

DELEGATION ORDER



**Training Proposal for:
Saddleback Roofing, Inc.**

Small Business

ET17-0165

Approval Date: July 25, 2016

ETP Regional Office: San Diego

Analyst: M. Ray

CONTRACTOR

- Type of Industry: Construction
Services
Priority Industry: Yes No

- Number of Full-Time Employees
California: 55
Worldwide: 55
Number to be trained: 38
Owner Yes No

- Out-of-State Competition: No OSC
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 10%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$39,520
- In-Kind Contribution: \$51,300

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 SET SB <100 Priority Rate	Commercial Skills	38	8 - 60	0	\$1,040	\$23.00
				Weighted Avg: 40			

- Reimbursement Rate: Job #1: \$26 SB Priority
- County(ies): Orange
- Occupations to be Trained: Roofer and Foreman
- Union Representation: Yes
 No
- Health Benefits: N/A

SUBCONTRACTORS

- Development Services: N/A
- Administrative Services: N/A
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1956, Saddleback Roofing, Inc. (SRI) (www.saddlebackroofing.com) provides roof installation, replacement, repair, and coating services to building owners, developers, and property managers. Located in Orange, the Company also provides roof maintenance program services to industrial and commercial roofing customers.

For more than 100 years, “built-up roofing” (commonly referred to as “tar and gravel” roof) has been the dominant roofing system used by customers in the US. This roof system is generally composed of alternating layers of bitumen and reinforcing fabrics that create a finished membrane. The roofing industry has seen a dramatic shift of customers demanding different types of roofing systems, specifically, single-ply, which is flexible sheets of compounded synthetic materials manufactured to strict quality control requirements. These changes are transforming the roofing industry. SRI must expand services and increase the quality of its products.

The roofing industry has been experiencing a severe labor shortage, driving up costs in a competitive market. Due to customer demands and the small pool of available skilled commercial roofers, the Company must develop and implement an extensive training program

initiative. The Company will extensively train novice laborers and cross-train existing roofers and foremen in various roofing systems in order to remain competitive.

ETP funding will help SRI to deliver a comprehensive training program to meet strategic initiatives and support its business goals. Training will provide staff improved skill. Training will enable the Company to successfully upgrade worker skills, ensure project integrity, and effectively manage business growth.

SRI is eligible for ETP funding under Special Employment Training (SET) provisions for frontline workers not threatened by out-of-state competition. The Company qualifies for ETP's priority industry reimbursement as a roofing contractor.

Training Plan

SRI designated its General Manager to administer, implement, and manage the ETP program. The Company also designated an administrative staff to fully support the scheduling, enrolling, and tracking of training hours.

Training will be provided by both in-house trainers and outside vendors. Training will be delivered in a structured classroom and laboratory (simulated) environment at SRI's Orange facility in the following:

Commercial Skills – Training will be offered to all trainees. Course topics will include Single-Ply, Built-up, Tile, and Torch-Down Roofing Systems Procedures. Each system will require comprehensive training for workers in attachment methodology and installation.

SET Priority Industry Wage Modification

For trainees employed in a priority industry, the Panel may modify the SET Wage (\$28.37) up to 25% below the statewide average hourly wage to \$21.28. This wage modification is intended to train workers in lower wage occupations to provide opportunities for promotion, wage increases, and long-term job security. SRI requests this wage modification.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 - 60

Trainees may receive any of the following:

COMMERCIAL SKILLS

- ✚ Single-Ply Roofing Procedures
 - Membrane Overview
 - Attachment Methodology
 - Approved/Non-Approved Details
 - Options of Installation
 - Hands On Installation Techniques
- ✚ Built-up Roofing Procedures
 - Membrane Overview
 - Attachment Methodology
 - Approved/Non-Approved Details
 - Options of Installation
 - Hands on Installation Techniques
 - Hot Asphalt Laying Techniques
- ✚ Tile Roofing Procedures
 - Product Overview
 - Attachment Methodology
 - Approved/Non-Approved Details
 - Options of Installation
 - Hands on Installation Techniques
- ✚ Torch-Down Roofing Procedures
 - Membrane Overview
 - Attachment Methodology
 - Approved/Non-Approved Details
 - Options of Installation
 - Hands on Installation Techniques
 - Torching Techniques

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