



**Amendment Proposal #1 for:
San Francisco Electrical Industry Apprenticeship and Training Trust
Agreement Number: ET14-0914**

Amendment Effective Date: October 29, 2014

Panel Meeting of: May 21, 2015

ETP Regional Office: San Francisco Bay Area

Analyst: D. Woodside

CURRENT PROJECT PROFILE

Contract Type:	Priority/Retrainee Apprentice	Industry Sector(s):	Construction
Counties Served:	San Francisco	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Priority Industry:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Current Contract Term: March 3, 2014 to March 2, 2016

Current Funding	In-Kind Contribution
\$210,428	Inherent

AMENDMENT FUNDING

Requested Funding	Support Costs	Amendment Funding	In-Kind Contribution
+\$182,324	+\$12,624	+\$194,948	Inherent

Total Funding
\$405,376

AMENDMENT 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	Priority/Retrainee Apprentice	Commercial Skills, OSHA10	107	24-210	0	\$2,780	\$22.87
				Weighted Avg: 200			
2	Priority/Retrainee Journeyman	Commercial Skills, OSHA10/30	102	8-200	0	\$564	\$56.92
				Weighted Avg: 45			

Minimum Wage by County: Statewide Priority Industry (2015): \$20.55 per hour

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
Electrician/Inside Wireman Journeyman		107
Electrician/Inside Wireman Apprentice		102

INTRODUCTION

Created in 1962, the San Francisco Electrical Industry Joint Apprenticeship and Training Trust (SF Electrical JATC) www.sfelectricaltraining.org is a cooperative effort between the San Francisco Chapter of the National Electrical Contractors Association (NECA) and the International Brotherhood of Electrical Workers (IBEW) Local Union 6. SF Electrical JATC currently serves approximately 361 apprentices and 1900 journeymen, at its training center in San Francisco. Approximately, 630 employers are signatory to the collective bargaining agreement. The majority are small businesses. Participating employers perform specialized construction work related to the design, installation, and maintenance of electrical systems.

AMENDMENT DETAILS

SF Electrical JATC requests additional funding of \$194,948 to restore a reduction that occurred when the current contract was approved by the Panel a year ago. At that time, funding was “right-sized” to \$210,428 from a request for \$614,000. Right-sizing was based on performance under an active contract as measured by training hours entered into ETP Online Tracking.

The active contract (ET13-0916) had five months remaining in term, with performance at 62% based on hours entered, which became the metric for right-sizing. The Panel invited SF Electrical to return for additional funding by way of Amendment after the active contract was completed and prior performance could be accurately measured.

The standard for prior performance when there is an active or prior contract is 70% of earnings as measured by hours entered into ETP Online Tracking. That standard applied to the prior and current Fiscal Years, and will remain in place for Fiscal Year 2015/16. That standard does not require close-out of the active contract, which was only imposed in this instance due to the five-month overlap in term. The active contract ET13-0916 demonstrated 100% performance at its end-of-term on October 28, 2014.

To date 34,835 hours have been entered for the current contract, as delivered to a total of 441 enrolled apprentices and journeymen. [Note: SF Electrical JATC reports that employment for electricians has continued to improve, such that all trainees are working and expected to complete retention.] These hours are sufficient to earn the original funding and the entire amount of additional funding requested. In other words, the contractor is requesting funds for hours of training already delivered, which necessitates a retroactive effective date of Amendment.

Apparently, SF Electrical JATC delayed its request for Amendment until late April 2015 in order to ensure there were sufficient hours entered into ETP Online Tracking to project the amount of additional funding needed. While there was no need to delay the request past end-of-term for the active contract, staff believes the accurate measurement of performance was sufficiently complex, in this instance, so as to cause confusion. On that basis, staff recommends an effective date of October 29, 2014 which is one day past end-of-term for the active contract (ET13-0916). [Note: The same issue appears in a request for amendment by Alameda County Electrical JATC, in this packet.]

Support Costs

Support costs will cover the cost recruiting additional participating employers, assessing specific training needs, and conducting necessary follow-up during the retention period. Staff recommends the standard 8% support costs.

Summary

In summary, this amendment will:

- Increase the total Agreement amount by \$194,948 (from \$210,428 to \$405,376)
- Increase support costs by \$12,624 (as included in total amount)
- Increase the total number of Apprentices in Job Number 1 by 52
- Increase the weighted average hours for Journeymen in Job Number 2 from 24 to 45
- Allow for an Amendment Effective Date of October 29, 2014

RECOMMENDATION

Staff recommends approval of this Amendment.

CURRENT CONTRACT PERFORMANCE

The following table summarizes performance by SF Electrical JATC under the current ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Average)	No. Completed Training	No. Retained
ET14-0914	\$210,428	03/03/2014 – 03/02/2016	Apprentice – 55 Journeymen-102	Apprentice – 17 Journeymen - 0	17

The ETP Class/Lab Tracking shows 17 Apprentice trainees have completed training and retention; 35,835 training hours have been entered on-line which is more than enough to earn 100% of the amended Agreement amount of \$405,376. No progress payment invoices have been submitted. SF Electrical JATC has demonstrated performance sufficient to support this Amendment.

PRIOR PROJECTS

The following table summarizes performance by the SF Electrical JATC under ETP Agreements completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0916	San Francisco	10/29/2012– 10/28/14	\$340,178	\$340,178 (100%)
ET10-0215	San Francisco	09/28/2009– 09/27/2011	\$184,450	\$21,875 (12%)

ET10-0215: This was before the Apprenticeship Pilot, with training for journeymen only. Poor performance resulted from a downturn in construction throughout 2009-2011. In San Francisco, 385 of approximately 1,000 electricians were out of work during this two-year period (an unemployment figure of over 38%).

As a result of an upturn in the economy and the availability of ETP funds for apprenticeship training, the JATC was able to earn 100% of funds under its subsequent Agreement ET13-0916.