



**Retrainee – Job Creation
Training Proposal for:
Penn Air Control Inc.**

Fast Track ≤ \$100,000

ET15-0147

Panel Meeting of: June 27, 2014

ETP Regional Office: North Hollywood

Analyst: E. Fuzesi

CONTRACTOR

- Type of Industry: Construction
Services
Priority Industry: Yes No
- Number of Full-Time Employees
California: 63
Worldwide: 78
Number to be trained: 62
Owner Yes No
Mgr/Supr 6
Frontline 56
- Out-of-State Competition: NAICS Code Eligible
- Special Employment Training: Yes No
- High Unemployment Area: Yes No
- Turnover Rate: 10%
- Repeat Contractor: Yes No
- Substantial Contribution: Yes No

FUNDING

- Requested Amount: \$67,120
- In-Kind Contribution: \$72,360

SUBCONTRACTORS

- Development Services: Training Funding Source (TFS) in Seal Beach assisted with development for a flat fee of \$4,500.
- Administrative Services: TFS will also provide administrative services for an amount not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Penn Air Control Inc. (Penn Air) (www.pennairgroup.com) will lead this project with its closely affiliated entity, Medical Air Care, Inc. (Medical Air). The two companies have separate owners and CEAN numbers but are co-managed and operating from the same location in Cypress.

Established in 1972, Penn Air provides Heating, Ventilation, and Air Conditioning (HVAC) energy conservation and indoor air quality solutions to government, healthcare, industrial and commercial sectors. Penn Air is headquartered in Cypress and has six satellite offices in the United States and one in Korea, all servicing clients worldwide. Penn Air qualifies for out-of-state competition and is a Panel priority industry. Penn Air's technicians are represented by the Sheet Metal, Air, Rail, Transportation Workers Local Union 105. A union support letter has been submitted.

Medical Air provides heating ventilation and air duct cleaning, indoor air quality investigations, and kitchen exhaust-hood grease cleaning services for clients in California. It is eligible for funding under the Special Employment Training (SET) provisions. Under SET, the participating employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention period.

According to Penn Air, the quality of their work has increased business and client-base. New staff have been hired while incumbent staff have assumed increased responsibilities and duties. Despite the growth, customers are demanding lower rates, comprehensive services, and faster turnarounds. To meet these expectations, Penn Air and Medical Air need to implement innovative and effective techniques and energy-saving solutions.

Both companies are in the process of switching to a paperless report system to improve report-generating turnaround-times to within 24 hours from the time services were rendered. As such, they are looking into providing tablets to Field Technicians to facilitate their electronic report-writing capabilities. This will substantially improve turnaround times to better serve customers.

Both companies also need to keep current with market and regulatory requirements. As such, the Curriculum includes training that leads to industry-specific certifications. Certifications allow the Companies to continue to provide quality service. There are two certifications for Technicians offered through the National Air Duct Cleaning Association: an Air System Cleaning Specialist Certification (for HVAC cleaning and restoration projects) and Certified Ventilation Inspectors Certification (for conducting indoor air quality testing inspections). Additional certifications include Gaylord Kitchen Exhaust Certification (for kitchen exhaust cleaning); and Test and Balance Technician Certification, mandated by the Associated Air Balance Council's national standards.

Retrainee - Job Creation

Both companies have recently been awarded new government projects performing various duct-cleaning and mold remediation work in addition to their growing client base. To keep up with business expansion, they have committed to hiring 10 new Technicians each, for a total of 20 trainees in Job Creation (Job Numbers 3 and 4). To be eligible for reimbursement under these Job Numbers, trainees must be hired within the three-month period prior to Panel approval or during the term of contract. Training for newly-hired employees will be subject to a lower post-retention wage.

Training Plan

Business Skills – Training will be offered to Administration Staff, Technicians, Supervisors and Managers to provide the needed skills to perform their job duties more efficiently and work together within their departments. Effective Communication will build on maintaining and providing better customer service at all levels. Project and Time Management will benefit Technicians during on-the-job site visits. Sales Success will help trainees upsell services. Several Technicians will be promoted to Supervisors. Providing the needed support and tools for staff in their new positions is critical to their success.

Commercial Skills – Training will be offered to Technicians, Supervisors and Managers. The Companies need to stay compliant with industry standards by having trainees obtain industry certifications in order to ensure high quality service to customers. The ASCS Certification will qualify trainees to serve as project managers on residential and commercial HVAC cleaning and restoration projects. Trainees looking to be certified will be mentored by experienced, certified staff members. Mentors will prepare trainees for the exam in classroom sessions while helping them gain the related experience on the field via Productive Lab.

Computer Skills – Training will be offered to Administrative Staff, IT/CAD Staff, and Technicians, to improve interdepartmental communication and help trainees learn the new digital project reporting requirements and methods. AutoCAD will provide trainees essential drafting tools for documenting and collaborating with coworkers and clients.

Continuous Improvement – Training will be offered to all staff to keep up with the development and demands of the industry and to help staff provide quality and professional services.

Hazardous Materials – Training will be offered to Technicians to prepare them for a variety of hazardous materials problems they may encounter in the field as well as the appropriate handling and safe use of hazardous chemicals. Through Hazard Communication, trainees will learn to improve the quality of hazard information. Trainees will be able to make their work environments safer using a common approach to classifying chemicals and communicating hazard information on safety data sheets. In addition, one Safety Officer will become the OSHA company trainer, taking the OSHA Trainer Certification Course to be able to provide OSHA 10/30 classes to the rest of the workforce.

Literacy Skills – Training will be offered to select Technicians to improve their communication skills on the job. For these trainees, English is their second language. Learning Vocational English will help trainees communicate with other staff, and understanding industry specific vocabulary is an absolute need for safety and productivity.

OSHA 10/30

OSHA 10/30 will be offered to Technicians, Supervisors and Managers to provide the best quality of work safely. Depending on the projects, different types of construction sites can change on a weekly or daily basis. Teams need to be trained and skilled to work safely and efficiently no matter where they are. The course will cover hazardous communications, emergency action plans, personal protection equipment usage, recordkeeping and reporting, and how to be a safety leader. For direct reports, the course will cover important prevention topics and emergency response procedures and will ensure that all safety guidelines are being followed.

OSHA 10/30 training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of training for frontline workers and 30 hours for supervisors. The coursework must be approved by, and the instructors must be certified by Cal-OSHA. OSHA 10/30 is not included in the 10% limitation on safety training. Completion of the training results in a certificate that expands employment opportunities. To ensure that each trainee receives certification, ETP will only consider payment earned upon completion of the full 10-hour or 30-hour course.

Productive Laboratory

The Panel adopted regulations to authorize reimbursement for training delivered in a Productive Laboratory (PL) setting in which trainees may produce goods or provide services for profit as part of the training. For PL courses identified in the Curriculum, the instructor must be dedicated to training delivery during all hours of training.

PL in Commercial Skills will allow 40 Technicians to gain practical experience in various air balancing techniques, exhaust system handling, ductwork, and fluid flow equipment operation. Projects will require trainees to use filtration devices, air handling units, air scrubbers, coils, vacuums, compressors, brushes, cleaning solutions and other equipment depending on the scope of the work. In order to be proficient, trainees will be paired with in-house certified expert Technicians and will receive approximately 16-20 Class/Lab hours along with an average of 16 PL hours. Some employees may receive up to 30 hours of PL (in addition to Class/Lab training) depending on job functions. The trainer-to-trainee ratio will not exceed 1:2.

Penn Air and Medical Air maintain that PL training is necessary for certification preparation. As such, projects will be assigned based on certification standards. Trainers will demonstrate tasks at each phase and trainees will perform the same task while under supervision. The trainer will be present full-time to demonstrate, monitor, and evaluate. Lower production levels are expected to correct errors and mistakes. Therefore, projects will require additional man-power to meet required time frames. The emphasis during PL training will be on quality and understanding requirements, standards, and processes. Upon completion of the PL training, trainees will continue to receive substantial “on-the-job” training at the companies’ expense.

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

- Account Payable
- Accounts Receivable
- Advanced Accounting Skills
- Business Development/Marketing
- Business Writing
- Certified Payroll
- Collections
- Customer Service
- Direction
- Effective Communication
- Employee Engagement
- Employee Management/Human Relations
- Leadership
- Motivation
- Professional Development
- Project/Time Management
- Sales Success
- Services Knowledge
- Training & Coaching

COMMERCIAL SKILLS

- Air Balancing
- Air Duct Covering
- Air Filtration Devices
- Air Handling Units
- Air Scrubbers
- Ambient Air Cleaning
- Building Commissioning
- Gaylord Kitchen Exhaust Certification
- Indoor Air Quality Testing (IAQ)
- Layout and Pattern Development
- Mechanical Systems
- National Air Duct Cleaning Association (NADCA) Technician Certification:
 - Air System Cleaning Specialist (ASCS) Certification
 - Certified Ventilation Inspectors (CVI)
- Negative Pressures
- Test and Balance Engineer Technician Certification (TBE)
- Test and Balance Technician Certification (TBT)
- Troubleshooting
- Vacuum Collection
- Wet Process Cleaning

COMPUTER SKILLS

- AutoCAD LT 2014
- Digital Reports
- Excel
- Payroll ADP System
- Sage ERP MAS 90

CONTINUOUS IMPROVEMENT

- Air Balance Process and Procedures
- Business Process Management
- Duct Cleaning Process and Procedures
- Job Project Management
- Job Scheduling
- Organisational Goals
- Performance Improvement
- Picture Report Process
- Quality Management
- Service Processes

HAZARDOUS MATERIALS

- Flammable Liquids
- Hazard Communication
- Hazardous Materials
- Hazardous Material Handling
- OSHA Trainer Course
- Safety Data Sheets

Safety training will be limited to 10% of total training hours per trainee

LITERACY SKILLS

- Vocational English as a Second Language

Literacy training cannot exceed 45% of total training hours per-trainee

OSHA 10/30 (Certified OSHA Instructor)

- OSHA 10 (Requires Completion of 10 Hours)
- OSHA 30 (Requires Completion of 30 Hours)

Productive Lab

0-30

COMMERCIAL SKILLS

- Air Duct Covering
- Air Filtration Devices
- Air Handling Units
- Air Scrubbers
- Ambient Air Cleaning
- Balancing procedures
- Building Commissioning
- Gaylord Kitchen Exhaust Certification
- Indoor Air Quality Testing
- Kitchen Exhaust Cleaning Process

- Layout and Pattern Development
- Mechanical Systems
- NADCA Technician Certification:
 - ASCS
 - CVI
- Negative Pressures
- TBE Certification
- TBT Certification
- Troubleshooting
- Vacuum Collection
- Wet Process Cleaning

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



Sheet Metal, Air, Rail, Transportation Workers Local Union 105

Luther B. Medina, Business Manager/President
Vernon W. Shaffer, Financial Secretary-Treasurer/Recording Secretary
Rocky Pelliccino, Vice President/Business Representative

Business Representatives

Richard Foss, II
Sam F. Hurtado

Chris Gonzalez*
David Shaver

Steve Hinson
William "Bill" Shaver

Tim Hinson
Joe Whitcher

April 3, 2014

California Manufacturing Technology Consulting
690 Knox Street, Suite 200
Torrance, CA 90502

Re: Union Support Letter

Dear CMTC:

We are aware that employees of Penn Air Control, Inc. Company will receive training funded through the Employment Training Panel and we concur with the proposed training. If you have any questions, please do not hesitate in calling.

Sincerely,

Luther B. Medina
Business Manager/President

LBM:lat/Penn Air Control Co Inc. Union Support ltr CMTC 040314
opeiu 537
afl-cio,clc

cc: Ms. Gina Medel, Penn Air Control Co. Inc.
Ms. Julie Ann Muller-Neff, Executive Director, SMACNA Orange Empire