



Training Proposal for:

**Southern California Heat & Frost Insulators and Asbestos
Workers Joint Apprenticeship Committee
Agreement Number: ET16-0912**

Panel Meeting of: September 25, 2015

ETP Regional Office: North Hollywood

Analyst: M. Paccarelli

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Apprenticeship	Industry Sector(s):	Construction Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Imperial, Inyo, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, Ventura	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No International Association of Heat & Frost Insulators and Allied Workers Union Local No. 5		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	N/A		

FUNDING DETAIL

Program Costs	+	Support Costs	=	Total ETP Funding
\$429,600		\$29,720 8%		\$459,320

In-Kind Contribution:	50% of Total ETP Funding Required	Inherent
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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 Apprentice	Commercial Skills, OSHA 10	160	8-200	0	\$2,224	\$20.55
				Weighted Avg: 160			
2	Retrainee Priority Rate Pre-Apprentice	Commercial Skills, OSHA 10	20	8-200	0	\$2,823	\$20.55
				Weighted Avg: 120			
3	Retrainee Priority Rate Journeyman	Commercial Skills, OSHA 10/30	100	8-200	0	\$282	\$36.01
				Weighted Avg: 12			
4	Retrainee Priority Rate Technician	Commercial Skills, OSHA 10/30	20	8-200	0	\$941	\$20.55
				Weighted Avg: 40			

Minimum Wage by County: \$20.55 per hour SET Statewide wage for priority industries.

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 \$1.34 per hour may be used to meet the Post-Retention Wage in Job Numbers 1; up to \$5.31 per hour in Job Number 2; and up to \$3.85 per hour in Job Number 4.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Apprentice Heat & Frost Insulator and Asbestos Worker		160
Pre-Apprentice Heat & Frost Insulator and Asbestos Worker		20
Journeyman Heat & Frost Insulator and Asbestos Worker		100
Firestop Technician*		20

*The Firestop Technician classification has a separate pay scale from Journeymen and Apprentices. Firestop Technicians will meet the same post-retention wage as Apprentices and be reimbursed at the same rate as Journeymen.

INTRODUCTION

The Southern California Heat & Frost Insulators and Asbestos Workers Joint Apprentices Committee (H&F/JAC) (www.awlocal5.com) was founded in 1962 by a consortium of labor and management organizations to provide training for Insulators and Asbestos workers in Southern California. The H&F/JAC is comprised of six members, three each appropriated by the Western Insulation Contractors Association; and the International Association of Heat & Frost Insulators

& Allied Workers Union, Local No. 5. The same six JAC members serve as trustees over the H & F Joint Apprenticeship Trust.

This will be the third Agreement between ETP and the H&F/JAC. As a trade, Heat and Frost Insulators insulate mechanical structures, whether hot or cold, from ambient temperatures. A typical building has insulation on the hot and cold water pipes and equipment as well as the heating and air conditioning system and related mechanical equipment. Insulation materials conserve energy, reduce overall energy demand, reduce pollution, control condensation, eliminate mold, and improve workplace safety. Insulators and the contractors for which they work also perform asbestos removal work. In addition, they install fire stop material to seal openings and joints in fire-resistant rated walls.

Employer Demand for Training

The proposed training is designed to meet the signatory employers need to acquire an adequate number of skilled insulators to work on specialized projects, and to address. Overall, there are four paramount industry needs:

1. Apprentice training to prepare workers for careers in the industry - Increased requirements for technical training on a variety of materials and systems and the demand for new Apprentices combine to require additional funding. Demand for new Apprentices is driven in part by a recently enacted California law that requires apprentice training for workers in oil refineries. ETP support will enable the JAC to expand training to meet contractor demand and improve the quality of training.
2. Pre-Apprentice training to prepare workers to enter the Apprentice system - This training will ensure that new Apprentices are productive members of work teams from the first day of employment. It also will reduce turnover of probationary apprentices.
3. Journeymen need retraining to help experienced workers refresh their skills and learn to handle new insulation materials and systems that did not exist when they started out as Apprentices.
4. Training is needed for a new classification created through collective bargaining in June 2011. These are the allied workers classified as Firestop Technicians who act as helpers to Journeymen. They perform specialized jobs in fabricating and applying firestop or fireproofing materials. Because their skill level is less comprehensive, they do not require an Apprenticeship.

Apprenticeship Program

The Panel is authorized to fund Apprentice training that does not displace any other source of government funds, or replace an existing apprenticeship program approved by the Division of Apprenticeship Standards (DAS). ETP funding is designed to supplement cost of delivery for the Related and Supplemental Instruction (RSI) portion of DAS-approved apprenticeship training. Depending on the type of trade, apprenticeship programs vary in length. In this case the program is four years, (48 months) for each of the three occupational titles.

Apprentice programs are typically sponsored by a Joint Apprenticeship Training Committee (JATC). A JATC is created through collective bargaining, with an equal number of members appointed by union and management with employer contributions to a training trust fund. The employers are not "participants" but are signatories to the Collective Bargaining Agreement.

RSI is traditionally delivered as class/lab, and ETP does not reimburse CBT delivery for apprenticeship training. The curriculum is developed with input from DAS and a designated Local Educational Agency (in this case Rio Hondo Community College). The Apprenticeship Program allows reimbursement for up to 200 hours of RSI plus OSHA10, per-apprentice. (Journeymen are capped at 200 hours.) The trainer-to-trainee ratio for Apprentices is 1:25 and 1:20 for Journeymen.

For the building trades, it is not customary for workers to be employed for a standard retention period of 90 consecutive days with one employer. In that instance, the Panel may substitute non-consecutive hours worked for retention. This modified retention period must be no less than 500 hours within 272 days with more than one employer. Both the standard and modified retention periods will apply to this proposal.

To ensure ETP does not displace Montoya Funds, Apprenticeship reimbursement is reduced by \$5.00, reducing the priority industry rate from \$18.00 to \$13.00 per hour. In addition, the Panel adopted a "blended rate" for Journeymen, reflecting the fact that they may be employed by a variety of contractors over the two-year term of contract ranging from large employers, to small (≤ 100 employees). This is \$22 per hour, midway between the Priority Industry standard rate (\$18) and Small Business rate (\$26). [Note: This "blended rate" has been extended to Pre-Apprentices, for ease of administration.]

The ETP wage for Apprentices is no less than \$20.55 per hour, tracking the Special Employment Training wage as modified for priority industries. However, the actual wages paid are shown in the Training Plan Table and contract when they exceed \$20.55, as is the case in this proposal for Journeymen.

DAS Completion Rates

The average completion rate for Apprentices in the Heat and Frost Insulation industry is 61% as measured by DAS over the most recent five-year reporting period: CY2009 through CY2013. When the average completion rate for an apprenticeship program is less than half the industry average (benchmark), the Panel requires a justification for funding.

In this proposal, the DAS completion rate for Joint Apprenticeship Committee for the Heat & Frost Insulators & Allied Workers of Southern California is 73%, which exceeds the benchmark.

PROJECT DETAILS

Training Plan

Commercial Skills (95%) - Training will be offered to all occupations in installation and asbestos work. Pre-Apprentice training prepares workers for the Apprenticeship program. Training is an introduction to the trade, covering less complex skills and concepts. The Apprentice training conforms to the Curriculum approved by DAS with emphasis on safe working conditions, technical skills, communication and calculation to meet the needs of apprenticeship. The Journeyman training will help experienced workers upgrade their skills and learn to handle new insulation materials, and new systems. In addition, they will gain advanced layout and fabrication skills.

OSHA 10/30 (5%) - Training will be delivered to all occupations to ensure safe working conditions and fulfill current mandates by OSHA certified.

OSHA 10/30 is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of training for journey-level and 30 hours for frontline supervisors. OSHA 10 will be provided to Pre-Apprentices and Apprentices; and OSHA 10/30 for Journeymen and Firestop Technician based on their classifications.

This training is not required as a condition of doing business in California. However, the coursework must be approved by, and the instructors must be certified by Cal-OSHA. When delivery is by CBT all training hours must be delivered in a classroom over a finite amount of time, and the vendor must have a certified instructor present to confirm attendance.

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.

Curriculum Development and Feedback

The curriculum was developed by the insulation industry with national and local input. Union and management are consulted through joint committees at all levels. The curriculum includes an introduction to the insulator’s trade with an emphasis on safe working conditions, technical skills, communication and calculation to meet the needs of Pre-Apprentices and Apprentices. Journeyman will receive training in advanced layout and fabrication skills.

The committee continuously reviews and updates the curriculum, training materials, and training facilities based upon the industry expertise of the membership.

Marketing and Support Costs

Employer demand is inherent in the apprenticeship agreements between the trainees and participating employers. Marketing is conducted through announcements, email and web posting to union members and signatory contractors.

The JAC is requesting 8% support costs to assist in Apprentice recruitment, employer outreach, and assessment of employer-specific job requirements. Although many of the participating employers have already been notified, additional outreach and needs assessments will take place throughout the Agreement term. Staff recommends the 8% support costs.

Commitment to Training

JAC represents that ETP funds will not displace the existing financial commitment to training of participating employers, and anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area.

Safety training is, and will continue to be, provided by the participating employers in accordance with all pertinent requirements under state and federal law.

RECOMMENDATION

Staff recommends approval of this proposal.

ACTIVE PROJECTS

The following table summarizes performance by the H&F/JAC under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET14-0910	\$312,380	12/14/13 – 12/13/15	Pre-Apprentice – 71 Apprentice – 135 Journeyman - 54	302	97

Based on ETP Systems, 26,283 reimbursable hours have been tracked sufficient to support earnings of \$312,380 (100% of approved amount). Of the 274 trainees who completed training, 28 have been retained and 246 are in retention.

PRIOR PROJECTS

The following table summarizes performance by the H&F/JAC under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET11-0233	Los Angeles	6/15/11-6/14/13	\$198,271	\$161,962 (82%)

DEVELOPMENT SERVICES

Steve Duscha Advisories in Sacramento assisted with development of this proposal for a flat fee of \$10,000.

ADMINISTRATIVE SERVICES

Steve Duscha Advisories will also perform administrative services for a fee not to exceed 12.2% of payment earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum

Class/Lab Hours

8 - 200

Trainees may receive any of the following:

COMMERCIAL SKILLS

Pre-Apprentice Training

- ✦ Engineering science of the reduction of heat energy
- ✦ Function and purpose of insulation
- ✦ Types of insulation, finishes and covering
- ✦ Application to HVAC and other mechanical equipment
- ✦ Characteristics of insulation material
- ✦ Measurements
- ✦ Attachment methods
- ✦ Safe working procedures
- ✦ Using lifts
- ✦ Asbestos removal procedures and safety
- ✦ Protective devices
- ✦ Effective communications
- ✦ Lead removal procedures and safety

Apprentice

- ✦ Asbestos removal, advanced practices
- ✦ LEED building basics
- ✦ Layout and fabrication: unequal tee
- ✦ Layout and fabrication: elbows
- ✦ Layout and fabrication: beveled and flat end caps
- ✦ Layout and fabricate square to round
- ✦ Insulation equipment
- ✦ Insulation materials
- ✦ Layout and fabricate: concentric reducers
- ✦ Layout and fabricate: equal tee
- ✦ Layout and fabricate: eccentric reducer
- ✦ Blueprint reading
- ✦ Codes and specifications
- ✦ Layout and fabrication: advanced skills
- ✦ Lead abatement
- ✦ Working with lifts, advanced practices
- ✦ Construction math

Journeyman

- ✦ Advanced Layout
- ✦ Advanced fabrication
- ✦ Products and specifications
- ✦ LEED building concepts and applications
- ✦ Energy surveys
- ✦ Asbestos removal
- ✦ Lead awareness and abatement
- ✦ Working in confined spaces
- ✦ Handling hazardous waste

Firestop Technician

- ✦ Compartmentation
- ✦ Total fire protection
- ✦ Firestopping role in compartmentation
- ✦ Safe working procedures
- ✦ Using lifts
- ✦ Protective devices
- ✦ Tools and equipment
- ✦ Plans and specifications
- ✦ Basic construction techniques and materials
- ✦ Code review and firestop testing
- ✦ Compartmentation assemblies
- ✦ Through-penetration identification and system selection

OSHA 10/30 (Certified OSHA Instructor)

- ✦ OSHA 10 (requires 10 hours completion)
- ✦ OSHA 30 (requires 30 hours completion)

Safety Training cannot exceed 10% of total training hours per-trainee
(This cap does not apply to Hazmat, OSHA 10/30 or HAZWOPER)

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