



**Training Proposal for:  
Penhall Company**

**Agreement Number: ET15-0446**

**Panel Meeting of:** May 21, 2015

**ETP Regional Office:** San Diego

**Analyst:** J. Davey

**PROJECT PROFILE**

Contract Attributes:	Priority Rate Retrainee	Industry Sector(s):	Construction  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Alameda, Los Angeles, Orange, Riverside, Sacramento, San Diego, Santa Clara	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Laborer Trust Fund for No. CA, Operating Engineers Local Union #3, Southern California District Council of Laborers		
Number of Employees in:	CA: 355	U.S.: 1,031	Worldwide: 1,147
<u>Turnover Rate:</u>	17%		
<u>Managers/Supervisors:</u> (% of total trainees)	14%		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$159,300		\$0	\$0		\$159,300

<b>In-Kind Contribution:</b>	<b>100% of Total ETP Funding Required</b>	<b>\$187,355</b>
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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, HazMat, Mgmt Skills, OSHA 10/30, PL-Comm Skills	177	8-200	0	\$900	\$21.17
				Weighted Avg: 50			

**Minimum Wage by County:** Job 1: Alameda & Santa Clara Counties - \$16.44/hr.; Los Angeles County - \$15.97/hr.; Orange County - \$16.02/hr.; Riverside County - \$15.07/hr.; Sacramento County - \$15.75/hr.; San Diego County - \$15.93/hr.

**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
Administrative/Support Staff		20
Driver		17
Equipment Operator/Technician		25
Foreman		5
Manager/Supervisor		25
Project Manager/Project Engineer		10
Skilled Labor		60
Sales Staff		15

**INTRODUCTION**

Founded in 1957 and headquartered in Anaheim, Penhall Company provides concrete cutting services, such as wet saw, diamond-blade saw, and wire-saw cutting; coring; and scraping. Customers range in size from individual homeowners, to large industrial companies and construction companies; also, city and county governments. The Company has multiple locations throughout the state, nine of which will participate in this proposal: Anaheim, Burbank, Gardena, Irvine, Riverside, Sacramento, San Diego, San Leandro, and Santa Clara.

## Union Support

The Skilled Laborers and Equipment Operators/Technicians are represented by Operating Engineers Local Union No. 3, Laborer Training and Retraining Trust Fund for Northern California, and Southern California District Council of Laborers. The unions have provided letters of support.

## **PROJECT DETAILS**

Without training, the Penhall Company will be unable to keep pace with customer and industry needs in the immediate and long-term future. The Company's workforce is aging. At the same time, the perceived unattractiveness of some skilled labor careers makes it difficult to find, develop, and retain new employees.

Additionally, Penhall Company is upgrading equipment and offering more services. For instance, the Company has added underground scanning to its list of services and will require training on equipment and processes. Finally, safety in the workplace has become a primary concern as the Company must maintain certifications in OSHA and other safety standards to ensure the safety of its workers.

### **Training Plan**

Most of the training will be conducted by Penhall's internal training staff, with a smaller portion conducted by outside training vendors to be determined. E-Learning for Computer Skills will also comprise a small (5%) proportion of training. .

**Business Skills (5%):** Training will be offered to Administrative/Support Staff, Sales Staff, and Manager/Supervisor in job-specific skills (such as communication skills, scheduling, time management, and project management skills) that are necessary for project development, sales negotiations, and customer service.

**Computer Skills (E-Learning) (10%):** Training will be offered to Administrative/Support staff, Sales Staff, and Managers/Supervisors in SalesForce.com, Contract Management software, and MS Office Intermediate applications to help with business operations, presentations, sales, lead generation and management. Training will be conducted via E-Learning because it is the ideal venue for the subject matter and offers the flexibility in delivering these skills to trainees in different locations.

**Continuous Improvement (10%):** Training will be offered to Administrative/Support Staff and Managers/Supervisors. Training will help workers discover and address potential problems before they're encountered on the job which will ultimately help to control expenses and improve quality management of the projects.

**Management Skills (20%):** Training will be offered to Managers/Supervisors in effective team building, coaching, and leadership skills to better lead and direct their teams.

**Hazardous Materials (5%):** Training will be offered to Equipment Operators/Technicians, Foremen and Skilled Laborers to meet client requirements. They will receive up to 8-10 hours of training in how to handle hazardous material for their job functions on the job site.

### **Certified Safety Training**

OSHA 10/30. This training is a series of courses "bundled" by industry sector and occupation. It consists of 10 hours of classroom or CBT training for journey-level workers

and 30 hours for frontline supervisors. The coursework is geared to construction work, and also manufacturing. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA. The aforementioned OSHA training included in this proposal is in accordance with these guidelines. Training will be offered to all occupations as needed who work on job sites.

### **PL-Commercial Skills**

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. This training will be offered to 60 Equipment Operators/Technicians and Skilled Laborers in a series of certified skills in the operation of concrete scanning, coring, and cutting (saws) equipment, and construction machinery such as back-hoes, excavators, stompers, boom and scissors lifts, and similar construction equipment. They will receive between 40 to 60 hours of on-site training, depending on occupation and experience. All PL training will be conducted at the Company's worksites.

PL will be delivered as a three-level "Mentor" program, at a 1:1 trainer-to-trainee ratio. Based on an initial interview and mentor evaluation, a trainee is assigned to an appropriate level of training. Level 1 training is for trainees with little or no experience. These trainees are expected to need at least 60 hours of PL training in order to achieve sufficient competency to safely operate machinery or equipment. (The Company reports that they provide nearly 3 times that much training to inexperienced new workers). Trainees at level 2 have some experience but need additional 1-on-1 training to improve their skill level or to advance to a new or different tool. These trainees will typically receive 40 hours of PL training. Level 3 is the advanced level, where trainees have the most skill and experience in one or more tools and are ready for training in a new tool or piece of equipment. These trainees may need up to 40 hours of training but often less.

Mentors will provide training and will also determine competency level. Competency is determined by factors such as safety training, work experience, adequate knowledge, and professionalism. Each stage of mentorship has sub-levels to measure the competency trainees. All trainees must pass a series of hands-on and written examinations for each level with a score of 90% before they are allowed to move on to the next piece of equipment.

### **Commitment to Training**

Penhall has provided regular training in the following skills in the past: orientation, safety training, job specific training, timekeeping training, entry-level training for new staff, California labor laws and regulations, harassment prevention training, and other as-needed training.

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

#### ➤ Training Infrastructure

The Company is ready to begin training as soon as possible following Panel approval. Training will be administered through Penhall's human resources and safety departments and trainers at each company location. Management and safety professionals will collect documentation of training completion/progress and provide it to HR administrative staff. HR administrative staff will track enrollment/training hours and the HR Manager will meet with ETP staff.

**RECOMMENDATION**

Staff recommends approval of this proposal.

**DEVELOPMENT SERVICES**

Penhall Company retained ADP in San Dimas to assist with development of this proposal for a flat fee of \$10,000.

**ADMINISTRATIVE SERVICES**

Penhall Company also retained ADP to perform administrative services in connection with this proposal for a fee not to exceed 10% of earned funds.

**TRAINING VENDORS**

To Be Determined

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

8-200

Trainees may receive any of the following:

#### **BUSINESS SKILLS**

- CMS
- ADP
- HCSS
- Project Management
- Sales Training
- Customer Service (Phones/Customer Needs)

#### **CONTINUOUS IMPROVEMENT**

- Lean/6 SIGMA
- Change Management

#### **HAZARDOUS MATERIALS**

- Handling/Disposal

#### **OSHA 10/30** (OSHA certified trainer)

- OSHA 10 (requires completion of 10-hour course)
- OSHA 30 (requires completion of 30-hour course)

#### **MANAGEMENT SKILLS** (for Managers/Supervisors only)

- Leadership
- Team Building
- Coaching
- Conflict Resolution
- Business Acumen

### **E-Learning Hours**

8-200

#### **COMPUTER SKILLS**

- SalesForce.com
- MS Office Intermediate
- CMS – Construction Management System (Financial and Cost System)
- ADP – Automatic Data Processing system (HRIS/Payroll System)
- Fleet Maintenance/Management Software

### **PL Hours**

0-60

#### **COMMERCIAL SKILLS** (1:1 trainer-to-trainee ratio)

- Mini-Max
- Bob-Cat (skid steer)
- Back Hoe
- Excavator
- Stomper

- Boom and Scissor Lift Training
- Torch Cutting Training
- Roadway Flagger Training
- Compressor and Air Tools training
- Fork Lift Training (Vertical Tower and Reach Lifts)
- MENTOR Program (includes the following training):
  - Diamond Blade Safety Training
  - Wall Saw training
  - Flat Saw Training
  - Electric Flat Saw Training
  - Core Driller Training
  - Hand Saw (cut-off saw) training
  - Chain Saw training
  - Ring Saw training
  - Wire Saw Training

Note: Reimbursement for retraining is capped at 200 total hours per-trainee, regardless of method of delivery. PL is capped at 60 hours per-trainee.



ET15-0446

**Laborers Training & Retraining Trust Fund for Northern California**

1001 Westside Drive, San Ramon, CA 94583-4098

Tel: (925) 556-0858 • Fax: (925) 828-6142

April 20, 2015

The Application Review Unit  
Employment Training Panel  
1100 J Street, 4<sup>th</sup> FL  
Sacramento, CA 95814

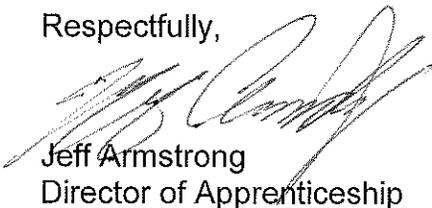
RE: Training Curriculum & ETP Grant

On behalf of the Northern California Laborers Training Center, I am writing this letter to express strong support for the grant application prepared by the Penhall Company for professional and job skills training that will be provided to our members employed by the Penhall Company.

Our members are dispatched with a level of training that allows them to explore many opportunities within the construction industry but the grant funds from the Employment Training Panel (ETP) will bring additional training that Penhall Company can provide to our members working in the specialty subcontracting concrete demolition industry. The nature of their work and unique job site challenges require a level of training and development that these grant funds will provide.

As the Penhall Company continues to develop its employees, it makes us all more competitive while providing our members with the evolving job skills necessary to remain safe and productive.

Respectfully,



Jeff Armstrong  
Director of Apprenticeship



# OPERATING ENGINEERS LOCAL UNION No. 3

1620 SOUTH LOOP ROAD, ALAMEDA, CA 94502 • (510) 748-7400 • FAX (510) 748-7412  
Jurisdiction: Northern California, Northern Nevada, Utah, Hawaii, and the Mid-Pacific Islands

Business Manager Russell E. Burns

January 27, 2015

The Application Review Unit  
Employment Training Panel  
1100 J Street, 4<sup>th</sup> FL  
Sacramento, CA 95814

RE: Training Curriculum & ETP Grant

To Whom It May Concern,

On behalf of Operating Engineers Local Union No. 3, I am writing this letter to express strong support for the grant application prepared by the Penhall Company for professional and job skills training that will be provided to our members employed by the Penhall Company.

Our members are dispatched with a level of training that allows them to explore many opportunities within the construction industry but the grant funds from the Employment Training Panel (ETP) will bring much needed training, which we rely on Penhall Company to provide, to our members working in the specialty subcontracting concrete demolition industry. The nature of their work and unique job site challenges require a level of training and development currently under stress by the lack of available resources.

As the Penhall Company continues to develop its employees, it makes us all more competitive in the this space while providing our members with the evolving job skills necessary to remain safe and productive.

Respectfully,

Russell E. Burns,  
Business Manager and  
IUOE General Vice President

REB:smcd:iuoe3/afl-cio

**SOUTHERN CALIFORNIA DISTRICT COUNCIL  
OF  
LABORERS**

AFFILIATED WITH  
LABORERS' INTERNATIONAL UNION OF NORTH AMERICA, AFL-CIO

**SERGIO RASCON**  
*President*

**MANUEL MONSIBAIS**  
*Secretary-Treasurer*

**ARMANDO "MANDO" ESPARZA**  
*Business Manager*

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AFFILIATED LOCALS

**SOUTHERN  
CALIFORNIA**

BURBANK  
LOCAL 345

HOLLYWOOD  
LOCAL 724

LONG BEACH  
LOCAL 1309

LOS ANGELES  
LOCAL 300

ORANGE COUNTY  
LOCAL 652

POMONA  
LOCAL 1414

RIVERSIDE-IMPERIAL  
COUNTIES  
LOCAL 1184

SAN BERNARDINO  
INYO-MONO COUNTIES  
LOCAL 783

SAN DIEGO  
LOCAL 89

VENTURA  
LOCAL 585

KERN COUNTY  
SAN LUIS OBISPO COUNTY  
SANTA BARBARA COUNTY  
LOCAL 220

**ARIZONA**

PHOENIX  
LOCAL 383

**NEW MEXICO**

ALBUQUERQUE  
LOCAL 16

February 2, 2015

The Application Review Unit  
Employment Training Panel  
1100 J Street, 4<sup>th</sup> FL  
Sacramento, CA 95814

**RE: Training Curriculum & ETP Grant**

On behalf of Southern California District Council of Laborers, I am writing this letter to express strong support for the grant application prepared by the Penhall Company for professional and job skills training that will be provided to our members employed by the Penhall Company.

Our members are dispatched with a level of training that allows them to explore many opportunities within the construction industry but the grant funds from the Employment Training Panel (ETP) will bring additional training that Penhall Company can provide to our members working in the specialty subcontracting concrete demolition industry. The nature of their work and unique job site challenges require the high level of training and development that these grant funds will provide.

As the Penhall Company continues to develop its employees, it makes us all more competitive while providing our members with the evolving job skills necessary to remain safe and productive.

Respectfully,

Armando "Mando" Esparza  
Business Manager  
Southern California District Council of Laborers

*Feel the Power*  
**LiUNA!**