RETRAINEE - JOB CREATION
Training Proposal for:
ISEC, Incorporated
Agreement Number: ET18-0183

Panel Meeting of: March 23, 2018
ETP Regional Office: San Francisco Bay Area    Analyst: C. Hoover

PROJECT PROFILE

<table>
<thead>
<tr>
<th>Contract Attributes:</th>
<th>Priority Rate Retraine Initiative</th>
<th>Industry Sector(s):</th>
<th>Construction</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Priority Industry:</td>
<td>Yes  No</td>
</tr>
<tr>
<td>Counties Served:</td>
<td>Alameda, San Mateo, Orange, San Bernardino, Ventura, San Diego</td>
<td>Repeat Contractor:</td>
<td>Yes  No</td>
</tr>
<tr>
<td>Union(s):</td>
<td>☑ Yes  ☐ No  Carpenters 46 Northern California Counties Conference Board and Southwest Carpenters Training Fund</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Number of Employees in: CA: 620  U.S.: 1,200  Worldwide: 1,200
Turnover Rate: 10%
Managers/Supervisors: (% of total trainees) 8%

FUNDING DETAIL

<table>
<thead>
<tr>
<th>Program Costs</th>
<th>(Substantial Contribution)</th>
<th>(High Earner Reduction)</th>
<th>Total ETP Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>$337,600</td>
<td>$0</td>
<td>$0</td>
<td>$337,600</td>
</tr>
</tbody>
</table>

In-Kind Contribution: 100% of Total ETP Funding Required $496,000
### TRAINING PLAN TABLE

<table>
<thead>
<tr>
<th>Job No.</th>
<th>Job Description</th>
<th>Type of Training</th>
<th>Estimated No. of Trainees</th>
<th>Range of Hours</th>
<th>Average Cost per Trainee</th>
<th>Post-Retention Wage</th>
</tr>
</thead>
</table>

**Minimum Wage by County:**
- **Job Number 1:** $18.22 per hour for Alameda and San Mateo counties; $17.50 per hour for Orange County; $17.03 per hour for San Diego County; $16.70 per hour for all other counties.
- **Job Number 2** (Job Creation): $15.18 per hour for Alameda and San Mateo counties; $14.58 per hour for Orange County; $14.19 per hour for San Diego County; $13.66 per hour for all other 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

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

### Wage Range by Occupation

<table>
<thead>
<tr>
<th>Occupation Titles</th>
<th>Wage Range</th>
<th>Estimated # of Trainees</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Job Number 1</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carpenter I</td>
<td></td>
<td>50</td>
</tr>
<tr>
<td>Administrative Staff</td>
<td></td>
<td>35</td>
</tr>
<tr>
<td>Carpenter II</td>
<td></td>
<td>207</td>
</tr>
<tr>
<td>Project Manager/Engineer</td>
<td></td>
<td>147</td>
</tr>
<tr>
<td>Estimator</td>
<td></td>
<td>20</td>
</tr>
<tr>
<td>Field Manager</td>
<td></td>
<td>23</td>
</tr>
<tr>
<td>Manager</td>
<td></td>
<td>18</td>
</tr>
<tr>
<td><strong>Job Number 2</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carpenter I</td>
<td></td>
<td>17</td>
</tr>
<tr>
<td>Administrative Staff</td>
<td></td>
<td>4</td>
</tr>
</tbody>
</table>
INTRODUCTION

Founded in 1967 and headquartered in Colorado, ISEC, Incorporated (ISEC) (www.isecinc.com) is a construction company that focuses on woodwork projects. ISEC provides innovative solutions in architectural woodwork, ornamental metals, doors, frames & hardware, laboratory and medical furniture. The Company works with major commercial subcontractors on construction projects ranging from schools, airports and hospitals. Its main customers are general contractors, architectural firms, government agencies and other commercial property owners.

ISEC began providing furniture and athletic equipment in schools. It has since expanded into the healthcare and laboratory industries. It has facilities across the nation with California facilities in Dixon, South San Francisco, Fremont, La Palma, Ontario, Thousand Oaks and San Diego where training will occur.

Some of the major projects that ISEC is currently working on include:

- Los Angeles International Airport
- Facebook’s Menlo Park Building 21
- San Francisco International Airport
- Gilead Sciences Campus
- San Diego Airport

Union Support

The training project is supported by Carpenters 46 Northern California Counties Conference Board (Carpenters 46) and Southwest Carpenters Training Fund, which represents the unionized workers within ISEC. A union letter of support has been submitted by Carpenters 46. Occupations under the Southwest Carpenters Training Fund can not start training until a letter of support has been received.

Need for Training

ISEC’s projects are often unique, and therefore it must train its employees on new construction techniques and mechanisms, and how to use them effectively and safely. For example, ISEC recently started working with detailed 3D-laser mapping (scanners) used for building surveying, building footprints or demolition planning. With new industry trends, the Company has expanded into complex glass walls and railings, which requires its employees to learn new construction-modeling techniques and installation.

ISEC will be delivering specialized training on its innovative architectural woodworking design and process to its Carpenters. This training will increase the carpenters’ skills on new tools and expand their knowledge on the latest technologies. This will help the Company to remain competitive and to be leaders in the construction industry.
In addition, ISEC is replacing its software system and launching a new complex project-management software. This will allow for a greater ability to communicate with both its employees as well as its customers on project details. This new system will require a significant amount of training to ensure an effective company-wide launch.

The overall training goals for ISEC is to make its employees more efficient with high levels of safety in their work through advanced knowledge in the use of construction practices and equipment. ETP funding will help the Company expand its employees’ knowledge and skills that are shown through internal measures and performance resulting in continual company growth.

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. 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.

ISEC has committed to hiring 62 new employees (Job Number 2) to support anticipated growth of 10 to 15% annually. The Company reports an ever-growing number of large projects that are starting across California over the next few years. ISEC reports approximately $160 million in sales in California this fiscal year. During the Company’s next fiscal year, it is projected to grow to $180 million in sales. ISEC has been given additional expansion projects at LAX, Gilead Sciences Campus, SFO, Facebook. Many of the current projects are multiyear projects.

PROJECT DETAILS

Training will be delivered via Class/Lab, E-Learning, Productive Lab (PL) and Computer-Based Training (CBT) in the following:

Training Plan

Business Skills: Training will be offered to all occupations. Courses include Accounting, Inventory Control, Product Knowledge, Financial Strategies, Business Performance, Communication Skills, Payroll Systems, Negotiating, Conflict Management and Business Administration. Managers and management trainees will receive Health Insurance Portability and Accountability. Administrative Staff will train in customer-service skills.

Commercial Skills: Training will be offered to Carpenters I, Carpenters II, Project Managers/Engineers, Field Managers and Managers. Courses in Construction Management, Materials Knowledge, Product Installation, Product Repair and Safety Standards will be delivered. Carpenters I and II will receive training on handling of specialized tools and equipment such as saws, drills, jacks, lasers, hand tools, nailers, and adhesives equipment required to complete complex construction projects.

Management Skills: This training will be offered to Managers and Field Managers in Leadership, Decision Making, Motivation, Team Building and Coaching to gain new leadership, inspirational and change-management skills.

Computer Skills: Training will be offered to Estimators, Managers, Administrative Staff, Project Managers/Engineers and Field Managers. Courses in Microsoft Office Suite (Intermediate/Advanced), Internet Navigations (SharePoint), Office Automation, Computer-Assisted Design, Computer-Aided Manufacturing, and Printer and Plotter Use will be delivered. All occupations will receive training on ISEC’s new project management software.
**Hazardous Materials:** Training will be offered to all occupations. Courses in Hazardous Materials Handling, Hazardous Chemical Cleaning/Handling, and Hazardous Waste Cleaning will be delivered.

**Continuous Improvement:** Training will be offered to Carpenters I, Carpenters II, Estimators, Managers, Administrative Staff, Project Managers/Engineers, Field Managers and Managers. Courses in Project Management, Strategic Planning, and Evaluations and Monitoring to better track internal finances, appraisals and product control.

**Computer-Based Training (CBT)**

CBT will allow employees to take courses at their own pace without instructors.

**Productive Laboratory**

Productive Laboratory (PL) trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training. Instructors will be subject matter experts in the area being trained.

ISEC will deliver up to 40 hours of PL- Commercial Skills' training per trainee to an estimated 400 field employees including the Carpenters and Project Managers/Engineers on the following:

- Proper Tool Usage
- How to Perform Custom Work
- Safety Protocols
- How to Install Custom Equipment
- How to Create Unique Custom Work

The PL training will be delivered using a trainer-to-trainee ratio of 1:1. The intent of the PL training is for the trainee to gain greater efficiency in doing their work over the long term with lower defect levels.

**Commitment to Training**

ETP funds will not displace its existing financial commitment to training. The Company spends approximately $83,000 on training annually per facility in CA. ISEC currently provides at least 20 hours of training in job-specific training and company-wide on the content needed. ISEC currently uses classroom, E-learning, On-the-job and CBT delivery methods.

Safety training is provided in accordance with all pertinent requirements under state and federal law.

➢ Training Infrastructure

The Corporate Training Team (Director of Education and the Trainer and Curriculum Designer) will oversee administration. ISEC’s California-based training is broken out into three regions with Regional Managers located in San Diego, San Francisco and La Palma offices. These Regional Office Managers will manage the daily documentation of training activities. They will coordinate with Operations Managers located at each facility with assistance from the local Training and HR administrators. Training will be delivered by in-house experts.
Electronic Recordkeeping

ISEC will use a Learning Management System (Absorb) to document all ETP training. The system has been reviewed and approved by ETP.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

N/A
Exhibit B: Menu Curriculum

Class/Lab/E-Learning Hours
8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**
- Business Performance
- Accounting
- Payroll Systems
- Business Plans
- Business Administration
- Financial Strategies
- Inventory Control
- Product Knowledge
- Communication Skills
- Business-Report Writing and Editing
- Negotiating
- Conflict Management
- Interpersonal Skills
- HIPAA Training

**COMMERCIAL SKILLS**
- Construction Management
- Use of Tools/Equipment:
  - Chop Saws
  - Table Saws
  - Jig Saws
  - Hand Saws
  - Circular Saws
  - Drills
  - Pallet Jacks
  - Ladders
  - Lasers
  - Sanders
  - Routers
  - Hand Tools
  - Forklifts
  - Scissor Lifts
  - Boom Lifts
  - Scaffolding
  - Porta Bands
  - Grinders
  - Pin Nailers
  - Hard Nailers
  - Harnesses
  - Face Shields
  - Hot-Work Equipment
  - Adhesives
  - Epoxy
  - Silicones
  - Polyurethanes
- Caulking
- Lacquers and Denatured Alcohol
- Bondo
- Glass Cups
- Material-Movement Equipment
- Fume-Hood Lifts
- Hoists
- Materials Knowledge
- Product Installation
- Product Repair
- Safety Standards
- Blueprint Reading

**COMPUTER SKILLS**
- MS Office Suite (Intermediate/Advanced)
- Microsoft OneNote Software
- Internet Navigations (SharePoint)
- Box (Document-Management Software)
- Bluebeam Software
- Computer-Assisted Design
- Computer-Aided Manufacturing
- Printer and Plotter Use
- Project Management (PlanGrid software)
- Building Information Modeling Software

**CONTINUOUS IMPROVEMENT**
- Project Management
- Strategic Planning
- Evaluations and Monitoring
- Using Drawings to Coordinate Install
- Pre-Install Coordination
- Estimating & Product Control

**MANAGEMENT SKILLS** (Managers Only)
- Leadership
- Decision Making
- Motivation
- Team Building
- Coaching

**HAZARDOUS MATERIALS**
- Hazardous Materials Handling
- Hazardous Chemical Cleaning/Handling
- Hazardous Waste Cleaning
**Productive Lab Hours**

0-40

**COMMERCIAL SKILLS** (Ratio 1:1)
- Use of Tools/Equipment:
  - Chop Saws
  - Table Saws
  - Jig Saws
  - Hand Saws
  - Circular Saws
  - Drills
  - Pallet Jacks
  - Ladders
  - Lasers
  - Sanders
  - Routers
  - Hand Tools
  - Forklifts
  - Scissor Lifts
  - Boom Lifts
  - Scaffolding
  - Porta Bands
  - Grinders
  - Pin Nailers
  - Hard Nailers
  - Harnesses
  - Face Shields
  - Hot-Work Equipment
  - Adhesives
    - Epoxy
    - Silicones
    - Polyurethanes
    - Caulking
    - Lacquers and Denatured Alcohol
    - Bondo
    - Glass Cups
    - Material-Movement Equipment
    - Fume-Hood Lifts
    - Hoists
- Product Installation
- Product Repair

**CBT Hours**

0-40

**BUSINESS SKILLS**
- Accounts Payable (0.5 hours)
- Accounting Basics (0.5 hours)
- Common Accounting Errors (0.5 hours)

**COMPUTER SKILLS**
- Bluebeam: Auto Mark & Batch Link (0.5 hours)
- Bluebeam: OCR & PDF (0.5 hours)
- Bluebeam: Features, Pages & Storage (1.0 hour)
- Bluebeam: Customization & Markups (1.25 hours)
- Bluebeam: Tools (0.5 hours)
- Microsoft OneNote: Folder Structure Documentation Process (1.25 hours)

COMMERCIAL SKILLS
- ISEC Cutting Best Practices (0.5 hours)
- Wall Installation (0.5 hours)
- Equipment Install (0.5 hours)
- Paneling Installation (0.75 hours)
- Door Install (0.5 hours)
- Carpentry Install (0.5 hours)

CONTINUOUS IMPROVEMENT
- Project Engineering: Document Control (1.0 hour)
- Project Engineering: Field Quality Control (1.0 hour)
- Project Engineering: Pre-Install (0.5 hours)
- Project Engineering: Cost to Complete & Reporting (1.25 hours)
- Project Management: Financial (1.0 hour)
- Project Management: Deliveries (0.5 hours)
- Project Management: Tracking Finances (1.0 hour)
- Using Drawings to Coordinate Install (1.5 hours)
- Pre-Install Coordination (0.75 hours)
- Estimating & Product Control (3.75 hours)

MANAGEMENT SKILLS
- Leadership 101 (0.5 hours)
- Inspirational Leadership (0.75 hours)
- Change Management (0.75 hours)

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

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 excluding HAZMAT. PL is capped at 40 hours per-trainee.
February 13, 2018

John Fritschler  
Director of Education  
ISEC, Inc.  
6000 Greenwood Plaza Rd.  
Greenwood Village, CO 80111  

RE: Employment Training Panel (ETP) Funding  

Dear Mr. Fritschler:  

I am writing to you in reference to the ISEC, Inc. request for support of the Employment Training Panel Program, State Funded by the California Labor and Workforce Development that ISEC, Inc. wants to administer in their facility.  

Please be advised that Carpenters 46 Northern California Counties Conference Board is in full support of such request based on the understanding and assurance that affected employees will be compensated as per the collective bargaining agreement.  

Should you have any questions regarding this matter, please feel free to contact this office.  

Sincerely,  

[Signature]  
William Feyling  
Executive Director  

WF:jcm