



RETRAINEE - JOB CREATION

Training Proposal for:

Erickson Framing CA LLC

Agreement Number: ET17-0194

Panel Meeting of: August 26, 2016

ETP Regional Office: Sacramento

Analyst: K. Smiley

PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Priority Rate Veterans	Industry Sector(s):	Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
Counties Served:	Placer	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: 280	U.S.:777	Worldwide: 777	
<u>Turnover Rate:</u>	14%			
<u>Managers/Supervisors:</u> (% of total trainees)	11%			

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	=	(High Earner Reduction)	=	Total ETP Funding
\$173,832		\$0		\$0		\$173,832

In-Kind Contribution:	100% of Total ETP Funding Required	\$186,400
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Commercial Skills, Computer Skills, Literacy Skills, Continuous Impr, OSHA 10/30, Advanced Tech, PL-Comm Skills	108	8-200	0	\$1,314	*\$15.60
				Weighted Avg: 73			
2	Retrainee Job Creation Priority Rate	Business Skills, Commercial Skills, Computer Skills, Literacy Skills, Continuous Impr, OSHA 10/30, Advanced Tech, PL-Comm Skills	20	8-200	0	\$1,200	*\$12.77
				Weighted Avg: 60			
3	Retrainee Priority Rate Veterans	Business Skills, Commercial Skills, Computer Skills, Literacy Skills, Continuous Impr, OSHA 10/30, Advanced Tech, PL-Comm Skills	5	8-200	0	\$1,584	*\$15.60
				Weighted Avg: 72			

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

Minimum Wage by County: Job Numbers 1 & 3: \$15.60 per hour for Placer County; Job Number 2: \$12.77 per hour for Placer 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
 Trainees in Job Numbers 1 & 3 may use up to \$1.19 per hour to meet the Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Carpenters		55
Managers		15
Foremen		35
Administrative Staff		3
Job Number 2		
Carpenters		20

Job Number 3		
Carpenters		3
Managers		1
Foremen		1

INTRODUCTION

Founded in 1975, Erickson Framing CA LLC (Erickson), a subsidiary of Atlas Holdings, LLC, provides construction services to single-family local and regional homebuilders and large-scale residential and multi-family builders. Erickson offers complete panelized framing solutions and pre-fabricated building components throughout the western United States. Erickson helps home builders reduce construction time and carrying costs by manufacturing complete framing systems that they ship and install at the job site.

PROJECT DETAILS

Erickson is expanding, estimating 50% growth in the next year. The Company will be adding a third production shift with all new employees. However, the Company has had difficulty finding experienced workers. The downturn in the economy reduced available skilled workers and has forced the Company to recruit and develop new employees. The Company created a detailed training plan that will give beginner-level trainees the skill sets they need to be successful. Training will focus on framing procedures, installation procedures and Truss fabrication to ensure quality and uniformity between work sites. Additionally, the training plan will increase skills of experienced employees. These trainees will receive advanced courses to add to their skill sets.

Erickson is also committed to creating a positive working environment to encourage retention and promotion. Training in soft skills, that includes leadership, communication and decision making, will give trainees transferable skills while promoting the Company's culture.

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.

Erickson is increasing existing business capacity by adding a permanent third production shift. The Company is committed to hiring 20 new employees (Job Number 2) to support expansion. This new shift will allow the Company to manage the increasing demand. These trainees must be hired within the three-month period prior to Panel approval or during the term of the Contract. These trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Business Skills (24%): Training will be provided to all staff to improve customer satisfaction and consistency. Courses will include Project Management, Internal Systems Processes and Customer Service. Training will increase trainee skill sets for promotional opportunities within.

Literacy Skills (2%): Training will be provided to individuals from all occupations. These individuals need this training to satisfactorily perform their work duties. Training will include English as Second Language (ESL), Vocational ESL, reading, and writing.

Commercial Skills (32%): Training will be offered to Carpenters, Foremen, and Managers to increase construction knowledge and consistency. Topics will include Framing Procedures, Installation Procedures and Truss Fabrication.

Computer Skills (4%): Training will be provided to Administrative Staff, Foremen, and Managers on QuickBooks and MS Office Suite to increase efficiency in producing and tracking inventory.

Continuous Improvement (31%): Training will be provided to all occupations to enhance company culture and internal processes. Courses will include Quality Control, Team Building, and Scheduling.

Certified Safety Training (7%)

OSHA 10/30: This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level workers 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. OSHA 10/30 will be offered to all occupations.

Advanced Technology

Seven Managers (Job Number 1&3) will receive up to 20 hours of Computer-Assisted Drafting (CAD) technology training to update skills. These trainees are responsible for the engineering of framing architecture. The trainer-to-trainee ratio will not exceed 1:7 to allow in-depth coverage and personal attention from the instructor. All trainees have CAD experience and training will increase their level of proficiency. Due to the complicated nature of the course curriculum, the use of high-end equipment and software, and the high cost of experienced trainers, AT will be reimbursed at a higher rate (\$26 per hour for priority industries).

Productive Laboratory

Productive Lab (PL) in Commercial Skills will be offered to 78 Carpenters on Framing, Installation Procedures and Truss fabrication. This training will be provided at a much slower pace than regular field construction. The product will have significantly higher defects as trainees learn and gain proficiency. Training will be conducted by a subject-matter expert at the Roseville facility and at job sites. The trainer will attest to the trainee’s competency once training is completed.

Trainees will be under constant supervision and trainers will only be dedicated to training. L&S is requesting a 1:5 trainer-to-trainee ratio to simulate work conditions since employees will be working in small groups on the job. The pre-fabricated trusses are so large that 4-6 carpenters are required in order to safely lift, place and install them at the work site. PL training will be capped at 34 hours per trainee.

Commitment to Training

Erickson has an annual training budget of \$300,000 per year. Training includes new hire orientation, staff development, job specific training and safety training.

ETP funds will not displace the Company’s 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.

➤ Training Infrastructure

Erickson has a detailed training plan in place with one staff member dedicated to monitoring this project and five trainers who will coordinate training and collect rosters. In addition, Erickson has contracted with Propel Consulting Group to help with administration. Erickson will use a combination of internal and external trainers who are subject-matter experts in the construction industry.

Veterans Program

Erickson actively recruits and has a hiring preference for Veterans. Veteran trainees are represented in Job Number 3.

DEVELOPMENT SERVICES

Erickson retained Propel Consulting Group of El Dorado Hills to assist with development of this proposal for a fee of \$7,153.

ADMINISTRATIVE SERVICES

Erickson also retained Propel Consulting Group to perform administrative services in connection with this proposal for a fee not to exceed 11% 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

- Accounts Receivable
- Accounts Payable
- Accounting Processes
- Teambuilding
- Internal Systems Processes
- Customer Service
- Communication Skills
- Project Management

COMPUTER SKILLS

- Internal Use Industry Software
- MS Office Suite
- QuickBooks
- CAD

CONTINUOUS IMPROVEMENT

- Quality Control
- Team Building
- Scheduling
- Problem Solving & Decision Making
- Process Improvement Procedures
- Process Workflow Procedures
- Leadership
- Budgeting
- Decision Making

COMMERCIAL SKILLS

- Framing Procedures
- Installation Procedures
- Tool Operation
- Forklift Operation
- Product Identification
- Site Set-Up/Clean-Up
- Truss Fabrication
- Material Safety Data Sheet (MSDS)
- Globally Harmonized System (GHS)

OSHA 10/30 (OSHA Certified Instructor)

- OSHA 10 (Must complete full 10-hour course)
- OSHA 30 (Must complete full 30-hour course)

LITERACY SKILLS

- Written
- Verbal

ADVANCED TECHNOLOGY (Trainer-to-trainee ratio 1:7)

- Computer-Assisted Drafting

Productive Lab Hours

0-34

COMMERCIAL SKILLS (Trainer-to-trainee ratio 1:5)

- Framing Procedures
- Installation Procedures
- Tool Operation
- Forklift Operation
- Product Identification
- Site Set-Up/Clean-Up
- Truss Fabrication
- Floor & Roof Systems
- Wall & Home Layout
- Material Selection & Usage

Literacy Training cannot exceed 45% of total training hours per-trainee

Safety Training will be limited to 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. PL is capped at 34 hours per-trainee. AT is capped at 20 hour per-trainee.