



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
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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 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.
