone (916) 327-5640 (ETP Central Office)
FAX: (916) 445-5972 (ETP Central Office)

Directions to the New City Hall Council Chambers

From Sacramento International Airport:

- Take **Hwy 5 South**
- Exit on "**J**" **Street** to **10th St.**
- Turn Left on **10th Street**
- Turn Left on **I Street**
- **915 I Street**

From San Francisco

- Take **I-80 E**
- Merge onto **I-5 N**
- Exit on "**J**" **Street** to **10th St.**
- Turn Left on **10th Street**
- Turn Left on **I Street**
- **915 I Street**



M e m o r a n d u m

To: Panel Members

Date February 11, 2015

From: Stewart Knox
Executive Director

File: Mtg. Site Memo

Subject: **Future Meeting Sites**

| | |
|---------------------------------|---|
| <p>February 20, 2015</p> | <p>New City Hall Council Chambers, Room 1103, 1st Floor 915 I Street Sacramento, CA 95814</p> |
| <p>March 27, 2015</p> | <p>California Environmental Protection Agency Coastal Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814</p> |
| <p>April 24, 2015</p> | <p>California Environmental Protection Agency Coastal Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814</p> |
| <p>May 21, 2015</p> | <p>California Environmental Protection Agency Sierra Hearing Room, 2nd Floor 1001 I Street Sacramento, CA 95814</p> |



NOTICE / AGENDA

MEETING TIME/PLACE

Friday, February 20, 2015 at 9:30 a.m.
New City Hall, 915 I Street
Council Chambers, Room 1103, 1st Floor
Sacramento, CA 95814
Phone: (916) 327-5640

AGENDA

- | | | |
|------------|---|--|
| 9:30 a.m. | Call to Order by Chair <ul style="list-style-type: none">• Roll Call• Agenda• Minutes | Barry Broad |
| 9:45 a.m. | Report of the Executive Director <ul style="list-style-type: none">• Legislative/Budget/Other• Request Motion to Delegate in Event of Loss of Quorum/Action• Request Motion to Adopt Consent Calendar Projects/Action• Approved Delegation Order Proposals | Stewart Knox |
| 10:00 a.m. | Report of General Counsel | Maureen Reilly |
| 10:15 a.m. | Review and Action on Proposals | Gregg Griffin Creighton Chan Willie Atkinson |
| 11:45 a.m. | Discussion/Action <ul style="list-style-type: none">• Veterans New Hire Incentive• SB Program Back to Basics | Stewart Knox |
| 12:30 p.m. | Public Comments | |
| 12:45 p.m. | Public Meeting Adjourns | |

The notice of Panel Meetings is also available on the ETP website (www.etp.ca.gov). The times shown here are estimates, and may be changed at the meeting.

The dollar amounts shown here are subject to change up to and including the date of the Panel Meeting. Other changes may also occur (e.g. withdrawn). Please continue to assess this page for updated information.

If the Panel does not have a quorum, it will meet as a subcommittee of the whole at the same time and place. That subcommittee will hear the items identified on this Agenda, but cannot vote or take action.

Special accommodations (i.e., sign language, interpreter, accessible seating) may be requested by contacting ETP at least seven days prior to the meeting date. Please contact the Executive Office at (916) 327-4485.

REVIEW AND ACTION ON PROPOSALS

These funding proposals are listed by Regional Offices and do not reflect the actual order of presentation. They will be considered by the Panel in accordance with a Table of Contents to be published on the ETP website no later than Monday, February 16, 2015 although the Panel may still change the order at the meeting.

North Hollywood Regional Office

| | |
|---|-----------|
| Apprentice & Journeymen Training Trust Fund of the Southern California Plumbing and Piping Industry ----- | \$649,905 |
| Finishing Trades Institute of District Council 36 Joint Apprenticeship Training Trust Fund ----- | \$649,650 |
| Kern County Electrical Joint Apprenticeship & Training Committee ---- | \$267,160 |
| Los Angeles and Orange Counties Air Conditioning and Refrigeration Joint Journeyman and Apprentice Training Committee ----- | \$299,886 |

San Francisco Bay Area Regional Office

| | |
|--|-----------|
| AcademyX Group, Inc. ----- | \$267,727 |
| California Field Iron Workers Apprenticeship Training and Journeyman Retraining Fund ----- | \$359,500 |
| Headway Technologies, Inc. (Amendment)----- | \$140,040 |

Sacramento Regional Office

| | |
|---|-----------|
| AgreeYa Solutions, Inc. ----- | \$187,960 |
| Northern California Heat & Frost Insulators and Allied Workers Joint Apprenticeship Training Committee----- | \$200,160 |
| Sacramento Area Regional Technology Alliance (RESPOND) ----- | \$278,000 |

PROPOSALS APPROVED
BY DELEGATION ORDER FOR 01/13/2015 – 02/10/2015

| ≤ \$100,000 | Approved Date | Approved Amount |
|---|--------------------------|----------------------------|
| <u>North Hollywood Regional Office</u> | | |
| Brickley Construction Company, Inc. dba Brickley Environmental (Amendment) | 02/05/2015 | \$3,080 |
| Qualified Billing and Collections, LLC | 01/22/2015 | \$99,765 |
| <u>San Francisco Bay Area Regional Office</u> | | |
| Vionic Group LLC | 2/2/2015 | \$40,690 |
| <u>San Diego Regional Office</u> | | |
| JDZ Inc. dba AleSmith Brewing Company | 01/14/2015 | \$91,000 |
| Partners Advantage Insurance Services, LLC | 02/04/2015 | \$42,042 |
| <u>Sacramento Regional Office</u> | | |
| Digital Doc, LLC | 02/02/2015 | \$31,954 |
| Parco Holdings, LP | 02/03/2015 | \$59,700 |



**STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL MEETING**

New City Hall
915 I Street
Council Chambers, Room 1103 – 1st Floor
Sacramento, CA 95814
January 22, 2015

PANEL MEMBERS

Barry Broad
Chair

Janice Roberts
Vice-Chair

Gloria Bell
Member

Sonia Fernandez
Member

Kish Rajan
Member

Edward Rendon
Member

Sam Rodriguez
Member

Executive Staff

Stewart Knox
Executive Director

Maureen Reilly
General Counsel

STATE OF CALIFORNIA
EMPLOYMENT TRAINING PANEL MEETING
New City Hall
915 I Street
Council Chambers, Room 1103 – 1st Floor
Sacramento, CA 95814
January 22, 2015

I. PUBLIC PANEL MEETING CALL TO ORDER

Chairman Broad called the meeting to order at 9:34 a.m.

II. ROLL CALL

Present

Gloria Bell
Barry Broad
Sonia Fernandez
Leslie McBride
Edward Rendon
Janice Roberts
Sam Rodriguez (arrived after initial roll call)

Executive Staff Present

Stewart Knox, Executive Director
Maureen Reilly, General Counsel
Jill McAloon, Chief Deputy Director

III. AGENDA

Chairman Broad asked for a motion to approve the Agenda.

ACTION: Ms. Roberts moved and Mr. Rendon seconded the motion that the Panel approve the Agenda.

Motion carried, 6 – 0.

IV. MINUTES

ACTION: Ms. Roberts moved and Ms. Bell seconded the motion that the Panel approve the Minutes from the November 14, 2014 meeting.

Motion carried, 6 – 0.

V. REPORT OF THE EXECUTIVE DIRECTOR

Stewart Knox, Executive Director, said I'd like to acknowledge one of our staff; she's not here with us today, but Rosa Hernandez put in 29 years with the State of CA, 25 which was at ETP. So many of the policies and procedures you see before you today come from Rosa Hernandez' efforts over 25 years with ETP, so we wanted to recognize her.

Mr. Knox said since we didn't have a Panel meeting in December, we will have a much larger dollar distribution at this meeting. Today we have a mix of single and multiple employer projects. All of the regional managers are present today: Diana Torres, Creighton Chan, Gregg Griffin and Willie Atkinson.

Regarding the budget for alternative fuels as we mentioned before, there was \$3M available. After today's meeting and approval, we should have about \$2.1M available for the remaining Fiscal Year (FY). The Panel also received \$2M in General Funds last year, to serve workers and employers impacted by the drought, under the Panel's RESPOND Pilot. Of that, we have approximately \$532,000 remaining this FY with two outstanding projects that we hope to present shortly, within the next couple of Panel meetings, and with those projects, the full \$2M will have been allocated.

Regarding core funds, ETP had approximately \$64.7M with the addition of the \$10M approved by the Governor, which put us close to \$91M this FY, which is a large amount of money to push out the door. To date, the Panel has committed approximately \$51M. Today the Panel will consider an additional \$9.2M with another \$1.6M approved by Delegation Order. Should the Panel approve all projects before it today, we will have approximately \$31M left after this meeting for the remainder of this FY, which is still a large dollar amount that we are glad to see. I'll talk a little bit more about how much is left in the field offices and in our office as well.

As you recall, the Panel took action in September 2014 to approve a modified version of staff recommendations for funding in 2014-15 and the Panel directed staff to review pre-applications and applications in date of order, which we have been doing. For the single employer contracts, we've allocated \$48.8M, and after today's meeting if all are approved, we will have about \$14M left for single employer contracts. For the MECs we allocated \$19.7M, and after today's meeting, if all are approved, we will have about \$9.7M remaining. We allocated \$6.1M for Critical Proposals and to date we have approximately \$1.1M remaining. Apprenticeships, \$10.1M, and to date there is approximately \$2.4M remaining. If all projects are approved today, at approximately \$9.2M, we will have approximately \$31M remaining in contracting capacity.

The Panel has directed staff to manage the repeat contractors and repeat MECs so as to fund once per FY, with preference provided for first-time single employers. To be consistent with the Panel's direction of continuing the flow of projects, some offices will begin working on repeat contracts. What that means is that some of the field offices have now gone through all of those first-time single employers. The Panel has reduced funding caps: single employer caps reduced to \$425,000; MEC caps reduced to \$650,000 and apprenticeship caps reduced to \$300,000 per sponsor. We will have a planning meeting in March to revisit the allocations

and the caps. At that time, we will have a clearer picture of demand and expenditures under the allocations and the Panel may consider further direction to staff.

The 2015-16 budget looks pretty good at this point. We do have \$10M approved this year that will be ongoing for the next FY as well. We will also look at processes at the March meeting, and have a discussion at the February meeting, about when to open the new allocation process.

The Panel also adopted a new Delegation Order for small businesses capped at \$50,000 and other proposals capped at \$100,000, to be approved by the Executive Director on a continuous flow basis. To date, we have approved 28 projects totaling over \$1.6M.

Regarding workload, as was mentioned at the last Panel meeting, our goal is to maximize dollars with limited staff resources and limited time left in the FY to develop and monitor those projects. Regarding applications in the regional offices, what is out there in single employer contracts, is about \$21M with about \$14M remaining after today's meeting. For the MECs, the regional offices report about \$6.6M of demand with about \$9.7M remaining; small business has about \$1.5M in demand with \$2.3M in remaining funds. Critical Proposals have about \$550,000 in demand with about \$1.1M remaining. That one does change, of course, based on the Governor's discretion and GO-Biz. The Apprenticeship program has about \$2.6M in demand with about \$2.4M remaining to date. Overall funds remaining after today will be about \$31M, and we have about \$33M in projects in the field and in our central office. So we are pretty close; things are not as dire as we assumed them to be, earlier in this FY. Staff is working very hard to develop these projects and to utilize all available funding as we have. Also, I've asked staff to also look at the small business model that we currently have, and come up with ideas for how to simplify it, and we will bring those ideas to the Panel meeting in March for review. The small business projects take just as much time as you all know, as large projects, and so we want to minimize that time spent on those projects in the future. In March we will start to discuss priorities with the Panel and stakeholders for next year. The number of projects in the regional offices by category is: we currently have about 81 remaining in single employer contracts; MECs 21 remaining, small business 49 remaining, critical proposals, 2 remaining; and Apprenticeships, 8 remaining; 47 additional projects in development, for a total of 208 projects. That is where we get the \$33M remaining for demand. So again, pretty close this year. I don't think it's going to be an issue of money; it's going to be an issue of getting them pushed out the door.

To help with developing and monitoring of projects, ETP recently obtained four new analyst positions. Two have been hired in the Sacramento office already; one is in the process of being filled at the San Diego regional office, and one in the Bay Area. So we are staffing up to meet the demand. We will do our best to manage workflow and report our progress at the Panel meetings in the future.

Regarding legislation, just a note within the Governor's budget, in what they call significant adjustments, it does bring up the Employment Training Fund and it says that the budget makes permanent \$10M increase in the Employment Training Fund with resources provided by Chapter 663, Statute 2014, and AB 1476 to address the increased demand for training. There is additional legislation about the budget, in the Budget Act of 2015, both SB 69 and AB 103 make preparations for support for the government operations and basically in both

bills, the ETP language is the same, which addresses the additional \$10 million for the ETF fund.

For the future, to show what our audit unit does, I'll be e-mailing the Panel a brief synopsis of the audit and findings, and if you'd like additional information, we will follow-up.

Sam Rodriguez arrived at 9:39 a.m. after initial roll call, and was present for the remainder of votes.

VI. REQUEST MOTION TO ADOPT CONSENT CALENDAR PROJECTS/ACTION

Mr. Knox asked for a motion to adopt Consent Calendar Items #1 through #9. Ms. Roberts asked about the 27% turnover rate on Tab #2 Chaya Centers, Inc. dba Greenridge Senior Care, and said I understand around the turnover rate in that industry. Is this something that we have done in the past with high turnover rates in these facilities, that we approve them without any penalty or concession? Mr. Broad said in the past we asked them to improve their turnover rate and withheld more money in the end, so we could remove it from Consent Calendar and hear it, but I don't think we can change it without removing it from Consent Calendar, and this is certainly any member's prerogative. I have no objection to it, it's up to you, and it's a worthwhile discussion. Ms. Roberts said I do recall that we have made some concessions, 27%, he said the industry is 44%. It seems high to me, and they are saying that the majority of these people will take jobs at higher paid jobs as an LVN or RN and I think that's okay, but we give that 20% buffer any way for those kind of situations, so now we are actually adding another percent on top of that for other things, so that was my concern. Mr. Broad asked if she would like to remove the Tab #2 proposal from the Consent Calendar. Ms. Roberts said yes, I would like them to come to the Panel. Mr. Broad said it will be removed, and we will take it put it over to the next month.

| | | |
|--------|---|-----------|
| Tab #1 | Auto Center Auto Body, Inc. dba Fix Auto | \$118,925 |
| Tab #3 | Conifer Revenue Cycle Solutions, LLC | \$147,000 |
| Tab #4 | DocuSign, Inc. | \$188,000 |
| Tab #5 | Houweling Nurseries Oxnard, Inc. | \$106,704 |
| Tab #6 | JFK Memorial Hospital, Inc. dba John F. Kennedy Memorial Hospital | \$161,280 |
| Tab #7 | Johanson Dielectrics, Inc. | \$175,680 |
| Tab #8 | Triumph Aerostructures, LLC – Vought Aircraft Division | \$181,440 |
| Tab #9 | ZOLL Circulation, Inc. | \$189,000 |

ACTION: Ms. McBride moved and Ms. Roberts seconded approval of Consent Calendar Tab #1 and Tabs #3 through #9. Tab #2 Chaya Centers, Inc. dba Greenridge Senior Care, was not approved, and removed from Consent Calendar.

Motion carried, 7 – 0.

VII. REQUEST MOTION TO DELEGATE IN EVENT OF LOSS OF QUORUM/ACTION

ACTION: Ms. Roberts moved and Ms. Bell seconded approval to delegate in event of loss of quorum.

Motion carried, 7 – 0.

Mr. Broad said I'd like to comment our decision to review the now declining back-log of applications on a first-in order. First in doesn't necessarily mean first out, and I want folks to understand that because some projects to take longer to review than others, some are more complicated, and we certainly can't hold up everything while we are waiting for information on one particular project. So they are going to be reviewed as they come in, sort of first come, first served, but that doesn't mean that the staff's review of them is going to be first out. Obviously, we want to try to do that, that's the idea; but it's not a perfect system, so I want people to understand that so nobody feels they are being treated unfairly.

VIII. REPORT OF GENERAL COUNSEL

Ms. Reilly said I wanted to direct the Panel's attention to the listing of the Delegation Orders, the last tab in your packet. The list includes the proposals approved by Delegation Order as of the date we published on line, which was January 12. We've had other proposals since then, and they will be reported on at the next meeting. There are 33 that have been approved so far between November and mid-January, approximately \$1.62M, and that includes 13 small businesses at about \$4.27M.

IX. REVIEW AND ACTION ON PROPOSALS

Single Employer Proposals

EastWestProto, Inc. dba Lifeline Ambulance

Gregg Griffin, Manager of the North Hollywood Office, presented a Proposal for EastWestProto, Inc. dba Lifeline Ambulance (Lifeline), in the amount of \$314,548. Lifeline provides customized, inter-facility, non-emergency ambulance transport services. The company operates 24/7 providing transport for Basic Life Support (BLS); Critical Care (ACLS); Neonatal and Pediatric Intensive Care Unit (NICU/PICU); and bariatric patients. Lifeline also offers special event stand-by emergency services.

Mr. Griffin noted a correction to the in-kind contribution. The correct amount of in-kind contribution is \$344,513.

Mr. Griffin introduced Max Gorin, CEO.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the Proposal for Lifeline in the amount of \$314,548.

Motion carried, 7 – 0.

The Boeing Company

Mr. Griffin presented a Proposal for The Boeing Company (Boeing), in the amount of \$747,676. Boeing is a manufacturer of commercial jetliners and military aircraft. Boeing also

designs and manufactures defense systems, satellites and launch vehicles. The company's customers include most domestic and international airline carriers, NASA and all branches of the military.

Mr. Griffin introduced Noreen McQuinn, Boeing Technical Fellow.

Mr. Broad asked where the facility is located. Ms. McQuinn said they are in Long Beach and Seal Beach. Ms. Roberts asked if they are existing facilities. Ms. McQuinn said yes, they are existing facilities.

Mr. Rodriguez asked if there was consideration of Boeing expanding its operations in Lancaster. Ms. McQuinn said I don't know for certain; I know we do have some facilities up there but I don't know if we are expanding any. Mr. Rodriguez asked, is this also part of your application for California Competes? Ms. McQuinn said no, it is not.

Ms. Roberts asked, of the 180 new employees you are bringing in to California, are they from Washington State or are they new local individuals you are hiring here. Ms. McQueen said they are a mix of college hires and individuals from the Seattle region, and all over the state, and also people from other programs.

Mr. Rodriguez said, in Seattle there is a huge union workforce. He asked if there is, at this time, no public statement of any reduction in force in the greater Seattle area. Ms. McQueen said that's correct, as I understand it.

ACTION: Mr. Rodriguez moved and Ms. Roberts seconded approval of the Proposal for Boeing in the amount of \$747,676.

Motion carried, 7 – 0.

Alta Newport Hospital, Inc. dba Newport Specialty Hospital

Diana Torres, Manager of the San Diego Office, presented a Proposal for Alta Newport Hospital, Inc. dba Newport Specialty Hospital (Alta), in the amount of \$307,966. Alta is licensed to operate as a general acute care facility to provide services to the patient population in Orange County. Alta operates a network of facilities in Los Angeles, Hollywood, Van Nuys and Norwalk.

Ms. Torres introduced Larry Bottorff, CNO/COO; Amanda Lombardo, Clinical Nurse Education Specialist; and William Parker, Consultant.

Ms. Roberts asked if they were previously under Pacific Health. Mr. Bottorff said Pacific Health Corporation sold Newport Specialty Hospital to Alta Hospital.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the Proposal for Alta in the amount of \$307,966.

Motion carried, 7 – 0.

Balfour Beatty Construction, LLC

Ms. Torres presented a Proposal for Balfour Beatty Construction, LLC (Balfour Beatty), in the amount of \$350,400. Balfour Beatty is a construction management company for private developers and public entities such as K-12 school districts and higher education facilities.

Ms. Torres introduced Brian Cahill, President/Southwest Division; Denise Dye, Controller/Southwest Division; and Kyle Frandsen, Sustainability Project Manager.

Mr. Broad asked if they have 48,000 employees worldwide and 2,300 in the U.S and if they are an international construction management company. Mr. Cahill said Balfour Construction U.S. is one of the top five construction companies in the U.S.

Mr. Rodriguez asked if this is their first ETP proposal and how they became engaged with ETP. Mr. Cahill said yes, I heard of this program through general research, participated in the Webinar, and learned about ETP. Mr. Rodriguez asked if their Dallas Texas employees are aware that ETP exists in CA. Mr. Cahill said I don't think they do. Mr. Rodriguez said pass ETP along to the Chairman and CEO of your company in Texas.

Ms. Fernandez asked for clarification; are you strictly project management? Mr. Cahill said we do design projects in the construction area but we are one of the top education construction management companies in CA. For the funds we are requesting today, this program is focused on increasing employee productivity, efficiency and job skills. As we get into the program and get more experience, we are looking at expanding the curriculum.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the Proposal for Balfour Beatty in the amount of \$350,400.

Motion carried, 7 – 0.

Thales Avionics, Inc.

Ms. Torres presented a Proposal for Thales Avionics, Inc. (Thales Avionics), in the amount of \$277,200. Thales Avionics is a manufacturer of interactive In-Flight Entertainment (IFE) and connectivity systems for the airline industry such as Airbus and Boeing. The company offers a wide range of cabin systems designed to make flying a more enjoyable experience for passengers and crew before, during and after flight.

Ms. Torres introduced Samantha Sverdloff, Manager of L&D Operations & Business Partnering.

Ms. Roberts asked staff if they are a repeat contractor. Ms. Torres said yes, that is correct; they had a previous contract many years ago.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of Thales Avionics in the amount of \$277,200.

Motion carried, 7 – 0.

United Parcel Service, Inc.

Ms. Torres presented a Critical Proposal for United Parcel Service, Inc. (UPS), in the amount of \$749,576. UPS is a global leader in logistics, offering a broad range of solutions including: transportation of packages and freight; facilitation of international trade and deployment of advanced technology. UPS also provides industry-specific customer solutions in the areas of healthcare and e-commerce. UPS services 1.5 million pick-up customers and 7.9 million delivery customers daily.

Ms. Torres introduced Brenda Fountain, West Region Tax Director.

Ms. Roberts said her employer uses UPS to train their workers, so she knows how viable and valuable that type of training is for employees in logistics.

Mr. Rodriguez asked, in her experience of 31 years in the position, what has been the highlight of training, as the company has transformed. Ms. Fountain said at the Phoenix, Arizona location, the drivers walk on platforms. ETP helped us with our last sales training, right now much of it is CBT training. We invest in our employee training, and that is why people stay with the company for so long.

ACTION: Mr. Rodriguez moved and Ms. Fernandez seconded approval of the Critical Proposal for UPS in the amount of \$749,576.

Motion carried, 7 – 0.

Fox Factory Holding Corp.

Creighton Chan, Manager of the Foster City Office, presented a Proposal for Fox Factory Holding Corp. (Fox), in the amount of \$314,936. Fox and its subsidiary, Fox Factory Inc., designs, engineers and manufactures high-performance shock absorbers and racing suspension products. Merchandise is fabricated for mountain bikes, snowmobiles, motorcycles, all-terrain vehicles, utility terrain vehicle, off-road and on-road vehicles and trucks, sports utility vehicles and specialty vehicles. Fox supplies to and services customers consisting of OEM bike and powered vehicle manufactures, military vehicles, race teams, after-market dealers and distributors of bike and powered vehicle components.

Mr. Chan introduced Martha Chavarria, HR Business Associates and Dale Silvia VP of HR.

Ms. Roberts asked if they do any work with track chairs for disabled veterans. Mr. Silvia said we've actually worked with one of the racers that have used our product, we worked with him in creating an artificial leg using technology we did, and he has a company that sells to veterans. So while we haven't worked with the track chairs, we have used the technology.

Ms. Bell said regarding your strategies for recruitment for the 106 workers, what are your strategies, because you are competing with the agricultural workers. Mr. Silvia said they have six facilities and it's more difficult to recruit workers in Watsonville than it is in their El

Cajon facility. Ms. Chavarria said they are reaching out through job fairs, organizations, economic workforce and in colleges.

Mr. Broad asked staff about the footnote that says “the proposal was scheduled to be heard in December 2014. Staff recommends grandfathering the calendar year 2014 wages to ensure there has been no detriment caused by the cancellation of December’s meeting where, as here, some occupations would not meet the calendar year 2015 wages.” He asked how many workers are included and what for difference in wages.

Ms. Reilly said we have done this in the past when we cancelled the December Panel meeting. In other words, we are just holding the contractor harmless because it was something that they could not have recently anticipated at the time when they were projected to be here in December. We’ve only made this footnote annotation to recommend that the Panel basically hold them harmless under equitable principle when they need it. I’m looking at the wage tables now as published on our website, and for example in San Diego County, the difference for job creation is an increase of .28 cents per hour. Mr. Broad said yes, that’s my point; the equity here may be on favor of the workers as opposed to the employer in this situation. Because also, they could have just been scheduled for January Panel meeting and they may meet the .28 cents, I don’t want to do this automatically when they don’t need it. Can you pay somebody .28 cents more per hour to meet this? Ms. Chavarria said yes, absolutely. Mr. Broad said we don’t grant waivers of these rules for no reason; there needs to be a good reason for it. I don’t think the waivers should be automatically granted when it comes to what workers are paid; that’s my point. We don’t need to do this; we can hold them to the 2015 wage. He asked if the company representatives were in agreement. Both company representatives agreed.

ACTION: Mr. Broad moved and Ms. Roberts seconded approval of the Proposal for Fox in the amount of \$314,936.

Motion carried, 7 – 0.

On-Site Manager, Inc.

Mr. Chan presented a Proposal for On-Site Manager, Inc. (On-Site), in the amount of \$233,512. On-Site is a cloud-based software provider of solutions for the rental real estate business. The company provides a full-featured leasing platform for property managers and their renters. Products include software for building websites, processing rental applications and payments, and generating and storing leasing documents. The company’s products also provide lead generation (for property management companies), website, advertisement syndication, online rental application and document generation and cloud-based file storage and management.

Mr. Chan introduced Emily Mavrodudis, Director of Training.

Ms. Roberts asked who will actually do the training for your employees. Ms. Mavrodudis said her, or a designee, and two other full-time training specialists to assist with this effort.

Mr. Broad asked for an explanation of what the company does. So, essentially you are creating platforms for online applications for renters to rent from property owners to replace the traditional paper process? Ms. Mavrodudis said our clients purchase our software for building websites, processing rental applications and payments, and generating and storing leasing documents.

ACTION: Ms. Roberts moved and Mr. Rodriguez seconded approval of the Proposal for On-Site in the amount of \$233,512.

Motion carried, 7 – 0.

Sungevity, Inc.

Mr. Chan presented a Proposal for Sungevity, Inc. (Sungevity), in the amount of \$334,776. Sungevity provides services to residential homeowners in photovoltaic solar lease and purchase programs. Customers can sign a 20-year lease or purchase a solar system. While Sungevity does not manufacture solar panels, it does market, design, and provides customer support.

Mr. Chan introduced Brett Johnson, Training Manager and Lee Edenfield, Consultant.

Mr. Rodriguez said you are taking advantage of the Enterprise Zone Easy Credits? Mr. Edenfield said no, they are not eligible for those credits right now.

Ms. Roberts asked if their primary customer base is residential rather than government agencies. Mr. Johnson said yes, it is primarily a residential base. Ms. Roberts asked if the residential customers own their solar system. Mr. Johnson said we offer whatever the customer wants. We used to install only, but have moved into the purchase of the solar systems now too.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the Proposal for Sungevity in the amount of \$334,776.

Motion carried, 7 – 0.

Mr. Broad said I wanted to mention that the issue that we just dealt with, in regard to the December moving to January post-retention issue. It comes up in two more proposals today, under Tab #22 and Tab #24. He suggested the representatives for those proposals; think about their answer to the question of whether they can pay the extra .22 cents per hour.

Sutter Home Winery, Inc. dba Trinchero Family Estates

Willie Atkinson, Manager of the Sacramento Field Office, presented a Proposal for Sutter Home Winery, Inc. dba Trinchero Family Estates (Trinchero), in the amount of \$749,700. Trinchero produces 35 different brands of wines which are sold worldwide. Customers include retail grocery chains, club stores, restaurants and establishments where liquor is sold. On a yearly basis, Sutter Home produces approximately 20 million cases of wine in their production facilities located in California.

Mr. Atkinson said these will be net new jobs. This will be made a condition of the agreement, but is not included in the ETP 130.

Mr. Atkinson introduced Tom O'Brien, Managing Director of Human Resources and Nicola Duffy, Training and Development Manager.

Ms. Roberts said this is a large contract and asked if they have any additional assistance from any outside administrator. How familiar are you with ETP? Ms. Duffy said she is relatively new to the company; she's been in the states for about a year and half. I have done similar applications in Ireland in the last company I worked with, training a workforce of about 700 employees. Ms. Roberts asked how many facilities they will be training from. Ms. Duffy said they will train in Napa and primarily in Lodi. Ms. Roberts said first proposals do get very complicated, lean on staff if needed, it's a great contract and we want you to be successful.

Ms. Bell asked of the 330 employees at their other facility, 230 are transferring. How do you plan to recruit for the remaining employees in Lodi. Mr. O'Brien said, we intend to hire from the local community so primarily from the Lodi, South Sacramento and Stockton area. There are quite a few other wineries in that area that we would be able to draw from, in terms of experience. It's also in an area that has a fairly high unemployment rate so we are hoping to find employees in the local community.

Mr. Rodriguez asked if the company still owns many acres of vineyards or have they moved now to where they have purchased the grapes from other companies, and you are now in the processing part of the business now. Mr. O'Brien said over the last several years they have added to their acreage in terms of their vineyards, going from about 4,000 or 5,000 to about 7,000 on our way to 10,000 over the next couple of years. Like all wine companies, we have an in-house process where we actually grow our own grapes, and then we also purchase from other growers. Over the years, that balance has gotten a little out of whack, to the point that we have been not in full control of acreage, which can affect your quality, which is very important, so we are getting that back in balance, so there are many investments we are making.

Ms. Bell asked if they grow throughout CA. Mr. O'Brien said yes, they do. Ms. Bell asked if they grow in Monterey County. Mr. O'Brien said yes, I believe we have operations in Monterey County, Central Coast; it may be Santa Barbara that we have some vineyards.

ACTION: Mr. Rodriguez moved and Ms. Roberts seconded approval of the Critical Proposal for Trinchero in the amount of \$749,700.

Motion carried, 7 – 0.

Multiple Employer Proposals

Cargo Network Services Corporation dba CNSC Corporation

Mr. Griffin presented a Critical Proposal for Cargo Network Services Corporation dba CNSC Corporation (CNSC), in the amount of \$293,216. CNSC is a membership-based trade

organization that supports the air cargo industry in the United States. CNSC is recognized worldwide for its unique skills training in the air cargo sector. The training programs ensure workers are up to date with aviation industry standards that include air navigation services, airline management, aviation law, aviation safety and security and ground operations.

Mr. Griffin introduced Theresa Light, Manager and Rocio Vegas, Operations Manager.

Ms. Roberts asked since this is your first time to ETP, how would you normally receive funding to do your training. Ms. Light said we have a global training organization; we train our industry members worldwide. Our wholly-owned subsidiary CNS is focused primarily in the U.S. We charge a fee for our training programs. One of the reasons that brought us here is that we have a very successful partnership and relationship with the State of Florida. They have a similar program there where they allocate funds annually to certain industries, and one of those industries is trade and logistics. Because we had such tremendous success with that program, we wanted to bring a similar business model to the West Coast. We have many members that are based here and our freight forwarders and airlines are desperate for quality training; through research, Rocio was able to identify ETP.

ACTION: Ms. Roberts moved and Ms. Bell seconded approval of the Proposal for CNSC in the amount of \$293,216.

Motion carried, 7 – 0.

Santa Clarita Community College District

Mr. Griffin presented a Proposal for Santa Clarita Community College District (Santa Clarita CCD), in the amount of \$468,551. Santa Clarita CCD is a two-year fully accredited community college. The district offers students a full range of vocational and academic programs necessary for transfer to a four-year institution. Santa Clarita has an enrollment of approximately 31,000 students. Santa Clarita CCD includes a contract education, Employee Training Institute (ETI), which customizes training and education programs for employers. ETI is also part of the district's economic development division whose main goal is to support economic and community growth in the region.

Mr. Griffin introduced Joe Klocko, Dean, Economic Development College of the Canyons and John Milburn, Director of Employee Training Institute.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Ms. McBride seconded approval of the Proposal for Santa Clarita CCD in the amount of \$468,551.

Motion carried, 7 – 0.

Santa Ana Chamber of Commerce

Ms. Torres presented a Proposal for Santa Ana Chamber of Commerce (SCC or Chamber), in the amount of \$649,865. SACC has worked to bring a higher level of economic prosperity

to area business owners, workers, and residents through its business development programs in Orange County. The Chamber works in partnership with and relies upon input from its councils, committees, and task forces to identify and implement strategies and programs that benefit its constituency. These working bodies provide an opportunity for involvement of SACC members and stakeholders with a broad representation of business, government, non-profit and educational entities. One of the Chamber's major initiatives is workplace development in key industries. SACC has identified sustainable employment opportunities in a handful of priority, technology-driven industries: IT/technology; automotive; business services; construction; healthcare; biotechnology; logistics/transportation; aerospace/defense; manufacturing and new media.

Ms. Torres said this proposal was first presented during the November 2014 Panel. The Chamber was asked to return to the Panel to fully address questions from the Panel. When the Chamber first began offering ETP training in IT computer skills, its agreements focused on companies in the greater Orange County area; these companies had other facilities with the same training needs located throughout CA. As such, ETP has allowed Santa Ana the flexibility to train employees statewide from other geographic areas. Training will be provided using online software to deliver live instructor-led E-learning training via the Internet. Classes are completed on formal lecture and instruction demonstrations and interactive hands-on laboratory exercises, under the guidance of a live instructor. Training will be provided by Saisoft, a training vendor specializing and delivering IT training using the latest technologies. Santa Ana's VP of Operations will coordinate the delivery and compliance of the proposed ETP funded training. Santa Ana has contracted both the administration and all training.

Ms. Torres introduced Marty Peterson, VP of Operations and A.K. Thakore, President of Saisoft.

Mr. Broad said before we begin, we have some outstanding issues to address. Mr. Knox said one of the things we were directed to do by the Panel last time, was to answer some questions that were brought up. Our General Counsel has looked at several of those questions, and Ms. Reilly has some comments on the research that was done on the legal issues.

Ms. Reilly said issue I looked at, is whether or not there is an additional requirement for a licensure or subscription for the proprietary software that you are using, to train your people in. I don't have a legal opinion on that, except to say it's a matter of whether or not the proprietary software company chooses to come to you and say you are using it improperly. As I understand, you are in licensed in the use of the so called freeware, and have an agreement to use that freeware, and you have several other sources of access to the proprietary software products, including some that you're paying for through your own subscriptions via your servers and some that the trainees themselves have access to their employers and so forth; it's a combination.

Ms. Reilly said I did read your letter to Microsoft, for example, and I understand you have not received a response back to them. We talked to our own IT people and apparently these things are open to interpretation, so basically I'm saying, it's up to you, Microsoft, and the other proprietary software manufacturers to reach an agreement as to whether or not the

terms of licensure are being adhered to, as you licensed the freeware. Is that correct, that you do license their freeware, that there's an agreement to use it?

Mr. Thakore said as we explained in our response, the open-source software which is all the different variations of Linux, those are freely available for any corporation to download and use without any restrictions; that is the nature of open-source software. Coming specifically to the trial version of vendor's software, such as Microsoft, no; Saisoft has not entered into any agreement with Microsoft and the employers are the ones who are using the trial version of that software, for the purpose of testing and evaluation and internal use for a limited period of time; training being one of those activities.

Mr. Broad said here is how I think we need to resolve this issue, because it's not the Panel's responsibility to make sure that people have licensing. Therefore, I suggest that we have a standard provision in our contracts, if we don't have it there already, that whoever is making the application indemnifies the State of CA for any liability that you have for failing to obtain the software. I'm concerned about the liability of the State. We are granting money, we are aware that you are using the free trial software. That's not a very enviable position for us to be in, because we are not in control of this situation, and it's not easy to get an answer from Microsoft, but Microsoft could decide they don't want to answer our question or your question, and sue everybody anyway. So I think there should be a standard provision in our contracts in which the applicants indemnify the State for any liability that arises from the use of software. We are giving out the money and assuming you are acting lawfully in all capacities.

Ms. Reilly said yes, we do have an indemnification provision and we can make it more specific on this issue. Mr. Broad said yes, I think given that we are in the age of the Internet; we probably need to have a robust and specific provision in place. Mr. Peterson said yes, we would agree with that provision, which is fine. Mr. Broad said it seems to me just listening to this situation and talking with staff, it may be that a company such as Microsoft totally wants this or it may be that they don't, and it may vary from company to company, and that's incumbent upon you to figure out when you are putting together your training.

Mr. Peterson said to make you aware, we actually use a lot of software with this. Because there are all different arrangements, the software that runs in the classes, Mr. Thakore has licenses for all of the participants. The teachers that demonstrate with the software, they own licenses for that. The software that is used for the evaluation comes into play through the labs via the class, not in the actual presentation part of that. There is a myriad of arrangements with that, such as freeware. Then there are certain people that he runs servers for. There were two that were kind of a gray area; Microsoft and another. Unfortunately they were two of the larger ones too. That's where we sent letters to try to get approval. In our opinion, the Microsoft area is less gray. We feel strongly that there's enough there that a reasonable person would say this is okay; now with the other, even less so. With this provision, I'm willing to only allow certain people to get training if the company already owns the software and they use their own computers. Mr. Broad said I think that sounds like a fair solution and I appreciate you making the effort. It seems that for simplicity, all your ducks need to be in a row, licensing agreements go on page-after-page, and may assert their rights one day in licensing agreements.

Mr. Broad said the second issue that came up in my mind, was the question about your training model. In thinking about it and boiling it down, here's what I think the issue is. What is really at stake here with these MECs, is how much work the sponsoring entity does versus how much work the contractor if you will, does. Who is contracting with Santa Ana or other companies in any of these situations? My sense of it is that it varies a lot between different MECs and how they operate; they have different models. Some of them use their own employees, providing all kinds of training, and they are really doing it. Some of them are essentially doing less work and are letting the person in your position do almost everything.

Mr. Broad said I am asking the staff to, without prejudice, and having nothing to do with this contract, about whether our 8% support cost fee, should be something that is automatic, which is what we do; or whether we should look at the model. I don't know if yours is more on the side of the spectrum in which you are doing less work to earn your 8% and there is somebody else that is doing much more work to earn their 8%, and maybe you should be earning 4%, and that money can go back for more training. I'm asking staff to look at this issue, to talk about how it varies, and return to the Panel with recommendations, if any, about whether the solution may be to have a sliding scale with support costs, depending on how much support costs you actually need. Sometimes our rates become the going rate, when it's really the maximum amount. So if there's no objection from the Panel, I'm going to ask staff to do that. Mr. Broad asked if there is anything that you'd like to report back to us about your internal findings.

Mr. Knox said no, I think that pretty much covers what we need to look at. One thing that we do need to look at for quite some time, is the AT rate of \$26 per hour for small business, which is a component; they are getting \$18 per hour for Jobs #3 and #4 for the larger companies, and Jobs #1 and #2 are getting \$26 per hour, I believe. This affects all contractors, so this is something that I don't think one size fits all is going to work. But staff needs to look at, what the AT rate is. It's been years that we've looked at that, and that's another issue that staff needs consider; what that rate needs to be. It could be lower and probably should be lower, but at this point we have not analyzed that because it could affect many MECs. Mr. Broad said let's add that topic for staff to look into, and we will discuss it at a future meeting. Our decision will not affect anyone today, and maybe not for some time to come, but obviously your model Mr. Thakore, has caused much discussion. Some of it comes from your competitors and of course, naturally we view that skeptically. That is to say when comments are coming to us from one competitor to another, we are skeptical. They may be true, they may not be true, but we owe ourselves the obligation to be skeptical about those kinds of claims. Nonetheless, it's happened every time you've come before us, so something is going on there in terms of the relationships in the contractor community. I'm trying to figure out how to get to the bottom of it, in a way that is fair and equitable to everyone. In the end, it may be that we are looking at larger questions about MECs and how they are funded, and at what rate, and for what level of work they perform. I think it is fair for us to delve into the question about whether all MECs are created equal and all provide the same thing. We don't treat single employers equally, and look at them in an individual way. We tend to take a more cookie cutter approach with MECs. They are repeat contractors and they do a good job and get the training done. We've favored them over the years, that's been our traditional orientation and maybe it's time to take a look at it, and that is what we will do.

Ms. Roberts said I do have a question about the efficacy of your program, even though we've talked about more around the administration part and the copyrighting. I do a lot of training, and I know that with computer-based training on a screen with multiple people in various locations, that sometimes the effectiveness is not where it needs to be. I'm giving you a scenario, because I asked you to bring to the Panel some testimonials that said they'd been through your program and say I love it, I would never get the job that I have or wouldn't have the skills I have, without your program. Mr. Thakore said there are testimonials on Saisoft's website, attesting to exactly what you just covered. Ms. Roberts said they are saying that they love Saisoft and gone through your programs? Is that what they are saying? Mr. Thakore said yes, there is a testimonial from Affiliated Computer Services; his testimony is on the client's section of Saisoft's website. Mr. Roberts referred to the Six-Sigma program and asked if they give them a week or two weeks of training; what's your program? Mr. Thakore said there is a 40-hour module on it; by the way, that is a very small portion of what we do. Ms. Roberts said I'm just giving you an example; it's just a general idea what green belt Six-Sigma is all about. You don't actually have that person then go out and do projects and come back to you to review what they've done and what kind of efficiencies they've received from those programs. Do you do that? Mr. Thakore said no, we don't. He said trainees bring their live IT projects. Now, what we do is not green belt and Six-Sigma as applied to manufacturing. All of the training is geared towards the IT project management of projects, so the trainees bring their live projects and have group discussions specific to how the quality improvement paradigms are being applied and what the deliverables and metrics are. So there is live discussion around live projects that take place.

Ms. Roberts asked if there is actually a live person that works with them on that, how they interact. Mr. Thakore said they have break-out groups where for lab exercises, the class is broken down into groups of 4-5, this doesn't happen for IT training, this is in response to your specific question about the Six-Sigma quality training. They evaluate what they are learning and how it applies to their projects that they are currently involved in at their companies. It's not the same as having a group that meets again because the most efficient way, I'm sure you're aware, is doing it for a period of several months and the people are being evaluated on the metrics and the results are coming back. That was not feasible in a 40-hour week; we try to do what we can; they like having break-out group discussions and we have a shared white board tool that we use for that purpose. We save the white board notes, and we save those so that they become class notes the participants can take with them. Ms. Roberts asked if their training is across CA. Mr. Thakore said yes, that is correct. Ms. Roberts said ETP has been funding you since 2009 every year. Do you receive funding from any other organization, or is ETP your primary source of funding? Mr. Thakore said we are looking at other states and in fact, a couple of the states I've spoken to have been very impressed with what we are doing here in CA, and we are exploring that now. Again, the same distance model, they are very open to the delivery model, they are very impressed with the quality of training we've done, as well as how we've adapted the live online training model to IT training. There's a big shift going on within the training industry in general, within IT training in particular. If I were to make a prediction, with the companies that are not evolving fast enough, there are already many training companies that are going under. There is a big shift towards live instructor-led online training, simply because of the efficiency. Ms. Roberts said we are seeing many online courses with colleges, so I would think that having a more online model is very effective. Based on some of the e-mails I received as well as some of the other

Panel members, there was a question around your efficacy of your material, which is why I wanted to ask questions about it.

Mr. Thakore said I'd like to address that for staff, monitoring analysts, even some of the auditors. We have had staff Tara Armstrong sit-in on one of our classes. They routinely talk to the trainees and have received very positive responses. Every now and then if a teacher is not performing well, I have to make staff changes, which is true of any service business that is out there. He said by-and-large, companies have been very happy and satisfied, with not only the quality but the efficacy of this model; so that surprises me. Mr. Peterson said I'd like to invite any of you to sit in on classes. The classes that I have sat in on are very impressive; there is much interaction going on. It's not just looking at a presentation, the teacher is talking, they switch back and forth between a live system where they are entering information in, and you can see that going on. Students can text in questions and teachers will answer back where everyone can hear it, and you can see all of the questions that are being texted. It's very well done.

Mr. Rodriguez said, just for my own personal clarification, in looking at the contract. Saisoft has a vendor who will be receiving \$545,616. Saisoft has an administrative service provider who received an additional \$38,972 for a total of \$584,588. ETP is funding in the amount of \$649,865; with a difference of \$55,277. That difference goes to Santa Ana? Mr. Peterson said yes, that is correct. Mr. Rodriguez asked do you concur with those numbers. Mr. Thakore said yes, I do.

Mr. Broad said you are one of two projects where this end of 2015 wage level issue arises. Do you have any problem with the 2015 wage level? Mr. Peterson said no, not at all. Mr. Thakore agreed. Mr. Broad said this is your third time back before the Panel with this proposal. We have heard the substance of it; do any Panel members have any other questions? Mr. Broad asked if Mr. Peterson or Mr. Thakore had any questions or anything further to add before the proposal was voted on. Mr. Thakore said I'd like to address the e-mails you received. Mr. Broad said the e-mails were anonymous. Mr. Thakore asked if the e-mails could be shared with them and said if there is room for improvement, I definitely want to do that. Mr. Broad said I don't see any reason why the staff can't share the substance of the e-mail with you. As I said earlier, anonymous e-mails are due the weight anonymous communications are generally due, which is not a lot. If you feel strongly about something and in the absence of the person you're complaining about, you really should be able to sign your name to an e-mail. So I don't think that we gave that a lot of weight, but we asked that it be addressed. I'm satisfied at this point and prepared to vote for this proposal. Just because you do things maybe that some other people do in a different way, it doesn't make it wrong. Our staff has basically come back over-and-over again, saying there is nothing illegal, nothing wrong here, a little different. Your model raises questions, you have cooperated in answering the questions, we have discussed and talked about how to resolve some of the issues raised, and the extent that the issues raised by this proposal raise issues about MECs generally. We need to look at things fairly and objectively as much as we can. I don't want you to think we are picking on you specifically; we have approved many of your proposals. Mr. Thakore said I appreciate that. Mr. Broad said I'm prepared to vote to approve this proposal but I hope that we can, with the help of staff, reach a comfort level that the trainees that received the training based on taxpayer funds are getting a full bang for their buck.

ACTION: Mr. Broad moved and Mr. Rendon seconded approval of the Proposal for Santa Ana Chamber of Commerce in the amount of \$649,865.

Motion carried, 6 – 0 – 1 (Sam Rodriguez abstained from the vote)

California Field Ironworkers Apprenticeship Training and Journeyman Retraining Fund – Northern California

Mr. Chan presented a Proposal for California Field Ironworkers Apprenticeship Training and Journeyman Retraining Fund – Northern California (NorCal Ironworkers JATC), in the amount of \$423,715. NorCal Ironworkers JATC operates training centers equipped with the newest training aids and technology in Sacramento, Fresno, San Francisco, San Jose and Benicia. The training centers are a partnership between four International Brotherhood of Ironworker local unions and signatory employers who are participating in this proposal. (Local 118 in Sacramento, Local 378 in Benicia, Local 155 in Fresno and Local 377 in San Francisco). Employers partner with these unions to create and maintain an easily mobilized and highly specialized workforce. Its mission is to provide customers with high quality, on-time, within budget and accident-free craftsmanship.

Mr. Chan introduced Dick Zampa, Apprenticeship Director and Jan Borunda, Project Coordinator, CA Labor Federation.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the Proposal for NorCal Ironworkers JATC in the amount of \$423,715.

Motion carried, 7 – 0.

California Manufacturers & Technology Association

Mr. Atkinson presented a Proposal for California Manufacturers & Technology Association (CMTA), in the amount of \$649,755. CMTA is a trade association representing a large number of California's manufacturing, processing, service, and technology-based companies. Headquartered in Sacramento, CMTA has worked closely with its member companies and ETP to implement successful work skills training programs for over 20 years. CMTA's comprehensive advocacy and educational initiatives seek to foster a business environment that will lead to the retention and creation of high-wage, high-skill jobs that will enhance the overall prosperity of CA. CMTA promotes training programs and policies that help manufacturers achieve higher performance.

Mr. Atkinson said the training plan table includes the grandfather clause about the 2014 wages; however, they do not need it and will use the 2015 wages.

Mr. Chan introduced Dorothy Rothrock, President; Rob Sanger, Manager of Training Services; and George Wernette, Co-Owner/Vice President, representing Tri Tool, a participating employer in the project.

Mr. Broad congratulated Dorothy in her new position as President of CMTA, and said it is very well deserved.

Ms. Roberts asked how many employees Tri-Tool has. Mr. Wernette said they have 201, and 140 are located in Rancho Cordova.

Mr. Rodriguez asked Mr. Wernette if he could submit his comments to the Panel for the record, and to also share with the Governor's office. Mr. Broad thanked Mr. Wernette for attending the Panel meeting and said it's nice to hear from the people that are receiving the money directly and whose workers are getting the training. Mr. Wernette said it's very nice for us, an employer, to have the State of CA helping us out.

Ms. McBride asked were you under a different name in this proposal? Mr. Sanger said they came a little late, so they were not included on the list of participating employers.

ACTION: Ms. Roberts moved and Mr. Rodriguez seconded approval of the Proposal for CMTA in the amount of \$649,755.

Motion carried, 7 – 0.

Fresno, Madera, Kings & Tulare Counties Electrical Industries Joint Apprenticeship and Training Committee

Mr. Atkinson presented a Proposal for Fresno, Madera, Kings & Tulare Counties Electrical Industries Joint Apprenticeship and Training Committee (Fresno Electrical JATC), in the amount of \$317,520. Fresno Electrical JATC provides up-to-date skills training and secures high-quality job opportunities for its members. The Fresno Electrical JATC is governed by a Board of Trustees comprised of labor and management representatives, and is a joint effort of the International Brotherhood of Electrical Workers (IBEW) Local 100 and the National Electrical Contractors Association (NECA). All trainees are members of IBEW Local 100 located in Fresno, Madera, Kings and Tulare Counties (Region).

Mr. Atkinson introduced Chuck Stanton, Training Director and Jan Borunda, Project Coordinator, CA Labor Federation.

ACTION: Ms. Fernandez moved and Mr. Rendon seconded approval of the Proposal for Fresno Electrical JATC in the amount of \$317,520.

Motion carried, 7 – 0.

Amendments

Mr. Broad said we have four Amendments remaining. We have obviously heard the proposals before, so unless a Panel member has an objection, I'm prepared to make a motion to approve all four of them. There was no objection by any of the Panel members.

ACTION: Mr. Broad moved and Mr. Rodriguez seconded approval of Tabs #26, #27, #28 and #29, the four remaining Amendments, as follows:

- Tab #26 El Camino Community College District, Center for Applied Competitive Technologies (CACT)
Approved in the Amount of \$80,480
- Tab #27 Hayward Pool Products, Inc., a Division of Hayward Industries, Inc.
Approved in the Amount of \$67,800
- Tab #28 J & R Film Co., Inc. dba Moviola Digital Arts Institute
Approved in the Amount of \$111,200
- Tab #29 Riverside Community College District, Office of Economic Development
Approved in the Amount of \$375,116

Motion carried, 7 – 0.

X. PUBLIC COMMENTS

Mr. Thakore said this has come up several times, I want to understand; so in a situation when a MEC is contracted with a subcontractor for administrative purposes, the regulations limit administrative fees, and I'm assuming the attempt behind that policy or regulation is to ensure the money is dispensed equally. So most of the training money goes to the contractor, but if the contractor doesn't have the ability to train, it gets paid to a subcontractor. Am I right or am I wrong? Mr. Broad said you're right in the general sense. The issue that has arisen with your model is that the contractor is Santa Ana Chamber, they are sort of a ghost and they are really not performing any work; they are kind of a front for you to be able to operate as a MEC. So there has been a lot of argument made to us, mostly inside whispers, not publicly, that this is some kind of a contortion if you will, of the intention of the program. What I've come to conclude about it is, I don't know whether it's what the Legislature intended, or our rules intended for a MEC, and it's clear to me that all MECs are not the same and the kind of training they are doing is not the same and it's a continuum. The continuum on one side is out of the box training for standard office skills such as Microsoft Word, standard basic vanilla computer training. Then all the way on the other side of it, we have some MECs that are providing highly specialized, highly skilled training to very high wage employees in the movie industry, and I believe we've had them in aerospace and in high manufacturing, then there is the middle. Then there's another continuum that's happening, where the actual contracting entity which is doing a lot of the work themselves, and doing the training, and so on, to ones that are essentially lending their name to it and their connections. They don't do much; they are not involved in the training themselves, they are not really supervising the training, they are not talking to the workers, or don't have much connection with the employer. That's the continuum; but what we have is a funding system that treats all of it the same; that's essentially what we have, and we tend to fund it entirely the same. The only conclusion I can reach, is that it is not appropriate to pick on you every time you come to the Panel with the same proposal and the same model, because it's on one side of that continuum or another. The only thing that we can do is respond in the way we are set up to do. We have reached the conclusion collectively with staff that there is nothing inappropriate about your model, and you have been subjected to a degree of scrutiny of that model, that few of your competitors have. I will freely acknowledge that, and I am not comfortable entirely with that. Mr. Thakore asked, do you mean with the model or the degree of scrutiny. Mr. Broad said the degree of

scrutiny of your model, and I think it deserves some degree of scrutiny, but you're not doing anything illegal or wrong. But I think there is a question that it raises, and it's a legitimate question. It's a larger question about MECs in general because I don't know where they all sit, and whether people should be reimbursed at the same rate for less work or more work. I think we need to now have staff take a look at that question, so that the next time you return to the Panel we are not getting questions about what is wrong with the Saisoft model, but this is how to reimburse the Saisoft model and anybody else who adopts your model. This is how we deal with these guys over here, that are teaching people how to build nuclear submarines or something, on the other side of the continuum, and these are the rates, or whether trying to do any of that is too complicated to administer, which is what we are going to be balancing. With that, you are a good sport, you have put up with a lot, you have been very respectful of the process, you've answered the questions, you haven't gotten angry, and I could see how somebody would get angry and resentful. I very much appreciate that as someone who has spent much of his life advocating for things in a public forum, sometimes it's hard to have that level of forbearance. I'm not going to apologize to you because I don't think there's anything that we have done that isn't appropriate or warranted. It's our job as Panel members, and I think you have recognized that, and I think the Santa Ana Chamber has recognized that. You've answered our questions, you've done it in good faith, and I can only say thank you for doing that.

Ms. Roberts asked if Mr. Thakore has contracted with other Chambers of Commerce's. Mr. Thakore said yes, he has. Ms. Roberts said I do remember, and this is what triggered my point, so if you think I am over-harsh on my comments, one time I think you came through, and this is just a scenario, I've been on the Panel for eight years now, so it's been a while. You came through and you had three contracts with three different entities, I think a community college and maybe a chamber. Mr. Thakore said but it wasn't by design. Ms. Roberts said so you were walking out with way over \$1 million, just your company. Mr. Thakore said those were first-timers and they each received \$250,000. Ms. Roberts said whatever the amount of money was; I thought it could be abused. Mr. Thakore said yes, absolutely. Ms. Roberts said you say you are going to do all this training, you're going to get \$60,000, and I'm going to walk away with \$2 million. How do we monitor that? Mr. Thakore said I think that the staff, the auditors, look at it from all angles, and I do appreciate that. In fact on our website, we are very transparent and open. I invite anyone to go to visit our website and make a particular point that these are taxpayer dollars. The whole program is explained in details. Ms. Roberts said more of my comments are around abuse; normally we don't receive anonymous e-mails, so when this comes about, it triggers the Panel and sends red flags. We weren't trying to target you, but somebody else besides ourselves was thinking the same thing, so that's why we had to address that. Mr. Thakore said I'm happy to answer any questions not only at this meeting, but any questions that come afterwards, I'd be happy to answer any questions about operations or training.

XI. MEETING ADJOURNMENT

Mr. Broad adjourned the meeting at 11:58 a.m.

Single Employer Contractor

A single employer, ranging from a small business to a large publicly-traded corporation, may contract directly with the Panel. Usually, these are retraining projects for current employees.

- Unless funded under Special Employment Training (SET), a single employer must face out-of-state competition.
- A single employer must be subject to the Employment Training Tax.
- The employer must also make an “in kind” contribution toward the cost of training, as follows: 1) 100 or fewer employees, at least 50% of the ETP-funded amount; 2) more than 100 employees, at least 100% of the ETP-funded amount.
- The employer must provide union letters of support for employees who are represented. The employer should also be able to show how the training will enhance job security and improve opportunities for advancement.
- A single employer must establish the need for the particular training curriculum proposed.
- The employer must establish its ongoing commitment to training and represent that ETP funds will not displace existing resources.
- All single employer contracts are capped at \$425,000 (no variations).

These features apply to core program funding.

Multiple Employer Contractor

A Multiple Employer Contractor (MEC) may be a group of employers or a training agency, or a Workforce Investment Board.

- Up to 8% of program costs may be approved as additional funding for recruitment, placement and assessment activities. For New Hire training, the MEC may receive up to another 4% (total 12%). These costs must be justified.
- The project may be retraining or new hire training, or a combination of both. Training may take place at the worksite or a training center, or both.
- All MECs are capped at \$650,000.

Retraining

- Training hours for retrainees are capped at 200. The Panel may modify this cap for good cause on a case-by-case basis.
- The MEC must provide union letters of support for represented employees.
- The MEC must make an “in kind” contribution toward the cost of training, of at least 50% of the ETP-funded amount. These contributions may consist of:
 - 1) wages/benefits paid during training by participating employers;
 - 2) development, recruitment, placement, and assessment costs; and,
 - 3) facility and material expenses.
- The MEC must provide a list of participating employers to demonstrate actual employer demand for the occupational skills in the curriculum.
- The MEC must have a core group of participating employers for at least 80% of the training plan.
- Participating employers must be subject to the Employment Training Tax.
- Participating employers must demonstrate an ongoing commitment to training, and represent that ETP funds will not displace existing resources.

New Hire Training

- Training hours are capped at 260. The Panel may modify this cap for good cause on a case-by-case basis.
- The MEC must have a plan for recruiting trainees and participating employers. As part of this plan, the MEC must have an advisory board of participating employers qualified to provide guidance on needed occupational skills.
- Training must be for job-related skills that apply to specific occupations in a given industry or to specialized occupations across an industry spectrum.
- For all occupations, the MEC should be able to show a statewide or local shortage of skilled workers.

These features apply to core program funding.

Delegation Order Process

- The Panel has delegated authority to the Executive Director, without consultation with the Panel Chair, to approve (1) small business (100 or fewer employees) for \$50,000 or less, and (2) single and multiple employer proposals for \$100,000 or less.
- This procedure allows projects to be approved on a flow basis. This process recognizes the need for just-in-time training, and reduces or eliminates the need for a Consent Calendar.
- An ETP130 and Curriculum is prepared for each proposal. They are reviewed and approved after the Executive Director signs off. The effective date will be the date specified by the Field Analyst and if no date is specified, the earliest effective date of contract is the day after the project is approved by the Executive Director.
- A copy of approved Delegation Orders is included in each month's Panel Packet, for projects approved prior to the Panel meeting, as an information item.



RETRAINEE - JOB CREATION

Training Proposal for:

AgreeYa Solutions, Inc.

Agreement Number: ET15-0387

Panel Meeting of: February 20, 2015

ETP Regional Office: Sacramento

Analyst: W. Sabah

PROJECT PROFILE

| | | | |
|---|---|---------------------|---|
| Contract Attributes: | Priority Rate Retrainee Job Creation Initiative | Industry Sector(s): | Services Technology/IT Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Counties Served: | Sacramento and Alameda | Repeat Contractor: | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Union(s): | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| Number of Employees in: | CA: 122 | U.S.: 291 | Worldwide: 1,300 |
| <u>Turnover Rate:</u> | 16% | | |
| <u>Managers/Supervisors:</u> (% of total trainees) | 9% | | |

FUNDING DETAIL

| | | | | | | | | | | | | |
|---|-------------------------|-----------|---|--|----------------------------|-------------------------|-----|-----|---|--|--------------------------|-----------|
| <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$187,960</td></tr> </table> | Program Costs | \$187,960 | - | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> </tr> </table> | (Substantial Contribution) | (High Earner Reduction) | \$0 | \$0 | = | <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Total ETP Funding</td></tr> <tr><td style="text-align: center;">\$187,960</td></tr> </table> | Total ETP Funding | \$187,960 |
| Program Costs | | | | | | | | | | | | |
| \$187,960 | | | | | | | | | | | | |
| (Substantial Contribution) | (High Earner Reduction) | | | | | | | | | | | |
| \$0 | \$0 | | | | | | | | | | | |
| Total ETP Funding | | | | | | | | | | | | |
| \$187,960 | | | | | | | | | | | | |

| | | |
|-----------------------|------------------------------------|-----------|
| In-Kind Contribution: | 100% of Total ETP Funding Required | \$403,984 |
|-----------------------|------------------------------------|-----------|

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 | Business Skills, Computer Skills, Continuous Improvement | 88 | 8-200 | 0 | \$1,170 | \$17.31 |
| | | | | Weighted Avg: 65 | | | |
| 2 | Retrainee Job Creation Initiative | Business Skills, Computer Skills, Continuous Improvement | 50 | 8-200 | 0 | \$1,700 | \$15.00 |
| | | | | Weighted Avg: 85 | | | |

Minimum Wage by County: Job 1: \$15.75 in Sacramento County and \$16.44 in Alameda County. Job 2: \$13.13 in Sacramento County and \$13.70 in Alameda County

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

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

| Wage Range by Occupation | | |
|--|------------|-------------------------|
| Occupation Titles | Wage Range | Estimated # of Trainees |
| Job Number 1 | | |
| Accountant | | 3 |
| Business Analysts (IT) | | 12 |
| Database Administrator (IT) | | 5 |
| Developer/Programmer/Engineer (IT) | | 20 |
| Human Resources/Admin/Operations Staff | | 6 |
| Project Management Staff Level 1 | | 6 |
| Project Management Staff Level 2 | | 3 |
| Architect (IT) | | 6 |
| Quality Analyst (IT) | | 2 |
| Recruiter | | 4 |
| Sales Staff | | 11 |
| Manager | | 10 |

| Wage Range by Occupation | | |
|------------------------------------|-------------------|--------------------------------|
| Occupation Titles | Wage Range | Estimated # of Trainees |
| Job Number 2 | | |
| Business Analyst (IT) | | 7 |
| Database Administrator (IT) | | 2 |
| Developer/Programmer/Engineer (IT) | | 20 |
| Project Management Staff | | 6 |
| Architect (IT) | | 3 |
| Quality Analyst (IT) | | 2 |
| Recruiter | | 2 |
| Sales Staff | | 5 |
| Manager | | 3 |

INTRODUCTION

Founded in 1999, AgreeYa Solutions, Inc. (AgreeYa) is a software company providing solutions and services to customers through a collaborative approach with global capability and flexible delivery. Headquartered in Folsom, AgreeYa offers a variety of IT products and services such as Enterprise Social Collaboration, Cloud and Infrastructure, Microsoft SharePoint, Software Product Engineering, Application Development, Independent Software Testing, and IT staffing (including risk/compliance).

AgreeYa’s customer base is comprised of more than 200 public and private sector customers. This includes the Sacramento Municipal Utility Department, CA Air Resources Board, City of Roseville, Verizon Wireless, HP, Dell and Siemens.

Need for Training

Over the years, AgreeYa has been growing consistently and adapting to the most current innovations. The Company is implementing an internal Customer Relationship Management System to improve task coordination and project management. Due to rapid change in technology and software programs, there are new managerial, businesses, and communications techniques that would better support client and market demand. With this in mind, AgreeYa has developed an intranet portal called ZoomIn, where employees can share knowledge and exchange ideas. The Company has also implemented a Learning Management System and an Electronic Program Management System.

These adaptations require changes in the employees’ current skills. ETP-funded training will help the Company gain an advantage over the competition while fostering growth of the business. The Company’s objectives are to achieve greater efficiencies, improve business skills, and enhance customer satisfaction. The Company has created the “AgreeYa Academy” to improve processes and develop skills through formal training.

Retrainee - Job Creation

In support of job creation, the Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

AgreeYa has committed to hiring 50 new employees as shown in Job Number 2. The date-of-hire for all trainees in Job Number 2 will be within the three-month period prior to contract approval or within the term-of-contract. These trainees will be hired into “net new jobs” as a condition of contract.

AgreeYa, recently broadened its market base with a new product/solution known as VDIxtend. This solution will enable customers to easily provision and access hosted virtual desktops. Due to the fast pace of development and virtualization technologies, AgreeYa must hire additional employees to meet demand for this new product.

AgreeYa has grown from 800 employees in 2010 to more than 1300 globally. In the next two years AgreeYa anticipates a projected growth in revenues from \$65 million to \$75 million and adding an additional 200 employees. All job creation employees will require an extensive amount of training to elevate their skills and proficiencies.

Training Plan

Business Skills (40%): Training will be offered to all occupations. Training will allow trainees to communicate effectively with customers and peers, improve accounting expertise, provide customer service to help expand sales, develop marketing strategies, and manage projects efficiently. Training topics will include Communication Skills, Customer Service, Product Knowledge, Strategic Planning and Marketing/Sales Techniques.

Computer Skills (40%): Training will be offered to all occupations. Training will increase productivity and improve proficiency in various software and technical skills. In addition, the technical skills will enable staff to compile, filter and analyze to improve business decisions. Training topics will include Crystal Reports, Quickbooks, SQL Server, Microsoft Office (Intermediate/Advanced), and Oracle8i.

Continuous Improvement (20%): Training will be offered to all Business Analysts, Database Administrators, Developers, Programmers, Engineers, Project Management Staff, Architects, and Quality Analysts. These occupations are part of the Information Technology Staff. Training will improve team-building, improve product quality, resolve production issues, eliminate waste, reduce costs, improve efficiency, and increase productivity. Training topics include Planning and Organization for Quality, Project Management, Process Capability, Root Cause Analysis and Team Building.

Commitment to Training

AgreeYa represents that ETP funds will not displace its existing financial commitment to training. The Company reports that its 2014 training budget for California employees is \$225,000. The Company provides substantial training resources to ensure employees have the basic technical and business skills to do their job. Ongoing training efforts also include coaching, mentoring, job rotation, job instruction technology, apprenticeship, soft skills, and case studies. AgreeYa currently provides On-The-Job and Off-The-Job training to focus on highly technical skills and processes to remain competitive in the marketplace. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

AgreeYa retained Sierra Consulting Services in Folsom to assist with development of this proposal for a flat fee of \$9,300.

ADMINISTRATIVE SERVICES

Sierra Consulting Services will also perform administrative services in connection with this proposal for an amount not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Behavior Style Strategies
- Business Writing
- Communication Skills
- Customer Relationship Management
- Customer Service
- Dealing With Difficult People
- Marketing/Sales Techniques
- Organization Behavior
- Planning and Organization
- Product Knowledge
- Production Scheduling
- Production Operations/Workflow
- Relationship Building
- Retaining Customers
- Strategic Planning
- Time Management

COMPUTER SKILLS

- Microsoft Sharepoint
- Customer Relationship Management
- Crystal Reports
- Microsoft Office, Intermediate/Advanced
- Programming Languages: .Net, C#, ASP.net, JAVA, J2EE, JDBC, Python, PERL, SAP ABAP, Android, iOS
- Quickbooks
- SQL Server
- Oracle 8i

CONTINUOUS IMPROVEMENT

- Planning and Organization for Quality
- Project Management
- Process Capability
- Process Improvement
- Quality Measurement Systems
- Root Cause Analysis
- Statistical Process Control
- Team Building

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



Training Proposal for:

**Apprentice & Journeymen Training Trust Fund of the
Southern California Plumbing and Piping Industry**

Agreement Number: ET15-0919

Panel Meeting of: February 20, 2015

ETP Regional Office: North Hollywood

Analyst: M. Reeves

PROJECT PROFILE

| | | | |
|---|--|---------------------|--|
| Contract Attributes: | Retrainee Apprenticeship New Hire Veterans Priority Rate | Industry Sector(s): | Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Counties Served: | Imperial, Inyo, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Ventura | Repeat Contractor: | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Union(s): | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Southern California Pipe Trades District Council 16 | | |
| Turnover Rate: | ≤20% | | |
| Managers/Supervisors: (% of total trainees) | N/A | | |

FUNDING DETAIL:

| | | | | |
|----------------------|---|-------------------------------|---|--------------------------|
| Program Costs | + | Support Costs | = | Total ETP Funding |
| \$604,266 | | \$45,639 8% (20% Veterans) | | \$649,905 |

| | | |
|------------------------------|--|-----------------|
| In-Kind Contribution: | 50% of Total ETP Funding Required | Inherent |
|------------------------------|--|-----------------|

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 Apprentice LA Steamfitters JATC | Commercial Skills | 33 | 8-200 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |
| 2 | Retrainee Apprentice LA Metro Plumbers JATC | Commercial Skills | 33 | 8-200 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |
| 3 | Retrainee Apprentice Orange Co. Plumbers JATC | Commercial Skills | 31 | 8-200 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |
| 4 | Retrainee Apprentice Glendale Plumbers JATC | Commercial Skills | 30 | 8-200 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |
| 5 | Retrainee Apprentice San Bernardino /Riverside Co. Plumbing JAC | Commercial Skills | 31 | 8-200 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |
| 6 | Retrainee Apprentice Pomona Plumbers JAC | Commercial Skills | 24 | 8-200 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |
| 7 | Retrainee Apprentice San Diego/Imperial Co. Pipe Trades JAC | Commercial Skills | 25 | 8-200 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |
| 8 | Retrainee Apprentice Sprinkler Fitters 709 JAC | Commercial Skills | 7 | 8-200 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |
| 9 | Retrainee Apprentice Ventura Co. Plumbing JAC | Commercial Skills | 5 | 8-200 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |
| 10 | Retrainee Apprentice SLO Co. Plumbing JAC | Commercial Skills | 7 | 8-200 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |

| | | | | | | | |
|----|---|---|----|----------------------|---|---------|---------|
| 11 | Retrainee Apprentice Santa Barbara Co. Pipe Trades JAC | Commercial Skills | 5 | 8-200 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |
| 12 | Retrainee Apprentice Kern/Inyo/Mono Co. Plumbing JATC | Commercial Skills | 7 | 8-200 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |
| 13 | Retrainee Journeymen Priority Rate | Commercial Skills, Computer Skills, Continuous Imp. | 89 | 8-200 | 0 | \$1,411 | \$41.68 |
| | | | | Weighted Avg: 60 | | | |
| 14 | New Hire Veterans Pre-Apprentice | Commercial Skills | 5 | 8-375 | 0 | \$9,570 | \$20.55 |
| | | | | Weighted Avg: 375 | | | |

Minimum Wage by County: \$20.55 per hour Statewide (Priority Industry).

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

Although employers provide health benefits, they are not being used to meet Post-Retention Wage.

| Wage Range by Occupation | | |
|---|------------|-------------------------|
| Occupation Titles | Wage Range | Estimated # of Trainees |
| Job Numbers 1-12 | | |
| Apprentice Plumber & Pipefitter | | 238 |
| Job Number 13 | | |
| Journeymen Plumber & Pipefitter | | 89 |
| Job Number 14 | | |
| Veteran/Pre-Apprentice Plumber & Pipefitter | | 5 |

INTRODUCTION

Founded in 1959, the Apprentice & Journeymen Training Trust Fund of the Southern California Plumbing and Piping Industry (P&P Trust) (www.ajtraining.org) provides training for workers in the plumbing and pipefitting industry. The Trust was established by unions and contractors and is governed by a joint labor-management committee.

Union representation is through District Council 16 of the United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the United States and Canada. P&P Trust operates training on behalf of 12 apprenticeship program sponsors:

- San Diego & Imperial Counties Pipe Trades JAC
- Los Angeles Metropolitan Plumbers JATC
- Glendale, Burbank, San Fernando Valley & Antelope Valley Plumbers & Pipefitters JATC
- San Bernardino & Riverside Counties Plumbing & Steamfitter Trade JAC
- Kern, Inyo & Mono Counties Plumbing, Pipefitter & Refrigeration/A/C Mechanic JATC
- Santa Barbara County Pip Trades JAC
- Orange County Plumbers & Steamfitters JATC
- Pomona and San Gabriel Valleys Plumbers & Steamfitters JAC
- Sprinkler Fitters UA Local 709 JAC
- San Luis Obispo County Plumbing JAC
- Los Angeles Metropolitan Plumbers JAC
- Los Angeles Steamfitters JATC

Each of the apprentice Job Numbers 1-12, represents a program sponsor, and each is below the funding cap of \$300,000 per program sponsor.

P&P Trust is responsible for training approximately 2,000 Apprentices and 12,000 Journeymen workers throughout Southern California. Members are employed by plumbing and mechanical contractors, building and plant owners, utility contractors, shipbuilders, manufacturing companies, chain stores, air and water balance companies, power plants, hospitals, and refineries. The Apprentices and Journeymen work at a variety of job sites that include power stations, commercial establishments, offshore oil rigs, pipelines, airports, shipyards, and fabrication shops. Through P&P Trust, trainees are taught installation and service of drainage systems, pipe fabrication and assembly, electronic control work, appliance repair, and operation of mechanical systems.

P&P Trust representatives indicate there is a national shortage in the plumbing and pipefitting industry. Individuals (baby boomers) are retiring in large numbers and employers often find it difficult to find high-skilled craftsmen to fill these specialized jobs. Many in this field are also being called upon to work on various "green" projects which require workers who are familiar with these standards. As a result, there is high demand for workers trained in "green" building technologies and procedures.

ETP-funded training will expand the skill sets of Journeymen and Apprentices. Workers will receive training in Green Awareness, as well as earn certifications in Pipefitting and Plumbing skills. P&P Trust will also include Continuous Improvement and Computer Skills topics to help trainees improve in areas such as communication and problem solving.

Apprenticeship Pilot

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). The Panel provides reimbursement for the Related and Supplemental Instruction (RSI) portion of an apprenticeship training program. RSI is delivered as class/lab training that is developed with a Local Educational Agency (Los Angeles Unified School District) and approved by DAS. The program provides reimbursement for 200 hours of RSI plus OSHA 10. However, in this proposal, the JATC has not requested OSHA 10 training. All training will be class/lab.

For the building trades, where it is not customary for workers to be employed for 90 consecutive days with one employer, the Panel may substitute hours worked for retention. The modified

retention period must be no less than 500 hours within 272 days with more than one employer. P&P Trust is requesting this modified retention period.

To ensure ETP does not displace Montoya Funds, Apprenticeship Pilot reimbursement is reduced by \$5.00, reducing the priority industry rate from \$18.00 to \$13.00 per hour. The ETP wage for Apprentices will be \$20.55 per hour. This is the Special Employment Training Statewide wage as modified for priority industries which is being used for all apprentice occupations, for ease of administration.

DAS Retention Rates

The average completion rate for apprentices in the Plumbing & Pipefitting industry is 48% as measured by DAS over the most recent five-year reporting period: CY 2009 through CY 2013. When the average completion rate for an apprenticeship program is less than half the industry average, the Panel requires a justification for funding.

In this proposal, with 12 individual program sponsors, the overall average completion rate for the pertinent five-year period is 41%. This is well over the industry benchmark of 24%.

Furthermore, there is no record of DAS audit or sanction against any of the individual program sponsors due to poor completion. Given this, and the fact that P&P Trust has performed at 100% in three prior contracts and is on track for 100% in the active contract, staff believes there is sufficient justification.

PROJECT DETAILS

Training Plan

Specialized training will be provided for trainees in valve repair, welding, industrial rigging, green technology, refrigerant handling, foreman skills, and instrumentation. Training funded under this Agreement will lead to certifications that are recognized nationally in the pipe trades. Training is scheduled to begin in March 2015 and end approximately 12 months later.

Commercial Skills (95%) - Training will be offered to all occupations to help workers develop high skill levels in the piping and plumbing industry. Training modules will include Plumbing Fixtures and Controls, Rigging, Maintenance, Water and Drainage Systems, and Green Awareness.

Computer Skills (2.5%) - Training will be offered to Journeymen in computer software programs. Training will cover 3-D Drawings and Project Management Software.

Continuous Improvement (2.5%) - Training will be offered to Journeymen to enhance skill sets such as Problem Solving and Communication.

LMS

Staff has approved P&P Trust's use of a Learning Management System for recordkeeping.

Veterans Program

P&P Trust has established a pre-apprenticeship training program for Veterans located at Camp Pendleton. This program, Veterans in Piping, provides training for military personnel who are completing their service and preparing for civilian life in the pipe trades. Under ETP's Veteran's ETP 130 - MEC (10/02/14)

program, the cap on hours for New Hire training may be modified for good cause on a case-by-case basis. Trainees will complete 40 hours of training per week for 18 weeks. Once their military service is completed, they are placed as second year Apprentices.

P&P Trust is requesting an increase in the cap on hours from 260 to 375 per-trainee for the veterans in Job Number 14. This is justified in light of the fact that the veteran trainees will actually receive a total of 720 hours of training, with the balance paid by P&P Trust.

The Panel has established a higher reimbursement rate (\$22) and other incentives for training California veterans. Support costs at 20% have been included to reach participants for this program. As a result of these factors, and the modified cap on hours, the cost per trainee is higher for veterans than for the trainees in Job Numbers 1-13.

Impact/Outcome

Training for Journeymen is designed to earn industry certifications in plumbing, welding, medical gas installation systems, and pipefitting (National Inspection Testing Certifications for Pipefitters and Plumbers).

Training for Apprentices will allow them to advance in pay levels in accordance with management-labor standards for the industry.

Marketing and Support Costs

The Apprenticeship program is marketed through trade associations in the Southern California area, including California Plumbing & Mechanical Contractors Association; Air Conditioning, Refrigeration and Mechanical Contractors Association of Southern California, Inc.; and California Landscape and Irrigation Council.

Employers participate as members of joint apprenticeship training committees and as trustees for the P&P Trust. They are also notified of training through association websites, mailings, and presentations. Training is then designed around the employer's needs and the overall industry demand.

P&P Trust requests 8% support costs (20% for Veterans) to assist in recruitment, employer outreach, and assessment of employer-specific job requirements. Assessments and recruitment will take place throughout the duration of the Agreement. Staff recommends the 8% support costs.

Training Coordination

Training is center-based at training facilities throughout the state and will be delivered by qualified in-house Journeymen staff. Administration will be handled by the Los Angeles Unified School District and Steve Duscha Advisories.

Commitment to Training

Employers will continue to make contributions to the training trust for every hour worked by Apprentices and Journeymen. Safety training is, and will continue to be, provided by the participating employers in accordance with all pertinent requirements under state and federal law.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

The following table summarizes performance by P&P Trust under an active ETP Agreement:

| Agreement No. | Approved Amount | Term | No. Trainees (Estimated) | No. Completed Training | No. Retained |
|---------------|-----------------|---------------------|--------------------------|------------------------|--------------|
| ET14-0909 | \$1,202,139 | 12/14/13 – 12/13/15 | 635 | 1081 | 397 |

Based on ETP Systems, 87,723 reimbursable hours have been tracked for potential earnings of \$1,402,699 (116% of approved amount). The Contractor currently has \$358,028 earnings in process for the 397 trainees retained to date, and is projecting final earnings of 100% pending closeout of this Agreement.

PRIOR PROJECTS

The following table summarizes performance by P&P Trust under ETP Agreements that were completed within the last five years:

| Agreement No. | Location (City) | Term | Approved Amount | Payment Earned \$ % |
|---------------|-----------------|---------------------|-----------------|------------------------|
| ET13-0901 | Compton | 09/04/12 – 09/03/14 | \$698,826 | \$698,826 (100%) |
| ET11-0234 | Compton | 05/02/11 – 05/01/13 | \$398,680 | \$398,680 (100%) |
| ET09-0502 | Compton | 04/04/09 – 04/03/11 | \$535,908 | \$535,908 (100%) |

DEVELOPMENT SERVICES

Steve Duscha Advisories in Sacramento assisted with development of this proposal for a flat fee of \$10,000.

ADMINISTRATIVE SERVICES

Steve Duscha Advisories and the Los Angeles Unified School District in Los Angeles will perform administrative services for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum

Trainees may receive any of the following:

Class/Lab Hours

8-200

Journeyman Training

COMMERCIAL SKILLS

Green Awareness

- ✚ Terms, definitions and technologies
- ✚ Energy efficiency in existing equipment
- ✚ Design and installation of new equipment for energy efficiency
- ✚ Renewable and sustainable fuel sources
- ✚ Water conservation
- ✚ LEED (Leadership in Energy and Environmental Design) standards
- ✚ LEED documentation and rating system

Pipe Fitter Certification

- ✚ National Inspection Testing Certification requirements
- ✚ Advanced steam fitting
- ✚ Advanced hydraulics
- ✚ Instrumentation
- ✚ Advanced air conditioning and refrigeration
- ✚ Piping mathematics
- ✚ Welding
- ✚ Rigging

Plumber Certification

- ✚ National Inspection Testing Certification requirements
- ✚ Advance sanitary drain and vents
- ✚ Water supply and distribution
- ✚ Advanced fuel piping

Backflow Prevention

- ✚ Theory of backflow prevention
- ✚ Design of backflow devices
- ✚ Testing
- ✚ Troubleshooting
- ✚ Maintenance
- ✚ Clean room protocol/orbital welding
- ✚ Clean room technology
- ✚ High purity piping
- ✚ Programming and calculation for orbital welding

Foreman Training

- ✚ Job site supervisory responsibilities
- ✚ Ordering, tracking, management of material
- ✚ Utilization of manpower
- ✚ Job site scheduling
- ✚ Coordination meetings

Structural Steel Piping

- ✚ Preparation of metals
- ✚ Welding of structural steel
- ✚ Milling specifications and documentation

Medical Gas

- ✚ Installation
- ✚ System testing requirements
- ✚ Maintenance
- ✚ Repair
- ✚ Standards
- ✚ Brazing

Valves

- ✚ Plumbing and piping valve types
- ✚ Identification
- ✚ Proper use of valves
- ✚ Maintenance
- ✚ Rebuilding and replacement procedures

Industrial rigging

- ✚ Rigging equipment selection
- ✚ Load calculating
- ✚ Center of gravity
- ✚ Lift types

Blueprint Reading and Drawing

- ✚ Drawing interpretation
- ✚ Installation drawings
- ✚ Isometric drawings
- ✚ Trade coordination

Service & Repair/Fixtures & Controls

- ✚ Plumbing fixtures
- ✚ Drain cleaning
- ✚ Faucet repair
- ✚ Water heaters
- ✚ Plumbing code

Basic Instrumentation

- ✚ Basic electricity
- ✚ Tube bending
- ✚ Procedures for installing instruments for process control applications
- ✚ Specific process measuring instruments

Advanced Instrumentation

- ✚ How to interpret all types of instrumentation drawings
- ✚ Principle of operation
- ✚ Function and configuration of instruments in a system
- ✚ Rapidly identify measured variables in a loop, including temperature, pressure, flow and level
- ✚ Troubleshooting

Instrumentation for Technicians

- ✚ Principals of operation
- ✚ Functions of instrumentation
- ✚ Calibration
- ✚ Documentation
- ✚ Shutdown systems
- ✚ Controls
- ✚ Fiber optics

Welding

- ✚ Types of welds
- ✚ Inspection
- ✚ Pipeline welding

Clean Room Orbital Welding

- ✚ Programming
- ✚ Calculations
- ✚ Welding in high purity piping systems

Crane Signaling

- ✚ Types of cranes
- ✚ Communication
- ✚ Balance

Safe Working Conditions (All training supplements required safety training)

- ✚ Foreman responsibility
- ✚ Worker responsibility
- ✚ Scaffolding
- ✚ Fall protection

- ✚ Electrical safety
- ✚ Falling objects
- ✚ Working in confined spaces
- ✚ Working around pipelines
- ✚ Asbestos awareness
- ✚ Lead Awareness

Non-metallic Pipe

- ✚ Types of pipe
- ✚ Setup and joining
- ✚ High density polyethylene fusion

COMPUTER SKILLS

- ✚ Computer literacy for plumbers and pipefitters
- ✚ Working with files
- ✚ Computer-Aided drafting
- ✚ 3-D drawings
- ✚ Using project management software

CONTINUOUS IMPROVEMENT SKILLS

- ✚ Project management
- ✚ Communications skills
- ✚ Strategic planning
- ✚ Problem solving
- ✚ Quality concepts

Class/Lab Hours

8-375 Job Number14 Only

Pre-Apprentice/Veterans Training

COMMERCIAL SKILLS

- ✚ Working in the pipe trades
- ✚ Rigging
- ✚ Basic math
- ✚ Piping math
- ✚ Hand tools
- ✚ Power tools
- ✚ Basic welding
- ✚ Drawing
- ✚ Science of metals and piping
- ✚ Hydronics for heat transfer in heating and cooling
- ✚ Basic instrumentation
- ✚ Principles of electricity
- ✚ Gas distribution
- ✚ Drainage

- ✚ Water distribution
- ✚ Piping drawing
- ✚ Service and repair
- ✚ Fixtures and controls
- ✚ Design and layout
- ✚ Plumbing code
- ✚ Estimating
- ✚ Basic blueprints
- ✚ Irrigation systems
- ✚ Landscaping

Class/Lab Hours

8-200 Job Numbers 1-12

Apprentice Training

COMMERCIAL SKILLS

- ✚ Introduction to OSHA
- ✚ Hazard Communication
- ✚ Personal Protective Equipment
- ✚ Material Handling
- ✚ Electrical Safety
- ✚ Tool Safety
- ✚ Scaffold Safety
- ✚ Fall Protection
- ✚ Stairways and Ladders
- ✚ Confined Spaces
- ✚ Mathematics used in the Piping Trades
- ✚ Units of measurement
- ✚ “Rigging” in the Piping Trades
- ✚ Materials, hardware and tools associated with “rigging”
- ✚ Incorporate Units of Measuring and mathematical formulas with “rigging”
- ✚ Use of copper and acetylene torches
- ✚ Gas distribution systems and their components
- ✚ UPC and other administrative authorities
- ✚ Fittings, pipes, appliances and materials
- ✚ Drainage systems and their components
- ✚ Water Treatment
- ✚ Water Treatment & Water Sizing
- ✚ Water Mains & Water Sizing
- ✚ Water Mains & Services
- ✚ Building Water Systems
- ✚ Hot water Supply & Water Sizing

- ✚ Introduction to basic drawing tools, measuring tools and lettering skills
- ✚ Three view, Plan view and Elevation view drawings
- ✚ Graphic symbols for Pipe Fittings and Valves
- ✚ Interpretation of technical diagrams and piping drawings
Interpretation of isometric drawings
- ✚ Service & Repair/Fixtures & Controls

- ✚ Basic electricity, pneumatics, hydraulics and servicing of gas and electrical appliances
- ✚ Failure analysis
- ✚ Advanced Drawing
- ✚ Isometric drawings
- ✚ Drawing structural backgrounds
- ✚ Drawing sleeves on structural backgrounds
- ✚ Drawing sleeves without dimensions
- ✚ Review other trades drawings
- ✚ Design & Layout
- ✚ Isometric drawing of water, water gas, waste and vent systems
- ✚ Plan view drawing of water, gas waste and vent systems
- ✚ Material take-off list for installation
- ✚ Laying out trenches, figure grade and backfill
- ✚ Ordering material for the job site and maintain an inventory
- ✚ Using the Uniform Plumbing Code as a guide to maintaining standardization and safety while installing plumbing systems to meet minimum requirements, with consumer cost in mind.
- ✚ Fundamentals of welding
- ✚ How to strike and maintain an arc with S.M.A.W. process
- ✚ Flat, vertical and overhead positions with 610 and 7018 welding rod on plate
- ✚ General knowledge of oxy fuel and ARC welding safety
- ✚ Flame cut and bevel pipe
- ✚ Proper use of grinders for welding preparation
- ✚ Welding techniques for plate and pipe
- ✚ Weld rod designations, AMP settings and polarity
- ✚ Creating models and estimating
- ✚ Qualities and role of a leader
- ✚ Using computer-based technologies to manipulate, create, store and retrieve information to express ideas and communicate with others
- ✚ Medical Gas Installer & Brazing

Note: Reimbursement for retraining is capped at 200 total training hours per trainee in Job Numbers 1 - 13, and capped at 375 total training hours per trainee in Job Number 14, regardless of the method of delivery.



Training Proposal for:

Los Angeles & Orange Counties Air Conditioning and Refrigeration Joint Journeyman and Apprentice Training Committee

Agreement Number: ET15-0921

Panel Meeting of: February 20, 2015

ETP Regional Office: North Hollywood

Analyst: M. Reeves

PROJECT PROFILE

| | | | |
|---|---|---------------------|--|
| Contract Attributes: | Retrainee Priority Rate Apprenticeship | Industry Sector(s): | Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Counties Served: | Los Angeles, Orange, San Bernardino, Riverside, San Diego, Ventura, Santa Barbara, San Luis Obispo | Repeat Contractor: | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Union(s): | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Steam-Refrigeration-Air Conditioning-Pipefitters and Apprentices of the United Association of the United States and Canada, Local Union 250 | | |
| Turnover Rate: | ≤20% | | |
| Managers/Supervisors: (% of total trainees) | 0% | | |

FUNDING DETAIL:

| | | | | |
|----------------------|---|----------------------|---|--------------------------|
| Program Costs | + | Support Costs | = | Total ETP Funding |
| \$280,464 | | \$19,422 8% | | \$299,886 |

| | | |
|------------------------------|--|-----------------|
| In-Kind Contribution: | 50% of Total ETP Funding Required | Inherent |
|------------------------------|--|-----------------|

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 Apprentice Priority Rate | Commercial Skills OSHA 10 | 92 | 8-210 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |
| 2 | Retrainee Journeyman Priority Rate | Commercial Skills OSHA 30 | 50 | 8-200 | 0 | \$1,411 | \$41.29 |
| | | | | Weighted Avg: 60 | | | |
| 3 | Retrainee Priority Rate | Commercial Skills | 32 | 8-200 | 0 | \$1,411 | \$20.55 |
| | | | | Weighted Avg: 60 | | | |

Minimum Wage by County: \$20.55 per hour SET Statewide wage for priority industries.
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
 \$1.05 per hour may be used to meet the Post-Retention Wage for trainees in Job Number 3.

| Wage Range by Occupation | | |
|---------------------------------------|------------|-------------------------|
| Occupation Titles | Wage Range | Estimated # of Trainees |
| Job Number 1 | | |
| Apprentice HVAC Technician | | 92 |
| Job Number 2 | | |
| Journeyman HVAC Technician | | 40 |
| HVAC Foreman | | 10 |
| *Job Number 3 | | |
| Mechanical Equipment Serviceman (MES) | | 17 |
| **Tradesman | | 15 |

*The MES classification includes personnel with experience, but little to no formal training. It is an intermediate classification created through collective bargaining, with salaries and skills lower than a journeyman. Workers in this classification neither complete an apprenticeship nor receive apprentice training. The Tradesman classification is for entry-level helpers, drivers, parts persons, and yard workers. Tradesmen may become apprentices and advance to journeyman status.

Both occupations were created through collective bargaining under a lower wage scale that allows the union contractors to better compete. They are represented, and their scope of work is set forth, in the collective bargaining agreement. Their total compensation includes payment into the JJATC trust fund.

**Under the collective bargaining agreement, Tradesmen may be paid a \$10.00 per hour base, although they are actually paid a higher wage according to the JJATC. Tradesmen will meet the SET Priority Industry wage of \$20.55 per hour if they participate in training funded by ETP.

INTRODUCTION

The Los Angeles & Orange Counties Air Conditioning and Refrigeration Joint Journeymen and Apprentice Training Committee (JJATC) (www.hvacr-training.com) was founded in 1949 by a consortium of labor and management organizations to provide training for air conditioning and refrigeration technicians and is located in downtown Los Angeles. The JJATC administers a training trust fund created through collective bargaining and funded by signatory employers.

This will be the third Agreement between ETP and the JJATC. Technician training includes the inspection, service, maintenance, start-up, testing, balancing, adjusting, repair, and replacement of mechanical and refrigeration equipment. The proposed training targets workers represented by the Steam-Refrigeration-Air Conditioning-Pipefitters and Apprentices of the United Association of the United States and Canada, Local Union 250. Trainees work for contractors who serve a wide variety of industrial and commercial businesses throughout Southern California. The contractors are represented by the Air Conditioning and Refrigeration Contractors Association of Southern California.

Demands for energy efficiency are changing the industry, especially in California. The California Building Energy Efficiency Standards, codified in regulations under Title 24, require higher levels of efficiency from air conditioning and refrigeration systems. This includes new types of equipment and controls (i.e. setting up zones so only occupied portions of a building are cooled). Title 24 also sets standards for commercial refrigeration including supermarkets. These standards are part of California's response to AB 32, the Global Warming Solutions Act of 2006, which mandates that California reduce its greenhouse gas emissions to 1990 levels by 2020.

Employer Demand

Employer demand continues to be strong for experienced workers and new apprentices to install and maintain complex electronically-controlled equipment as needed to meet energy conservation standards. JJATC staff reports that September 2014 saw the largest group of first-time apprentices in recent years, a trend that is expected to repeat in September 2015. Furthermore, the number of journeyman trainees has outpaced the number of apprentices, demonstrating the overwhelming need to learn new skills.

This proposal will continue training began in the prior contracts. In this program, the JJATC will expand its first-time apprentice training and allow continuing apprentices and journeymen to hone their skills and advance.

Apprenticeship Pilot

The Panel is authorized to fund apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). The Panel provides reimbursement for the Related and Supplemental Instruction (RSI) portion of an apprenticeship training program. RSI is delivered as class/lab training and developed with a Local Educational Agency (Los Angeles County Office of Education). The program provides reimbursement for up to 200 hours of RSI plus OSHA 10. All training will be class/lab.

For the building trades, where it is not customary for workers to be employed for 90 consecutive days with one employer, the Panel may substitute hours worked for retention. The modified retention period must be no less than 500 hours within 272 days with more than one employer. The JJATC is requesting this modified retention period.

To ensure ETP does not displace Montoya Funds, Apprenticeship Pilot reimbursement is reduced by \$5.00, reducing the priority industry rate from \$18.00 to \$13.00 per hour. The ETP wage requirement for Apprentices is \$20.55 per hour. This is the Special Employment Training Statewide wage as modified for priority industries which is being used for all apprentice occupations, for ease of administration.

DAS Completion Rates

The completion rate for this DAS-approved program for 2008-2012 is 77.6% and exceeds the industry completion percentage of 65.8%.

PROJECT DETAILS

Training Plan

Training will give workers the skills they need to complete jobs quickly with the highest quality workmanship and give employers the capacity to expand in California as the economy improves. Training is scheduled to begin March 1, 2015 and last for approximately one year. Training will be delivered by experienced journeyman workers in the trade at the JJATC's Los Angeles training center. No outside training vendors will be used.

Commercial Skills (97%) - Training will be offered to all occupations in installation, repair, and maintenance of energy efficient HVAC systems and emphasizing use of electrical and digital controls and new equipment required by today's HVAC industry. Trainees will be taught how to select components and lay out systems for maximum efficiency. Course work will also include theory and principles in Thermodynamics. Specialized training will be given to workers who install and service supermarket refrigeration systems.

OSHA 10/30 (3%) - Training will be delivered to Apprentice and Journeyman trainees to ensure safe working conditions and fulfill current mandates requiring 25% to 40% of an employer's on-site workforce be OSHA certified.

OSHA 10/30 training is a series of courses "bundled" by industry sector and occupation. It consists of 10 hours of training for journey-level and 30 hours for frontline supervisors.

This training is not required as a condition of doing business in California. However, the coursework must be approved by, and the instructors must be certified by Cal-OSHA. When delivery is by CBT all training hours must be delivered in a classroom over a finite amount of time, and the vendor must have a certified instructor present to confirm attendance.

Completion of the training results in a certificate that expands employment opportunities. To ensure that each trainee receives certification, ETP will only consider payment earned upon completion of the full 10-hour or 30-hour course. OSHA 10/30 is not included in the 10% limitation on safety training.

Impact/Outcome

Apprentices will be certified as journeyman once they complete the entire apprentice curriculum. Journeymen will receive an industry certificate for completing the HVAC core course and an Energy Auditor certificate for completing the energy auditing course. Trainees who complete the OSHA 10 or OSHA 30 course will receive a certification.

Curriculum Development and Feedback

The proposed training program was developed by a joint labor-management committee comprised of employer and union representatives to address the demands driven by new building standards for energy efficiency. The Committee and Local Union 250 communicate employer needs (including requests for training in specialty areas and general worker shortages) to the JJATC. The committee also continuously reviews and updates curriculum, training materials, and training facilities based upon the industry expertise of its membership.

The JJATC conducts assessments at the conclusion of each training session to evaluate program effectiveness. Trainees and employers are encouraged to provide feedback through their representatives on the Committee and directly to training personnel at the JJATC.

Marketing and Support Costs

Participating employers are notified of training through the Air Conditioning, Refrigeration and Mechanical Contractors Association of Southern California via websites, mailings and presentations. Workers are notified of training through their union local and directly by the training center through website postings and mailings.

The JJATC is requesting 8% support costs to assist in Apprentice recruitment, employer outreach, and assessment of employer-specific job requirements. Although many of the participating employers have already been notified, additional outreach and needs assessments will take place throughout the Agreement term. Staff recommends the 8% support costs.

Commitment to Training

Employers will continue to make contributions to the training trust for every hour worked by Apprentices and Journeymen. Safety training is, and will continue to be, provided by the participating employers in accordance with all pertinent requirements under state and federal law.

Training Coordination

Project administration will be performed by a partnership of the JJATC, the Los Angeles Unified School District (LAUSD) and Steve Duscha Advisories. The JJATC will handle class scheduling and completion of training rosters. The two administration vendors will assist in employer liaison, documentation of work hours, uploading training and enrollment data, ETP reporting, and related activities.

Electronic Recordkeeping

ETP staff has approved the use of a Learning Management System for recordkeeping.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

The following table summarizes performance by the JJATC under an active ETP Agreement:

| Agreement No. | Approved Amount | Term | No. Trainees (Estimated) | No. Completed Training | No. Retained |
|---------------|-----------------|---------------------------|--------------------------|------------------------|--------------|
| ET14-0905 | \$443,690 | 11/16/2013– 11/15/2015 | 260 | 302 | 97 |

26,783 reimbursable hours entered into the ETP Online Tracking System.

The Contractor projects final earnings of 100% based on training currently committed and in progress. This is supported by the Tracking System.

PRIOR PROJECTS

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

| Agreement No. | Location (City) | Term | Approved Amount | Payment Earned \$ % |
|---------------|-----------------|---------------------------|-----------------|------------------------|
| ET13-0902 | Los Angeles | 09/01/2012– 08/31/2014 | \$415,381 | \$415,381 (100%) |

DEVELOPMENT SERVICES

Steve Duscha Advisories in Sacramento assisted with development of this proposal for a flat fee of \$10,000.

ADMINISTRATIVE SERVICES

Steve Duscha Advisories and the Los Angeles Unified School District in Los Angeles will perform administrative services for a total combined fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-210 (Job Number 1)

Trainees may receive any of the following:

APPRENTICE**COMMERCIAL SKILLS**

- + Electrical Controls II
- + Customer Relations II
- + Safety
- + Installation II
- + Direct Digital Controls III
- + Electrical Controls III
- + Thermodynamics III
- + Compressors III
- + Market Applications IV
- + Air Conditioning: Market Systems for HVAC Mechanics
- + Pneumatics IV
- + HVAC Systems IV
- + Heat Loads & Air Distribution IV
- + Air Conditioning HVAC Troubleshooting V
- + HVAC Start Test Balance V
- + Water Chillers V
- + Variable Frequency Drives V
- + Hydronic Troubleshooting V

0-10

OSHA 10 (OSHA Certified Instructor)**Class/Lab Hours**

8-200 (Job Number 2)

JOURNEYMAN**COMMERCIAL SKILLS**

- + Absorption Chillers
- + Centrifugal
- + Compressors
- + Direct Digital Controls
- + Electrical Code
- + Electrical Controls
- + Electrical Protocol
- + Electronic Variable Speed Drives
- + GreenChill
- + HVAC Core
- + Energy Retrofit
- + Market EMS E-2/Control
- + Mechanical Code
- + National Environmental Balancing Bureau
- + Pneumatics
- + Project Management
- + Refrigerant Piping
- + Thermal Energy Storage

0-30

OSHA 30 (OSHA Certified Instructor)**Class/Lab Hours**

8-200 (Job Number 3)

MECHANICAL EQUIPMENT SERVICEMAN/TRADESMAN**COMMERCIAL SKILLS**

-  Mechanical Systems
-  Electrical Systems
-  Soldering and Brazing
-  Troubleshooting
-  Controls
-  Refrigerants
-  Economizers
-  Boilers
-  Hydronics

Note: Reimbursement for retraining is capped at 210 total hours per trainee for Job Number 1, and 200 total hours per trainee for Job Numbers 2 & 3, regardless of method of delivery.



Training Proposal for:

**Finishing Trades Institute of District Council 36 Joint
Apprenticeship Training Trust Fund**

Agreement Number: ET15-0922

Panel Meeting of: February 20, 2015

ETP Regional Office: North Hollywood

Analyst: M. Reeves

PROJECT PROFILE

| | | | |
|---|--|---------------------|--|
| Contract Attributes: | Retrainee Priority Rate Apprenticeship | Industry Sector(s): | Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Counties Served: | Los Angeles, Orange, Riverside, San Bernardino, Imperial, Kern, Mono, Inyo, San Diego, San Luis Obispo, Santa Barbara, Ventura | Repeat Contractor: | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Union(s): | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No International Union of Painters and Allied Trades, District Council 36 | | |
| Turnover Rate: | ≤20% | | |
| Managers/Supervisors: (% of total trainees) | N/A | | |

FUNDING DETAIL

| | | | | |
|----------------------|---|----------------------|---|--------------------------|
| Program Costs | + | Support Costs | = | Total ETP Funding |
| \$607,536 | | \$42,114 8% | | \$649,650 |

| | | |
|------------------------------|--|-----------------|
| In-Kind Contribution: | 50% of Total ETP Funding Required | Inherent |
|------------------------------|--|-----------------|

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 Journeyman Priority Rate | Commercial Skills Computer Skills, OSHA 10/30 | 144 | 8-200 | 0 | \$1,717 | \$24.21 |
| | | | | Weighted Avg: 73 | | | |
| 2 | Retrainee Apprentice Painter JAC | Commercial Skills OSHA 10 | 90 | 8-210 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |
| 3 | Retrainee Apprentice Industrial Painter JAC | Commercial Skills OSHA 10 | 90 | 8-210 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |
| 4 | Retrainee Apprentice Glazier JAC | Commercial Skills OSHA 10 | 21 | 8-210 | 0 | \$2,002 | \$20.55 |
| | | | | Weighted Avg: 144 | | | |

Minimum Wage by County: SET Priority Industry wage: \$20.55
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 \$6.82 per hour may be used to meet the Post-Retention Wage for Job Number 2-4.

| Wage Range by Occupation | | |
|-------------------------------|------------|-------------------------|
| Occupation Titles | Wage Range | Estimated # of Trainees |
| Job Number 1 | | |
| Journeyman Painter | | 63 |
| Journeyman Industrial Painter | | 63 |
| Journeyman Glazier | | 18 |
| Job Number 2 | | |
| Apprentice Painter | | 90 |
| Job Number 3 | | |
| Apprentice Industrial Painter | | 90 |
| Job Number 4 | | |
| Apprentice Glazier | | 21 |

INTRODUCTION

The Finishing Trades Institute of District Council 36 Joint Apprenticeship Training Trust Fund (Finishing Trades JATTF) (www.de36.org) was established in January 2013 under the auspices of the International Union of Painters and Allied Trades (IUPAT). The Trust is successor to the former Southern California Painting & Drywall Industries Apprenticeship Trust, which held prior ETP training contracts.

The Finishing Trades JATTF is a non-profit organization established in 1908 to provide training for Apprentices and Journeymen Painters, Drywall Finishers and Glaziers. Facilities are available for workers represented by local unions under IUPAT District Councils on a nationwide scale. District Council 36 represents approximately 8,000 members. Bargaining for the signatory employers is conducted by two trade associations: Los Angeles Painting & Finishing Contractors Association and the Western Wall & Ceiling Contractors Association.

There are three apprentice program sponsors as reflected in the Job Numbers: Painter & Paperhanger Decorators JAC (Job Number 2); Dist. Council 36 Industrial Painter JATC (Job Number 3); and So Cal Glaziers & Glassworkers Industry JAC (Job Number 4). Each of these Job Numbers are within the Apprentice funding cap of \$300,000 per program sponsor.

Project Overview

The Finishing Trades JATTF indicates that the demand for specialty workers is driven by newer products and more stringent requirements in the commercial and industrial construction industry. Contractors are also seeking workers that are certified to industry standards put forth by the Society of Protective Coatings, a non-profit professional society that sets standards for working with coatings on steel and other industrial construction materials. Accordingly, training will be provided to Journeyman Painters and Glaziers assigned to specialty work involving new finishes, industrial painting and coating systems, and lead-safe practices. In addition, some trainees will specialize in marine painting skills to work for private contractors performing shipbuilding and maintenance work.

Apprentice Painters and Glaziers will receive training approved by the Division of Apprenticeship Standards (DAS). Currently, contractors need apprentices with skills that will enable them to work in specialized commercial and industrial jobs. Some work requires industry certifications, and all work must be performed at high levels of efficiency.

Apprenticeship Pilot

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the DAS. The Panel provides reimbursement for the Related and Supplemental Instruction (RSI) portion of an apprenticeship training program. RSI is delivered as class/lab training and developed with a Local Educational Agency (Los Angeles Unified School District, Division of Adult and Career Education). The program provides reimbursement for up to 200 hours of RSI plus OSHA 10. All training will be delivered by the class/lab method.

For the building trades, where it is not customary for workers to be employed for 90 consecutive days with one employer, the Panel may substitute hours worked for retention. The modified retention period must be no less than 500 hours within 272 days with more than one employer. Finishing Trades JATTF is requesting this modified retention period.

To ensure ETP does not displace Montoya Funds, Apprenticeship Pilot reimbursement is reduced by \$5.00, reducing the priority industry rate from \$18.00 to \$13.00 per hour. The ETP wage for apprentices will be \$20.55 per hour. This is the Special Employment Training Statewide as modified for priority industries which is being used for all apprentice occupations, for ease of administration.

DAS Completion Rates

The average completion rate for apprentices in the Painting & Decorating industry is 38% as measured by DAS over the most recent five-year reporting period: CY 2009 through CY 2013. When the average completion rate for an apprenticeship program is less than half the industry average, the Panel requires a justification for funding.

In this proposal, with 3 individual program sponsors, the overall average completion rate for the pertinent five-year period is 30.49%. This is well over the industry benchmark of 19%.

Furthermore, there is no record of DAS audit or sanction against any of the individual program sponsors due to poor completion. Given this, and the fact that Finishing Trades JATTF has performed at 100% in one prior contract and is on track for 100% in the active contract, staff believes there is sufficient justification.

PROJECT DETAILS

Training Plan

Commercial Skills (90%) - Training will be offered to all occupations. Journeymen will learn about new products, applying new finishes, lead paint removal, abrasive blasting, complex spraying systems, marine work and welding, and advanced materials, systems, and equipment. Training will also include working in unique situations such as confined spaces, and meeting specialized building codes. Some trainees may become skilled enough to advance to foreman level, and also to serve as on-the-job safety superintendents responsible for the set-up, maintenance, and supervision of a safe work environment.

Apprentice Painters will receive training in industrial and commercial painting. Apprentice glaziers will learn to select, cut, assemble, install, remove, and replace glass and glass substitutes; install commercial building facades, skylights, and windows of all types; and do project layout and welding. Training will help apprentices become more productive earlier in their careers, and work safely and efficiently on a variety of job sites.

Computer Skills (5%) - Training will be offered to select Journeymen to learn basic computer operations in a building trades setting.

OSHA 10/30 (5%) - Training will be delivered to Journeymen and Apprentice trainees to ensure safe on-the-job working conditions. OSHA 10/30 training is a series of courses "bundled" by industry sector and occupation. It consists of 10 hours of training for journey-level and 30 hours for frontline supervisors. The coursework is geared to construction work and manufacturing. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

Impact/Outcome

Journeyman courses are designed to prepare trainees for certification from the Society for Protective Coatings. Apprentice training will result in advancement to Journeyman status.

Curriculum Development and Feedback

Curriculum is developed by the painting industry with national and local input. Union and management are consulted through joint committees at all levels. A focal point for these activities is the Finishing Trades Institute, which makes recommendations to the Trust and other local groups for training programs and curriculum elements. Feedback comes from trainee class assessments and reports from contractors and union representatives to Finishing Trades JATTF management.

Marketing and Support Costs

Employers are notified of training through association websites, mailings, and presentations. Employers participate as members of the joint committee that operates the JATTF, and training is designed around their needs and the general needs of the industry.

Finishing Trades JATTF requests 8% support costs to assist with apprentice recruitment and employer outreach. Although many of the signatory employers have already been made aware of this training opportunity, additional outreach and needs assessments will take place during the term of the Agreement. Staff recommends the 8% support costs.

Electronic Recordkeeping

ETP staff has approved the use of a Learning Management System for recordkeeping.

Commitment to Training

Employers will continue to make contributions to the JATTF for every hour worked by covered employees. Safety training is provided by the participating employers in accordance with all pertinent requirements under state and federal law.

Training Coordination

Training is scheduled to begin in March 2015 for 18 months including a new cohort of Apprentices for training hours that are not covered under ET14-0902. Training will be delivered at four locations in Commerce, Santa Fe Springs, Garden Grove and San Diego by experienced, Journeyman trainers with extensive applied knowledge and teaching experience.

Project administration will be performed in a partnership of the Finishing Trades JATTF, the Los Angeles Unified School District (LAUSD) and Steve Duscha Advisories. The Finishing Trades JATTF will handle class scheduling and completion of training rosters. The two administration vendors will assist in employer liaison, documentation of work hours, uploading training and enrollment data, ETP reporting, and related activities.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

The following table summarizes performance by the Finishing Trades JATTF under an active ETP Agreement:

| Agreement No. | Approved Amount | Term | No. Trainees (Estimated) | No. Completed Training | No. Retained |
|---------------|-----------------|---------------------|--------------------------|------------------------|--------------|
| ET14-0902 | \$723,168 | 09/30/13 – 09/29/15 | 384 | 593 | 94 |

Based on ETP Systems, 44,292 reimbursable hours have been tracked for potential earnings of \$656,457 (91% of approved amount). The Contractor projects final earnings of 100% based on training currently committed and in progress.

PRIOR PROJECTS

The following table summarizes performance by the Finishing Trades JATTF under ETP Agreements that were completed within the last five years:

| Agreement No. | Location (City) | Term | Approved Amount | Payment Earned \$ % |
|---------------|-----------------|---------------------|-----------------|------------------------|
| ET12-0158 | Commerce | 10/06/11 – 10/05/13 | \$93,846 | \$93,846 (100%) |
| ET09-0557 | Commerce | 04/04/09 – 04/03/11 | \$124,978 | \$79,050 (63%) |

ET09-0557: Staff indicated that although training was delivered, many trainees were not able to complete retention because of the depressed state of the construction industry in Southern California.

DEVELOPMENT SERVICES

Steve Duscha Advisories in Sacramento assisted with development of this proposal for a flat fee of \$10,000.

ADMINISTRATIVE SERVICES

Steve Duscha Advisories and the Los Angeles Unified School District in Los Angeles will perform administrative services for a total combined fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 - 200

Trainees may receive any of the following:

Job Number 1

Journeyman**COMMERCIAL SKILLS****Applicator Training**

- Corrosion
- Surface Preparation
- Abrasive Materials
- Coating Materials
- Application Methods of Protective Coatings
- Process Control
- Safety

Lead Paint Removal

- Lead & Other Toxic Metals
- Regulatory Overview
- Worker Protection from Lead & Other Toxic Metals
- Compliance with Air, Soil, Water/Sediment, & Dust Regulations
- Management of Solid & Hazardous Waste
- Sources of Lead Exposure
- Control of Environmental Releases
- Specifications & Site-Specific Compliance Plans
- Work Site Preparation
- Insurance & Bonding Issues
- Other Safety & Health Hazards

Abrasive Blasting

- Principles of Surface Preparation
- Primary Components of an Abrasive Blasting System
- Abrasives
- Nozzle Equipment Operations H&s-On Session
- Portable Centrifugal (Wheel) Blast Equipment Operations Hands-On Session

Spray

- Airless Spray Equipment Operational Systems
- Set-Up & Planning
- Equipment Settings, Including Pressure, Fan size, Partial Triggering
- Proper Mixing Techniques
- Proper Spray Techniques
- Troubleshooting
- Simulation Experience
- Making Adjustments
- Recognizing & Eliminating Waste of Material
- Efficiency Ratings

- Environmental Safety
- Process Control

Marine Plural Component

- Plural Component Equipment Operational Systems
- Troubleshooting
- Characteristics of Plural Component Coatings
- Use of Two-Part High Solids Epoxy
- Mixing Components
- Meeting Specifications
- Methods of Mixing: Manual, At the Gun, Before the Manifold, After the Manifold

Marine Coatings

- Elements of Marine Corrosion
- Coating Fundamentals
- Marine Coating Systems
- Antifouling Coatings
- Surface Preparation
- Coating Application
- Quality Management
- Coating Failures
- Safety & Environmental Issues

Safe Working Conditions (all training supplements required safety training)

- Foreman Responsibility
- Worker Responsibility
- Scaffolding
- Fall Protection
- Electrical Safety
- Falling Objects
- Working in Confined Spaces
- Working Around Pipelines
- Managing Safety at the Worksite

T-Lock System

- Material & Tool Selection
- Applying Coating
- Troubleshooting

Leadership

- Goal setting
- Coaching
- Motivation
- Team Building

Advanced Materials & Systems

- Paints
- Coatings
- Conventional Spray
- Reducing Overspray

Advanced Finishes

- Venetian Plaster
- Glaze
- Metallic Finishes

Welding

- Types of Welds
- Welding Theory & Practice
- Welding Machines
- Electrodes
- What Makes a “Good” Weld
- Welding Technique
- Inspection
- Discontinuities
- Striking & Maintaining an Arc
- Running a Bead
- Reading the “Puddle”
- Welding in All Positions

Total Station Instrumentation

- Setting Control Points
- Taking Readings
- Calibration
- Entering & Retrieving Data
- Transferring Data to a Computer
- Comparing structures With Plans
- Identifying Problem Areas
- Documentation
- Advanced Blueprint Reading

Construction Site Project Management

- Foreman Responsibility for Communication, Documentation & Reporting
- Worker Responsibility for Documentation & Reporting
- Emergency Response Planning

COMPUTER SKILLSBasic Computer Skills for Construction

- Operating System
- Entering Data
- Creating Reports
- Using E-mail
- Performing Calculations

0-30

OSHA 10/30 (Certified OSHA Instructor)

- OSHA 10/30 Construction Outreach
- OSHA 10/30 Maritime Industry

Class/Lab Hours

8-210

Job Numbers 2-4

Apprentice**COMMERCIAL SKILLS****Industrial Painting Course 1**

- Know the Basics of Industrial Painting
- Learn the Role of Regulatory Agencies Enforcing their Standards in Trade
- Understand the Responsibilities of Employees & Employers in the Industrial Painting Trade
- Learn the Requirements for an American Red Cross Certification in First Aid
- Understand the Requirements for an American Red Cross Certification in CPR
- Know the Appropriate Use and Care of Personal Protective Equipment and Devices in Industrial Painting
- Learn the Appropriate Use and Care of Specialized Respiratory Equipment for Industrial Painting
- Understand the Basic Tools Used in Industrial Painting
- Know the Appropriate Use and Care of Industrial Painting Equipment
- Understand the Materials Used for Industrial Coating
- Know how Atmospheric Conditions Affect Performance and Application
- Learn to Prepare Surfaces for Industrial Painting

Industrial Painting Course 2

- Know How to Obtain and Interpret Work Permits and Document Work Procedures in the Industrial Painting Trade
- Learn the OSHA and Center for Protection of Workers Rights (CPWR) Standards for Working in Confined Spaces
- Understand the OSHA and CPWR Standards in Dealing with Hazards in Confined Spaces
- Know How to Recognize and Reduce Confined Space Hazards as Prescribed by the LSHA and CPWR
- Learn the Appropriate Use of Personal Protective Equipment Gear
- Understand the Methods of Fire Prevention and Practice Standby and Rescue Procedures
- Know Basic Rigging Practices
- Learn Various Types of Ropes, Cables and Hardware
- Understand the Practical Application of Knots, Bends and Hitches
- Know the Appropriate Use and Application of Suspended Work Platforms
- Learn the Appropriate use of Ladders
- Understand the Types of Uses of Scaffolds
- Know the Standards and Specifications of Surface Preparation
- Learn the Appropriate Application of Primers and Coatings
- Understand the Appropriate Use of Solvents and the Cleaning Procedures for Hand and Power Tools

Industrial Painting Course 3

- Know the Health Hazards Associated with the Industrial Painting Trade

- Learn Both the Employer's & Employee's Responsibilities Pertaining to Medical Monitoring
- Understand the Different Environmental Considerations in Industrial Painting
- Review How Atmospheric Conditions Affect Performance and Application
- Know the Personal and Environmental Protective Measures Necessary for Those in Industrial Painting
- Understand the Basics of Project Planning and Preparation
- Know the Items on the Procedure Checklist
- Learn the Methods Used for Lead Testing, Chemical Testing and Air Sampling
- Understand the Lead-Based Paint Abatement Methods Used in the Interior of a Structure
- Know the Appropriate Methods of Abatement for Exterior Area and Soil Abatement
- Learn the Requirements of Industrial Large Scale Abatement
- Understand the Differences Between Pressure Washing and Hydroblast Cleaning

Industrial Painting Course 4

- Review the Safe and Proper Use of Equipment in Industrial Coatings
- Understand the Different Environmental Considerations in Industrial Painting
- Know the Personal and Environmental Protective Measures
- Understand the Parts, Supplies and Machinery Used in Air Blast Equipment
- Know the Different Systems Used in Abrasive Blast Cleaning
- Learn the Various Types, Sizes and Configurations of Blast Machines and their Corresponding Functions and Procedures
- Know the Different Types and Applications of Metallic Coatings
- Understand the Difference Between the Three Main Categories of Non-Metallic Coatings

Industrial Painting Course 5

- Know the OSHA Regulations Pertaining to Spray Painting
- Review the Environmental and Health Impacts of the Materials, Equipment and Procedures Used in Surface Preparation and Coating Application
- Review Safety Precautions through Hands-On Exercises
- Understand the Different Types of Solvents and Thinners, their Chemical Compositions and Interactions and their Appropriate Applications
- Learn the Factors Affecting Atomization and the Four Basic Forms of Atomization
- Know the Use of Compressed Air in Spray Painting
- Understand the Spray Gun as the Key Element in Conventional Material Delivery Systems
- Know the Use of Conventional Air, Airless and Electrostatic Spray Guns on Different Applications
- Understand the High Volume Low Pressure System of Atomization
- Understand the Use of High Pressure in Airless Spray Painting Systems
- Know the Operation of the Airless Spray Guns
- Know the Purpose of Plural Component Spraying

- Learn the Operation of Electrostatic Spray Painting Systems
- Know the Three Types of Wire Flame Spray Processes
- Understand the Different Coating Materials Used in Flame Spray Operations
- Learn the Use and Care of Flame Spray Equipment

Industrial Painting Course 6

- Review How Atmospheric Conditions Affect Performance and Application
- Understand the Use of Nordson Gauge
- Know the Use and Application of Fiberglass Reinforced Plastic (FRP)
- Learn the Proper Handling of FRP
- Learn the Use of Fire Retardant Resins of Fiber Reinforced Compositions (FRC)
- Understand the Effects of Curing on Polyester Resins
- Understand the Different Processing Methods of FRP
- Know the Basics of Reinforcement Practices
- Know the Basic Repairs that can be Made to FRP
- Know the Uses of Epoxy as an Architectural Coating
- Learn the Composition and Use of Epoxy Polyester
- Understand the Use of Polyurethane Coatings
- Know the Use of a Taylor Profile Comparator

Industrial Painting Course 7

- Know Safe Working Practices and Eliminating Potential Hazards
- Learn the Details of Job Specifications
- Know the Standards for Use of a Profile Comparator
- Understand Industry Standards for Surface Preparation in Obtaining Bond Strength
- Know the Standards for Sprayed Metal Application
- Learn the Standards for Metalizing Spray Painting
- Understand Industry Standards for Use of the Nordson Gauge
- Learn the Standards on Products that Deal with Atmospheric Conditions
- Understand the Standards Dealing with the Common Coating Defects and Failures

Industrial Painting Course 8

- Importance of Safety Measures in the Workplace
- Role & Functions of the Foreman & How to Become a Leader
- How to Keep Time Records, How to Charge Off Labor & Materials for Jobs & Keep Accurate Accounting Records
- Understanding & Overcoming Barriers to Effective Communication
- How to Plan, Organize & Estimate the Needs of the Job

Commercial Painting Course 1

- Know the Basics of the Painting Trade
- Learn Workplace Safety Procedures
- Know the Trade Applications of Whole Numbers
- Learn the Trade Applications of Decimals & Fractions
- Understand the Trade Applications of Various Measurements and the Difference Between the Base-10 System and the Metric System
- Know the Appropriate Use and Care of the Basic Painting and Wall

Covering Tools

- Know the Appropriate Use and Care of Residential and Commercial Ladders and Scaffolds
- Understand the Materials Used for Painting
- Know How to Prepare Surfaces for Painting and Wall Covering, Including Basic Taping Techniques
- Learn the Impact of Environmental Factors on the Painting Process

Commercial Painting Course 2

- Know the Importance of OSHA in the Workplace
- Review the Different Tools, Equipment and Materials Used in Painting
- Understand How Mathematical Proportions are Applied to Practical Painting Problems
- Know How to Measure for Mixing
- Learn the Principles of Color Identification in Residential and Commercial Applications
- Understand the Painting Applications of Color Harmony
- Know Color Combination Techniques
- Learn How to Achieve Artistry in Work
- Understand How to Prepare a Surface for Painting
- Know the Natural and Synthetic Finishes and Special Items
- Learn the Differences Between Wood Graining Tools and Marbleizing Tools
- Understand Wood Graining and Marbleizing Technique
- Know the Impact of Environmental Factors in Faux Finishing
- Learn Faux Finishing Materials and their Uses
- Understand the Proper Use, Care and Maintenance of Faux Finishing Equipment
- Know the Basics of Customer Service and Public Relations

Commercial Painting Course 3

- Know Importance of Safety Measures in the Workplace
- Learn the Differences Between Traditional/Conventional & Modern Spray Equipment
- Understanding the Painting Materials and their Use
- Know the appropriate use, care and maintenance of equipment
- Learn the Impact of Environmental Factor on Spray Painting
- Understand Spray Painting Techniques
- Know How to Resolve Technical and Interpersonal Job Site Problems
- Review the Basics of Customer Service and Public Relations

Commercial Painting Course 4

- Review the Trade Applications of Whole Numbers
- Review the Trade Applications of Decimals and Fractions
- Review the Trade Applications of Various Measurements and the Differences Between the Base 10 System and the Metric System
- Know Different Abrasive Materials and their Uses
- Learn the Proper Use, Care, and Maintenance of Abrasive and Water Blasting Equipment
- Understand the Impact of Environmental Factors on Abrasive and Water Blasting

- Know the Abrasive Blasting Techniques
- Review Job Site Problem Resolutions

Commercial Painting Course 5

- Know the Different Types, Application Methods, and Uses of Joint Compound Materials
- Learn the Appropriate Use and Care of Special Coatings Equipment
- Review the Trade Applications of Ratios and Proportions
- Review the Measurements for Mixing
- Understanding the Impact of Environmental Factors on Substrates
- Know the Methods Used in Surface Preparation
- Learn How to Adhere to Manufacturer's Data During Coating Application and Curing
- Understand the Hand-Rubbed Finishing Techniques
- Know Various Methods of Surface Cleaning
- Learn the Installation of Sheets and Weld Seams to Ameron Specifications

Commercial Painting Course 6

- Review the Importance of Safety Measures in the Workplace
- Review the Trade Applications of Whole Numbers
- Review the Trade Applications of Decimals and Fractions
- Review the Trade Applications of Various Measurements and the Differences Between the Base 10 System and the Metric System
- Know the Basics of Drywall Construction and Finishing
- Know the Cost Calculation of Materials and Labor
- Understand the Characteristics and Appropriate Use of Wall Covering Materials
- Know the Various Wall Covering Application Techniques
- Learn the Cost Estimation of Wall Covering
- Understand How to Determine the Amount of Paint Needed in Every Project
- Review Technical and Interpersonal Job Site Problem Resolutions
- Review the Basics of Customer Service and Public Relations

Commercial Painting Course 7

- Review Safe Working Practices to Eliminate Potential Hazards
- Know the Appropriate Use and Care of Respiratory Equipment Used for Painting
- Learn How to Recognize and Reduce Confined Space Hazards as Prescribed by OSHA & the Center to Protect Workers' Rights (CPWR)
- Understand the Different Types and Functions of Scaffolds Used in Industrial Painting
- Know the Different Types and Applications of Metallic Coatings
- Learn the Contents and Applications of OSHA 30
- Understand the Basic Information Necessary to Pursue National Association of Corrosion Engineers Certifications

Commercial Painting Course 8

- Review the Importance of Safety Measures in the Workplace
- Learn the Role and Function of the Foreman and How to Become a Leader
- Know How to Keep Time Records, Understand How to Charge Off Labor and Materials for Jobs and Keep Accurate Accounting Records
- Know the Characteristics, Barriers and How to Overcome Barriers to Effective Communication and How to Plan, Organize and Estimate the Needs of the Job

Glazier Apprentice Training

- Construction Math
- Rigging and Hoisting Basics
- Hand Signals
- Scaffolding Basics
- Codes and Regulations
- Solvents and Glazing Materials
- Power Tools
- Using Transit and Leveling Instruments
- Hand Tools
- Man Lifting Devices
- Adder Use and Safety
- Glass cutting and fabrication
- Mirrors: Job Layout and Measurement
- Mirrors: Mounting Methods
- Plastic Glazing Material
- Glass Replacement and Putty Glazing
- Insulated and High Performance Glazing
- Security Glazing
- Spandrel and Architectural Panel Systems
- Solar Collectors and Skylights
- Art Glass
- Auto Glass
- Door and Window Accessories and Hardware
- Anodized and Painted Finishes
- Setting Blocks, Spacers, Tapes and Gaskets
- Aluminum Entrances
- Revolving Doors
- Sealants
- Structural Glazing
- Ribbon Window Systems
- Curtain Wall Layout
- Pressure Wall
- Suspended Glazing
- Architectural and Shop Drawings
- Welding

OSHA 10 (OSHA Certified Instructor)

- OSHA 10 Construction Outreach
- OSHA 10 Maritime Industry

Note: Reimbursement for Journeyman training is capped at 200 total hours per trainee, including OSHA 10/30; reimbursement for Apprentice training is capped at 210 total hours per trainee (200 hours RSI + 10 hours of OSHA 10), regardless of the method of delivery.



Training Proposal for:
**Kern County Electrical Joint Apprenticeship
 & Training Committee**
Agreement Number: ET15-0920

Panel Meeting of: February 20, 2015

ETP Regional Office: North Hollywood

Analyst: M. Reeves

PROJECT PROFILE

| | | | |
|---|--|---------------------|--|
| Contract Attributes: | Retrainee Apprenticeship Priority Rate | Industry Sector(s): | Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Counties Served: | Kern | Repeat Contractor: | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Union(s): | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No International Brotherhood of Electrical Workers, Local 428 | | |
| Turnover Rate: | ≤20% | | |
| Managers/Supervisors: (% of total trainees) | N/A | | |

FUNDING DETAIL:

| | | | | |
|----------------------|---|----------------------|---|--------------------------|
| Program Costs | + | Support Costs | = | Total ETP Funding |
| \$249,880 | | \$17,280 8% | | \$267,160 |

| | | |
|-----------------------|-----------------------------------|----------|
| In-Kind Contribution: | 50% of Total ETP Funding Required | Inherent |
|-----------------------|-----------------------------------|----------|

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 Journeyman | Business Skills, Commercial Skills, Computer Skills, OSHA 10/30 | 35 | 8-200 | 0 | \$564 | \$36.65 |
| | | | | Weighted Avg: 24 | | | |
| 2 | Retrainee Priority Rate Apprentice | Commercial Skills, OSHA 10 | 89 | 8-210 | 0 | \$2,780 | \$20.55 |
| | | | | Weighted Avg: 200 | | | |

Minimum Wage by County: \$20.55 per hour SET Statewide Priority Industry.

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 \$0.39 per hour may be used to meet the Post-Retention Wage in Job Number 2.

Wage Range by Occupation

| Occupation Titles | Wage Range | Estimated # of Trainees |
|---------------------------------------|------------|-------------------------|
| Journeyman Electrician/Inside Wireman | | 35 |
| Apprentice Electrician/Inside Wireman | | 89 |

INTRODUCTION

Kern County Electrical Joint Apprenticeship & Training Committee (Kern Electrical JATC) is a nonprofit training organization dedicated to providing up-to-date industry skills training and secure high-quality job opportunities for its members. Founded over 52 years ago, the JATC trains Electricians to install power, lighting, controls and other electrical equipment in commercial, industrial and residential facilities. Kern Electrical JATC is governed by a Board of Trustees comprised of three labor and three management representatives, and is a joint effort of the International Brotherhood of Electrical Workers (IBEW) Local 428 and the National Electrical Contractors Association (NECA).

Employer Demand for Training

Participating employers and union representatives have identified the following reasons for training: new energy efficiency regulations, the need to reduce costs to remain competitive, higher quality standards, the increasing complexity of construction projects, and a retiring workforce.

Kern County is California's leading oil producing county and building many of the state's utility solar farms. As a major contributor to the state's energy and agricultural resources, this county needs trained electricians to help the state meet demand. Kern Electrical JATC is located in Bakersfield and proposes to train Journeymen and Apprentice Electricians, all of whom are members of IBEW Local 428.

Kern Electrical JATC will provide training to workers for commercial, industrial and oil field projects with local signatory contractors. Journeyman and Apprentice Electricians will be working on utility grade solar projects that are both planned and currently under construction. Most of these solar projects are expected to reach completion in 2016. In addition, it is anticipated that some of the electricians trained under this proposal will work on oil refinery upgrade projects, as well as on a local Hydrogen Energy California (HECA) plant that is projected to be operational in the near future.

Apprenticeship Pilot

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). The Panel provides reimbursement for the Related and Supplemental Instruction (RSI) portion of an apprenticeship-training program. RSI is delivered as class/lab training that is developed with a Local Educational Agency (Kern Community College District) and approved by DAS. The program provides reimbursement for 200 hours of RSI plus OSHA 10. All training will be class/lab.

For the building trades, where it is not customary for workers to be employed for 90 consecutive days with one employer, the Panel may substitute hours worked for retention. The modified retention period must be no less than 500 hours within 272 days with more than one employer. Kern Electrical JATC is requesting this modified retention period.

To ensure ETP does not displace Montoya Funds, Apprenticeship Pilot reimbursement is reduced by \$5.00, reducing the priority industry rate from \$18.00 to \$13.00 per hour. The ETP wage for Apprentices will be \$20.55 per hour. This is the Special Employment Training Statewide wage as modified for priority industries, which is being used for all apprentice occupations, for ease of administration.

DAS Retention Rates

The average apprenticeship completion rate for Kern Electrical JATC from 2008 to 2012 is 60.6%, which is within an acceptable range of the industry sector average of 65.1%.

PROJECT DETAILS

To meet current and future demand for electrical industry workers, Kern Electrical JATC will provide a curriculum in OSHA 10/30, Business, Commercial and Computer Skills and training for both large and small employers. The proposed training, entirely center-based, is scheduled to commence the week following Panel approval.

Training Plan

The following classes will be offered to **Journeymen**:

Commercial Skills (80%) - Green training will be the focus due to the demand for energy efficient construction methods and technologies. Training will cover energy-efficient

technologies and products such as green building materials, solar photovoltaic panels, new motor controls, advanced welding, green materials testing and audit equipment.

Business Skills (5%) – Electricians must understand new national building codes and green practices; follow certification guidelines; use more collaborative bidding and project development practices; meet budgets; interact with various types of construction workers; and implement green solutions in traditional work environments. Training will give workers the tools to plan, organize, and manage their construction projects more efficiently. Training will also include teambuilding and leadership skills so that electricians can lead teams in an effective and efficient manner.

Computer Skills (5%) - Training will include scheduling, planning and modeling software. AutoCAD and Job Tracking applications will provide trainees with the tools to modify blueprints, look up project requirements, build budgets and timelines, design virtual buildings, and adjust computerized control systems.

OSHA 10/30 (10%) - OSHA 10/30 training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of training for journey-level and 30 hours for frontline supervisors. The coursework is geared to construction work, and also manufacturing. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

This training provides a complete overview of occupational safety and health so that workers are more knowledgeable about workplace hazards and understand their rights as workers. Equipment and materials not used correctly can also lead to injuries for the worker and puts other people in the area in potential danger.

The following classes will be offered to **Apprentices**:

Commercial Skills (90%) - Apprentices will learn to install, maintain, and repair various types of electrical and electronic equipment in commercial, industrial and residential establishments. They will also learn to install, connect and test electrical wiring systems for lighting, heating, air conditioning and communications for any building or structure. This training will provide the skills to perform the following:

- Installing New Wiring and Repairing Old Wiring
- Installing Receptacles, Lighting Systems and Fixtures
- Troubleshooting and Repairing Electrical Systems
- Establishing Grounding Systems
- Installing Service to Buildings and Other Structures
- Providing Power and Controls to Motors, HVAC, and Other Equipment
- Installing Fire Alarm and Security Systems
- Installing, Maintaining and Repairing Lightning Protection Systems

OSHA 10 (10%) - Electricians work under extremely dangerous conditions which require considerable physical effort on the part of the Apprentice such as lifting, climbing, crouching, and working in cramped areas. With the potential for serious injury or death of workers and/or others in the vicinity of the work area, participating employers and property owners need electricians to undergo additional training to ensure that their skills are up to date and that work is performed with optimal efficiency and safety.

Curriculum Development

The Curriculum was developed and customized with input from both labor and management representatives to address the local needs of union members, participating employers and the industry as a whole. IBEW Local 428 was directly involved in the development of the Curriculum and training plan, and is in full support of the proposed training for its members.

The Apprentice program uses the National Joint Apprenticeship and Training Committee's Curriculum which was developed for the exclusive use of IBEW-NECA JATCs.

Trainer Qualifications

Kern Electrical JATC has two full-time and seven part-time trainers. All trainers are former or current members of the trade and some have received Master Certification status by the National Joint Apprenticeship and Training Committee.

Marketing and Support Costs

Kern Electrical JATC conducts marketing through direct mailings, informational flyers, personal contacts, telephone calls, public service announcements, emails, and its website. Class information will be disseminated throughout the year to all apprentice and journeyman electricians within the jurisdiction, as well as to the electrical contractors who employ them.

Two staff people in the JATC office will assist with marketing, recruitment, needs assessments and scheduling. Kern Electrical JATC is requesting 8% support costs to fund its staff in recruiting and qualifying additional participating employers for this program. Many participating employers have already been recruited; however, additional recruitment and assessment activities are anticipated. Staff recommends the 8% support costs.

Commitment to Training

Employers will continue to make contributions to the training trust for every hour worked by Apprentices and Journeymen. Safety training is provided by the participating employers in accordance with all pertinent requirements under state and federal law.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

California Labor Federation in Sacramento assisted with development of this proposal at no charge.

ADMINISTRATIVE SERVICES

Strategy Workplace Communications in Oakland will perform administrative services for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 – 200 (Job Number 1)

Trainees may receive any of the following:

Journeyman Training**COMMERCIAL SKILLS**

- Codeology:
 - National Electrical Code
 - Other Recognized Standards (Installation Changes)
 - Plan, Build and Use
 - Related Standards (Mandatory and Permissive Rules)
 - Special Occupancies and Equipment
 - Arc Flash
- Analog/Digital Circuit (AC/DC) Principles:
 - Math for Electricians
 - Ohm's Law
 - Generators
 - Inductance/Reactance
 - Series/Parallel Circuits
- Grounding:
 - Grounding and Bonding
 - National Electrical Code Article 100-Definitions and Provisions
 - National Electrical Code Article 110-Requirements
 - National Electrical Code Article 90-Introduction
 - National Electrical Code Article Chapters 1-4
 - Significant Changes to National Electric Code
- Fire Alarm Systems and Installations:
 - Definitions and Systems
 - Initiating Devices and Notification Systems
 - National Electrical Code and Installation Requirements
 - Start Up and Check Out Procedures
 - National Fire Protection Act, 1972 (NFPA 72)
- Fire Life Safety:
 - National Electrical Code (Relating to Fire Alarms)
 - National Electrical Code Article 725
 - National Electrical Code Article 760
 - NFPA 72
 - Principles of Electronics

- Industrial Motor Control:
 - Control Relays and Timers
 - Jogging and Plugging Controls
 - Manual Starters and Magnetic Coils
 - Push Buttons, Selector Switches, and Mechanical Devices
 - Solid State Electronic Devices
 - Variable Frequency Drives
- Programmable Logic Control (PLC):
 - Developing Ladder Programming
 - Introduction to Programmable Equipment
 - Programming Programmable Logic Controllers
 - Using Timers and Counters in Logic Programs
 - Writing a Program
- Electrical Design:
 - 3 and 4-Way Switching
 - Design of Electrical Circuits
 - Magnetic Motor Control and the Code
 - LonWorks and Building Automation
 - Transformers and the Code
- Voice, Data and Video:
 - Audio Distribution
 - CCTV Security Surveillance
 - Computer Networking
 - Fiber Optics
 - Telephonic Interconnect
- Industry Specific Skills:
 - Solar Panel Installation
 - Solar Photovoltaics
 - Building Automation Systems
 - Confined Space Entry
 - Specialized Tools
 - Conduit Bending
 - Rigging and Lifting
 - Firestop Installation
 - Blueprints and Schematics
 - Work Flow and Resources
 - Proper Installation and Use of Testing and Auditing Materials and Equipment (Green Training)
 - Understanding New Technologies and Changes to Industry Standards (Green Training)
 - Proper Equipment Set-Up (Green Training)
 - Safe Working Practices
 - Advanced Instrumentation and Motor Controls
 - Programmable Logic Controllers

- Advanced Welding
 - Architecture Designs and Advanced Plan Reading
 - Management and Monitoring of Materials
 - Testing Materials and Equipment–Proper Set-Up and Use (Green Training)
 - Understanding Changes to Industry Standards (Green Training)
- California Advanced Lighting Control Program (CALCP)
 - Advanced Lighting Control Systems
 - Lighting Control Strategies
 - Line Voltage Switching Controls
 - Low Voltage Switching Control
 - Dimming Controls
 - Occupancy Sensors
 - Photosensors
 - CALCTP Acceptance Testing
 - Electric Vehicle Infrastructure Training Program (EVITP)

BUSINESS SKILLS

- Teambuilding Skills
- Green Awareness Training and Green Certifications
- Leadership Skills
- Customer Service Skills
- Conflict Resolution
- Problem Solving
- Decision Making Skills
- Inventory Checklist
- Advanced Time Management
- Filling Out Work Documents and Reports Accurately
- Project Management
- Creating Project Bids

COMPUTER SKILLS

- Auto Computer-Aided Design (AutoCAD)
- Job Tracking System
- Scheduling & Planning Jobs

0-30

OSHA 10/30 (OSHA CERTIFIED INSTRUCTOR)

Class/Lab Hours

8 – 210 (Job Number 2)

Apprentice Training**COMMERCIAL SKILLS**

- Safety:
 - General Job-Site Safety Awareness
 - First Aid/CPR Certification
 - Emergency Procedures
 - Compliance with OSHA, NFPA and EPA Regulations
 - Substance Abuse Awareness

- Tools, Materials and Handling:
 - Proper Care and Use of Hand and Power Tools
 - Proper Rigging Methods
 - Proper Digging Techniques
 - Proper Use of Motorized Equipment; Platform Lifts, Fork-Lifts & Bucket Trucks
 - Proper Material Lifting and Handling

- Math:
 - Appropriate Mathematical Calculations to Solve for Related Problems.

- Electrical Theory:
 - Basic Electro-Magnetic Principals
 - Ohm's Law
 - AC/DC Theory
 - Series, Parallel and Combination Circuits
 - Characteristics of Circuits; Voltage, Current, Power, Resistance, Impedance, Capacitance and Reactance.
 - Theory of Superposition and Solving for Multiple Voltage-Sourced Circuits
 - Operation and Characteristics of Three-Wire Systems
 - Operation and Characteristics of Three-Phase Systems
 - Use of Electronics in the Electrical Industry
 - Code Requirements
 - National Electrical Code and Local Codes

- Conductors:
 - General Characteristics
 - Conductor Installation Codes and Techniques
 - Methods for Selecting Proper Size and Type of Conductors

- Conduit and Raceways:
 - Terms Associated with Conduits and Raceways
 - Procedures for Laying Out Various Types of Bends
 - Procedures for Making Proper Bends when Fabricating Conduits
 - Conduit Support Systems Recognized by Code

- First Aid/CPR

- Lighting Systems:
 - Function, Operation and Characteristics of Various Lighting Systems
 - Lighting Distribution and Layout
- Installation and Connection of Fixtures:
 - Over-Current Devices
 - Function, Operation and Characteristics of Over-Current Protection Devices
 - NEC Requirements for Over-Current Protection Devices
 - NEC Requirements for Ground-Fault and Arc-Fault Protection
- Grounding Systems:
 - Functions, Operation and Characteristics of Grounding Systems
 - Sizing, Layout and Installation of Grounding Systems
 - Insulation and Isolation
 - Proper Grounding and Bonding Techniques
 - Special Circumstances
- Services and Distribution Systems:
 - Function, Operation and Requirements for Various Panel Boards and Switch Gear
 - Grounding Requirements
 - Code Requirements
- Prints and Specifications:
 - Creation of Blueprints Plans and Specification
 - Use of Blueprints, Plans and Specification
 - Recognizing Information Contained within Blueprints
- Motors, Motor Controllers and Process Controllers:
 - Function, Operation and Characteristics of Motors (AC, DC, Dual-Voltage)
 - Proper Motor Installations
 - Motor Controllers, Control Circuits and Control Devices
 - Control Transformers, Switches and Relays
 - Instrumentation, Process Control Systems and Devices
- Generation and Power Supplies:
 - Principles of Generating Electricity
 - Principles of Alternative Energy Generating Systems
 - Installation and Maintenance of Uninterruptible Power Supplies (UPS)
 - Installation and Maintenance of Emergency Battery Systems
- Transformers:
 - Function, Operation and Characteristics of Transformers
 - Selection and Installation of Transformer Types
 - Transformer Grounding Techniques
 - Harmonics and Power Quality

- Personal Development:
 - Orientation to Organization and Structures
 - Working with Others
 - Personal Financial Development
- Electrical Testing:
 - Steps Used for Various Testing Processes
 - Proper Selection and Use of Test Meters
 - Utilizing the Results of Testing Procedures
- Specialty Systems:
 - Fire Alarms
 - Security Systems
- CALCTP:
 - Advanced Lighting Control Systems
 - Lighting Control Strategies
 - Line Voltage Switching Controls
 - Low Voltage Switching Control
 - Dimming Controls
 - Occupancy Sensors
 - Photosensors
- Electric Vehicle Infrastructure Training Program

0-10

OSHA 10 (OSHA CERTIFIED INSTRUCTOR)

Safety training cannot exceed 10% of total training hours per trainee. This cap does not apply to OSHA 10/30 training.

Note: Reimbursement for retraining is capped at 200 total training hours per trainee in Job Number 1, and 210 total hours per trainee in Job Number 2, regardless of the method of delivery.



**Training Proposal for:
AcademyX Group, Inc.**

Agreement Number: ET15-0388

Panel Meeting of: February 20, 2015

ETP Regional Office: San Francisco Bay Area

Analyst: A. Nastari

PROJECT PROFILE

| | | | |
|---|---|---------------------|---|
| Contract Attributes: | Priority Rate Retrainee SB <100 SET | Industry Sector(s): | Multimedia/Entertainment Technology/IT Manufacturing Communication Services Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Counties Served: | Statewide | Repeat Contractor: | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Union(s): | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| Turnover Rate: | ≤20% | | |
| Managers/Supervisors: (% of total trainees) | ≤5% | | |

FUNDING DETAIL:

| | | | | |
|----------------------|---|----------------------|---|--------------------------|
| Program Costs | + | Support Costs | = | Total ETP Funding |
| \$250,685 | | \$17,042 8% | | \$267,727 |

| | | |
|-----------------------|-----------------------------------|-----------|
| In-Kind Contribution: | 50% of Total ETP Funding Required | \$174,983 |
|-----------------------|-----------------------------------|-----------|

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 | Advanced Technology, Computer Skills | 221 | 8-200 | 0 | \$336 | \$16.93 |
| | | | | Weighted Avg: 21 | | | |
| 2 | Retrainee Priority Rate | Advanced Technology, Computer Skills | 78 | 8-200 | 0 | \$462 | \$16.93 |
| | | | | Weighted Avg: 24 | | | |
| 3 | Retrainee SET | Advanced Technology, Computer Skills | 21 | 8-200 | 0 | \$673 | \$27.40 |
| | | | | Weighted Avg: 42 | | | |
| 4 | Retrainee SB < 100 | Advanced Technology, Computer Skills | 275 | 8-60 | 0 | \$376 | \$16.93 |
| | | | | Weighted Avg: 16 | | | |
| 5 | Retrainee Priority Rate SB < 100 | Advanced Technology, Computer Skills | 26 | 8-60 | 0 | \$667 | \$16.93 |
| | | | | Weighted Avg: 24 | | | |
| 6 | Retrainee SB < 100 SET | Advanced Technology, Computer Skills | 40 | 8-60 | 0 | \$564 | \$27.40 |
| | | | | Weighted Avg: 24 | | | |

Minimum Wage by County: Jobs 1, 2, 4, and 5:

\$16.44 for Alameda, Contra Costa, Los Angeles, Marin, San Francisco, San Mateo, Santa Clara, and Santa Cruz Counties;

\$16.02 - Orange County; \$15.75 - Sacramento County; \$15.93 - San Diego County;

\$15.07 - all other counties;

Job Numbers 3 & 6: \$27.40 per hour for SET Statewide Average Hourly Wage.

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

Participating employers may use health benefits to meet the Post-Retention Wage.

| Wage Range by Occupation | | |
|----------------------------------|------------|-------------------------|
| Occupation Titles | Wage Range | Estimated # of Trainees |
| Account Executive | | 13 |
| Business Analyst | | 48 |
| Financial Analyst | | 25 |
| Graphic Designer | | 35 |
| Healthcare Consultant I | | 16 |
| Healthcare Consultant II | | 5 |
| HR Specialist | | 25 |
| IT Manager I | | 56 |
| IT Manager II | | 5 |
| Manager I | | 15 |
| Manager II | | 5 |
| Marketing Specialist | | 92 |
| Office Administrator | | 20 |
| Production Coordinator | | 16 |
| Program/Project Manager I | | 38 |
| Program/Project Manager II | | 5 |
| Programmer | | 69 |
| Quality Assurance Specialist | | 13 |
| Sales Specialist | | 25 |
| Systems Engineer I | | 56 |
| Systems Engineer II | | 5 |
| Web Designer | | 13 |
| Writer/Editor | | 61 |
| Customer Service Representatives | | 54 |

INTRODUCTION

AcademyX, Group, Inc. (AcademyX) www.academyx.com is headquartered in San Francisco with facilities in Los Angeles, Sacramento, and Santa Clara. The Company offers advanced technology media and vocational computer skills training with hands-on, instructor-led computer classes in Adobe (Authorized Training), Microsoft (Certified Partner), and advanced Web Technologies. AcademyX's 18 classrooms are equipped with state-of-the-art computers that include both PC and Macintosh machines. This will be AcademyX's fourth ETP Agreement.

AcademyX's staff and trainers keep current with modern technological developments and provide training in current topics such as mobile programming (Android, iPhone, PhoneGap, jQuery), online marketing (Google, Facebook, Twitter, LinkedIn, Salesforce), and new programming languages and libraries (Ajax, jQuery, Ruby on Rails, HTML5, CSS3). The company also offers private, customized onsite training to corporations, often customizing the courseware and even incorporating the customers' own data and program files into the training.

Training for onsite customers have included Salesforce, Oracle/PeopleSoft, Kaiser, CBS, PG&E, Novartis, and Macy's.

AcademyX's participating employers include small and large businesses in industries ranging from manufacturing, software/gaming manufacturing and developing, e-commerce, online publishing, multi-media, health care, marketing, museums, retailers, banks and financial institutions.

Commitment

ETP requires that MEC applicants with 80% performance or above in Agreements within the past five years demonstrate that at least 60% of requested funding is linked to firm employer demand. AcademyX provided staff its list of participating employers, of which 65% commitment (146 trainees) was confirmed. AcademyX reports that it plans on 64% of its participating employers to be small businesses. The Company proposes that 95% of the training will be center-based, with the remaining 5% provided at participating employers' facilities. AcademyX will focus on participating employers from counties surrounding San Francisco, Santa Clara, Sacramento, and Los Angeles.

Industry Demands/Changes

California's high-tech companies compete with low-wage out-of-state and/or foreign labor that produces lower-cost products and services. AcademyX's goal is to improve participating employers' productivity by providing skills in emergent new technologies and processes in order to develop innovative products or services so the employers remain competitive. The results should be increased productivity and lower costs. Additionally, several of AcademyX's small business participating employers typically hire younger, less experienced workers, who have the aptitude to use innovative products or software applications, but lack the in-depth knowledge that seasoned employees have acquired. AcademyX's training provides employers the opportunity to reduce workforce skills gaps by offering courses that are specifically related to job functions.

AcademyX stays abreast of high-tech industry software (Office 2013, Adobe Creative Cloud, iPhone SDK 4.0, Android SDK r23.0.2, Perl 6, and Acrobat XI) and emerging technologies (Python, jQuery, node.js, JBOSS, Heroku/git) by attending and participating in employer group sessions and email newsletters (relating to different programming languages, servers, and systems). AcademyX reviews job posting boards such as craigslist.com, monster.com, and glassdoor.com to identify technologies that are in demand by employers. On occasion, employers contact AcademyX requesting that it customize training to meet specific needs.

PROJECT DETAILS

Many of the new technologies and software applications that AcademyX offers are actually produced in California. Classes in web design (Adobe Systems), web marketing (Adobe, Google, and Yahoo), social media (Facebook, LinkedIn, Twitter), QuickBooks (Intuit), Filemaker (Filemaker Inc.), Salesforce.com (Salesforce, Inc.) and even Microsoft have branches in the Bay Area. There is a double benefit: helping California companies and employees to be competitive, while at the same time promoting specific California software companies.

Advanced Technology

AcademyX requests the ETP Advanced Technology (AT) reimbursement rate of \$26 per hour for priority industries and \$22 per hour for non-priority industries for courses deemed as AT in the Curriculum. AcademyX reports that the average cost to deliver the training is \$75 per hour

per trainee. The trainer-to-trainee ratio is 1:10 for AT, to allow in-depth coverage and personal attention from the instructor.

Trainees that take AT courses are often tasked with creating new websites, programs, graphic designs, and advanced, creative solutions. AcademyX's AT curriculum is focused in computer programming, graphic design, web development, servers, and open source technologies. The AT training will range from 8–60 hours for small businesses and 8–120 for larger companies.

Training Plan

Advanced Technology (70%): Training in new emerging technologies software will mostly focus on computer programming, graphic design, web development, servers, and open source technologies. The training is designed exclusively for highly technical frontline workers such as Graphic Designer, IT Manager, Production Coordinator, Programmer, Quality Assurance Specialist, Systems Engineer, Web Designer, and Writer/Editor.

Computer Skills (30%): Training in system upgrades, Microsoft programs, Salesforce, QuickBooks, Adobe CS6 and A+ programs will be offered to occupations such as Account Executive, Business Analyst, Customer Service Representatives, Financial Analyst, Healthcare Consultant, HR Specialist, Manager, Marketing Specialist, Office Administrator, Program/Project Manager, and Sales Specialist.

Tuition Reimbursement

In accordance with Title 22, CCR, Section 4412.1, AcademyX represents that students enrolled in the ETP-funded program will not be charged tuition, fees, or any other costs associated with training. The representation will be made a condition of the Agreement.

Training Agency Certification

Training agency eligibility requires certification by an independent third-party, as required for the type of school and course of study. Most schools must also be licensed by the Bureau of Private Postsecondary Education (BPPE), created in statute effective January 1, 2010.

In keeping with the Panel's standards, AcademyX Group, Inc. is eligible as a training agency based on the following:

- BPPE licensure valid until September 8, 2018.

In addition, AcademyX is a Microsoft Certified Partner and is one of a few Adobe Authorized Training Centers in California. All of AcademyX's training will be delivered in-house by California-based professional and industry-expert contractors.

Commitment to Training

The training provided by AcademyX does not displace the participating employers' own training programs because: 1) in many cases, with constant software upgrades, small and mid-sized companies do not have the resources to provide the training that is needed to remain competitive and 2) the AT courses can only be provided by industry-expert trainers in order to be effective.

However, participating employers will continue to provide their own training in internal processes and systems, orientation, and company-mandated training. ETP funds allow employers to send eligible workers to AcademyX's state-of-the-art facilities, in which they receive certified training delivered by trainers that are experts in the latest programs.

AcademyX represents that ETP funds will not displace the existing financial commitment to training of participating employers.

Safety training is, and will continue to be, provided by the participating employers in accordance with all pertinent requirements under state and federal law.

Marketing and Support Costs

AcademyX currently promotes its classes through outreach by its administrative and marketing staff, follow-up calls and email newsletters, up-selling to existing customers, online marketing search engine optimization, and pursuing authorized trainer status from popular software vendors. AcademyX is a member of the following groups on LinkedIn: ASTD National, Adobe Authorized Training Centers, Bay Area Human Resources Network, US General Services Administration schedule and courseware developers. AcademyX's staff often attends, participates, and occasionally hosts meetings in various areas of technology related to the courses it offers in order to keep informed on upgrades. AcademyX also participates in industry conferences such as Adobe Max and various vendor fairs.

Since its previous ETP Agreement, AcademyX has increased its full time staff members from six to ten who will assist with the ETP administration including the CEO who will oversee its ETP program. AcademyX's San Francisco Branch Manager will coordinate and manage the administration, maintain and develop forms to track participating employers and students, possible contract modifications, and document training vendors' information. Its staff bookkeeper will process invoices. AcademyX's branch managers at its three off-site facilities (Santa Clara, Los Angeles, and Sacramento) are responsible for marketing to the customers in their territories and documenting participating employer certification statements and enrolling trainees in the ETP online systems. However, the San Francisco Branch Manager will manage the ETP project.

AcademyX requests support cost of 8% to assist with the administration, marketing, delivery, and coordination of its ETP funded program.

Special Employment Training

Participating employers in Job Numbers 3 and 6 are eligible for ETP funding under Special Employment Training (SET) provisions for frontline workers. Participating employers in Job Numbers 1, 2, 4 and 5 have out-of-state competition.

Under SET, the participating 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 of \$27.09 at the end of the retention period.

Frontline Managers

According to the information provided by AcademyX, Manager and IT Manager occupations in SET Job Numbers are frontline workers whose primary functions are providing services to customers. Therefore, Managers and IT Managers meet the Panel's definition of frontline workers.

RECOMMENDATION

Staff recommends approval of this proposal including approval of AcademyX's requests for AT training reimbursement rates, and the 8% support costs.

PRIOR PROJECTS

The following table summarizes performance by AcademyX, Inc. under an ETP Agreement that was completed within the last five years. The proposed has been “right sized” consistent with 100% earnings on the most recent prior Agreement.

| Agreement No. | Location (City) | Term | Approved Amount | Payment Earned \$ % |
|---------------|-----------------|-------------------------------|-----------------|------------------------|
| ET13-0219 | Statewide | 11/19/2012 – 11/18/2014 | \$189,945 | \$189,945 (100%) |
| ET11-0152* | Statewide | 12/20/2010 – 12/19/2012 | \$399,764 | \$192,721 (48%) |

*(ET11-0152): AcademyX anticipated it would enroll 591 trainees, Of the 302, 251 trainees finished the minimum number of hours, with 249 successfully finishing their retention period. AcademyX opened two new branches (Santa Clara and Sacramento) during this period, and attributes lower-than-expected performance because it took longer for new staff to become familiarized with ETP requirements. Also, momentum was disrupted by the economic recession.

AcademyX’s subsequent proposal was “right sized” based on prior performance, and successfully earned 100%.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

AcademyX will retain California-based vendors to provide training throughout the term of its Agreement. AcademyX will identify those vendors for ETP record-keeping purposes as they are retained.

Exhibit B: Menu Curriculum

Class/Lab Hours

Job Numbers 1-3
8 – 200
Job Numbers 4-6
8 – 60

Trainees may receive any of the following:

COMPUTER SKILLS

- A+ Hardware Certification
- A+ Operating Systems Certification
- Access Intermediate: Advanced Tables and Reports/Complex Queries
- Excel Intermediate: Lists, Charts and Graphs, Themes
- Excel Advanced: Macros, Pivot Tables, Advanced Functions
- Excel 2011 Advanced for Mac
- Excel Expert Techniques
- Excel Pivot Tables
- Filemaker Fundamentals
- Office 2013 New Features
- PowerPoint Intermediate: Templates, Audio/Video Integration, Animation, Distribution
- PowerPoint Advanced: Multimedia, Narration, Slide Masters, Embedded Objects
- Project Fundamentals
- QuickBooks Fundamentals
- Salesforce.com
- Visio Intro
- Word Intermediate: Tables, Templates, Labels/Envelopes, Graphics, Tracking Changes
- Word Advanced: Mail Merges, Macros, Extensible Markup Language

ADVANCED TECHNOLOGY (limited ratio 1:10)

- 24-Evening PhoneGap/jQuery Course - Covers
- 24-Evening Online Marketing Course
- 24-Evening Web Designer Course
- 24-Evening Web Developer Course
- Access Visual Basic for Applications
- Access Advanced: SQL, Macros, Database Management, Web Integration
- Ajax Fundamentals
- Atlova Boot Camp
- Android Programming Boot Camp
- Angular.js Fundamentals
- Apache Intro
- Active Server Pages.Net Boot Camp
- Bootstrap Fundamentals

- Adobe Captivate Fundamentals
- Adobe ColdFusion Fundamentals
- Adobe ColdFusion Advanced
- Crystal Reports Fundamentals
- Crystal Reports Advanced
- Cascading Style Sheets Fundamentals
- Cascading Style Sheets Advanced
- Adobe Dreamweaver Fundamentals
- Adobe Dreamweaver Intermediate
- Adobe Dreamweaver Advanced
- Drupal Fundamentals
- Adobe Edge Fundamentals
- Excel 2010 Visual Basic for Applications
- Google Analytics
- Hypertext Markup Language Fundamentals
- Hypertext Markup Language Advanced
- Hypertext Markup Language 5 and JavaScript
- Hypertext Markup Language 5 and Cascading Style Sheets 3
- Internet Information Server Intro
- Adobe Illustrator Fundamentals
- Adobe Illustrator Advanced
- Adobe InDesign Fundamentals
- Adobe InDesign Advanced
- iPhone Programming
- Java Boot Camp
- JavaScript for Programmers
- JavaScript for Non-Programmers
- jQuery Fundamentals
- Adobe Muse Fundamentals
- MySQL Fundamentals
- Node.js Fundamentals
- Perl Intro
- Perl Intermediate
- Perl Advanced
- Adobe Photoshop Fundamentals
- Adobe Photoshop Advanced
- Personal Home Page (PHP) Fundamentals
- Personal Home Page (PHP) Advanced
- Pay-Per-Click Intro
- Programming for Beginners w/ JavaScript
- Ruby Fundamentals
- Ruby on Rails
- Responsive Web Design
- Search Engine Optimization Intro
- SharePoint Fundamentals
- SharePoint Designer
- Social Media Fundamentals
- Structured Query Language Scripting for Reporting
- Structured Query Language Scripting Fundamentals
- Structured Query Language Server Boot Camp

- Visual Studio Boot Camp
- Wordpress Fundamentals
- Extensible Markup Language (XML) Fundamentals
- Extensible Style Sheet Language (XSL) Fundamentals

Note: Reimbursement for retraining is capped at 200 total training hours per trainee in Job Numbers 1 – 3 and 60 hours for trainees in Job Numbers 4 - 6, regardless of the method of delivery.

**Participating Employers in Retrainee
Multiple Employer Contracts**

Contractor's Name: AcademyX Group, Inc.

CCG No.: ET15-0388

Reference No: 15-0047

Page 1 of 10

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: 1 Stop Lighting

Address: 1333 Howe Ave Suite 211

City, State, Zip: Sacramento, CA 95825

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 24

Total # of full-time company employees in California: 24

Company: American Medical Response dba Lifecare

Address: 1333 Howe Ave Suite 211

City, State, Zip: Sacramento, CA 95825

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 50

Total # of full-time company employees worldwide: 18000

Total # of full-time company employees in California: 6000

Company: Antibodies Incorporated

Address: 25242 Country Rd #95

City, State, Zip: Davis, CA 95616

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 16

Total # of full-time company employees in California: 16

Company: Bohlin Cywinski Jackson

Address: 49 Geary St Suite 300

City, State, Zip: San Francisco, CA 94108

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 3

Total # of full-time company employees worldwide: 195

Total # of full-time company employees in California: 60

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: AcademyX Group, Inc.

CCG No.: ET15-0388

Reference No: 15-0047

Page 2 of 10

Company: Booyah, Inc.

Address: 139 Townsend St, 3rd Fl

City, State, Zip: San Francisco, CA 94107

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 17

Total # of full-time company employees worldwide: 64

Total # of full-time company employees in California: 60

Company: California Association of Public Hospitals and Health Systems (PEO-Trinet)

Address: 70 Washington St Suite 315

City, State, Zip: Oakland, CA 94607

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 22

Total # of full-time company employees in California: 22

Company: Delta Dental

Address: 11125 International Drive

City, State, Zip: Rancho Cordova, CA 95670

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 50

Total # of full-time company employees worldwide: 3600

Total # of full-time company employees in California: 3000

Company: DLR Group Inc

Address: 3130 Wilshire Blvd, 6th Floor

City, State, Zip: Santa Monica, CA 90403

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 25

Total # of full-time company employees worldwide: 500

Total # of full-time company employees in California: 105

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: AcademyX Group, Inc.

CCG No.: ET15-0388

Reference No: 15-0047

Page 3 of 10

Company: Earthquake Engineering Research Institute

Address: 499 14th St #220

City, State, Zip: Oakland, CA 94612

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 4

Total # of full-time company employees worldwide: 6

Total # of full-time company employees in California: 6

Company: East Bay Medical Oncology DBA Epic Care

Address: 4721 Dallas Ranch Rd

City, State, Zip: Antioch, CA 94531

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 15

Total # of full-time company employees in California: 15

Company: Education.com (Trinet – PEO)

Address: 2317 Broadway St #240

City, State, Zip: Redwood City, CA 94063

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 35

Total # of full-time company employees in California: 31

Company: Fine Arts Museum of San Francisco

Address: 50 Hagiwara Tea Garden Dr

City, State, Zip: San Francisco, CA 94118

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 133

Total # of full-time company employees in California: 133

**Participating Employers in Retrainee
Multiple Employer Contracts**

Contractor's Name: AcademyX Group, Inc.

CCG No.: ET15-0388

Reference No: 15-0047

Page 4 of 10

Company: General Hydroponics, Inc.

Address: 3789 Vine Hill Road

City, State, Zip: Sebastopol, CA 95472

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 15

Total # of full-time company employees worldwide: 77

Total # of full-time company employees in California: 69

Company: Help One Child

Address: 858 University Ave

City, State, Zip: Los Altos, CA 94020

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 1

Total # of full-time company employees worldwide: 4

Total # of full-time company employees in California: 4

Company: Immigrant Legal Resource Center

Address: 1663 Mission St Suite 602

City, State, Zip: San Francisco, CA 94103

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 20

Total # of full-time company employees in California: 19

Company: Ingenuity Systems

Address: 1700 Seaport Blvd 3rd Floor

City, State, Zip: Redwood City, CA 94063

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 104

Total # of full-time company employees in California: 100

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: AcademyX Group, Inc.

CCG No.: ET15-0388

Reference No: 15-0047

Page 5 of 10

Company: Intel

Address: 2200 Mission College Blvd

City, State, Zip: Santa Clara, CA 95052

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 100

Total # of full-time company employees worldwide: 1008010

Total # of full-time company employees in California: 10000

Company: Interaction Associates

Address: 88 Kearny St #1675

City, State, Zip: San Francisco, CA 94108

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 41

Total # of full-time company employees in California: 15

Company: IZ ON Media LLC

Address: 600 Harrison St, 4th Floor

City, State, Zip: San Francisco, CA 94107

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 165

Total # of full-time company employees in California: 125

Company: Japanese Community Youth Council

Address: 2012 Pine St

City, State, Zip: San Francisco, CA 94115

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 15

Total # of full-time company employees worldwide: 56

Total # of full-time company employees in California: 56

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: AcademyX Group, Inc.

CCG No.: ET15-0388

Reference No: 15-0047

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Company: John Wiley & Sons, Inc.

Address: One Montgomery, Suite 1200

City, State, Zip: San Francisco, CA 64014

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 42

Total # of full-time company employees worldwide: 5366

Total # of full-time company employees in California: 150

Company: K to College

Address: 7730 Pardee Ln

City, State, Zip: Oakland, CA 94621

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 2

Total # of full-time company employees in California: 2

Company: KenCreative DBA Vargas Marketing Group

Address: 1500 Park Avenue, Suite 200

City, State, Zip: Emeryville, CA 94608

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 5

Total # of full-time company employees in California: 5

Company: Lighthouse Worldwide Solutions Inc

Address: 47300 Kato Rd

City, State, Zip: Fremont, CA 94588

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 150

Total # of full-time company employees in California: 50

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: AcademyX Group, Inc.

CCG No.: ET15-0388

Reference No: 15-0047

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Company: Lincoln Broadcasting Co (KTSF)

Address: 100 Valley Dr

City, State, Zip: Brisbane, CA 94005

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 48

Total # of full-time company employees worldwide: 63

Total # of full-time company employees in California: 63

Company: LP Consulting Engineers

Address: 1663 Eureka Road

City, State, Zip: Roseville, CA 95661

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 23

Total # of full-time company employees in California: 23

Company: Mandarin Oriental Management USA

Address: 345 California St, Suite 1250

City, State, Zip: San Francisco, CA 94104

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 15

Total # of full-time company employees worldwide: 90

Total # of full-time company employees in California: 25

Company: Marin Software

Address: 332 Pine St, Suite 800

City, State, Zip: San Francisco, CA 94104

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 4

Total # of full-time company employees worldwide: 4

Total # of full-time company employees in California: 4

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: AcademyX Group, Inc.

CCG No.: ET15-0388

Reference No: 15-0047

Page 8 of 10

Company: Martini Media Network

Address: 415 Brannan St, 2nd Floor

City, State, Zip: San Francisco, CA 94107

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 15

Total # of full-time company employees worldwide: 61

Total # of full-time company employees in California: 25

Company: Meridian Systems

Address: 1720 Praire City Road, Suite 120

City, State, Zip: Folsom, CA 95720

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 158

Total # of full-time company employees in California: 64

Company: Moor + South/PIER Management Co LP

Address: PO Box 193730

City, State, Zip: San Francisco, CA 94119

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 32

Total # of full-time company employees in California: 31

Company: Practice Fusion

Address: 1690 Greenwich St

City, State, Zip: San Francisco, CA 94123

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 150

Total # of full-time company employees worldwide: 216

Total # of full-time company employees in California: 210

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: AcademyX Group, Inc.

CCG No.: ET15-0388

Reference No: 15-0047

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Company: Rising Sun Energy Center

Address: 1900 Addison St Suite 100

City, State, Zip: Berkeley, CA 94704

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 16

Total # of full-time company employees in California: 16

Company: San Francisco Box Office

Address: 414 Mason St Suite 501

City, State, Zip: San Francisco, CA 94102

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 8

Total # of full-time company employees worldwide: 8

Total # of full-time company employees in California: 8

Company: Strategy Workplace Communications

Address: 7700 Edgewater St, Suite 649

City, State, Zip: Oakland, CA 94621

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 4

Total # of full-time company employees worldwide: 4

Total # of full-time company employees in California: 4

Company: Tendo Communications

Address: 340 Brannan St Suite 500

City, State, Zip: San Francisco, CA 94107

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 10

Total # of full-time company employees worldwide: 14

Total # of full-time company employees in California: 14

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: AcademyX Group, Inc.

CCG No.: ET15-0388

Reference No: 15-0047

Page 10 of 10

Company: Tilde Inc

Address: 156 2nd St

City, State, Zip: San Francisco, CA 94105

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 2

Total # of full-time company employees worldwide: 7

Total # of full-time company employees in California: 7

Company: Williams-Sonoma, Inc.

Address: 151 Union St

City, State, Zip: San Francisco, CA 94111

Collective Bargaining Agreement(s): none

Estimated # of employees to be retrained under this Agreement: 50

Total # of full-time company employees worldwide: 20870

Total # of full-time company employees in California: 4121



Training Proposal for:

**California Field Iron Workers Apprenticeship Training and
Journeyman Retraining Fund**

Agreement Number: ET15-0923

Panel Meeting of: February 20, 2015

ETP Regional Office: San Francisco Bay Area

Analyst: A. Nastari

PROJECT PROFILE

| | | | |
|---|---|---------------------|--|
| Contract Attributes: | Retrainee Priority Rate Apprenticeship | Industry Sector(s): | Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Counties Served: | Statewide | Repeat Contractor: | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Union(s): | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No International Brotherhood of Iron Workers (433, 416, 229) | | |
| Turnover Rate: | ≤20% | | |
| Managers/Supervisors: (% of total trainees) | N/A | | |

FUNDING DETAIL:

| | | | | |
|----------------------|---|----------------------|---|--------------------------|
| Program Costs | + | Support Costs | = | Total ETP Funding |
| \$336,280 | | \$23,220 8% | | \$359,500 |

| | | |
|------------------------------|--|-----------------|
| In-Kind Contribution: | 50% of Total ETP Funding Required | Inherent |
|------------------------------|--|-----------------|

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 Journeyman | Commercial Skills OSHA 10/30 | 110 | 8-100 | 0 | \$564 | \$33.50 |
| | | | | Weighted Avg: 24 | | | |
| 2 | Retrainee Apprentice Local 433 | Commercial Skills OSHA 10 | 72 | 8-210 | 0 | \$1,390 | \$20.55 |
| | | | | Weighted Avg: 100 | | | |
| 3 | Retrainee Apprentice Local 416 | Commercial Skills OSHA 10 | 71 | 8-210 | 0 | \$1,390 | \$20.55 |
| | | | | Weighted Avg: 100 | | | |
| 4 | Retrainee Apprentice Local 229 | Commercial Skills OSHA 10 | 71 | 8-210 | 0 | \$1,390 | \$20.55 |
| | | | | Weighted Avg: 100 | | | |

Minimum Wage by County: Job Numbers 1&2(SET Priority Industry): \$20.55 per hour
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 \$0.45 per hour may be used to meet the Post-Retention Wage in Job Number 2.

| Wage Range by Occupation | | |
|--------------------------|------------|-------------------------|
| Occupation Titles | Wage Range | Estimated # of Trainees |
| Journeyman Iron Worker | | 110 |
| Apprentice Iron Worker | | 214 |

INTRODUCTION

The California Field Iron Workers Apprenticeship Training and Journeyman Retraining Fund (SoCal Iron Workers) (www.universityofiron.org) seeks funding for a second training program proposed to train Journeyman and Apprentice Ironworkers who work in Southern California. SoCal Iron Workers has served the Field Ironworkers’ training needs since 1946.

SoCal Iron Workers central training facility is located in La Palma, where Journeymen and Apprentices from throughout Southern California attend training. It also operates another training facility in San Diego.

The Training Centers are a partnership between three International Brotherhood of Ironworker local unions and signatory employers. Each local is an apprenticeship program sponsor, all funded under the joint SoCal Iron Workers Trust Fund. The three program sponsors are: Local 433 in the City of Industry and San Bernardino; Local 416 in Norwalk; and Local 229 in San Diego. Employers partner with these unions to create and maintain an easily mobilized, highly specialized, and rigorously trained workforce. The overall goal of Journeyman and Apprentice training is to provide customers with high craftsmanship and work completed on time, within budget, and accident free.

Ironworkers build and sometimes dismantle the structural steel framework of pre-engineered metal buildings, single and multi-story buildings, stadiums, arenas, hospitals, bridges and wind turbines. Ironworkers also unload, place and tie reinforcing steel bars (rebar) as well as install post-tensioning systems, which give strength to the concrete used in piers, slabs, buildings and bridges. Ironworkers utilize many different materials including ferrous and non-ferrous metals, plastics, glass, concrete and composites.

Apprentice Pilot

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the DAS. The Panel provides reimbursement for the Related and Supplemental Instruction (RSI) portion of an apprenticeship training program. RSI is delivered as class/lab training and developed with a Local Educational Agencies (in this case Cerritos College (Los Angeles) and Grossmont Adult School (San Diego)). The program provides reimbursement for up to 200 hours of RSI plus OSHA 10. All training will be delivered by the class/lab method.

For the building trades, where it is not customary for workers to be employed for 90 consecutive days with one employer, the Panel may substitute hours worked for retention. The modified retention period must be no less than 500 hours within 272 days with more than one employer. The SoCal Iron Workers is requesting this modified retention period.

To ensure ETP does not displace Montoya Funds, Apprenticeship Pilot reimbursement is reduced by \$5.00, reducing the priority industry rate from \$18.00 to \$13.00 per hour. The ETP wage for Apprentices will be the SET Statewide rate as modified for priority industries (\$20.55 per hour).

Employer Demand

SoCal Iron Workers will train ironworkers to work on local hospitals, schools, hotels, recreational areas, freeways, rail stations, bridges and LAX expansion. Current construction projects include a solar farm, a power plant in Blythe and modernization of a power plant in Huntington Beach. Future projects include the Gerald Desmond Bridge replacement in the Port of Los Angeles, underground tunnel construction for the Metro lines, construction of the Korean Air 80-story building in downtown Los Angeles, and construction of a new football stadium.

As Journeyman Ironworkers retire and new work develops, there will be a need for more qualified workers to step into these open positions generating demand for Apprentices. Thus, the training to be provided under this proposal will help meet the need for skilled Iron Workers throughout Southern California.

PROJECT DETAILS

The proposed training is entirely center-based and is scheduled to commence in March at the La Palma and San Diego facilities. Journeymen will receive Commercial Skills and OSHA 10/30, Apprentices will receive Commercial Skills and OSHA 10 training.

Journeyman Program

Commercial Skills (95%) - The Journeyman program is intended to bring work skills and knowledge up-to-date. ETP funds will help expand employer-driven certification classes, such as the Qualified Rigger course. Iron Workers must successfully complete a 40-hour Rigging and a 40-hour Crane class to receive the Qualified Rigger/Signalperson card. Ironworkers with this certification increase their chances for employment.

OSHA 10/30 (5%) – This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom training for journey-level workers and 30 hours for frontline supervisors. This coursework is geared to construction work, and also manufacturing. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

Apprentice Program

Commercial Skills (95%) - On a job site, Iron Workers can have several tasks, ranging from rigging and machinery moving to ornamental iron working. For all specialties in the trade (Structural, Reinforcing, Ornamental and Rigging) welding and burning equipment are tools of the trade as well as strict safety and quality standards. Training specialties within the trade include:

Structural Iron Workers

- Unload, erect and connect fabricated iron beams to form the project skeleton.
- Build towers, bridges, stadiums and prefabricated metal buildings.
- Erect and install pre-cast beams, columns and panels.

Reinforcing Iron Workers

- Fabricate and place steel bars (rebar) in concrete forms to reinforce structures.
- Place rebar on appropriate supports and tie them together with tie wire for highways, building footings and walls.
- Install post-tensioning tendons (cables) to place in concrete forms along reinforcing steel.
- Stress the tendons using hydraulic jacks and pumps after the concrete is poured and hardened.

Ornamental (Architectural) Iron Workers

- Install metal windows into a building's masonry or wooden openings.
- Erect curtain wall and window wall systems that cover the steel or reinforced concrete structure of a building.
- Install and erect metal stairways, catwalks, gratings, doors, railings, fencing, elevator fronts and building entrances.
- Rigging and Machinery Moving Ironworkers
- Load, unload, move and set machinery, structural steel and curtain walls.
- Operate power hoists, cranes, derricks, forklifts and aerial lifts.

- Have knowledge of fiber line, wire rope, hoisting equipment and proper hand signals.

OSHA 10 (5%) - Completion of the training results in a certificate that expands employment opportunities. To ensure that each trainee receives certification, ETP will only consider payment earned upon completion of the full 10-hour.

DAS Completion Rates

The average completion rate for apprentices in the Iron Workers industry is 44% as measured by DAS over the most recent five-year reporting period: CY 2009 through CY 2013. When the average completion rate for an apprenticeship program is less than half the industry average, the Panel requires a justification for funding. In this proposal, with 3 individual program sponsors, the overall average completion rate for the pertinent five-year period is 57%. This is well over the industry benchmark of 22%.

Prior Performance

SoCal Iron Workers previously participated in California Labor Federations' Green contract, ET11-0310 for Journeyman and Apprentice training. They earned 98% of the Agreement amount.

Commitment to Training

SoCal Iron Workers certifies that signatory employers will continue to pay into their respective trust funds for Journeyman and Apprentice training. In addition, employers will continue to provide structured, on-the-job training that meets apprenticeship standards. ETP funds supplement and do not displace employer contributions to training. Safety training is provided by the participating employers in accordance with all requirements under state and federal law.

Marketing and Support Costs

SoCal Iron Workers is requesting 8% in support costs to fund marketing to employers and recruit and conduct ongoing assessments of employer-specific job requirements. There are five staff people in the SoCal Iron Workers offices that will assist with the marketing, recruitment, needs assessments and scheduling of training. There are four full-time and 15 part-time trainers who will assist with the training. The trainers are former or current ironworkers and are experts in their fields. A third party, Strategy Workplace Communications along with California Labor Federation, will provide ETP Contract Administration services.

SoCal Iron Workers and the three union locals will publicize the availability of training through direct mailings, brochures/flyers, personal contacts, telephone calls, public service announcements and e-mail announcements. It will also promote this training program at labor-management meetings and industry assemblies, site visits to local schools, trade shows, industry meetings, and vocational outreach organizations. Staff recommends the 8% in support costs.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by SoCal Iron Workers under an ETP Agreement that was completed within the last five years:

| Agreement No. | Location (City) | Term | Approved Amount | Payment Earned \$ % |
|---------------|-----------------|-----------------------|-----------------|------------------------|
| ET13-0918 | Statewide | 1/01/13 – 12/31/14 | \$330,014 | \$219,626 (67%) |

ETP Online Systems show 783 hours entered for Job Number 1 (\$14,098); 1166 hours entered for Job Number 2 (\$30,320) and 23,687 hours entered for Job Number 3 (Apprentice: \$307,937) for a total potential reimbursement of \$352,356. To date, the Contractor has received \$219,626.

The Contractor reports that retention information from the participating employers is slowly arriving which impacts the invoicing process. On December 16, 2014, it submitted a Final Invoice in the amount of \$92,794 bringing the total to \$234,103 (71%.) It will complete invoicing by January 31, 2015, projecting 100% earnings. The hours entered in the ETP Online Tracking System support earning of 100%.

DEVELOPMENT SERVICES.

California Labor Federation in Sacramento and Strategy Workplace Communications in Oakland assisted with development at no cost.

ADMINISTRATIVE SERVICES

Strategy Workplace Communications will also perform administrative services for an amount not to exceed 13% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum

Class/Lab Hours

8 - 100

Trainees may receive any of the following:

Journeyman Training

COMMERCIAL SKILLS

- Forklift Training
- Scaffold User
- Scaffold Erector
- Subpart R (Steel Erection)
- Mine Safety and Health Administration (MSHA)
- Lead in Construction
- Post Tensioning Certification
- Rigging Review
- Qualified Rigger
- Blueprint Reading
- Energy Audits
- Welding and Burning
- Proper Installation and Use of Testing and Auditing Materials and Equipment (Green Training)
- Understanding New Technologies and Changes to Industry Standards (Green Training)
- Proper Equipment Set-Up (Green Training)
- Safe Working Practices (Training is capped 10% of a trainee's total hours)
- Advanced Welding
- Layout and Instruments
- Architecture Designs and Advanced Plan Reading
- First Aid/CPR

0-30

OSHA 10/30 (CERTIFIED OSHA INSTRUCTOR)

Class Lab Hours

8 - 210

Apprentice Training

COMMERCIAL SKILLS

- Structural Safe Work Practices, Subpart R Steel Erection
- Rigging Safe Work Practices
- Reinforcing Safe Work Practices
- Architectural Safe Work Practices
- Measurement And Math
- Oxy-Fuel and Welding Safe Work Practices
- Green Construction For Ironworkers
- Mixed Base (Intro To Blueprint & Math)
- Rigging and Forklift Training
- Welding

- Precast/Metal Building (Includes Scaffold User)
- Architectural
- Structural
- Post Tensioning
- Cranes (Includes Scaffold Erector/Dismantler)
- Rebar Detailing
- Blueprint Reading
- Lead In Construction
- Foreman Training

0-10

OSHA 10 (Certified OSHA Instructor)

Safety Training cannot exceed 10% of total training hours per-trainee.
(This cap does not apply to OSHA 10/30)

Note: Reimbursement for Job Number 1 is capped at 100 total training hours per trainee, regardless of the method of delivery. Reimbursement for Job Number 2 is capped at 210 total training hours per trainee.



Training Proposal for:

Northern California Heat & Frost Insulators and Allied Workers Joint Apprenticeship Committee

Agreement Number: ET15-0918

Panel Meeting of: February 20, 2015

ETP Regional Office: Sacramento

Analyst: M. Mazzone

PROJECT PROFILE

| | | | |
|---|---|---------------------|--|
| Contract Attributes: | Apprenticeship Retrainee Priority Rate | Industry Sector(s): | Services Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Counties Served: | Statewide | Repeat Contractor: | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Union(s): | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Heat and Frost Insulators and Allied Workers Local Union No. 16 | | |
| Turnover Rate: | ≤20% | | |
| Managers/Supervisors: (% of total trainees) | N/A | | |

FUNDING DETAIL:

| | | | | |
|----------------------|---|----------------------|---|--------------------------|
| Program Costs | + | Support Costs | = | Total ETP Funding |
| \$187,200 | | \$12,960 8% | | \$200,160 |

| | | |
|------------------------------|--|-----------------|
| In-Kind Contribution: | 50% of Total ETP Funding Required | Inherent |
|------------------------------|--|-----------------|

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 Apprentice | Commercial Skills | 80 | 8-200 | 0 | \$2,502 | \$20.55 |
| | | | | Weighted Avg: 180 | | | |

Minimum Wage by County: SET Priority Industry Wage: \$20.55 per hour

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

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation

| Occupation Titles | Wage Range | Estimated # of Trainees |
|--------------------------------|------------|-------------------------|
| Insulation Mechanic Apprentice | | 80 |

INTRODUCTION

Founded in 1981 and headquartered in Benicia, Northern California Heat & Frost Insulators and Allied Workers Joint Apprenticeship Committee (Heat and Frost Insulators JAC) administer an apprenticeship program with representatives from Local 16 and the Western Insulation Contractors Association. The state-of-the-art training center serves 47 counties in Northern California.

The Apprentices in this trade insulate mechanical structures as gauged to ambient temperatures. A typical building has insulation on the hot and cold water pipes and equipment; and on the heating and air conditioning system and related mechanical equipment. Insulation materials conserve energy, reduce overall energy demand, reduce pollution, control condensation, eliminate mold, and improve workplace safety. Customers generally include insulation, fire stop and asbestos removal contractors.

Apprenticeship Pilot

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the DAS. The Panel provides reimbursement for the Related and Supplemental Instruction (RSI) portion of an apprenticeship training program. RSI is delivered as class/lab training that is developed with a Local Education Agency (in this case Martinez Adult Education). The program provides reimbursement for 200 hours of RSI plus OSHA 10. However, in this proposal, the Heat and

Frost Insulators JAC has not requested OSHA 10 training. All training will be delivered by the class/lab method.

For the building trades, where it is not customary for workers to be employed for 90 consecutive days with one employer, the Panel may substitute hours worked for retention. The modified retention period must be no less than 500 hours within 272 days with more than one employer. Heat & Frost Insulators JAC is requesting this modified retention period in addition to the standard retention method.

To ensure ETP does not displace Montoya Funds, Apprenticeship Pilot reimbursement is reduced by \$5.00, reducing the priority industry rate from \$18.00 to \$13.00 per hour. ETP wage for apprentices will be \$20.55 per hour. This is the Special Employment Training Statewide as modified for priority industries which is being used for all apprentice occupations, for ease of administration.

PROJECT DETAILS

The proposed training is entirely center-based. A new cohort of Apprentice trainees are scheduled to begin in March 2015. The curriculum was developed by the insulation industry with national and local input. Union and management were consulted through joint committees at all levels.

Training Plan

Commercial Skills (100%): Training will educate trainees on production efficiencies, “green” expectations of customers and safety. Training will include topics such as insulation and its relation to heat transfer, standards for refrigeration and low temperature insulation, end caps and conicals, pumps, insulation materials and properties, and general application methods. Training will help apprentices gain the knowledge and skills necessary to become journey level.

Employer Demand

There is a need for skilled apprentice labor for this industry, including safety and “green” technology. However, the Heat & Frost Insulators JAC apprenticeship program is under economic pressure because the recession reduced employer contributions, and there have been cutbacks in state funding for RSI (Montoya Funds). At the same time, new materials, processes, and contractor requirements for worker skills and certifications have increased the complexity and cost of training.

DAS Completion Rates

According to the DAS, the completion rates for Heat and Frost Insulators JAC Apprentices, in the five-year period from 2008-2012, was 51.58%. The overall industry average is 63.26%. According to the Heat & Frost Insulators JAC, the gap of 11.68% is due to the economic downturn from 2008 - 2012. Apprentices who started during this period were not able to complete the on-the-job component of their apprenticeship training, on schedule. Some trainees dropped out while others took an extra year to complete their hours and graduate to journeyman status.

The Heat and Frost Insulators JAC takes responsibility for placing Apprentices with employers, and ensuring they work sufficient hours to move forward in their apprenticeship.

Curriculum Development

Employers submit program-training needs to the training center, which also receives additional union input at labor/management and industry meetings. Curriculum development is further customized for local area employers. Employer members of the JAC are also involved in Journeyman and Apprentice training plan design. Apprentice training will include RSI under the curriculum approved by DAS, along with ancillary training in demand by signatory employers.

All training will be conducted at the Heat and Frost Insulators JAC. The trainers are former or current journey level members of the trade and experts in the subject matter.

Commitment to Training

Employers will continue to contribute to the training trust for every hour worked by Apprentices. Heat and Frost Insulators JAC represents that ETP funds will not displace the existing financial commitment to training. Safety training is provided in accordance with all pertinent requirements under state and federal law.

Impact/Outcome

Apprentices will be certified Journeymen once they have completed the entire Apprentice curriculum.

Electronic Record Keeping

Staff has approved and Heat and Frost Insulators use of a Learning Management System for recordkeeping.

Marketing and Support Costs

Marketing is done through announcements, emails, and web postings to members of Local 16 and signatory contracts.

The Heat and Frost Insulators JAC is requesting 8% support costs to assist staff in recruiting and qualifying additional participating employers for this program. While many participating employers have already been recruited, additional recruitment and assessment activities with employers and the JAC must occur to support apprenticeship training. Staff recommends 8% support costs.

Tuition Reimbursement

In accordance with Title 22, CCR, Section 4412.1, Heat and Frost Insulators JAC represents that students enrolled in the ETP-funded program will not be charged tuition, fees, or any other costs associated with training. The representation will be made a condition of the Agreement.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

The following table summarizes performance by Heat and Frost Insulators JAC under an active ETP Agreement:

| Agreement No. | Approved Amount | Term | No. Trainees (Estimated) | No. Completed Training | No. Retained |
|----------------------|------------------------|------------------------|---------------------------------|-------------------------------|---------------------|
| ET13-0923 | \$121,660 | 09/01/13 – 08/31/15 | 70 | 79 | 79 |

Based on ETP Online Systems, 9,844 reimbursable hours have been tracked for potential earnings of \$127,972 (100% of approved amount). The Contractor projects final earnings of 100% based on training currently committed to by employers and in progress. Of the 79 trainees who have completed training, the Contractor has requested final payments for 52 trainees. The remaining trainees are currently in retention.

DEVELOPMENT SERVICES

Steve Duscha Advisories in Sacramento assisted with development of this proposal for a flat fee of \$10,000.

ADMINISTRATIVE SERVICES

Steve Duscha Advisories will also perform administrative services for a fee not to exceed 12.2% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum

Class/Lab Hours

8-200

Trainees may receive any of the following:

COMMERCIAL SKILLS

Apprenticeship Training

- Orientation
- Math Review
- Geometric Construction
- Industry Related Formulas
- Insulation and Its Relation to Heat Transfer
- Standards for Refrigeration and Low Temperature Insulation
- Blueprint Reading
- Hand Saw Cutting
- Rubatex, Armaflex and Rubber
- Pattern Making
- End Caps and Conicals
- PVC Application
- Boxing a Valve
- Sheet Metal Develops and Layouts
- Metal Layouts
- Pumps
- Stiffner Ring
- Economic Thickness
- Insulation Materials and Properties
- Determining and Insulation System
- General Application Methods
- Supervision
- High Temperature
- Cold Work/Hot Work
- Skill Upgrade
- Safety
- Effective Supervision Manual

Safety Training cannot exceed 10% of total training hours per-trainee

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



RESPOND

Training Proposal for:

Sacramento Area Regional Technology Alliance

Agreement Number: ET15-1002

Panel Meeting of: February 20, 2015

ETP Regional Office: Sacramento

Analyst: M. Mazzone

PROJECT PROFILE

| | | | |
|---|---|---------------------|--|
| Contract Attributes: | Critical Proposal RESPOND/Drought (Alt/Gen Funds) Retrainee SB <100 Priority Rate | Industry Sector(s): | Services Agriculture Technology/Other Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Counties Served: | Butte, San Joaquin, Stanislaus, Sutter, Yolo, Yuba | Repeat Contractor: | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Union(s): | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| Turnover Rate: | ≤20% | | |
| Managers/Supervisors: (% of total trainees) | ≤20% | | |

FUNDING DETAIL:

All funding is from the General Fund as authorized for the RESPOND program.

| | | | | |
|----------------------|---|----------------------|---|--------------------------|
| Program Costs | + | Support Costs | = | Total ETP Funding |
| \$260,000 | | \$18,000 8% | | \$278,000 |

| | | |
|-----------------------|-----------------------------------|-----------|
| In-Kind Contribution: | 50% of Total ETP Funding Required | \$300,000 |
|-----------------------|-----------------------------------|-----------|

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 Critical Proposal Priority Rate | Business Skills, Comm Skills, Continuous Impr, Mgmt Skills, Mfg Skills | 180 | 8-200 | 0 | \$1,112 | \$15.07 |
| | | | | Weighted Avg: 40 | | | |
| 2 | Retrainee Critical Proposal Priority Rate SB<100 | Business Skills, Comm Skills, Continuous Impr, Mgmt Skills, Mfg Skills | 70 | 8-60 | 0 | \$1,112 | \$15.07 |
| | | | | Weighted Avg: 40 | | | |

Minimum Wage by County: Job Numbers 1 and 2: \$15.07 per hour for Butte, San Joaquin, Stanislaus, Sutter, Yolo and Yuba Counties.

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

Participating employers may use health benefits to meet the Post-Retention Wage.

Wage Range by Occupation

| Occupation Titles | Wage Range | Estimated # of Trainees |
|-------------------------------------|------------|-------------------------|
| Environmental/Conservation Engineer | | 10 |
| Engineer (Range 1) | | 30 |
| Engineer (Range 2) | | 20 |
| Landscape Crop Architect | | 15 |
| Analyst | | 20 |
| Urban Planner | | 5 |
| Water Treatment Specialist | | 10 |
| Sales Representative | | 20 |
| Marketing Representative | | 15 |
| Production Staff (Range 1) | | 30 |
| Production Staff (Range 2) | | 15 |
| Manager (Range 1) | | 20 |
| Manager (Range 2) | | 20 |
| Administrative Staff | | 10 |
| Support Staff | | 10 |

INTRODUCTION

Founded in 2001 the Sacramento Area Regional Technology Alliance (SARTA) (<http://sarta.org/>) is a non-profit, membership-based organization, established to foster economic and entrepreneurial growth in the Sacramento region. SARTA focuses on accelerating the growth and development of companies within the nine-county Sacramento region including: Butte, El Dorado, Nevada, Placer, Sacramento, Solano, Sutter, Yolo and Yuba Counties. Multiple programs are operated by SARTA to grow businesses in the Agricultural Technology Industry (AgStart), Clean Technology Industry (CleanStart), Bioscience Industry) and Entrepreneurial Development.

This proposal is geared towards businesses that are participating in SARTA's AgStart, CleanStart and BioStart programs. The employers are located in one of the counties declared "severely impacted" by the drought by the Governor's office and the California Department of Food and Agriculture. Employers in the core group are primarily agricultural science companies and food processing manufacturers that provide farmers with solutions to maintain their current production yields whilst utilizing less water.

PROJECT DETAILS

The drought has impacted almost every company in the California agricultural industry, which has led to reduced crop acreage and reduced revenues. Training will begin with understanding the effects of the drought on California agriculture. There will be seven areas of focus:

- Water Conservation
- Water Treatment
- Water Recycling
- Water Manufacturing
- Water Capture Devices and Solutions
- Using Less Water for Power Generation
- Increase the Efficiency of Water Transportation Methods and Devices

These training needs were identified by SARTA in assessments and interviews with members and through consultation with partners such as UC Davis and the USDA. SARTA also identified the need for marketing and sales training to promote water conservation solutions and management training to improve internal efficiencies.

RESPOND/Drought

The Rapid Employment Strategies Pilot on Natural Disasters (RESPOND) pilot program was adopted by the Panel in early 2014 to fund training in designated drought areas. The drought has impacted several key industry sectors (e.g. agriculture) and could lead to loss of jobs. Hardest hit are the San Joaquin Valley and Central Coast areas. (A total of 24 counties have been identified by the Governor's Office.) The funds may be "alternate" using a special one-time appropriation of \$2,000,000 from the State's General Fund, as under this proposal. RESPOND funding is used to: (1) support displaced workers; (2) avert layoffs; and (3) help employers transition to more sustainable operations and practices.

Reimbursement Rate Modification

Due to the critical nature of the proposed drought training, SARTA is requesting a higher reimbursement rate of \$26 per hour for the large businesses participating. Under RESPOND, this rate is authorized for good cause.

The higher reimbursement rate will offset the high cost of trainers as all training vendors will be industry experts (some trainers may work for participating employers). Many training courses will include two expert trainers due to the high technical nature of the training and the expertise required. This will be especially true when training includes multiple technologies and products from different companies.

Training Plan

Business Skills (20%): Training will be offered to Engineers, Landscape Crop Architects, Urban Planners, Water Treatment Specialists, Administrative Staff, Support Staff, Managers and Analysts. Training will focus on the development and advancement of critical thinking skills to help trainees collaborate with farmers and municipalities to create drought solutions.

Commercial Skills (40%): Training will be offered to all occupations. Training will focus on solutions to remain productive and competitive during the drought.

Continuous Improvement (20%): Training will be offered to Engineers, Sales Representatives, Marketing Representatives, Production Staff, Analysts, and Managers. Training will focus on improving the necessary skills to reduce waste and increase productivity.

Management Skills (5%): Training will be offered to Managers only. Managers will receive courses such as Teambuilding Skills, Leadership and Coaching, and Decision Making Skills to help them become effective leaders.

Manufacturing Skills (15%): Training will be offered to Engineers, Sales Representatives, Marketing Representatives, Analysts, Production Staff and Managers. Engineers, Marketing Representatives, Analysts, Managers and Sales Representatives will learn how products from different companies can work together to successfully battle California's water problems. Production Staff and Managers will receive training that will focus on the production of drought related products.

Commitment to Training

SARTA represents that ETP funds will not displace the existing financial commitment to training for participating employers. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law. Training varies by participating employer, is both job specific and companywide, and includes new hire orientation, sexual harassment prevention, best practices, first-aid, and legal compliance.

High Unemployment Area

Some trainees may work in a High Unemployment Area (HUA), defined as any area with unemployment exceeding the state average by at least 25%. However, SARTA is not asking for a wage and/or retention modification.

Impact/Outcome

Drought training is expected to improve water retention solutions and increase efficiencies. Farmers will be able to use less water to produce the same amount of crops. With farms producing at the same capacity, it will prevent the loss of jobs in the Sacramento Valley region.

Marketing and Support Costs

SARTA is requesting 8% support costs to assist with recruitment, employer outreach, and assessments of employer-specific job requirements.

Marketing is done through conferences, mixers, events, personal contacts, telephone calls, print articles, emails, and social media. In addition, SARTA has contracted with JPMA Financial and Swiss Avenue Partners to complete drought training need assessments and develop the drought training plan.

Training Coordinator

JPMA Financial (JPMA) has been retained by SARTA to market, recruit, handle employer need assessments, schedule trainings, coordinate trainers, and create class curriculums. SARTA has two staff members who will assist JPMA with these responsibilities. Sierra Consulting Services has been retained by SARTA and will be responsible for project administration.

Tuition Reimbursement

In accordance with Title 22, CCR, Section 4412.1, SARTA represents that students enrolled in the ETP-funded program will not be charged tuition, fees, or any other costs associated with training. The representation will be made a condition of the Agreement.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

SARTA retained Sierra Consulting Services in Cameron Park to assist with development of this proposal for a flat fee of \$19,000.

ADMINISTRATIVE SERVICES

SARTA also retained Sierra Consulting Services to perform administrative services in connection with this proposal for a fee not to exceed 12% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum

Class/Lab Hours

8–200 Job Number 1

8–60 Job Number 2

Trainees may receive any of the following:

BUSINESS SKILLS

- Business Fundamentals
- Business Writing
- Collaboration
- Conflict Resolution
- Creative Marketing
- Customer Relationship Management
- Communication styles
- Cost Control
- Dealing with Difficult People
- Financial Analysis
- Marketing/Sales Techniques
- Negotiating
- Operational Skills
- Planning and Organization
- Product Knowledge
- Project Management and Methodology
- Project Requirements Analysis and Specifications
- Retaining Customers
- Relationship Building
- Strategic Planning
- Time Management

COMMERCIAL SKILLS

- Crop Irrigation Strategies
- Irrigation Systems
- Soil Management
- Water Recycling
- Water Conservation
- Water Technologies
- Drought-Related Landscape Design
- Drought-Related Urban Design
- Drought Resistant Crops
- Waste Water Treatment Design

CONTINUOUS IMPROVEMENT

- 5S
- Kaizen
- Lean Manufacturing
- Process Improvement
- Leadership/Coaching

- Production Operations/Workflow
- Project Management
- Problem Solving and Decision Making
- Process Capability

MANAGEMENT SKILLS (Managers/Supervisors Only)

- Decision Making Skills
- Finance for Technical Managers
- Motivation Skills
- Effective Supervision
- Teambuilding Skills

MANUFACTURING SKILLS

- Assembly Process Control
- Assembly Procedures
- Cross-Training in Production Equipment/Skills
- Changeover Procedures
- Equipment Operation
- Manufacturing Practices
- Production Operations
- Parts and Products Manufacture
- Troubleshooting
- Warehousing
- Machine Safety

Safety Training cannot exceed 10% of total training hours per-trainee

Note: Reimbursement for retraining is capped at 200 total hours per trainee for Job Number 1 and 60 total hours per trainee for Job Number 2, regardless of method of delivery.

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Sacramento Area Regional Technology Alliance CCG No.: ET15-1002

Reference No: 15-0244

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PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Arcadia Biosciences

Address: 202 Cousteau Pl., Ste 200

City, State, Zip: Davis, CA 95618 (Yolo County)

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 80

Total # of full-time company employees in California: 40

Company: Baglietto Seeds

Address: 301 S. Aurora St.

City, State, Zip: Stockton, CA 95203 (San Joaquin County)

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 5

Total # of full-time company employees worldwide: 5

Total # of full-time company employees in California: 5

Company: Bayer Crop Science

Address: 890 Embarcadero Drive

City, State, Zip: Stockton, CA 95203 (San Joaquin County)

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 50

Total # of full-time company employees worldwide: 10,000

Total # of full-time company employees in California: 140

Company: Clean World

Address: UC Davis Campus, One Shields Ave.,

City, State, Zip: Davis, CA 95616 (Yolo County)

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 100

Total # of full-time company employees in California: 100

Participating Employers in Retrainee Multiple Employer Contracts

Contractor's Name: Sacramento Area Regional Technology Alliance CCG No.: ET15-1002

Reference No: 15-0244

Page 2 of 2

Company: Crop Data Management Systems

Address: 3453 Riviera Rd.

City, State, Zip: Live Oak, CA 95953 (Sutter County)

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 20

Total # of full-time company employees worldwide: 33

Total # of full-time company employees in California: 33

Company: Heinzseed HJ Heinz Corp

Address: 6755 C E Dixon Street, Suite 107B

City, State, Zip: Davis, CA 95618 (Yolo County)

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 25

Total # of full-time company employees worldwide: 10,000

Total # of full-time company employees in California: 85

Company: Marrone Biotech

Address: 2121 Second Street, Suite 107B

City, State, Zip: Davis, CA 95618 (Yolo County)

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 118

Total # of full-time company employees in California: 118

Company: Woodland Biomass

Address: 1786 East Kentucky Ave.

City, State, Zip: Woodland, CA 95776 (Yolo County)

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 30

Total # of full-time company employees worldwide: 30

Total # of full-time company employees in California: 30



**Panel Amendment #1 Proposal for:
Headway Technologies, Inc.
Agreement Number: ET14-0257**

Panel Meeting of: February 20, 2015

ETP Regional Office: San Francisco Bay Area

Analyst: R. Jackson

CURRENT PROJECT PROFILE

| | | | |
|------------------------|---|---------------------------|--|
| Contract Type: | Priority/Retrainee Job Creation | Industry Sector(s): | Manufacturing Technology/Other |
| Counties Served: | Santa Clara | Repeat Contractor: | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Union(s): | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | Priority Industry: | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Current Contract Term: | February 3, 2014 to February 2, 2016 | Substantial Contribution: | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

CURRENT FUNDING

| |
|-----------------|
| Current Funding |
| \$196,500 |

AMENDMENT FUNDING

| | |
|-------------------|---------------|
| Requested Funding | Total Funding |
| \$140,040 | \$336,540 |

AMENDMENT TRAINING PLAN TABLE

| Job No. | Job Description (By Contract Type) | Type of Training | Estimated No. of Trainees | Range of Hours | | Average Cost per Trainee | Post-Retention Wage |
|---------|---------------------------------------|--|---------------------------|-------------------------|------------|--------------------------|---------------------|
| | | | | Class / Lab | CBT | | |
| 1 | Priority/Retrainee | Business Skills, Computer Skills, Continuous Impr, HazMat, Mfg Skills, PL-Mfg Skills | 160 | 24-200 | 0-8 | \$1,494 | \$16.25 |
| | | | | Weighted Avg: 83 | | | |
| 2 | Retrainee Priority Rate Job Creation | Business Skills, Computer Skills, Continuous Impr, HazMat, Mfg Skills, PL-Mfg Skills | 35 | 24-200 | 0-8 | \$1,500 | \$13.55 |
| | | | | Weighted Avg: 75 | | | |
| 3 | Retrainee Priority Rate Job Creation | Business Skills, Computer Skills, Continuous Impr, HazMat, Mfg Skills, PL- Mfg Skills | 30 | 8-200 | 0-8 | \$1,500 | \$13.70 |
| | | | | Weighted Avg: 75 | | | |

Minimum Wage by County: The ETP minimum wage for Job Number 1 is \$16.25 per hour in Santa Clara County; for Job Number 2, \$13.55 per hour for Santa Clara County; and for **Job Number 3, \$13.70 per hour for Santa Clara County.**

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

Up to \$2.75 per hour may be used to meet the Post-Retention Wage.

| Wage Range by Occupation | | |
|--|------------|---------------|
| Occupation Titles | Wage Range | # of Trainees |
| Job Number 1 | | |
| Administrative/Business/Finance Staff | | 10 |
| Production Staff/Operator | | 85 |
| Technician/Lead | | 25 |
| Support/Marketing/Sales Staff | | 5 |
| Information Technology Staff/ Engineer | | 20 |
| Manager/Supervisor | | 15 |
| Job Creation Job Number 2 | | |
| Production Staff/Operator | | 33 |
| Technician/Lead | | 0 |
| Information Technology Staff/ Engineer | | 1 |
| Manager/Supervisor | | 1 |

| | | |
|---|--|-----------|
| Job Creation Job Number 3 | | |
| Production Staff/Operator | | 20 |
| Technician/Lead | | 5 |
| Information Technology Staff/ Engineer | | 4 |
| Manager/Supervisor | | 1 |

INTRODUCTION

Founded in 1994 and based in Milpitas, Headway Technologies, Inc. (Headway) (www.headway.com) designs and manufactures recording heads for high performance hard disk drives used in laptops, portable computers, and computer servers. This process utilizes giant magneto-resistive technology, the industry's current standard. Training is occurring at the Company's sole location in Milpitas.

AMENDMENT DETAILS

In summary, this Amendment will:

- increase the Agreement amount by \$140,040 (from \$196,500 to \$336,540);
- increase the weighted average hours of training for Job Number 1 from 50 hours to 83 hours;
- increase the In-Kind Contribution from \$207,000 to \$360,000;
- add Job Number 3, Job Creation (Phase II);
- adjust total trainees from 195 to 225;
- correct wages for Production Staff/Operator to reflect lowest wages paid within the occupation; and
- increase health benefit amount.

The training for newly hired staff and select incumbent workers in the design, marketing, and manufacturing of a new generation of data storage device was rolled out on an accelerated training schedule due to customer demands. Consequently the ETP-funded training was delivered and completed ahead of schedule, less than a year into the Agreement. The Company is approaching 100% of the contract hours as is reflected in the ETP tracking system as potentially earnable training hours. The Company estimated an average of 50 hours per trainee for incumbent workers; however, because it is positioned in an exceptionally fast-paced technology field where technology equipment updates and new processes occur frequently, the Company is requiring 33 additional hours of training (from 50 to 83 hours) for Job Number 1 trainees.

Retrainee - Job Creation Phase II

Headway originally projected hiring over 100 new employees in the initial application, but took a conservative approach, reducing the hiring figure during the development of the agreement. Headway will hire 30 more employees (Job Number 3) bringing the total Job Creation trainees up to a total of 65 between Job Number 2 and Job Number 3. New employees are required to fully staff its new 14,700-square-foot clean room and add administrative support for the increased number of employees.

For Phase I, PL was approved up to 100 hours per trainee with a trainer-to-trainee ratio of no more than 1:3. For Phase II, 30 additional new employees will be limited to 60 hours of PL per trainee not to exceed a trainer-to-trainee ratio of 1:1. Headway Technologies, not unlike other businesses in the technology field must dedicate a substantial number of hours in training when new manufacturing machines are introduced on the production floor and when new products are being manufactured. Anytime a new product is being developed it requires a substantial re-organization and implementation of policies and procedures from development to design, completely through to the delivery of the product to intended customers. In this case, changes to Hitachi and Nikon equipment are example of changes on the production floor requiring additional training following recent equipment upgrades. The PL being delivered to Job Numbers 1 & 2 is estimated at 50 hours per trainee with no more than 100 hours allowable. For Job Number 3, an average of 22 hours per occupational category is provided by Headway Technologies. However, some Production Staff members may need up to the maximum of 60 hours. Their training will cover all the different types of machinery on the production floor. The Company submitted a sampling of 179 different processes ranging from 4 to 24 hours per process which have been assessed as being best delivered via the Productive Lab method according to Headway Technologies.

PL trainers are internal expert users covering the operations and maintenance of production equipment. PL training includes cross training staff so that the Company can avoid shut downs on their production lines and keep pace with customer orders.

RECOMMENDATION

Staff recommends approval of this Amendment with an effective date of August 1, 2014. Due to an internal technical problem on the ETP Forms website, the original 301R Amendment request reportedly submitted in August 2014 was not received. The 301R, formal request for the Amendment, was discovered in a junk folder by ETPs Analyst in January 2014. Headway's training schedules indicate that if the Agreement is not permitted to be retroactive to August 2014 for Job Numbers 1 & 2 that the agreement should be reduced by as much as \$50,000 based on the remaining training months available to train under the agreement. Effectively, because headway exhausted ETP funds early, training which took place exceeding the earnable amount between August and now would not be counted unless the Panel approves backdating in light of the technical problem which occurred on ETP's website.

CURRENT CONTRACT PERFORMANCE

The following table summarizes performance by Headway under the current ETP Agreement:

| Agreement No. | Approved Amount | Term | No. Trainees Enrolled | No. Completed Training | No. Retained |
|---------------|-----------------|-----------------------|-----------------------|------------------------|--------------|
| ET14-0257 | \$196,500 | 02/03/2014-02/02/2016 | 307 | 12 | 0 |

No final invoices have been submitted. ETP Tracking shows 10,276 potential earnable hours or roughly 100% of the Agreement amount considering various reimbursement rates for Job Number 1 and Job Number 2.

Exhibit B: Menu Curriculum

Class/Lab Hours

24-200: Job Numbers 1 & 2

8-200: Job Number 3

Trainees may receive any of the following:

BUSINESS SKILLS

- Effective Communications
- Customer Satisfaction
- Effective Meetings
- Global Marketing & Communications
- Headway Product Knowledge
- Managing Projects, Products, Customers
- Presentation Skills (Technical/Non-Technical)
- Product Document Training
- Sales and Negotiations
- Strategic Planning
- Technical Training Delivery Skills (Train-the-Trainer)

COMPUTER SKILLS

- Manufacturing Information System
- Microsoft Tools Excel & Word (Intermediate/Advanced)
- Microsoft Access, Project Tools, Dynamics
- Automatic Data Processing Software
- APICS (Inventory Control system)
- Document Change Order System
- Enterprise Resource Management system
- Internet Tools
- Manufacturing Resource Planning
- PeopleSoft Enterprise Applications
- Software Programming/Database
- Software Engineering and Development Tools
- Windows 7/8 Operating Systems

CONTINUOUS IMPROVEMENT

- 5S: Sort, Set, Shine, Standardize, Sustain
- ISO 14001/ISO 9001
- HPWT – High Performance Work Teams
- Lean Processes
- Organizational Skills/Performance
- Problem Solving
- Product/Process Improvement
- Project Management/Program Management
- Quality Management Systems
- Statistical Process Control
- Team Meetings for Process Improvement
- Workflow Optimization
- Workplace Communications
- Handling Difficult Situations
- Coaching Style Flexibility

- Handling Difficult Situations--Conflict Management
- Influencing Others/Negotiation Skills
- Initiative and Delegation
- Innovation & Creativity
- Leader vs. Independent Contributor
- Management Workflow and Schedules
- Performance Management
- Setting Goals
- Strategic Thinking
- Leadership Skills

MANUFACTURING SKILLS

- Engineering Process Concepts
- Factory Process Area
- Magnetic Head Technology
- Equipment Maintenance
- Material Handling
- New Product Design/Development
- Operating Production Equipment
- Photolithography and Thin Film
- Product Repair/Inspection
- Production/Processes/Assembly
- Prototyping and Design Test
- Root Cause Analysis
- Temporary Deviation Authorization
- Change Control Notification
- Lot Configuration Change
- System Integration Processes
- Troubleshooting/Testing/Reliability
- Warehouse Inventory Procedures
- Workflow/Scheduling

HAZARDOUS MATERIALS

- Manufacturing Information System
- Hazardous Materials Handling
- Hazardous Chemical Cleaning
- Hazardous Safety Procedures
- Flammability Control Procedures
- Recycling & Waste Disposal
- Hazard identification & Chemical Hygiene

Productive Lab

0-100: Job Numbers 1 & 2

0-60: Job Number 3

MANUFACTURING SKILLS

- Equipment Maintenance
- Material Handling
- New Equipment Knowledge/Certification
- Manufacturing Process Improvement
- Operating Production Equipment

- Production/Processes/Assembly
- Recycling & Waste Disposal
- Troubleshooting/Testing/Reliability/Repair/Inspection
- Inventory Control system
- Enterprise Resource Management system
- Manufacturing Resource Planning
- PeopleSoft Enterprise Applications

CBT Hours

0-8

CONTINUOUS IMPROVEMENT

- Basics 1 – Define Yourself (1 hr.)
- Basics 2 – The Customer is the Business (1 hr.)
- Basics 3 – Leader vs. Independent Contributor (1 hr.)
- Basics 4 – Communicating with Management (1 hr.)
- Basics 7 – Handling Difficult Situations (1 hr.)
- Basics 10 – Your Influence Potential (1 hr.)
- Basics 11 – Coaching Style Flexibility (1 hr.)
- Basics 12 – Initiative and Delegation (1 hr.)

Note: Reimbursement for retraining is capped at 200 total hours per-trainee. **Productive Lab may not exceed 100 hours for Job Numbers 1 & 2 and 60 hours for Job Number 3.** CBT is capped at 50% of total training hours per-trainee.



**Amendment #2 Proposal for:
Brickley Construction Company, Inc. dba Brickley
Environmental
Agreement Number: ET14-0311**

Approval Date: February 5, 2015

ETP Regional Office: North Hollywood

Analyst: M. Paccarelli

CURRENT PROJECT PROFILE

| | | | |
|------------------------|---|---------------------------|---|
| Contract Type: | Priority/SB<100 SET/HUA - Retrainee | Industry Sector(s): | Construction Services |
| Counties Served: | San Bernardino | Repeat Contractor: | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Union(s): | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | Priority Industry: | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Current Contract Term: | March 3, 2014 to March 2, 2015 | Substantial Contribution: | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |

CURRENT FUNDING

| |
|-----------------|
| Current Funding |
| \$46,200 |

AMENDMENT FUNDING

| | |
|-------------------|---------------|
| Requested Funding | Total Funding |
| +\$3,080 | \$49,280 |

AMENDMENT 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 | Priority/SB<100 SET/HUA | Cont. Imp.; Computer Skills; Hazardous Mat.; OSHA 10/30 | 35 | 8-90 | 0 | \$1,408 | \$11.17 |
| | | | | Weighted Avg: 64 | | | |

Minimum Wage by County: \$11.17 per hour in San Bernardino County

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

Up to \$1.17 per hour may be used to meet the Post-Retention Wage

INTRODUCTION

Founded in 1983, Brickley Construction Company, Inc. dba Brickley Environmental (Brickley) is an environmental remediation contractor providing safe and cost-effective solutions for the containment, abatement, and removal of hazardous materials. Its customer base includes public buildings, hospitals, schools, military bases, and commercial and residential properties.

Brickley performs mold remediation and cleanup; microbial and particulate decontamination of building components, HVAC systems, and other air delivery systems; and filter replacement in sensitive areas such as hospital morgues, laboratories, and cleanrooms. As a licensed hauler and handler of hazardous waste, Brickley safely removes and transports all kinds of contaminants, including polychlorinated biphenyls, lead, asbestos, mold, mercury, and heavy metals. These hazardous materials require specialized packaging, manifesting, transportation, and disposal.

AMENDMENT DETAILS

As a first-time ETP Contractor, Brickley initially estimated a weighted average of 60 hours of training. However, due to the specialized nature of its business, Brickley has since determined that trainees need additional hours to fully train field crews in the safe handling of hazardous materials. Brickley requests an increase in the weighted average per trainee by 4 hours from 60 to 64. This will increase the Average Cost per Trainee by \$88 from \$1,320 to \$1,408 and the Agreement amount by \$3,080 from \$46,200 to \$49,280.

Brickley is also requesting to add three months to the contract term (from March 2, 2015 to June 2, 2015). This will allow trainees to complete additional training.

RECOMMENDATION

Staff recommends approval of this Amendment.

SUMMARIZE PRIOR MODIFICATIONS

- Revision 1: Add Occupational Title and OSHA 30 to the curriculum.

CURRENT CONTRACT PERFORMANCE

The following table summarizes performance by Brickley under the current ETP Agreement:

| Agreement No. | Approved Amount | Term | No. Trainees Enrolled | No. Completed Training | No. Retained |
|---------------|-----------------|------------------------|-----------------------|------------------------|--------------|
| ET14-0311 | \$46,200 | 03/03/14 – 03/02/15 | 51 | 3 | 0 |

Based on the ETP Online Tracking System, Brickley has provided 100% of the total training hours.



DELEGATION ORDER

**Retrainee - Job Creation
Training Proposal for:
Digital Doc LLC**

Small Business \leq \$50,000

ET15-0386

Approval Date: February 2, 2015

ETP Regional Office: Sacramento

Analyst: M. Mazzone

CONTRACTOR

- Type of Industry: Manufacturing
Priority Industry: Yes No
- Number of Full-Time Employees
California: 25
Worldwide: 43
Number to be trained: 25
Owner Yes No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 1%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$31,954
- In-Kind Contribution: \$27,508

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 SB <100 | Business Skills, Commercial Skills, Computer Skills, Continuous Improvement, Manufacturing Skills | 21 | 8 - 60 | 0 | \$1,274 | \$15.07 |
| | | | | Weighted Avg: 49 | | | |
| 2 | Retrainee Job Creation Initiative Priority Rate SB<100 | Business Skills, Commercial Skills, Computer Skills, Continuous Improvement, Manufacturing Skills | 4 | 8 - 60 | 0 | \$1,300 | \$12.33 |
| | | | | Weighted Avg: 50 | | | |

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): El Dorado
- Occupations to be Trained: Production Staff, Technical Support Staff, Sales Staff, Engineer, Administrative Staff, Customer Service Representative, Shipping Staff, Manager, Owner
- Union Representation: Yes
 No
- Health Benefits: Job #'s 1 & 2: \$1.28 per hour

SUBCONTRACTORS

- Development Services: Sierra Consulting Services in Cameron Park assisted with development of this project for a flat fee of \$3,100.
- Administrative Services: Sierra Consulting Services will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

Introduction

Digital Doc LLC (Digi-Doc) was formed in 2004 when the current owners purchased the original Digital Doc, Inc. from California venture capitalists. Digi-Doc manufactures FDA-registered Intra-oral Cameras (IOCs). IOCs are best used to show patients a clear picture of the inside of

their mouth, where the dentist can immediately consult the patient on treatment options. Digi-Doc is the industry leader in innovation, design, quality and customer service.

The technology for IOCs is highly driven by cell phone technology and this advancement has stimulated the development and the releasing of new IOC products. In August 2007, Digi-Doc introduced ICON, a USB2.0 digital camera to the dental industry. Since 2007 Digi-Doc has sold more IOC units in North America than any other company. Data collected from the third quarter 2014 indicates that Digi-Doc's IOC sales were approximately 48% of all IOC sales in North America. Digi-Doc's customers include Dental practitioners and distributors servicing the dental supply industry.

Need for Training

In October 2014 Digi-Doc organized a soft release of a new IOC product called IRIS, which has become an instant success with dentists. Digi-Doc expects the full release of the IRIS IOC to occur in February 2015. The IRIS product has the most advanced focus design, which creates the finest high definition (HD) digital images of any IOC supporting a USB2.0 format. Production, repair, and Inventory control procedures will be re-tooled to improve efficiencies to ensure that Production Staff and Shipping Staff are able to meet the anticipated high demand.

The competitors of Digi-Doc have production facilities located overseas, which make it extremely difficult for Digi-Doc to remain competitive on price; therefore, Digi-Doc is focusing on quality and customer service. Staff will require training on customer service skills and troubleshooting skills to meet company goals of exceptional customer service. In addition, dental practitioners use multiple brands of Medical Practice Management software. Digi-Doc's staff needs training to better understand the integration methods of their product with the various Practice Management software used by customers.

Retrainee - Job Creation

Digi-Doc is in growth mode, with steadily increasing sales. In both 2013 and 2014, Digi-Doc experienced a growth of 16% and their growth is expected to continue. Due to its expanding existing business capacity, Digi-Doc has created new positions and has committed to hiring 4 new employees (Job Number 2). The new positions will fill needs in the Production, Technical Support and Customer Service departments.

The Panel offers incentives to companies that commit to hiring new employees - Trainees will be subject to a lower post-retention wage. The date-of-hire for trainees 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.

Training Plan

Retrainees and Job Creation trainees will receive between 8–60 hours of classroom/laboratory training in the below training types:

Business Skills – Training will be provided to all occupations within the Company. The goal of business skills training is to enable the Company to stand above their competition by providing exceptional customer service, with each staff member being efficient in their role. Training will include Business Communications, Behavior Style Strategies, Conflict Resolution, Dealing with Difficult People, Leadership Skills, Strategic Planning, Troubleshooting, Project Management and Time Management.

Commercial Skills – Training will be provided to Engineer, Managers and Owner to expedite product innovation. Due to constant improvements in technology, staff will require training on innovation and design to ensure that the Company's products are consistent with technological advancements in the industry. Training course topics will include Engineering Theory and Planning Design.

Computer Skills – Training will be provided to Engineer, Technical Support Staff, Sales Staff and Managers to improve database skills and processing efficiencies. In addition, customers use various Practice Management software programs, and staff will need training on the integration of Digital Doc's product with the customers' software. Training topics will include SQL Server (Management Studio) and Crystal Reports.

Continuous Improvement – Training will be provided to all occupations. Training will include Cross Training, Change Management, Lean Procedures/Practices, Production Operations/Workflow, Process Improvement, and System Failure Analysis. Training will focus on upgrading the internal processes of production, customer service, shipping, technical support and sales within Digi-Doc. With high expectations of demand when their new product (IRIS) is fully released in February 2015, Digi-Doc will train staff on new processes company-wide to ensure that Digi-Doc's prime directive, "Be efficient without compromising quality," is met.

Manufacturing Skills – Training will be provided to Engineer, Production Staff, Shipping Staff, Technical Support Staff and Managers. Training will include Assembly Process Control, Assembly Procedures, and Inventory Control. With the launch of a new product coming in February 2015, all staff will need to learn the new components and product specifications.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum

Class/Lab Hours

8-60

Trainees may receive any of the following:

BUSINESS SKILLS

- ❖ Behavior Style Strategies
- ❖ Conflict Resolution
- ❖ Dealing with Difficult People
- ❖ Leadership Skills
- ❖ Strategic Planning
- ❖ Time Management
- ❖ Project Management
- ❖ Business Communications

COMMERCIAL SKILLS

- ❖ Engineering Theory
- ❖ Planning Design

COMPUTER SKILLS

- ❖ Crystal Reports
- ❖ SQL Server (Management Studio)

CONTINUOUS IMPROVEMENT

- ❖ Cross Training
- ❖ Change Management
- ❖ Lean Procedures/ Practices
- ❖ Production Operations/ Workflow
- ❖ Process Improvement
- ❖ Systems Failure Analysis

MANUFACTURING SKILLS

- ❖ Assembly Process Control
- ❖ Assembly Procedures
- ❖ Inventory Control

Safety Training cannot exceed 10% of total training hours per-trainee

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery.



DELEGATION ORDER

RETRAINEE - JOB CREATION

Training Proposal for:

JDZ, Inc. dba AleSmith Brewing Company

Agreement Number: ET15-0373

Delegation Order Date: January 14, 2015

ETP Regional Office: San Diego

Analyst: R. Swier

PROJECT PROFILE

| | | | |
|---|---|---------------------|---|
| Contract Attributes: | Critical Proposal Job Creation Initiative Priority Rate Retrainee SB <100 | Industry Sector(s): | Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| Counties Served: | San Diego | Repeat Contractor: | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Union(s): | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| Number of Employees in: | CA: 28 | U.S.: 28 | Worldwide: 28 |
| <u>Turnover Rate:</u> | 1% | | |
| <u>Managers/Supervisors:</u> (% of total trainees) | 9% | | |

FUNDING DETAIL

| | | | | | |
|---------------|---|----------------------------|-------------------------|---|--------------------------|
| Program Costs | - | (Substantial Contribution) | (High Earner Reduction) | = | Total ETP Funding |
| \$91,000 | | \$0 | \$0 | | \$91,000 |

| | | |
|------------------------------|------------------------------------|-----------|
| In-Kind Contribution: | 100% of Total ETP Funding Required | \$143,000 |
|------------------------------|------------------------------------|-----------|

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 Job Creation Initiative Priority Rate SB <100 | Business Skills, Computer Skills, Cont. Improv. HazMat, Mfg. Skills, PL- Mfg. Skills | 35 | 8-200 | 0 | \$1,560 | \$13.28 |
| | | | | Weighted Avg: 60 | | | |
| 2 | Retrainee Priority Rate SB<100 | Business Skills, Computer Skills, Cont. Improv. HazMat, Mfg. Skills, PL- Mfg. Skills | 28 | 8-60 | 0 | \$1,300 | \$15.93 |
| | | | | Weighted Avg: 50 | | | |

Minimum Wage by County: Job Number 1 (Job Creation): \$13.28 per hour; Job Number 2 (Retrainee): \$15.93 per hour for San Diego County.

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

\$1.07 per hour may be used to meet the Post-Retention Wage for Job Numbers 1 & 2.

Wage Range by Occupation

| Occupation Titles | Wage Range | Estimated # of Trainees |
|-----------------------|------------|-------------------------|
| Production | | 21 |
| Office/Sales | | 20 |
| Customer Service/Bars | | 15 |
| Manager | | 6 |
| Owner | | 1 |

Critical Proposal

This proposal for JZD, Inc. dba AleSmith Brewing Company (AleSmith) is designated as a “Critical Proposal”, as defined in Title 22, California Code of Regulations (CCR) 4402.2, by the Governor’s Office of Business and Economic Development (Go-BIZ). AleSmith is expanding its workforce with the construction of a new manufacturing plant. This project will assist AleSmith to develop new job skills for existing retrainees and job creation workers.

INTRODUCTION

AleSmith, (<http://www.alesmith.com>) located in San Diego and founded in 1995, is an artisan microbrewery that specializes in handcrafted ales in a variety of styles. AleSmith is a craft beer

manufacturer with national distribution of bottled and draft beer with international distribution to Japan and Europe. The onsite tasting room in San Diego is open to the public and sells beer as well as merchandise to its retail customers. According to Brewers Association, in 2014 the craft beer industry grew by 20%, while the large commercial breweries have had flat, and even declining sales. San Diego County currently has over 90 breweries with more in the planning stages.

PROJECT DETAILS

AleSmith's current owner purchased the Company in 2002. At that time AleSmith brewed about 600 barrels of beer, and the Company was in the red. Since then, the AleSmith has grown to its current profitable state with an increase of production of 2500%. AleSmith currently brews 15,000 barrels per year and expects to double that amount in 2015 and triple that amount by 2016. However, AleSmith has outgrown its current facility. To meet customer demand and growth projections, AleSmith will begin the move into its new state-of-the-art facility in February 2015. The initial phase of the project cost is estimated at \$12M.

All equipment will be new in the new manufacturing facility. All employees, incumbent and newly-hired, will need extensive training on this new equipment, along with the new processes/procedures at the new facility. All of the new brew house equipment is manufactured by Krones of Germany, which is a worldwide leader in brewery equipment. While other brewers in the US use Krones products, AleSmith will be the first brewery within the US to use Krones equipment especially designed for the manufacturing of AleSmith beers. As part of the implementation of new processes and equipment AleSmith will implement a new Enterprise Resource Planning (ERP) system, therefore, staff will also require computer skills training.

In order to meet customer demand and remain competitive and profitable, AleSmith must be efficient in its processes and all of its systems. Incumbent and newly hired staff will need to be trained.

Productive Laboratory

During productive lab training, trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to deliver training during all hours of training.

Due to their emphasis on quality, flavor and brewing technique the craft brewing industry's smaller production batches receive a greater amount of "hands on" involvement from Production Staff compared to large scale breweries. Therefore, it is essential that training take place within a PL environment. PL training will be provided by Managers and Lead Production Staff. They will develop a training plan for each process/piece of equipment and instruct the trainee on entire process. In some cases, the trainees will have already completed the classroom training on new equipment from the equipment vendors. During PL training, production output levels will be greatly reduced due to a slowdown in the process as trainers provide instruction, demonstrate the use of equipment, and respond to questions. Due to the learning curve and use of new equipment it is anticipated that some batches may not be suitable for consumption. All PL trainees will be formally evaluated using a checklist of competencies.

Most of the PL training will have a trainer-to-trainee ratio of 1:1, however due to the expansion of job creation employees to more than double the current employee level, it will be more efficient to train newly hired employees in teams. Therefore, AleSmith is seeking approval for allowance of increasing trainer-to-trainee ratio from 1:1 to 1:3.

AleSmith has identified up to 200 hours of PL training and is seeking approval for up to the maximum of 60 hours for Job #1 employees. Incumbent worker Job #2 retrainees will be subjected to the Small Business cap at the maximum of 24 PL hours.

Retrainee - Job Creation

In support of job creation, the Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

The Company will focus on training existing and job creation trainees in high level job skills needed to operate the new plant and machinery. In effort to triple production by 2016, AleSmith is taking the following action:

- Relocating from a 20,000 sq ft space to 105,000 sq ft facility in February 2015
- Hiring at least 35 job creation trainees in their San Diego facility (125% increase in net employees)
- Investing \$12 million within the initial phase to transition

AleSmith projects to hire 35 new employees in the next 12 months in (Job Number 1). The date-of-hire for trainees will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Business Skills (12%): This training will be offered to all occupations. Communication/Customer Relations/5 Star Service and Product Knowledge will give trainees the ability to provide a positive experience in all interactions with each other, customers and vendors. The product knowledge training is also critical for all staff as all AleSmith employees are ambassadors of the Company. Sales and Marketing/Branding training will be offered to Sales personnel on sales techniques, marketing/branding for products and pricing, distributors and their agreements.

Computer Skills (15%): This training will be offered to all occupations. Training in the new ERP system, advanced skills in MS Office, and Fishbowl Inventory Management system will enable staff to move from a manual inventory tracking system to an automated inventory tracking system. Customer Service/Bar staff will be trained to use new Point-of-Sale system in the new building which will provide quicker service to customers while also providing more efficient accounting reporting.

Manufacturing Skills (60%): This training will be offered to Production Staff and Managers in the following skills: Equipment Operations, Maintenance, and Troubleshooting as well as Quality and Process Flow Training. Staff will learn to use the new equipment and maintenance and troubleshooting. Trainees will learn process flow for each piece of equipment in the manufacturing process. One person will be designated as the technical specialist to do major maintenance but because equipment requires constant maintenance, they all need the basic maintenance training. All trainees will learn about preventing and identifying common quality issues. Training will be delivered in both a class/lab and productive lab setting.

Continuous Improvement (10%): This training will be offered to all occupations in a lead role to give them the skills to improve the quality of products and processes as well as learning how to continuously develop staff. Lean Manufacturing, 5S, and Six Sigma will help in all processes from production to office work. The skills and tools provided by this training are expected to improve the Company's ability to compete with the growing number of breweries that continue to open.

Hazardous Materials (3%): This training will be offered to Production Staff in Hazmat Handling and Waste Water Handling/Treatment.

Commitment to Training

AleSmith represents that 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. In addition, any Productive Lab training conducted beyond the maximum hours that ETP will cover will be at AleSmiths' own expense.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum

Class/Lab Hours

Job Number 1: 8-200
 Job Number 2: 8-60

Trainees may receive any of the following:

BUSINESS SKILLS

- ✚ Communication/Customer Relations – 5 star service
- ✚ Financial Reporting and Budget Management
- ✚ Inventory Control
- ✚ Sales and Marketing/Branding
- ✚ Product Knowledge

COMPUTER SKILLS

- ✚ Fishbowl Inventory Management System
- ✚ ERP System
- ✚ MS Office
- ✚ Point of Sale System

CONTINUOUS IMPROVEMENT

- ✚ 5S
- ✚ Lean Manufacturing
- ✚ Six Sigma
- ✚ ABC (Alcohol Beverage Control) Overview

HAZARDOUS MATERIALS

- ✚ HazMat Handling
- ✚ Waste Water Handling/Treatment

MANUFACTURING SKILLS

- ✚ Equipment Operation, Maintenance, & Troubleshooting
- ✚ QA/QC Training
- ✚ Process Flow / Best Practices
- ✚ Malt Handling
- ✚ Brewer Training
- ✚ Centrifuge Training
- ✚ Packaging Training
- ✚ Sanitation Techniques

Safety Training cannot exceed 10% of total training hours per-trainee

MANUFACTURING SKILLS - PRODUCTIVE LAB (PL) (limited ratio 1:3)

PL Hours

Job Number 1: 0-60
 Job Number 2: 0-24

- ✚ Brewing Training
- ✚ Sensory Analysis Training
- ✚ Sensory Panelist Training
- ✚ Capsule Applicator Training
- ✚ Kosme Bottle Training
- ✚ AcePack Case Packer Training
- ✚ Automation Slitter/Sealer Training

Note: Reimbursement for retraining is capped at 200 total training hours per-trainee regardless of the method of delivery. PL is capped at 60 hours per-trainee for Job Number 1 and 24 hours for Job Number 2.



RETRAINEE - JOB CREATION

Training Proposal for:

Parco Holdings, LP

Agreement Number: ET15-0367

Approval Date: February 3, 2015

ETP Regional Office: Sacramento

Analyst: W.Sabah

PROJECT PROFILE

| | | | |
|---|---|---------------------|--|
| Contract Attributes: | Retrainee SET Job Creation Initiative HUA | Industry Sector(s): | Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Counties Served: | Sacramento, Placer, Fresno, Kern, San Mateo, Santa Clara | Repeat Contractor: | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Union(s): | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| Number of Employees in: | CA: 317 | U.S.: 347 | Worldwide: 347 |
| <u>Turnover Rate:</u> | 18% | | |
| <u>Managers/Supervisors:</u> (% of total trainees) | N/A | | |

FUNDING DETAIL

| | | | | | |
|---------------|---|----------------------------|-------------------------|---|-------------------|
| Program Costs | - | (Substantial Contribution) | (High Earner Reduction) | = | Total ETP Funding |
| \$59,700 | | \$0 | \$0 | | \$59,700 |

| | | |
|------------------------------|------------------------------------|----------|
| In-Kind Contribution: | 100% of Total ETP Funding Required | \$72,000 |
|------------------------------|------------------------------------|----------|

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 SET | Business Skills, Commercial Skills, Computer Skills, Continuous Improvement | 12 | 8-60 | 0 | \$600 | \$27.09 |
| | | | | Weighted Avg: 40 | | | |
| 2 | Retrainee HUA SET | Business Skills, Commercial Skills, Computer Skills, Continuous Improvement | 60 | 8-60 | 0 | \$600 | \$11.17 |
| | | | | Weighted Avg: 40 | | | |
| 3 | Retrainee Job Creation Initiative HUA SET | Business Skills, Commercial Skills, Computer Skills, Continuous Improvement | 15 | 8-100 | 0 | \$1,100 | *\$9.14 |
| | | | | Weighted Avg: 55 | | | |

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the statewide minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table.

Minimum Wage by County: Job Number 1 (SET): \$27.09 per hour for Sacramento, Placer, San Mateo, and Santa Clara Counties; Job Number 2 (SET/HUA): \$11.17 per hour in Fresno and Kern Counties; Job Number 3 (Job Creation/HUA): \$9.14 per hour for Fresno and Kern Counties.

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 \$2.50 per hour may be used to meet the Post-Retention Wage.

| Wage Range by Occupation | | |
|--------------------------|------------|-------------------------|
| Occupation Titles | Wage Range | Estimated # of Trainees |
| Job 1 | | |
| Frontline Managers | | 12 |
| Job 2 | | |
| Frontline Managers | | 6 |
| Wait Staff | | 32 |
| Kitchen Staff | | 22 |
| Job 3 | | |
| Wait Staff | | 10 |
| Kitchen Staff | | 5 |

INTRODUCTION

Parco Holdings, LP (Parco Holdings) and Stripes Restaurants, Inc. are management companies that have common majority ownership interests in four T.G.I. Fridays and other major restaurants. Parco Holdings will hold the contract to train employees of its own as well as its affiliate's, Stripes Restaurant, Inc.

The proposed training will only be provided to restaurant employees located in Sacramento, Rancho Cordova, Elk Grove, Roseville, Fresno, San Mateo, Cupertino and Bakersfield. Parco Holdings is eligible for ETP funding under Special Employment Training (SET) for frontline workers.

Need for Training

Parco Holdings is looking to establish exceptional customer service and increase its market share by implementing an extensive and advanced training program for their employees. The Company determined more full-time employees are needed rather than depending heavily on part-time employees as in previous years. Full-time staff will lend itself to continuity, higher quality of services and stable intellectual capital over the years. In addition, Parco Holdings is placing heightened emphasis on food product safety and food grade sanitation practices to provide customers with high quality products.

To achieve these changes, the Company will implement a training program on advanced customer service skills, food product safety, restaurant sanitation and maintenance, and internal computer applications.

Retrainee - Job Creation

In support of job creation, the Panel offers incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

In 2014, Parco Holdings increased their sales by approximately 5-10%. The Company currently employs a combination of part-time and full-time employees at their restaurants; however, the Company has decided to hire more full-time employees to create long-term stability of staff and a higher quality of service to customers. Parco Holdings' commitment to expand existing business capacity by adding newly-hired employees to an existing function will warrant Job Creation.

Parco Holdings has committed to hiring fifteen new employees (Job Number 3). The date-of-hire for trainees will be within the three-month period before contract approval or within the term-of-contract. Trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Business Skills (30%): Training will be provided to all occupations and will be job specific. Training course topics will include Customer Service Skills, Effective Communications, Web-Based and Social Media Marketing, and Strategic Planning. Managers will receive training in all course topics; Wait Staff will receive training in Customer Service Skills, Effective Communications, and Web-Based and Social Media Marketing; and Kitchen staff will receive training in Customer Service Skills and Effective Communications.

Training will focus on marketing strategies to promote sales and the technical methods of staging, handling grievances, order accuracy, strategies, and professionalism to improve

customer satisfaction. Furthermore, training in Strategic Planning will allow Managers to improve implementation plans based on the company's needs, internal audits, market analysis and employee surveys.

Commercial Skills (20%): Training will be offered to Kitchen Staff and will include Restaurant Equipment Operation, Sanitation, and Maintenance. Trainees will learn the proper technique and safe use of grills, deep fryers, broilers and various slicers and mixers. In addition, training will focus on sanitation and preventative maintenance of the equipment. This training is portable in the industry.

Computer Skills (35%): Training will be offered to all occupations. Trainees will learn to effectively use the Company's new Point of Sale System (POS) and Hot Scheduler System. The POS training will allow trainees to learn multiple options for ticketing and order entry, unlimited menu items with flexible pricing and discounts, fresh sheets, customer and employee databases, online reservations, and table tracking. The Hot Scheduler System will allow managers to track, organize, and schedule labor needs. Training aims to improve customer service, time management, delivery of product, and efficiency.

Continuous Improvement (15%): Training will be offered to all occupations and will include Food Product Safety, Leadership, and Teambuilding. Training will focus on skills that will help the Company achieve goals through increased productivity, quality improvement, enhanced teamwork, and developing stronger frontline leadership.

Special Employment Training

Under SET, the participating 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.

In addition, Frontline Managers in Job Numbers 1 & 2 meet the ETP frontline workers definition instead of the ETP Supervisor/Manager definition. In accordance with ETP guidelines, Frontline Managers are eligible for ETP funding under Special Employment Training (SET) for frontline workers.

Wage Modification

The 75 trainees in Job Numbers 2 & 3 work in a High Unemployment Areas (HUA). These are regions with unemployment exceeding the state average by 25%, under the Panel's standards. The Company's locations in Fresno and Kern Counties qualify for HUA status under these standards.

Trainees qualify for the ETP HUA Minimum Wage of \$11.17 per hour for Job Number 2 and \$9.14 per hour for Job Number 3 in Fresno and Kern Counties. The Panel may modify the ETP Minimum Wage for these trainees by up to 25% if post-retention wages exceed the start-of-training wages.

Commitment to Training

Parco Holdings currently has an annual training budget of \$15,000 and includes state mandated safety training, new employee orientation and basic job skills training for all occupations.

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.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Parco Holdings retained Strategic Business Solutions, LLC in Visalia to assist with development of this proposal for a flat fee of \$4,347.

ADMINISTRATIVE SERVICES

Strategic Business Solutions, LLC will also perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum

Class/Lab Hours

Job 1 & 2: 8-60
Job 3: 8-100

Trainees may receive any of the following:

BUSINESS SKILLS

- Customer Service Skills
- Effective Communications
- Web-Based and Social Media Marketing
- Strategic Planning

COMMERCIAL SKILLS

- Restaurant Equipment Operation, Sanitation, and Maintenance

COMPUTER SKILLS

- POS System
- Hot Scheduler Software

CONTINUOUS IMPROVEMENT

- Food Product Safety
- Leadership
- Teambuilding

Safety Training cannot exceed 10% of total training hours per-trainee

Note: Reimbursement for retraining is capped at 60 total training hours per trainee for Job Numbers 1 and 2, and 100 total training hours per trainee for Job Number 3, regardless of the method of delivery.



**Training Proposal for:
Partners Advantage Insurance Services, LLC**

Small Business ≤ \$50,000

ET15-0383

Approval Date: February 4, 2015

ETP Regional Office: San Diego

Analyst: M. Ray

CONTRACTOR

- Type of Industry: Insurance Services
Priority Industry: Yes No
- Number of Full-Time Employees
California: 49
Worldwide: 80
Number to be trained: 49
Owner Yes No
- Out-of-State Competition: Customers Outside CA
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 3%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$42,042
- In-Kind Contribution: \$70,755

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 SB <100 | Business Skills, Commercial Skills, Computer Skills, Continuous Impr | 49 | 8-60 | 0 | \$858 | \$15.07 |
| | | | | Weighted Avg: 39 | | | |

- Reimbursement Rate: \$22 SB Non-Priority
- County(ies): Riverside
- Occupations to be Trained: Administrative Support, Case Manager, Contracts & Licensing Staff, Operations, Executive Staff Manager/Supervisor, Sales Staff, Owner
- Union Representation: Yes
 No
- Health Benefits: \$0.57 per hour

SUBCONTRACTORS

- Development Services: Training Funding Group (TFG) in Irvine will assist with development of this proposal for a flat fee of \$1,000.
- Administrative Services: TFG will also assist with administration for a fee not to exceed 13% of earned funds.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1993 and headquartered in Riverside, Partners Advantage Insurance Services, LLC (Partners Advantage) (www.partnersadvantage.com) represents over 50 insurance carriers and provides access to a wide range of insurance products to independent agents across the country. Partners Advantage acts as a wholesaler of fixed annuities, life insurance, linked benefits products, long-term care/disability insurance, and Medicare. The Company also offers training, mentoring, and coaching services to its customers with tools and strategies to meet their client's insurance needs.

Partners Advantage is comprised of two divisions: Platinum Division and Direct Division. The Platinum Division is designed to meet the needs of national Insurance Marketing Organizations and Managing General Agents. The Direct Division supports independent agents, national accounts (large entities with captive nationwide distribution), and Registered Investment Advisors. The two divisions contract with more than 28,000 agents.

Training Plan

There are many competitors that offer similar services. To set itself apart and remain competitive, the Company must have solid resources and expertise in many products to provide

a wide-scope of comprehensive services. To do this, Partners Advantage developed a strategic plan to improve its client service model: implementing the Company's new Client Relationship Management (CRM) System to improve service to clients, setting long-term customer service goals to increase customer loyalty, and establishing a marketing plan to continually grow business. To this end, the Company will require an extensive training program that will promote skills necessary to support changes in the Company's client service model. Training will help the Company achieve excellent customer service, superior employee knowledge, and advanced employee performance. These skills are critical to the retention of its current clients and the acquisition of new clients.

Business Skills – Training will be provided to all staff. Training topics in Customer Care, Communication Skills, Sales Skills, Resolving Conflicts, and Problem Solving will allow trainees to effectively address issues and find solutions to improve services and increase business standards.

Commercial Skills – Training will be provided to all trainees. Training will enable staff to stay current and keep clients informed of regulatory changes and help staff make informed decisions while handling client insurance plans.

Computer Skills – Training will be provided to all trainees. In November 2014, Partners Advantage implemented its new Client Relationship Management (CRM) System which is the primary tool for tracking the Company's interactions with its clients. The Company will deliver significant training in the new system to enable workers to fully utilize its functions within the organization, have access to real time status changes, and reduce time and cost of placing customers with the many available products.

Continuous Improvement – Training will be provided to all staff. Managers/Supervisors will receive leadership skills training to effectively manage teams, and oversee workflow production. Course topics in Project Management and Performance Management will improve efficiency and production to keep up with the growing customer demands. Train-the-Trainer training will be provided to some lead workers and Managers/Supervisors to learn how to become an effective facilitator.

Temporary to Permanent Hiring

The trainees fall under Panel guidelines for "temporary to permanent" employment. Partners Advantage has retained these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training. These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after trainees have been hired by Partners Advantage. Until then, Partners Advantage will not receive progress payments.

High Unemployment Area

The trainees in this proposal work in a High Unemployment Area (HUA) with unemployment exceeding the state average by 25%. Although Partners Advantage qualifies for HUA status under these standards, it is not requesting a wage or retention modification.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 - 60 Trainees may receive any of the following:

BUSINESS SKILLS

- Effective Meetings and Facilitation
- Customer Care Fundamentals
- Problem Solving and Decision Making
- Business Grammar and Writing Skills
- E-Mail Etiquette
- Business Telephone Skills
- Resolving Conflicts
- Communications Skills
- Sales Skills
- Coaching/Mentoring Skills

COMMERCIAL SKILLS

- Case Management Skills
- Contracts and License Skills
- Administration Skills
- Compliance and Regulations Skills
- Business Development Skills
- Accounting and Commission Skills
- Continuous Customer Care Improvement
- Policy and Procedure Development
- Internal Audits and Soft Controls
- Client Deliverables
- Budgets and Forecasts Workflow Production
- Financial Statements for Non-Financial Employees

COMPUTER SKILLS

- Microsoft Office Suite (Intermediate and Advanced)
- Microsoft Adobe
- Partners Headquarters Client Relationship Management (CRM) Software Applications Skills

CONTINUOUS IMPROVEMENT

- Change Management
- Project Management Skills
- Leadership Skills
- Performance Management
- Team Building
- Train the Trainers

| |
|---|
| Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery. |
|---|

DELEGATION ORDER



RETRAINEE – JOB CREATION

Training Proposal for:

Qualified Billing and Collections, LLC

Agreement Number: ET15-0348

Approval Date: January 22, 2015

ETP Regional Office: North Hollywood

Analyst: M. Webb

PROJECT PROFILE

| | | | |
|--|---|---------------------|--|
| Contract Attributes: | Retrainee SET Job Creation HUA | Industry Sector(s): | Services Priority Industry: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Counties Served: | Los Angeles | Repeat Contractor: | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| Union(s): | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | |
| Number of Employees in: | CA: 169 | U.S.: 169 | Worldwide: 169 |
| Turnover Rate: | 13% | | |
| Managers/Supervisors: (% of total trainees) | N/A | | |

FUNDING DETAIL

| | | | | | |
|---------------|---|----------------------------|-------------------------|---|--------------------------|
| Program Costs | - | (Substantial Contribution) | (High Earner Reduction) | = | Total ETP Funding |
| \$99,765 | | \$0 | \$0 | | \$99,765 |

| | | |
|-----------------------|------------------------------------|-----------|
| In-Kind Contribution: | 100% of Total ETP Funding Required | \$154,525 |
|-----------------------|------------------------------------|-----------|

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 SET | Business Skills, Commercial Skills, Computer Skills, Cont. Imp. Mgmt. Skills | 4 | 8-200 | 0-13 | \$450 | \$27.09 |
| | | | | Weighted Avg: 30 | | | |
| 2 | Retrainee SET HUA | Business Skills, Commercial Skills, Computer Skills, Cont. Imp. | 147 | 8-200 | 0-13 | \$495 | *\$12.03 |
| | | | | Weighted Avg: 33 | | | |
| 3 | Retrainee SET Job Creation Initiative HUA | Business Skills, Commercial Skills, Computer Skills, Cont. Imp. | 35 | 8-200 | 0-13 | \$720 | *\$12.03 |
| | | | | Weighted Avg: 36 | | | |

*This proposal was scheduled to be heard in December. Staff recommends "grandfathering" the CY 2014 wages to ensure there is no detriment caused by the cancellation of December's meeting where, as here, some occupations would not meet CY 2015 wages.

Minimum Wage by County: Job Number 1 (SET): \$27.09 in Los Angeles County: Job Number 2 (SET/HUA): \$12.03 in Los Angeles County: Job Number 3 (SET/Job Creation/HUA): \$12.03 in Los Angeles County.

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 \$2.03 per hour may be used to meet the Post-Retention Wage.

| Wage Range by Occupation | | |
|--------------------------------|------------|-------------------------|
| Occupation Titles | Wage Range | Estimated # of Trainees |
| Job Number 1 | | |
| Billor | | 1 |
| Manager | | 2 |
| Account/Sales Representative | | 1 |
| Job Number 2 | | |
| Mailroom Clerk | | 8 |
| Billor | | 47 |
| Medical Records Scanning Clerk | | 9 |
| Court/Calendar Prep | | 18 |
| Pre-Collections Associate | | 12 |
| Medical Recovery Analyst | | 42 |
| Account/Sales Representative | | 11 |

| Job Number 3 | | |
|--------------------------------|--|---|
| Biller | | 6 |
| Medical Records Scanning Clerk | | 3 |
| Court/Calendar Prep | | 3 |
| Pre Collections Associate | | 7 |
| Medical Recovery Analyst | | 7 |
| Account/Sales Representative | | 9 |

INTRODUCTION

Founded in 2009, Qualified Billing & Collections, LLC (QBC), is a medical billing and collections company headquartered in Los Angeles. The Company is not a traditional collection agency but they work with doctors to receive payment from insurance companies. QBC is hired by doctors to handle the collection process which can take years to resolve. QBC provides clients with billing analysis, strategic recommendations, and consultation services.

The billing and collection industry has experienced an increase in competition from off shore labor. To remain competitive, QBC has chosen to invest in staff by producing a more knowledgeable workforce. Training will improve employee expertise and increase the number of resolved cases for QBC.

SB 873 (codified in multiple sections of Government Code and Labor Code) is a Worker's Compensation System (System) reform act that took effect on January 1, 3013. It "overhauled" the System as enforced by the Division of Worker's Compensation (DWC) in the Department of Industrial Relations. According to the DWC website, SB 863 was the result of months of negotiations between labor unions and employers with a focus on two equally important goals:

- Increasing permanent disability benefits paid to injured workers to compensate for the lasting effects of workplace injuries; and
- Improving the efficiency of the California workers' compensation system by reducing the costs and time it takes to deliver benefits to injured workers and resolve disputes.

SB 863 resulted in DWC regulations with staggered effective dates throughout CY 2013. This reform act made significant changes to the System in the following areas:

- Increases permanent disability values
- Simplifies the permanent disability rating method
- Resolves medical treatment disagreements through independent medical review
- Resolves bill payment disputes through independent bill review
- Simplifies the supplemental job displacement voucher system
- Requires payment of a filing or activation fee for liens
- Improves medical provider networks
- Updates the Official Medical Fee Schedule
- Establishes fee schedules for copy services, interpreters, vocational experts, and in-home health care
- Provides additional payments for workers with disproportionate wage loss

PROJECT DETAILS

Senate Bill 863 made significant changes to California's workers compensation system. Changes include the creation of fee schedules, lien claims and independent bill reviews to resolve disputes of the amount doctors should be paid, and new medical review processes. QBC must provide training to be certain staff can interpret and implement new processes.

Given these changes, QBC must provide staff with training on new regulations and reforms to ensure accurate interpretation and application that affect collection techniques. It is important employees are knowledgeable of these changes to ensure compliance and to resolve billing and collection cases. Training on Medicare billing software will be provided to enhance skills on how to access information and identify billing codes.

Managers will participate in a Train-the-Trainer course developed by QBC's Vice President. This will enable Managers to deliver training to all staff on a continuous basis to remain up-to-date on new systems and techniques utilized throughout the Company.

Training Plan

Topics delivered will increase trainee knowledge and update staff on changes that have occurred within the industry. QBC must apply and implement these changes in a timely manner to ensure compliance and better assist clientele.

Business Skills (15%): Training will be offered to Account/Sales Representatives and Managers. Topics delivered will enhance trainee skill set in time management and account acquisition.

Commercial Skills (30%): Training will be offered to Billers/Medical Recovery Analysts, Court/Calendar Prep, and Medical Records Scanning Clerks. Training will ensure staff fully comprehends workers compensation law and can apply it to billing and collection services. Newly hired representatives and associates will receive extensive training to increase knowledge and proficiency.

Computer Skills (20%): Training will be offered to all occupations in new software programs to access information and provide services. Training will also include CompData and ConExem.

Continuous Improvement (20%): Training will be offered to all occupations on new laws and billing codes used within the field. Topics include Litigation, Billing Codes and SB863.

Management Skills (5%): Training will be offered to Managers to equip them with the skill set to teach new regulations and reforms as they become enacted over time. The course developed by QBC staff will improve communication and overall knowledge of workers compensation law.

Computer-Based Training (10%)

Computer-Based Training (CBT) will be utilized as a training method to learn new laws and billing codes. Although courses will be delivered via class/lab, CBT will be used as a tool to ensure trainees are fully aware of all regulations and reforms. Trainees will receive no more than 13 total hours of CBT.

Retrainee - Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Training for newly hired employees is reimbursed at a higher rate and trainees are subject to a lower post-retention wage. The wage modification for High Unemployment Areas (HUA) may be applied, as well.

QBC must be up-to-date with new changes in the industry. A growing trend among competitors is outsourcing services. To remain competitive, the Company will increase its staff size to provide a knowledgeable workforce to better handle increased client levels. With additional staff, caseloads will receive the dedicated time required to find resolution.

QBC has committed to hiring 35 full-time employees (Job Number 3). Newly hired staff will receive training in all regulations and reforms regarding workers compensation. Trainees will receive up to 60 hours of training in Business, Commercial and Computer Skills to increase knowledge and better understand billing and collection services.

QBC represents that the date-of-hire for all trainees in the Job Creation program will be within the four-month period before contract approval or within the term-of-contract. [Note: The usual date-of-hire "window period" for this program is three months. In this case, because the proposal was held over due to cancellation of the Panel meeting in December 2014, and the Company has already started hiring, staff recommends extending this period by one additional month. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

Frontline Worker

QBC is requesting to include two Managers in this training proposal. These employees manage and work with Billers, Clerks, and Representatives. These managers are frontline workers, non-exempt from overtime, spending more than 50% of their time performing frontline work duties. Trainees meet the Panel's definition of frontline workers and qualify for Special Employment Training (SET) funding.

Commitment to Training

QBC spends approximately \$100,000 annually on staff training. Training takes place on a monthly basis and is job specific.

ETP funds will not displace the existing financial commitment to training. Safety training is provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

QBC has identified staff members to administer this ETP Agreement. QBC staff will be responsible for scheduling training sessions to ensure employees receive the training needed to improve job performance. The Company has also hired Jewish Vocational Services (JVS) to provide administrative services.

SET/HUA ETP Minimum Wage

The 99 trainees in Job Numbers 2 and 3 work in a HUA, with unemployment exceeding the state average by at least 25%. QBC, located in the city of Los Angeles, qualified as HUA status under these standards. These trainees meet and qualify for the ETP Minimum Wage/HUA (\$12.03) rather than the Statewide Average Hourly Wage. QBC requests this wage modification for Job Number 2 and 3.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

JVS in Marina Del Rey assisted with development of this proposal for a flat fee of \$9,730.

ADMINISTRATIVE SERVICES

JVS will also perform administrative services for a flat fee not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum

Class/Lab Hours

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Conflict Resolution
- Record Keeping
- Financial Matrix
- New Account Acquisition

COMMERCIAL SKILLS

- Billing
- Utilization Review (UR)
- Independent Bill/Medical Review (IBR/IMR)
- Reviewing Medical Reports
- SB863 and Relevant Laws

COMPUTER SKILLS

- CompData
- ConExem
- Electronic Adjudication Management System

CONTINUOUS IMPROVEMENT

- SB863 Training in all Related Workers Compensation Billing Codes Employee Assessment

MANAGEMENT SKILLS (Managers Only)

- Train-the-Trainer

CBT Hours

0 – 13

COMMERCIAL SKILLS

- UR (1 Hr)
- IBR/IMR (1 Hr)
- Reviewing Medical Reports (2 Hr)
- SB863 and Relevant Laws (2 Hr)

COMPUTER SKILLS

- CompData (2 Hr)
- EAMS (1 Hr)
- ConExem (4 Hr)

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.



**Retrainee - Job Creation
Training Proposal for:
Vionic Group LLC**

| |
|----------------------------------|
| Small Business ≤ \$50,000 |
|----------------------------------|

ET15-0385

Approval Date: February 2, 2015

ETP Regional Office: San Francisco Bay Area

Analyst: R. Jackson

CONTRACTOR

- Type of Industry: Manufacturing
- Priority Industry: Yes No
- Number of Full-Time Employees
 - California: 72
 - Worldwide: 79
 - Number to be trained: 61
 - Owner Yes No
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 8%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$40,690
- In-Kind Contribution: \$140,000

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 SB <100 Priority Rate | Business Skills, Computer Skills, Continuous Improvement | 53 | 8-60 | 0 | \$650 | \$16.44 |
| | | | | Weighted Avg: 25 | | | |
| 2 | Retrainee Job Creation SB<100 Priority Rate | Business Skills, Computer Skills, Continuous Improvement | 8 | 8-60 | 0 | \$780 | \$13.70 |
| | | | | Weighted Avg: 30 | | | |

- Reimbursement Rate: Job #'s 1 & 2: \$26 SB Priority
- County(ies): Marin
- Occupations to be Trained: Sales and Marketing Supervisor, Customer Service Supervisor, Administrative Services Supervisor, Sales and Marketing Staff, Operations and Finance Staff, Customer Service, HR Supervisor
- Union Representation: Yes
 No
- Health Benefits: Job #1: \$0.44 per hour

SUBCONTRACTORS

- Development Services: Training Funding Source, Seal Beach, assisted with development for a flat fee of \$2,500.
- Administrative Services: Training Funding Source will provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Established in 1979 and headquartered in San Rafael, Vionic Group LLC (Vionic) designs, manufactures and sells orthopedic footwear and orthotics. Products are sold on the Company’s website, through retail outlets (QVC TV, Zappos) and in physician offices. The Company workforce has doubled in last year and plans to hire additional employees this year. Vionic states that consumer demand for footwear reportedly grew 3.7% in 2013 and company sales grew by 25% in the same period.

Workforce training is essential to remain competitive and improve the skills of frontline workers. Vionic also plans to continue expanding into new markets in Asia and Europe. Training will assist the Company manage their rapid growth and customer demands. ETP training will also assist Vionic in skill upgrades specifically related to new software being acquired including

Enterprise Resource Planning (ERP) and Product Lifecycle Management (Centric software). These new information systems are being utilized to strengthen internal processes and improve customer service.

In addition, customers are demanding shorter lead times, lower pricing, higher quality materials and more product categories. Such requests are driving Vionic to focus on efficiency, new products, and improved customer service.

Training Plan

Business Skills - Training will be offered to all occupations to improve communication skills, develop and introduce new procedures, strengthen leadership, and improve marketing and customer service.

Computer Skills - Training will be offered to all occupations to integrate new software systems and improve technical skills. Vionic has several distinct products in inventory and has a very active ECommerce program that requires constant updates and increased technical knowledge. Computer Skills training will cover all software applications, the new ERP system, and any software related to customer service and product management.

Continuous Improvement - Training will be offered to all occupations. Training will improve Vionic's efficiency and productivity by implementing process improvements throughout the organization. Coursework also includes financial and budget management to help increase employee awareness of why reducing waste and becoming more efficient is critical to Vionic's success. Skill upgrades will improve the Company's competitive advantage, reduce costs, shorten lead times and improve their ability to capture new business and maintain business.

Retrainee - Job Creation

The Panel offers incentives to companies that commit to hiring new employees. Training for newly hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage. Trainees must be hired within a three-month period prior to the Panel approval or during the term of the Agreement.

In this proposal, Vionic has committed to hiring eight new employees (Job Number 2). The date-of-hire for trainees will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

Business expansion rates at Vionic have led to conservative hiring estimates targeting planned hiring of eight employees through 2016. Vionic has also signed a lease in 2014 adding an additional floor of office space to accommodate new employees and expanded business. The new occupations include HR Manager, Sales, Marketing, Operations, and Finance Staff.

Contract Term Limitation

Although a small business, this project includes a Job Creation hiring component. Vionic states that a 24-month Agreement will provide the time needed to hire, train, and retain newly hired employees as the company expands.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum**Class/Lab Hours**

8-60

Trainees may receive any of the following:

BUSINESS SKILLS

-  Coaching
-  Communication
-  Conflict Resolution
-  Customer Relations
-  Data mining
-  Finance
-  Goal Setting
-  Inventory Control
-  Leadership
-  Quoting procedures
-  Team Cohesiveness

COMPUTER SKILLS

-  ERP Software
-  Product Lifecycle Management System
-  MicroSoft Office

CONTINUOUS IMPROVEMENT

-  Process Improvement
-  Productivity Improvement
-  Quality improvement

Note: Reimbursement for retraining is capped at 60 total hours per-trainee, regardless of method of delivery.