

DELEGATION ORDER



Training Proposal for:
Oldcastle BuildingEnvelope, Inc.
Agreement Number: ET15-0351

Approval Date: December 1, 2014

ETP Regional Office: North Hollywood

Analyst: L. Vuong

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Alameda, Los Angeles	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Painters & Allied Trades District Council 36 Local Union 636		
Number of Employees in:	CA: 286	U.S.: 3,757	Worldwide: 4,674
<u>Turnover Rate:</u>	14%		
<u>Managers/Supervisors:</u> (% of total trainees)	6%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$97,812		\$0	\$0		\$97,812

In-Kind Contribution:	100% of Total ETP Funding Required	\$110,629
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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, Cont. Imp., HazMat, Mgmt Skills, Mfg Skills	209	8-200	0	\$468	\$16.04
				Weighted Avg: 26			

Minimum Wage by County: \$16.25 per hour for Alameda and \$16.04 per hour for Los Angeles 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
Up to \$4.25 per hour may be used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Staff Level 1		10
Administrative Staff Level 2		5
Production/Glass Staff		111
Maintenance Staff		11
Lead Production/Operator Staff		38
Shipping/Receiving Staff		10
Class A Driver		12
Manager/Supervisor Level 1		6
Manager/Supervisor Level 2		6

INTRODUCTION

Oldcastle BuildingEnvelope, Inc. (Oldcastle) (www.oldcastlebe.com) designs and manufactures glass and aluminum for exterior building envelopes. The Company also provides custom-engineered curtain walls, window walls, architectural windows, storefront systems, doors, skylights, and architectural glass. A few major projects include Glass and Aluminum for Paragon Outlets, Sutter Medical in Sacramento, Campus buildings for UC Davis, Bellarmine College Preparatory in San Jose, Interior Glass for Google Tech Building in Mountain View, a Luxury Residential Apartment in San Francisco, and a Glass Stairwell for Stanford Law Building. This will be Oldcastle's first ETP Agreement.

The Company operates two locations in California, Los Angeles and Fremont. Both facilities are subsidiaries of CRH plc in Ireland. Oldcastle Inc., headquartered in Texas, is the North American arm of CRH with 21 locations nationwide. It is comprised of three branches; Materials, Distribution, and Building Products-Oldcastle BuildingEnvelope, Inc. is a division of Building Products. In 2010, Oldcastle Inc. changed the name of the California facilities to Oldcastle BuildingEnvelope, Inc.

PROJECT DETAILS

Oldcastle is undergoing an initiative to become ISO 9001:2008 compliant. The intent of the initiative is to document processes and procedures, with a long term goal of having these processes become repeatable, predictable, consistent and efficient. Documentation and controlled processes are new to the organization and workforce, as they previously relied heavily on historical knowledge.

Oldcastle's training will permit the organization to focus on Lean Manufacturing principles, documentation, improved processes, and new equipment. Employees will receive training to better understand manufacturing practices and become more efficient. In addition, the Company will make a significant investment (approximately \$3.5 million) in new furnace equipment, and anticipates hiring new employees to support its business needs and growth. Oldcastle is forecasting a 10% growth in the next fiscal year.

Training Plan

Oldcastle has developed a company-wide training program to modernize business practices and procedures. Training will allow the Company to upgrade worker job skills, promote growth, and improve efficiencies throughout the facilities.

Classroom/Laboratory and Videoconference will be provided as follows:

Business Skills (1%): Training will be offered to Administrative Staff and Managers/Supervisors. Training topics include contract management, production goal planning and project management. Trainees will learn how to add innovation to the workplace, setup standard business practices, operational processes, and product knowledge to better deliver customer service.

Commercial Skills (1%): Training will be offered to Lead Production/Operators and Manager/Supervisor. Trainees will learn critical skills in metal braising and welding, space requirements and procedures. Training is customized to specific work projects and will allow trainees to work more effectively with partners and governmental entities, and improve job skills and productivity.

Computer Skills (2%): Training will be offered to all occupations. Training will include various software programs that are used daily to increase proficiencies. Trainees will learn new internal software to improve job performance.

Continuous Improvement (4%): Training will be offered to all occupations. Trainees will learn both basic and advanced Continuous Improvement to keep processes moving efficiently throughout the plant with a low error rate. This training will not only implement technical efficiency, but also communicate the value of time and movement saving efforts.

Hazardous Materials (1%): Training will be offered to Production/Glass Staff, Lead Production/Operators and Managers/Supervisors. Training is required for handling and

processing of chemicals primarily used in the soldering processes and manufacturing of glass products.

Management Skills (1%): Training will be offered to Managers/Supervisors. Training will include skills designed to support the workforce's ability to perform their jobs.

Manufacturing Skills (90%): Training will be offered to Production/Glass Staff, Maintenance Staff, Lead Production/Operators, and Managers/Supervisors to optimize manufacturing equipment, maintenance, and warehouse skills. With frequent upgrades it is important to ensure that all affected workers receive training to keep pace with technology, perform their jobs in a safe manner to meet production needs.

Impact/Outcome

Oldcastle anticipates that approximately 90 Production/Glass Staff, Maintenance Staff and Lead Production/Operator Staff will be Forklift certified after completion of training in Manufacturing Skills.

Commitment to Training

Oldcastle's current training budget is \$110,000 for two California facilities. The Company provides training in general health and safety, basic job-specific skills, federal and state mandated training, ergonomics, hazardous materials handling, basic machine operations, forklift operations, systems training, supervisory skills, harassment prevention, sales training, and other requested training. Training is normally job specific, but may include companywide initiatives that affect the entire workforce. Training is done via classroom, on-the-job and computer-based.

ETP funding will allow Oldcastle to provide more training topics so employees become more efficient and learn new skills. ETP funding will also allow Oldcastle to train a greater number of employees to make a significant impact on operational improvement. Oldcastle will also be able to implement changes throughout the organization to meet its goals. After the completion of the ETP program, Oldcastle is committed to continuing the quality and frequency of employee training and development activities.

Training Infrastructure

Training will begin upon Panel approval, and will take place at its two California facilities provided by expert in-house trainers. Oldcastle has designated a Human Resources Manager at each facility responsible for coordinating and conducting training, collecting and filing signed rosters, and sending to their third party administrative services, The IM Group. The Company also designated one main staff to oversee all responsibilities between two facilities.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

The IM Group in Fairfield, Connecticut assisted with development of this proposal for a flat fee of \$7,000.

ADMINISTRATIVE SERVICES

The IM Group in West Hollywood will perform administrative services for a fee not to exceed 10% 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

- Contract Management
- Goals, Planning & Project Management
- Innovation in the Workplace
- Business Practice Standards
- Operational and Business Process Training
- Product Knowledge for Customer Service Excellence

COMMERCIAL SKILLS

- Confined Spaces (Space Requirement, Unsafe Practices)
- HotWorks (Welding, Proper Techniques & Procedures)

COMPUTER SKILLS

- AS/400 Software
- Faciliworks Software
- Kronos Software
- Lotus Notes Software
- Surpass Software
- Ultipro Software

CONTINUOUS IMPROVEMENT

- Infinity QS Training
- ISO9001:2008
- Just-In-Time Production
- Process Improvement
- Operational Leadership
- Problem Solving Tools
- Process and Quality Improvement
- Productivity Analysis
- Root Cause Analysis
- Standard Operating Procedure

HAZARDOUS MATERIALS

- Hazardous Materials Management

MANAGEMENT SKILLS (Managers/Supervisors Only)

- Coaching for Front Line Supervisors
- Leadership

MANUFACTURING SKILLS

- Glass Handling
- Manufacturing Process
- Forklift Training (Techniques & Procedures)
- Preventative Maintenance
- Equipment

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

Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.



Painters & Allied Trades District Council 36

Grant Mitchell

Business Manager

DRYWALL FINISHERS, FLOORLAYERS, GLAZIERS, PAINTERS, TRADESHOW & SIGNCRAFT

June 25, 2014

To whom it concern:

Painters and Allied Trades District Council 36 on behalf of Glaziers, Architectural Metal and Glass Workers Local Union 636 is in full support of Oldcastle BuildingEnvelope's proposal to participate in the Employment Training Panel (ETP). The training provided will have a positive impact on the employees and Oldcastle BuildingEnvelope. We are committed to partnering with the employer in setting and achieving the training goals. We recognize that continued training and development of skills is an investment in the current and future workforce.

Should you have any questions regarding this matter please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Ana M. Hanson', is written over the word 'Sincerely,'.

Ana M. Hanson
Executive Assistant

C: Grant Mitchell, BM/ST
Rene Real, Bus. Representative
Lina Ingalls, Oldcastle BuildingEnvelope