



**Retrainee - Job Creation  
Training Proposal for:  
Natomas Auto Body & Paint/Towing, Inc.**

**Small Business ≤ \$50,000**

**ET16-0204**

**Approval Date:** September 29, 2015

**ETP Regional Office:** Sacramento

**Analyst:** M. Mazzone

**CONTRACTOR**

- Type of Industry: Services
- Priority Industry:  Yes  No
- Number of Full-Time Employees
  - California: 62
  - Worldwide: 62
  - Number to be trained: 59
  - Owner  Yes  No
- Out-of-State Competition: Customers Outside CA
- Special Employment Training (SET):  Yes  No
- High Unemployment Area (HUA):  Yes  No
- Turnover Rate: 13%
- Repeat Contractor:  Yes  No

**FUNDING**

- Requested Amount: \$49,720
- In-Kind Contribution: \$39,145



## **SUBCONTRACTORS**

- Development Services: Synergy Management Consultants, LLC, in Grass Valley, provided development services for a flat fee of \$3,975.
- Administrative Services: Synergy Management Consultants, LLC will also provide administrative services for a fee not to exceed 13% of payment earned.
- Training Vendors: To be Determined

## **Introduction**

Natomas Auto Body & Paint/Towing, Inc. (Natomas Towing) (<http://natomastowing.com/>) was founded in 2004 in Sacramento. The Company started with a lone tow truck and has since grown to one of the largest towing and roadside service companies in Northern California. Their 24 hour services include the towing of vehicles, motorcycles, motorhomes and other medium and heavy duty tows. Natomas Towing also provides service for long distance tows, law enforcement impounds, winching, and road side service.

Natomas Towing has locations in Sacramento, West Sacramento, and Yuba City, all of which will participate in training. The Company is eligible for standard retraining as a company primarily engaged in providing services to out-of-state customers. This will be the first Agreement between ETP and Natomas Towing.

## **Need for Training**

Natomas Towing has multiple facets within the Company where training is required to ensure that the Company remains competitive and is able to steadily grow. Variations in technology and materials used in the construction of vehicles within the automotive industry have motivated change within the tow industry. Tow technicians will receive training on new vehicle body materials and how to properly secure, load and unload the vehicle in the safest manner. All technicians will receive training on hybrid and electric vehicles as the methods of towing and servicing the vehicle on the roadside have many differences in comparison to traditional automobiles. Many technicians will receive cross-training with the aim of allowing Natomas Towing to have coverage for any type of service 24/7.

Natomas Towing would like to promote a positive experience for their customers to increase repeat business and sales. To meet this goal, training will take place to improve all staff members' soft skills. Staff will be trained in various communication and engagement skill courses to improve interaction with customers. Additionally, training will include lean process training and computer skills training to further increase efficiencies and system knowledge.

## **Retrainee-Job Creation**

Natomas Towing has an aggressive growth plan to increase its market share in Sacramento, the Central Valley, the surrounding communities of the Bay Area, and in Nevada. To increase Natomas Towing's presence in these areas, the Company plans to increase the number of service vehicles in their fleet to 100. Currently, Natomas Towing has 70 service vehicles and additional employees will be necessary to staff the new vehicles. Natomas Towing is remaining conservative and is only requesting funding for 15 job creation positions.

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 all 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.

## **Project Details**

### **Training Plan**

**Business Skills:** Training will be delivered to all trainees; however, business skills training will be job specific. Natomas Towing's training will emphasize customer service to foster improvements in communication, sales and marketing skills. In addition, business skills training will provide trainees with the necessary knowledge to understand the claims, sales and insurance transmission processes. Training topics will include Customer Retention, Customer Relationship Building, Sales Procedures and Strategies, Prospecting and Closing, Negotiation Skills, Conflict Resolution Skills, and Presentation Skills.

**Commercial Skills:** Training will be delivered to Roadside Technicians, Tow Technicians and Managers. Commercial Skills training will focus on skills technicians require to perform services safely on all vehicle and load types. Training topics will include Perform Lockout Procedures, Jump Starting Vehicles, Commercial Semi Vehicle Towing, Accident Towing and Scene Clean-up, Loading Damaged Vehicles, Theft Recovery, Winch Operation, and Towing Dollies.

**Computer Skills:** Job specific training will be delivered to all occupations to improve software literacy and knowledge. Training will focus on software which staff utilizes to communicate, bill customers, and locate vehicles for servicing. Courses topics will include D2000, Mitchell's Heavy Duty System, FleetNet, and Intermediate and Advanced Microsoft Office.

**Continuous Improvement:** Training will be delivered to all occupations and is expected to increase efficiency by 15%. The focus of training will emphasize improving internal efficiencies to lead to greater customer satisfaction. Natomas Towing will do this by introducing Lean Concepts, Team Strengthening and Process Improvement strategies throughout the Company. Training topics will include Leadership Skills, Team Building, Lean Concepts, Kaizen Event Strategy, Process / Quality Improvements, Problem Solving and Decision Making, Root Cause Analysis, Inventory Control, and Standard Operating Procedures.

**Hazardous Materials:** Training will be delivered to Roadside Technicians, Tow Technicians and Managers. To ensure that Hazardous Materials are handled and disposed of properly, trainees will receive training in Completing Material Data Safety Sheets, Volatile Organic Compound Tracking, Emergency Clean-up, and Registration, Evaluation, Authorization and Restriction of Chemical Substances.

**Productive Lab (PL):** PL trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor will be dedicated to training delivery during all hours of training, and the trainer-to-trainee ratio will not exceed 1:1.

Natomas Towing will train Roadside Technicians and Tow Technicians using the PL training delivery method to supplement lessons taught in class/lab training. Trainees new to the industry or receiving cross-training will accompany a seasoned journey level technician on service calls. In PL training, trainees will learn how to operate equipment such as the wheel lift, flat bed, winch, chains, and cables. Other services such as loading damaged vehicles, lockout, battery charging, tire/wheel and accident scene responsibilities will also be taught in a PL setting. Natomas Towing has been advised of, and agrees that PL training hours will only be counted for

the time that it takes to complete the service and not the travel time in between service jobs. Production is expected to decrease by 50% during PL training as extreme safety and caution needs to be taken while completing these services.

An estimated 35 technicians will receive PL training as either a Tow Technician or Roadside Technician. Roadside Technician's PL training hours will not exceed 24 hours. Natomas Towing is requesting a maximum of 40 PL training hours for Tow Technician trainees due to many different towing scenarios and the risk entailed in completing their job duties. Poor or inadequately trained Tow technicians are a serious safety threat to themselves and to anyone else on the road. A detailed PL curriculum was provided by Natomas Towing and justifies their request for increased PL hours for the Tow Technician occupation.

Trainers will observe, coach and mentor the trainee on all steps of the training topic's process. The trainer will sign off once the trainee has demonstrated the knowledge and skills necessary to complete these tasks on their own.

### **High Unemployment Area**

All trainees in Job Number 2 and Job Number 4 work in a High Unemployment Area (HUA), with unemployment exceeding the state average by at least 25%. The Company's locations in Sutter and Yolo Counties qualify for HUA status under these standards. Natomas Towing is requesting a wage modification to \$11.30 per hour to allow training for 28 trainees in Job Number 2, and to \$11.09 per hour for seven trainees in Job Number 4.

### **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**

- ❖ Customer Care Skills
  - Customer Retention
  - Customer Engagement
  - Customer Relationship Building
- ❖ Advanced Sales and Marketing Skills
  - Prospecting and Closing
  - Sales Account Management
  - Sales Procedures and Strategies
- ❖ Negotiation Skills
- ❖ Conflict Resolution
- ❖ Communication Skills
- ❖ Presentation Skills

**COMMERCIAL SKILLS**

- ❖ Roadside Service
  - Changing Tires/Wheels
  - Perform Lockout Procedures
  - Jump Starting Vehicles, Hybrids and Big Rigs
  - Battery Service Sales
  - Fuel Service
  - Roadside Service Safety
- ❖ Towing Service
  - Truck Inspection and Maintenance
  - Perform Accident Towing and Scene Clean-Up
  - Commercial Semi Vehicle Towing
  - Wheel Lift Operation
  - Chain, Hooks and Attachments
  - Towing Dollies
  - Snatch Blocks
  - Recovery Slings and Lifting Straps
  - Driving with Loads
  - Hybrid Vehicle Methods
  - Alternate Fuel Cell Vehicle Safety/Methods
  - Loading Damaged Vehicles
  - Driveline and Drive Axles
  - Unloading
  - Theft Recovery – Wheelless Vehicles
  - Winch Operation/Wire and Rope
  - Ratings and Safe Steering Loads
  - Scene and Incident Management
  - Legal Responsibilities
  - Heavy Recovery
  - Vehicle Codes
  - Towing Service Safety

**COMPUTER SKILLS**

- ❖ D2000 (AAA)
- ❖ Mitchell's Heavy Duty System
- ❖ FleetNet - GPS Operation and GPS Tracker
- ❖ Intermediate and Advanced Microsoft Office

**CONTINUOUS IMPROVEMENT**

- ❖ Leadership Skills
- ❖ Teambuilding
- ❖ Root Cause Analysis
- ❖ Kaizen Event Strategy and Implementation
- ❖ Lean Concepts
- ❖ Process/Quality Improvements
- ❖ Problem Solving and Decision Making
- ❖ Inventory Control
- ❖ Standard Operating Procedures

**HAZARDOUS MATERIALS**

- ❖ Completing Material Safety Data Sheets (MSDS)
- ❖ Volatile Organic Compound (VOC) Tracking
- ❖ Emergency Clean-Up
- ❖ Registration, Evaluation, Authorization and Restriction of Chemical Substances

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

**Productive Lab Hours**

0-40 for Tow Technicians

0-24 for Roadside Technician

**COMMERCIAL SKILLS (1:1 ratio)**

- ❖ Flat Bed Operation
- ❖ Wheel Lift Operation
- ❖ Heavy Commercial Towing
- ❖ Chains, Hooks and Dollies
- ❖ Snatch Blocks
- ❖ Winch Operations – Chains and Cables
- ❖ Scenes and Incident Responsibility
- ❖ Heavy Recovery
- ❖ Driving with Loads
- ❖ Loading Damaged Vehicles
- ❖ Truck Inspection and Maintenance
- ❖ Lockouts
- ❖ Battery Charging/Tire Wheel Service

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery. PL is capped at 40 hours per Tow Technician trainee and at 24 hours for all other occupations.