



RETRAINEE - JOB CREATION

Training Proposal for:

Unison Comfort Technologies, LLC, a Division of Greenheck Fan Corporation

Agreement Number: ET16-0285

Panel Meeting of: December 4, 2015

ETP Regional Office: Sacramento

Analyst: L. Fraizer

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate Job Creation Initiative	Industry Sector(s):	Manufacturing Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Sacramento	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Sheet Metal Workers International Association Local Union No. 104		
Number of Employees in:	CA: 141	U.S.: 3,021	Worldwide: 3,114
Turnover Rate:	16%		
Managers/Supervisors: (% of total trainees)	1%		

FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$161,100</td></tr> </table>	Program Costs	\$161,100	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> </tr> </table>	(Substantial Contribution)	(High Earner Reduction)	\$0	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Total ETP Funding</td></tr> <tr><td style="text-align: center;">\$161,100</td></tr> </table>	Total ETP Funding	\$161,100
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In-Kind Contribution:	100% of Total ETP Funding Required	\$161,100
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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	Buisness Skills, Computer Skills, Continuous Impr, Mfg Skills, OSHA 10/30, PL-Mfg Skills	43	8-200	0	\$2,700	\$15.75
				Weighted Avg: 150			
2	Job Creation Initiative Priority Rate	Buisness Skills, Computer Skills, Continuous Impr, Mfg Skills, OSHA 10/30, PL-Mfg Skills	15	8-200	0	\$3,000	\$13.13
				Weighted Avg: 150			

Minimum Wage by County: Job Number 1: \$15.75 per hour for Sacramento County; Job Number 2: \$13.13 per hour for Sacramento County.

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 \$3.99 per hour may be used to meet the Post-Retention Wage for Job Number 1 and up to \$1.37 per hour may be used to meet the Post-Retention Wage for Job Number 2.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Grade Shop Worker 3		10
Grade Shop Worker 2		11
Grade Shop Worker 1		16
Supervisor		6
Job Number 2		
Grade Shop Worker 3		15

INTRODUCTION

Established in 2010, Unison Comfort Technologies, LLC a division of Greenheck Fan Corporation (Unison), is an independent company that manufactures and supports commercial HVAC products. Unison has an annual revenue of \$90M from three business units: Innovent, Valent, and Precision Coils. Each business unit manufactures air control and movement equipment such as custom commercial/industrial HVAC equipment and high-performance rooftop units.

The Company's custom-made equipment provides a wide variety of options including heat pump, refrigeration, energy recovery, and dehumidification. Unison's primary brands include Innovent® custom air handlers, Valent® value-added packaged rooftops, and Precision Coils®.

Unison's parent company, Greenheck Group, is a worldwide manufacturer of air-movement and control equipment. Its ventilation products are typically installed in hospitals, office buildings, hotels, shopping malls, restaurants, schools, industrial plants and other commercial buildings. The Greenheck Group is a multi-brand corporation with a number of affiliated entities offering architectural louvers and sunshades; specialized air-handling systems; heating and cooling coils; and related accessories or services.

PROJECT DETAILS

This is the third agreement between Unison and ETP in the last five years. The previous agreements focused on Lean Manufacturing and machine proficiency. The Company is impressed with the level of skills of its workforce through ETP-funded training.

Unison's California workforce has been identified as the highest skilled group in the division. The Company considered re-locating, but the availability of ETP funds for training solidified its decision to stay in the state.

Although the Curriculum is similar to training provided under the previous contracts, trainees will not repeat coursework. The current proposal focuses on cross-training employees for higher skill sets, implementing effective leadership and coaching skills, and improving work efficiency through upgraded software.

Union Support

The Sheet Metal Workers Local 104 District 2 has submitted a letter of support for this proposal.

Retrainee - Job Creation

The Panel is offering incentives to companies that commit to hiring new employees. Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage.

Unison is expanding its current business capacity due to a steady increase in sales. In order to meet the increased demand, Unison has committed to hiring 15 new employees (Job Number 2). Unison represents that the date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. These trainees will be hired into "net new jobs" as a condition of contract.

Training Plan

Business Skills (5%): Training will be offered to all occupations to improve communication skills, time management, critical thinking, problem solving, conflict management, and leadership. Training topics will include Strategic Planning, Effective Communications, Conflict Resolution and Leadership Development.

Computer Skills (5%): Training will be offered to all occupations and will focus on the education of staff members on the upgraded software. Training topics will include Systems Applications and Products (SAP) Enterprise Software, Manufacturing Integration and Intelligence (MII) Software, AutoCAD Software and Inventor Software. Unison's SAP and MII Software will allow staff to streamline inventory controls and stay current on updated standard operating

procedures. This technology will allow more mobility for product design while minimizing production cost.

Continuous Improvement (40%): Training will be offered to all occupations and will focus on the need to produce a quality product more efficiently with less material waste. Training topics will include Quality Products/Management, Value Stream Mapping, Project Management, Business Process, Materials Inventory Flow, Lean 101, and Lean 102 to document, analyze and improve the flow of information and materials for a smooth and efficient production process.

Manufacturing Skills (40%): Job specific training will be offered to all Grade Shop Workers to expand their knowledge in production assembly, insulation and equipment operation. Training will also enable employees to move to the next level, including some of the skilled trade levels. Training topics will include Advanced HVAC Systems, Water Cycle/Refrigeration Systems, Full Press Brake Refresher, Variable Air Volume (VAV) Systems, Electronic Components, Water Source Heat Pump Systems, Brazing, Air to Air Energy Recovery and Re-humidification Systems.

Certified Safety Training (5%)

OSHA 10/30. This training is a series of courses “bundled” by industry sector and occupation. It consists of 10 hours of classroom or CBT training for Grade Shop Workers and 30 hours for frontline supervisors. The coursework is geared towards construction work and also manufacturing. Completion of the training results in a certificate that expands employment opportunities. The coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA.

Productive Laboratory – Manufacturing Skills (5%)

Productive Laboratory (PL) trainees may produce goods for profit as part of the training in the courses identified under the Curriculum. The instructor must be dedicated to training delivery during all hours of training.

Unison’s will require PL training for approximately six Grade Shop Workers to supplement classroom training. Trainees will receive PL training on Press Brake, Brazing, Water Cycle/Refrigeration Systems, Skill Welding, and Electronic Components. PL training will teach trainees the proper way to operate equipment, make needed adjustments and measurements, check tolerances and perform basic troubleshooting. Certain functions can only be performed in a live setting as they are not available in a simulated lab environment. The trainers are in-house subject matter experts, proficient in the subjects to be taught. All trainees will receive up to 40 hours of PL training delivered at a trainer-to trainee ratio of 1:1.

Production is expected to be reduced during PL training. Trainers will assess trainees’ skills during training. The trainer will observe trainees, performing quality control checks and product tests for tolerances. At the end of training, trainers will test for competency and determine whether trainees will require more training.

Commitment to Training

Unison has an annual training budget of \$5,000-\$10,000. Mandatory training includes company orientation, basic safety training and regulatory training. 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**

The Company has a detailed training plan focused on continuous improvement and Lean Manufacturing processes. Upper management supports the planned training and will be involved in the implementation process. The Human Resources Coordinator and Plant Manager will be responsible for the contract administration.

Temporary to Permanent Hiring

The trainees in Job Number 2 come under Panel guidelines for “temporary-to-permanent” employment. Unison has retained these employees through a temporary agency, with the intention of hiring them into full-time, permanent positions after training. It is Unison’s practice to hire employees in these positions through temporary agencies and train them in specific skill sets. Trainees who are on-boarded into a temporary-to-permanent role will be transitioned to a full-time permanent position within 4 – 6 months from their start date.

These trainees must be determined eligible to participate in ETP-funded training before the start of training, while on payroll with the temporary agency. However, the retention and post-retention wage requirements cannot be satisfied until after they have been hired by Unison. Until then, Unison will not receive progress payments for these trainees.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following tables summarize performance by Unison under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0301	McClellan	01/27/2014– 01/26/2016	\$132,620	\$98,704 (74%)
ET13-0258	Rocklin	12/19/2012– 12/18/2014	\$32,400	\$31,338 (97%)

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

N/A

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

8-200

Trainees may receive any of the following:

BUSINESS SKILLS

- Strategic Planning
- Effective Communications
- Conflict Resolution
- Leadership Development

COMPUTER SKILLS

- Systems Applications and Products (SAP) Enterprise Software
- Manufacturing Integration and Intelligence (MII) Software
- AutoCAD Software
- Inventor Software

CONTINUOUS IMPROVEMENT

- Quality Products/Management
- Value Stream Mapping
- Project Management
- Safety Training
- Business Processes
- Materials Inventory Flow
- Lean 101
- Lean 102

MANUFACTURING SKILLS

- Production Equipment Safe Operation and Maintenance
- Crane Operations
- Extrusion Saw
- Tool Sharper
- Brazing
- Spot Welding
- Skill Welding
- Fundamentals of HVAC Systems
- Advanced HVAC Systems
- Variable Air Volume (VAV) Systems
- Water Source Heat Pump Systems
- Full Press Brake Refresher
- Punch Machine
- Electronic Components
- Water Cycle/Refrigeration Systems
- Heat Pressure/Vacuum Systems
- Air to Air Energy Recovery
- Re-humidification Systems

- Air Resistance Force
 - Tension
 - Friction
 - Spring
 - Pressure
- Energy Types
 - Mechanical
 - Thermal
 - Chemical
 - Electrical
 - Radiant

OSHA 10/30 (OSHA CERTIFIED INSTRUCTOR)

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

PL Hours

0–40

MANUFACTURING SKILLS (1:1 trainer-to-trainee ratio)

- Press Brake Programming
- Reading Bend Prints
- Identifying Bend Order for Max Productivity
- Picking the Right Tooling
- Press Brake Set Up/Calibration
- Press Brake Run Process
- Press Brake Clean and Shutdown Process
- Brazing
- Water Cycle/Refrigeration Systems
- Skill Welding
- Electronic Components

Safety training will be limited to 10% of total training hours, per trainee excluding OSHA 10/30 training.

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery. PL is capped at 40 hours per-trainee.

INTERNATIONAL ASSOCIATION OF SHEET METAL, AIR, RAIL AND TRANSPORTATION WORKERS
SHEET METAL WORKERS' LOCAL UNION No. 104
AMADOR, BUTTE, COLUSA, EL DORADO, GLENN, LASSEN, MODOC, NEVADA,
PLACER PLUMAS, SACRAMENTO, SHASTA, SIERRA, SISKIYOU, SUTTER, TEHAMA,
YOLO AND YUBA COUNTIES DISPATCH OFFICE

August 19, 2015

Executive Director
Employment Training Panel
1100 J Street 4th Floor
Sacramento, CA 95814

Dear Panel Members:

This is to confirm that Sheet Metal Workers' Local Union No. 104 District 2 supports the ETP Training Program for Unison Comfort Technologies, a division of the Greenheck Group. We represent the members employed in McClellan, California. The program will provide our members with skills needed to meet operational demands which in turn will provide a more secure work environment.

If you have any further questions, please do not hesitate to contact me.

Sincerely,



Armando Guerrero
Business Representative

AG: sb opeiu: 29/afl-cio