



**Training Proposal for:  
Sundt Construction, Inc.  
Agreement Number: ET15-0252**

**Panel Meeting of:** July 25, 2014

**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:	Orange, Sacramento, San Diego, Santa Clara	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 250	U.S.: 1500	Worldwide: 1500
<u>Turnover Rate:</u>	13%		
<u>Managers/Supervisors:</u> (% of total trainees)	11%		

**FUNDING DETAIL**

<b>Program Costs</b>	-	<b>(Substantial Contribution)</b>	<b>(High Earner Reduction)</b>	=	<b>Total ETP Funding</b>
\$199,368		\$0	\$0		\$199,368

<b>In-Kind Contribution:</b>	100% of Total ETP Funding Required	\$416,924
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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, Commercial Skills, Computer Skills, Management Skills, OSHA 10, OSHA 30	222	8-200	0	\$774	\$18.14
				Weighted Avg: 43			
2	Retrainee Priority Rate Job Creation	Business Skills, Commercial Skills, Computer Skills, Management Skills, OSHA 10, OSHA 30	27	8-200	0	\$1,020	\$18.14
				Weighted Avg: 51			

**Minimum Wage by County:** Job 1: Orange County - \$15.98; Sacramento County - \$15.59; San Diego County - \$15.60; Santa Clara County - \$16.25;

Job 2 (Job Creation): Orange County - \$13.32; Sacramento County - \$12.99; San Diego County - \$13.00; Santa Clara County - \$13.55

**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	
		Job 1	Job 2
Administrative Staff		50	2
Administrative Supervisor		2	---
Business Development/Marketing Staff		4	2
Craft/Trade Staff		50	10
Field Engineer		12	1
Field Superintendent		25	---
Foreman		5	---
General Superintendent		3	---
Preconstruction Project Manager		7	---
Prequalification Staff		1	---
Project Engineer		20	1
Project Superintendent		18	4
Safety & Quality Supervisor		5	---

Senior Estimator		5	1
Senior Project Engineer		5	---
Senior Project Superintendent		12	---
Virtual Construction Technology Staff		5	---

## **INTRODUCTION**

Founded over a century ago and headquartered in Tempe, AZ, Sundt Construction, Inc. ([www.sundt.com](http://www.sundt.com)) (Sundt) is a general construction contractor that provides pre-construction, design, and construction services. The client base includes airports, schools and government agencies in the public sector; and a variety of businesses in the private sector. The Company specializes in concrete construction work. Sundt Construction, Inc. is a subsidiary of The Sundt Companies.

Sundt is eligible for retraining under the Out-of-State Competition Provisions as a company that provides a service in California that regularly competes with service providers located out-of-state. Training will take place at Sundt's four locations in Irvine, Sacramento, San Diego, and San Jose.

Sundt has recently experienced an increase in competition from larger, multinational corporation/contractors such as Turner, Skanska, Fluor, and Balfour Beatty for smaller scale construction projects. Because of these new competitors, Sundt has determined that it must diversify its services by moving into new markets, including Mining and Industrial, Healthcare, and Large Scale Heavy Civil construction within California.

Sundt's goal is to not only expand the number of employees it has, but also to substantially increase the size of the projects it bids for, in California. Sundt will be hiring new employees to handle increased workloads at all four locations. Whether new employees are experienced in the construction industry, or fresh out of school, they need to learn current and highly technical skills specific to Sundt.

Sundt is currently investing in the necessary resources (labor, equipment, etc.) to expand into markets where the average project size is much larger. With increased project size, Sundt needs to provide its staff with the skills to manage larger teams and subcontractors. Expansion into new markets also means Sundt must perform types of work that it hasn't done in the past. Healthcare facilities have unique needs and requirements, as do industrial plants, highways, bridges, and university facilities. In some cases, this requires developing and training employees on new, specialized technical skills. Sundt's internal training staff will continue to study the specific needs of each new client sector in order to develop customized training programs.

## **PROJECT DETAILS**

### **Retrainee - Job Creation**

Sundt plans to increase its sales in California by at least 20% by the end of 2016. The Company has recently opened two new offices (Irvine and San Jose), and plans to increase staffing in these new offices, as well as their existing California offices. In addition, the Company forecasts that it will hire at least 27 new employees within the next two years.

In this proposal, Sundt has committed to hiring 27 new employees as shown in Job Number 2. To be eligible for reimbursement under this Job Number, the trainees must be hired within the three-month period prior to Panel approval or during the term of contract.

## **OSHA 10/30**

Sundt is also requesting funding for OSHA 10 and OSHA 30 training for its Field Construction Staff (Craft/Trade Workers, Safety Engineers, etc.), select Project Managers/Superintendents, and Engineering Staff. OSHA 10/30 training is a series of courses “bundled” by industry sector and occupation. Training consists of either 10 or 30 hours of training. 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 number 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. OSHA 10/30 is not included in the 10% limitation on safety training, nor in the 50% limitation on CBT.

## **Training Plan**

Trainees will receive the following:

**Business Skills (48%):** This training will be offered to all staff in job-specific skills such as communication skills, scheduling, time management, and project management skills and related courses that are necessary for project development, negotiations, and cost management analysis. Staff will receive skills needed to effectively identify best practices and ensure project success, as well as reduce uncertainties that occur during transitions from the preconstruction to the construction phase when purchase orders and subcontracts are issued.

**Commercial Skills (7%):** This training will be offered to selected field construction staff such as Project Management, Superintendent, Craft/Trade Workers and other staff in skills such as Robotic Total Station, Concrete Field Testing, and Water Run-off Prevention training.

**Computer Skills (20%):** This training will be offered to Administrative and Field Staff, including Superintendents, Managers, Engineers, Foremen and other staff in construction software that will provide the tools necessary to provide data and diagrams, reports, and project analysis. These programs 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.

In addition, 5 Virtual Construction Technology Staff will receive training in Business Information Modeling software skills, including the following software: Revit, Navisworks, AutoCAD, AutoCAD MEP, and AutoCAD Civil 3D.

**Management Skills (1%):** This training will be offered to Project Managers (Senior and regular), Field Superintendents, Project Superintendents (General, Senior and regular), Foremen, and other supervisory and management staff in effective supervision skills to better lead and direct their teams.

**OSHA 10 (6%):** This training will be offered to Craft/Trade Workers, Safety & Quality Supervisors, and other staff as needed who work on job sites in the 10-hour version of this OSHA certified training. Trainees will receive a certificate of completion at the end of training.

**OSHA 30 (18%):** This training will be offered to Craft/Trade Workers, Safety & Quality Supervisors, and other staff as needed who work on job sites in the 30-hour version of this OSHA certified training. Trainees will receive a certificate of completion at the end of training.

### **Commitment to Training**

Sundt spends approximately \$84,000 per year on training at each California facility.

Sundt has provided regular training in the following in the past: company orientation, safety training based on position/department or equipment used, job specific training, timekeeping training, entry-level training for new staff, California labor laws and regulations and anti-harassment training for supervisor level and above, as well as other as-needed training.

Sundt 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

Sundt has a dedicated training staff located in Arizona who will be responsible for planning, scheduling, and administering the training plan for all California staff. Each Sundt California facility will have dedicated staff who will plan, schedule, deliver, and administer training in concert with the Arizona staff.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

### **DEVELOPMENT SERVICES**

N/A

### **ADMINISTRATIVE SERVICES**

N/A

### **TRAINING VENDORS**

To Be Determined

## **Exhibit B: Menu Curriculum**

### **Class/Lab Hours**

8 - 200

Trainees may receive any of the following:

#### **BUSINESS SKILLS**

- Communication Skills
- Front-Line Supervisor Skills
- Engineer Academy
  - Leadership Communication
  - Technical Processes (case studies & specialized trade knowledge)
  - Scheduling Techniques (last planner system)
- Superintendent Academy
  - Leadership & Communication
  - Quality Control Management
  - Scheduling Techniques (last planner system)
- Project Administrator Academy
  - Subcontractor Relations/Communication
  - Financial Management (job cost accounting & reporting)
- Hazard Recognition/Risk Tolerance Training

#### **COMMERCIAL SKILLS**

- Robotic Total Station Training
- American Concrete Institute – Concrete Field Testing Technician Grade 1
- QSP (Qualified Stormwater Practitioner)

#### **COMPUTER SKILLS**

- HeavyJob (estimating software)
- Bluebeam (pdf editing software)
- Textura (construction management software)
- Primavera (project management software)
- JDE (JD Edwards ERP software)
- Onsite BIM Management
- BIM Technology Software
  - Revit
  - Navisworks
  - AutoCAD
  - AutoCAD MEP
  - AutoCAD Civil 3D

**MANAGEMENT SKILLS (management trainees only)**

- Effective Supervision

**OSHA 10 (Certified OSHA Instructor)**

- OSHA 10 (requires 10 hrs completion)

**OSHA 30 (Certified OSHA Instructor)**

- OSHA 30 (requires 30 hrs completion)

**E-Learning Hours**

0-50

**BUSINESS SKILLS**

- Effective Supervision

**COMPUTER SKILLS**

- Bluebeam (pdf editing software)

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