



**Retrainee - Job Creation
Training Proposal for:
Western Pump, Inc.**

Small Business

ET16-0428

Approval Date: April 15, 2016

ETP Regional Office: San Diego

Analyst: J. Davey

CONTRACTOR

- Type of Industry: Construction
Services
Priority Industry: Yes No
- Number of Full-Time Employees
California: 70
Worldwide: 70
Number to be trained: 79
Owner Yes No
- Out-of-State Competition: Competitors Outside CA
- Special Employment Training (SET): Yes No
- High Unemployment Area (HUA): Yes No
- Turnover Rate: 18%
- Repeat Contractor: Yes No

FUNDING

- Requested Amount: \$74,360
- In-Kind Contribution: \$72,000

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 SB <100	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat, PL-Comm Skills	68	8-60	0	\$880	\$16.46
				Weighted Avg: 40			
2	Retrainee SB<100 Job Creation	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat, PL-Comm Skills	11	8-60	0	\$1,320	\$13.72*
				Weighted Avg: 60			

It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

- Reimbursement Rate: Job #'s 1 and 2: \$22 SB Non-Priority
- County(ies): San Diego
- Occupations to be Trained: Administration/Accounting Staff, Construction Staff, Dispatch/Call Center Staff, Estimator, Field Service Technicians, Purchasing/Inventory Staff, Managers, Sales Staff, Owner
- Union Representation: Yes
 No
- Health Benefits: Job #'s 1 and 2: \$2.02 per hour

SUBCONTRACTORS

- Development Services: Western Pump, Inc. retained Strategic Business Solutions, Inc. (SBS) in Visalia to assist with development of this proposal for a flat fee of \$5,200.
- Administrative Services: Western Pump, Inc. also retained SBS to perform administrative services in connection with this proposal for a fee not to exceed 13% of payment earned.
- Training Vendors: To Be Determined

OVERVIEW

Founded in 1948 and headquartered in San Diego, Western Pump, Inc. (Western Pump) performs compliance testing for fully-integrated wholesale distribution, construction, and fuel facility services for petroleum and lubrication systems. The Company's specializations are in the construction and servicing of fleet fueling facilities (including aviation), retail (gas) service stations, marinas, convenience stores, automated car washes, and vehicle maintenance facilities. Western Pump is an active member of the Petroleum Equipment Institute (PEI) and subscribes and adheres to PEI Safety Guidelines and Best Practices in all of its service, construction, and testing activities.

Western Pump is eligible for standard funding under the out-of-state competition provisions as a company that provides support activities for oil and gas operations within California that regularly competes with service providers located out-of-state.

PROJECT DETAILS

Western Pump must retrain its workers on the installation and servicing of new Point-of-Sale (POS) systems. The eventual switch to Euro MasterCard Visa (EMV) chip cards, by next year, requires that all retail fueling POS systems accept the new chipped credit and debit cards. In some cases, the Company will need to install completely new systems.

Additionally, workers need to be trained on the installation of new water-efficient car washes, now in demand due to the drought. These car wash systems have become a fast-growing service line for the Company. Western Pump's staff will require cross-functional training in order to meet demand.

Retrainee - Job Creation

Western Pump has committed to hiring 11 new employees (Job Number 2) due to the expansion of business (POS system upgrades and water-efficient carwash installations). These new workers will need extensive, job-specific training to work safely and efficiently in their new jobs.

Training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage. 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

Most of the training will be conducted in a Class/Lab setting at the Company's San Diego facility while the remaining will be delivered through E-Learning.

E-Learning is the preferred method of delivery for Fuel Dispensing Systems Installation; Repair & Testing; POS System Training; and American Petroleum Institute (API) Worksafe Advanced Safety Training due to the high cost of Class/Lab delivery. Additional Class/Lab training to reinforce the E-Learning courses will be provided by in-house experts.

Business Skills - Training will be offered to all trainees in the following job-specific skills: Account Development, Job Estimating, Purchasing Best Practices, Inventory Management Best Practices, Project Management, Accounting/Payroll Processing. Training is focused on

upgrading the skill level of all trainees to better serve its customers and improve business processes.

Commercial Skills - Training will be offered primarily to Construction, Field Service Technicians, and Managers in the skills related to Underground Construction Best Practices, Leak Detection, Heavy Equipment Operation, Fuel Dispensing Systems, and other related skills. Training will be focused on improving skills for safe installation of the Company's products.

Computer Skills - Training will be offered to all trainees in job-specific software skills related to internal applications such as Jonas Construction ERP Software, Jet-Trac Compliance Forms Software, and new Point-of-Sale and Vendor Management. Training in these skills will improve productivity.

Continuous Improvement - Training will be offered to Managers and Leads in all occupations. These skills will build the framework for teambuilding to improve productivity and decrease waste.

Hazardous Materials – Training will be offered to Managers, Dispatch/Call Center Staff, Purchasing/Inventory Staff, Construction Staff, and Field Service Technicians. Trainees will learn the processes of controlling and containing hazardous waste.

Certified Safety Training

American Petroleum Institute (API) WorkSafe is an extensive training course on the hazards present in the petroleum industry. This training, on safety in and around tanks and fuel dispensing operations, is used throughout the industry. Many current and potential clients view API certification as an advantage when considering bids and awarding jobs. This 8-hour course will be offered to Owners, Managers, Dispatch/Call Center Staff, Purchasing/Inventory Staff, Construction Staff, and Field Service Technicians through E-Learning and Class/Lab.

Select employees will also receive training in Hazardous Waste and HAZWOPER classes, in order to ensure appropriate response to hazardous waste spills on the worksite or in transit. This training is highly technical and will meet all industry and OSHA governmental standards.

1. HAZWOPER. This training is a series of courses specifically designed for workers who handle hazardous substances as first-responders, or clean-up as needed at a hazard disposal or emergency site. It consists of 40 hours of classroom or CBT training, for workers stationed at the hazard site; and 24 hours for workers who visit the site (e.g., engineers). Field training is also required, although not funded by ETP. Completion of the training results in a certificate that expands employment opportunities. Each certification requires an 8-hour annual refresher course. This coursework must be approved by Cal-OSHA, and the instructors must be certified by Cal-OSHA
2. Hazardous Materials (HAZMAT). This training is also a series of courses, specific to industry sectors involved in the transport of hazardous materials. The coursework varies in length depending on the industry and the occupational title, as organized in five levels ranging from "first responder" to "incident commander." It is generally a minimum of 24 hours with an 8-hour annual refresher, and may be delivered by classroom or CBT. In this proposal, Field Service Technician and selected Construction Staff will receive training as needed. No specific number of hours have been determined and no certificate will be received at the completion of training.

Productive Lab

Productive Lab (PL) in Commercial Skills will be offered primarily to newly-hired Construction Staff and Field Service Technicians (Job Number 2) in order to train and verify proficiencies on the various pieces of heavy equipment needed on job sites such as backhoes, trenchers, and bobcats. This training will be given in an initial classroom setting; however, “real time” operation is important because of the combustible and potentially catastrophic nature of the work and the cost of the equipment involved.

In addition, PL delivery will be used for Field Service Technicians in the installation, servicing, and testing of Fuel Dispensing Systems. Trainees will learn how to safely install, set-up, and test new equipment at the actual job site. The equipment is very technical and very costly, requiring real time training to measure competencies given the nature of the equipment involved and the fuels dispensed (for public safety). This training will supplement class/lab training.

Training will be delivered to as many as 20 trainees with a 1:1 trainer-to-trainee ratio in most cases and will not exceed 1:2. Trainees will receive no more than 17 hours per trainee. Trainees will receive instructions from the certified trainer, then demonstrate the skills under constant supervision throughout the training. The trainer will stop during training to reinforce skills or correct a trainee who performs a task incorrectly.

RECOMMENDATION

Staff recommends approval of this proposal.

Exhibit B: Menu Curriculum

Class/Lab and E-Learning Hours

8-60

Trainees may receive any of the following:

BUSINESS SKILLS

- Account Development
- Job Estimating Skills
- Purchasing Best Practices (APICS)
- Inventory Management Best Practices
- Project Management
- Accounting /Payroll Processing Skills
- Strategic Planning

COMMERCIAL SKILLS

- Underground Construction Best Practices
- Leak Detection
- Vapor Recovery Installation/Repair/Testing
- Heavy Equipment Operation (Backhoe/Trencher/Bobcat)
- Fuel Dispensing Systems Installation/Repair/Testing (*Class/Lab & E-Learning*)
- Automated Car Wash Installation/Repair
- Underground Tank Installation/Testing
- Vehicle Service Equipment Installation/Inspection/Service
- Materials Handling Equipment Training
- Confined Space
- API (American Petroleum Institute) Worksafe Advanced Safety (*Class/Lab & E-Learning*)

COMPUTER SKILLS

- POS System Training (Gilbarco, Veeder-Root, Verifone) (*Class/Lab & E-Learning*)
- Jonas Construction ERP Software
- Jet-Trac Compliance Forms Software
- Vendor's Management System Training (*Gilbarco, Veeder-Root, Verifone*)
- ADP Software Training
- Public Works Labor Compliance Reporting and Tracking Portal
- Customer Management System Training (Berisae/Tesoro)

CONTINUOUS IMPROVEMENT

- Leadership Training
- LEAN Processes

HAZARDOUS MATERIALS

- HAZMAT
- HAZWOPER

Safety Training will be limited to 10% of total training hours per trainee

PL Hours

0-17

COMMERCIAL SKILLS (1:2 trainer-to-trainee ratio)

- Heavy Equipment Training
- Fuel Dispensing Systems Installation/Repair/Testing

Note: Reimbursement for retraining is capped at 60 total training hours per trainee, regardless of the method of delivery. PL is capped at 17 hours per trainee.