

DELEGATION ORDER



**Training Proposal for:
Lomita Chamber of Commerce
Agreement Number: ET15-0426**

Approval Date: April 10, 2015

ETP Regional Office: North Hollywood

Analyst: L. Vuong

PROJECT PROFILE

Contract Attributes:	Priority Rate Retrainee SB <100 SET HUA	Industry Sector(s):	Manufacturing Transportation/Logistics Healthcare Services Wholesale Trade Priority Industry: <input checked="" type="checkbox"/> Yes <input 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		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	≤20%		

FUNDING DETAIL:

Program Costs	+	Support Costs	=	Total ETP Funding
\$88,320		\$6,100 8%		\$94,420

In-Kind Contribution:	50% of Total ETP Funding Required	\$99,240
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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, Computer Skills, Continuous Impr.	50	8-200	0	\$770	\$15.97
				Weighted Avg: 40			
2	Retrainee Priority Rate SB<100	Business Skills, Computer Skills, Continuous Impr.	30	8-60	0	\$1,112	\$15.97
				Weighted Avg: 40			
3	Retrainee SB<100	Business Skills, Computer Skills, Continuous Impr.	20	8-60	0	\$564	\$15.97
				Weighted Avg: 24			
4	SB<100 SET HUA Retrainee	Business Skills, Computer Skills, Continuous Impr.	20	8-60	0	\$564	\$11.98
				Weighted Avg: 24			

Minimum Wage by County:

Job Numbers 1, 2, and 3: \$15.97 per hour for Los Angeles County.

Job Number 4 (SET-HUA Wage): \$11.98 per hour for 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

Participating employers may use health benefits to meet the Post-Retention Wage. Health benefits will vary by participating employer.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Staff		20
Machine Operator		25
Production Staff		40
Engineer Level 1		5
Engineer Level 2		5
Manager/Supervisor Level 1		5
Manager/Supervisor Level 2		5
Shop Lead		10
Small Business Owners		5

INTRODUCTION

Established in 1946 and located in Lomita, Lomita Chamber of Commerce (Lomita Chamber) (www.lomitacoc.com) is a non-profit voluntary membership organization, serving the local business community which is predominantly entrepreneurs and small businesses, with a mix of large corporations such as McDonalds, Taco Bell, Wells Fargo Bank, Albertson's Supermarket, and 99 Cents stores. Lomita Chamber's membership is comprised of approximately 5,000 businesses (of which 90% meet the ETP definition of small business). The owners of a small business will be eligible for training consistent with ETP standards.

The Lomita community is known for its affordable housing and central location in the South Bay Area of Los Angeles County. Over the years, Lomita Chamber has sponsored various events to promote the community and businesses. Through these events, with the support of city departments and community leaders, the Lomita area has become known for fostering business growth.

Lomita Chamber enables networking for its members through its affiliation with local service providers such as insurance agencies, credit unions, and business counseling. Lomita Chamber sees a greater need for making the existing businesses more competitive, not only in local community but also in surrounding cities or regions. To accomplish this goal, Lomita Chamber partners with Redondo Beach, Wilmington, Carson, Compton, Hermosa Beach, Lawndale, Hawthorne, Inglewood, City of Industry, El Segundo, Gardena, San Pedro and Palos Verdes through the South Bay Association of Chamber of Commerce (SBACC).

PROJECT DETAILS

Lomita Chamber is focused on helping its members bring innovative business practices and new technology to the workforce. The proposed training program will provide them with sufficient Computer and Business Skills as needed to successfully manage and grow their businesses. Training will be offered to employers throughout the South Bay Area. The majority of training (95%) will be conducted at participating employer locations while the remainder will be at Lomita Chamber.

Training Plan

Lomita Chamber's curriculum is designed to serve the needs of a diverse workforce by allowing each company to customize training. Employers that will be participating have expressed a need to improve social media training for marketing, technical skills, and continuous improvement in order to stay competitive and meet customer demands. Lomita Chamber anticipates the proposed training to begin during the first week of April 2015.

Business Skills (30%) – Training will be provided to all occupations to improve communication skills, customer relations, business writing skills and business problem solving.

Computer Skills (30%) – Training will be provided to all occupations to learn how to effectively use the Company's internal software applications to design, program, implement, and troubleshoot new computer software programs such as social media, accounting software, and Microsoft suite.

Continuous Improvement (40%) – Training will be provided to all occupations to promote teamwork and improve workflow, troubleshooting, and problem solving. Training includes process mapping, Lean Enterprise topics, and ISO Auditor compliance training.

Impact/Outcome

Lomita Chamber anticipates to assist large and small companies to prepare for certification programs that are typically awarded based on training and internal improvement. These certifications often lead to new market opportunities, new customers, and increased sales, which will ultimately help companies grow and provide workforce stability.

Commitment to Training

Lomita Chamber represents that ETP funds will not displace the existing financial commitment to training made by the participating employers. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

Most of the participating employers lack the resources and funding to conduct formal and structured training, especially small companies. The majority provide on-the-job, one-on-one training to new employees, safety, and off-site seminar training. ETP funding will allow these companies to introduce new business practices and services in order to sustain growth and remain competitive in California. Lomita Chamber will only provide training to participating employers in subjects that are outside of their expertise.

SET

Under Special Employment Training (SET), a participating employer is not required to demonstrate out-of-state competition and trainees are not required to meet eligibility standards for retraining. This proposal has been identified for SET funding under Job Number 4.

HUA

All trainees in Job Number 4 work in a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. Companies located in Los Angeles County (Compton, Hawthorne, City of Industry, and Inglewood) qualify for HUA status and thus, qualify for the Standard Minimum Wage instead of the Statewide Average Hourly Wage.

➤ Wage Modification

For trainees in Job Number 4, the Panel may modify the ETP Standard Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. Lomita Chamber is asking for a wage modification to the HUA Minimum Wage of \$11.98 for these trainees. Job Number 4 post-retention wages must be higher than the start-of-training wages.

Marketing and Support Costs

Over the years, Lomita Chamber has established relationships with regional partners, community members, and collaborative networks of businesses. Lomita Chamber hosts monthly meetings and uses newsletters, websites, and email communication to promote business opportunities, procurement news, government-assisted programs, and various networking events. Lomita Chamber has four employees dedicated to marketing, recruiting, assessment, scheduling, and training; therefore, Lomita Chamber seeks full support cost of 8% to fund extensive marketing efforts to recruit additional participating employers and assessment activities of employers. Staff believes 8% support costs are justified in this proposal.

Substantial Contribution

Lomita Chamber serves large and small companies, some of which may have received training in prior ETP contracts. If a large participating employer has received the benefit of training with payment earned in excess of \$250,000 within the past five years, reimbursement for trainees at the same facility will be reduced by 30% to reflect a substantial contribution to the cost of training. Funding for any employer that has previously been assessed a substantial contribution will be reduced by 50%. Small businesses are not subject to this provision.

Trainer Qualifications

Lomita Chamber reports that 50% of Business and Computer Skills training will be provided by in-house staff with training vendor, Custom Corporate Communications. In-house Staff are competent in the subject matter and have completed all classes required for the proficiency in each topic of training prior to delivery of training on that topic (see Training Vendor below). The other half will be delivered in-house by the participating employers.

Training Coordinator

Lomita Chamber has designated one staff member to be responsible for all administrative responsibilities, including recording and tracking training. Lomita Chamber will utilize a third party vendor with ETP experience to aid in this endeavor (see Administrative Services below).

Tuition Reimbursement

Lomita Chamber 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

Lomita Chamber retained DLI & Associates LLC in San Juan Capistrano to assist with development of this proposal at no cost.

ADMINISTRATIVE SERVICES

Lomita Chamber also retained DLI & Associates LLC to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

Custom Corporate Communications of Redondo Beach has been retained to provide 50% of the training for a fee of \$50,000 in Business Skills, Computer Skills and Continuous Improvement.

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

8 - 200 (Job Number 1)

8 - 60 (Job Numbers 2, 3 & 4)

Trainees may receive any of the following:

BUSINESS SKILLS

- Business Writing Skills
- Communication Skills
- Sales Skills
- Social Media Marketing
- Project Management
- Leadership Skills
- Finance
- Goal Setting
- Managing Change
- Performance Management Skills
- Problem Solving
- Team Building
- Time and Priority Management

COMPUTER SKILLS

- E-Commerce
- QuickBooks and Accounting Software
- Search Engine Optimization (SEO)
- Social Media Networking Training
- Microsoft Office Suite - Basic (Small Business)
- Microsoft Office Suite - Intermediate/Advanced (Large Employer)

CONTINUOUS IMPROVEMENT

- ISO Auditor Training
- Quality Engineering
- Six Sigma
- Statistical Process Control Team Building
- Lean Enterprise
- Lean Manufacturing
- Lean Office
- Kaizen 7S
- Process Improvement
- Process Mapping
- Problem Solving
- Root Cause Analysis
- Set Up Time Reduction

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 in Job Numbers 2, 3 & 4, regardless of method of delivery.

Participating Employers for Multiple Employer Contract (MEC) Retraining

Contractor's Name: Lomita Chamber of Commerce
Reference No: 15-0208

CCG No.: ET15-0426
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Company: American Chung Nam LLC

Address: 1163 Fairway Drive

City, State, Zip: City of Industry, CA 91786

Collective Bargaining Agreement(s): N/A

Estimated # of employees to be retrained under this Agreement: 40

Total # of full-time company employees worldwide: 300

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

Company: CAMBRIAN Homecare

Address: 5199 E. Pacific Coast Hwy.

City, State, Zip: Long Beach, CA 90804

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 39

Total # of full-time company employees in California: 39

Company: Kokusai Soko America

Address: 1521 Francisco Street, Unit A

City, State, Zip: Torrance, CA 90501

Collective Bargaining Agreement(s): N/A

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: 13

Company: Ledtronics

Address: 23105 Kashiwa Court

City, State, Zip: Torrance, CA 90505

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 109

Total # of full-time company employees in California: 109

**Participating Employers for
Multiple Employer Contract (MEC) Retraining**

Contractor's Name: Lomita Chamber of Commerce

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Company: STORM Manufacturing

Address: 23201 Normandie Ave.

City, State, Zip: Torrance, CA 90501

Collective Bargaining Agreement(s): N/A

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

Total # of full-time company employees worldwide: 61

Total # of full-time company employees worldwide: 61