Training Proposal for:

California Plumbing & Mechanical Contractors Association

Agreement Number: ET17-0349

Panel Meeting of: December 16, 2016

ETP Regional Office: North Hollywood

Analyst: E. Wadzinski

**PROJECT PROFILE**

<table>
<thead>
<tr>
<th>Contract Attributes:</th>
<th>Retrainees</th>
<th>SB &lt;100</th>
<th>Priority Rate</th>
<th>SET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industry Sector(s):</td>
<td>Construction</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Priority Industry:</td>
<td>☑ Yes ☐ No</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Counties Served:</td>
<td>Statewide</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Repeat Contractor:</td>
<td>☑ Yes ☐ No</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Union(s):</td>
<td>☑ Yes ☐ No Southern California Pipe Trades District Council 16</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turnover Rate:</td>
<td>≤20%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Managers/Supervisors: (% of total trainees)</td>
<td>≤0%</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**FUNDING DETAIL**

<table>
<thead>
<tr>
<th>Program Costs</th>
<th>Support Costs</th>
<th>Total ETP Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>$185,920</td>
<td>$12,896</td>
<td>$198,816</td>
</tr>
</tbody>
</table>

8%

In-Kind Contribution: 50% of Total ETP Funding Required $400,000
## TRAINING PLAN TABLE

<table>
<thead>
<tr>
<th>Job No.</th>
<th>Job Description</th>
<th>Type of Training</th>
<th>Estimated No. of Trainees</th>
<th>Range of Hours</th>
<th>Average Cost per Trainee</th>
<th>Post-Retention Wage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Retraineepriority rate</td>
<td>SET Business Skills, Computer Skills, Continuous Improvement, Commercial Skills</td>
<td>160</td>
<td>8-200 0</td>
<td>$770</td>
<td>$21.38</td>
</tr>
<tr>
<td></td>
<td>SET</td>
<td></td>
<td></td>
<td>Weighted Avg: 0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Retraineepriority rate</td>
<td>SET Business Skills, Computer Skills, Continuous Improvement, Commercial Skills</td>
<td>68</td>
<td>8-200 0</td>
<td>$1,112</td>
<td>$21.38</td>
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<tr>
<td></td>
<td>SB &lt;100 SET</td>
<td></td>
<td></td>
<td>Weighted Avg: 0</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Minimum Wage by County:
- SET statewide priority industry wage of $21.38 per hour.

### 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 ☐
- Participating employers may use health benefits to meet the Post-Retention Wage.

## Wage Range by Occupation

<table>
<thead>
<tr>
<th>Occupation Titles</th>
<th>Wage Range</th>
<th>Estimated # of Trainees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Manager</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>Administrative Support Staff</td>
<td>108</td>
<td></td>
</tr>
<tr>
<td>Engineers</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Superintendents</td>
<td>20</td>
<td></td>
</tr>
<tr>
<td>Foremen</td>
<td>30</td>
<td></td>
</tr>
</tbody>
</table>

## INTRODUCTION

The California Plumbing & Mechanical Contractors Association (CPMCA) ([www.cpmca.org](http://www.cpmca.org)) represents the Mechanical Contracting Industry in Southern California. Founded in 1997, CPMCA has been serving a membership of contract employers engaged in the installation and service of heating, ventilating, air conditioning, plumbing, and piping equipment.

CPMCA represents employers in collective bargaining with the Southern California Pipe Trades District Council (District 16). The Association also works to expand union work in the pipe trades industry; provides training for supervisory and administrative workers within the industry and in related fields. The Association recently moved its headquarters from Los Angeles to Burbank. This will be the third Agreement between CPMCA and the Employment Training Panel and the third in the last five years.
The CPMCA membership has expressed a need to train full-time permanent administrative workers to keep pace with construction industry practices and improve success. Further, as construction activity continues to grow, new employees are being hired who often lack formal training in construction practices and systems.

CPMCA’s training plan includes a variety of subjects related to project planning and management which includes estimating, water audits, energy conservation codes, and construction documentation, setting priorities, and meeting deadlines. Trainees will also learn general business skills such as improved communications, successful negotiation techniques, marketing, leadership, and supervision, as well as industry-specific computer software.

Participating employers will be drawn largely from the Associations membership. They will include large and small pipe trades companies serving Imperial, Inyo, Kern, Los Angeles, Orange, Riverside, San Bernardino, San Diego, San Luis Obispo, Santa Barbara, and Ventura Counties. There is a “core group” of employers committed to participation, sufficient to earn 85% of requested funding. The additional 15% of employers will be members of the Finishing Contractors Association of Southern California (FCASC).

FCASC represents union contractors engaged in architectural glass and metal, drywall finishing, floor covering, industrial coating, paint and wall covering, and sign work. FCASC represents contractors in collective bargaining with the International Union of Painters and Allied Trades, District Council 36. However, only non-union administration workers will be trained under this proposal. Since the FCASC does not have its own training program for administrative (non-represented) employees, it partners with the CPMCA. District Council 16 has submitted a letter of support for this proposal.

**PROJECT DETAILS**

**Training Plan**

**Business Skills (55%)**: Training will be offered to all occupations to refine contract negotiation and management skills, improve project management, and enhance customer service.

**Computer Skills (15%)**: Training will be offered to all occupations to expand and improve the use of computers in project management and administrative functions, and learn Building Information Modeling concepts and applications.

**Continuous Improvement (15%)**: Training will be offered to all occupations to learn quality construction management and leadership techniques, planning and goal setting, problem solving and decision making, and performance improvement concepts to improve speed and accuracy of all functions.

**Commercial Skills (15%)**: Training will be offered to Project Managers, Engineers, Superintendents and Foremen. Training will be provided in specialized technical skills, including anchoring systems in concrete and seismic bracing.

**Commitment to Training**

Some of the participating employers have dedicated training budgets, however, many do not. Many companies only provide new employee orientation, safety training, and specialized computer training. ETP funds will not displace existing training funds, but will be used to
expand and enhance training provided by employers. Training provided under this proposal will concentrate on best practices and other up-to-date industry content that is not normally provided by participating employers themselves due to time and monetary constraints. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

Training Infrastructure

Approximately 50% of CPMCA training will be held at the employer worksites and 50% at facilities in the Southern California area. Third party vendors will deliver training and the CPMCA Director of Education will oversee the training program. Trainers will collect trainee data and rosters for submission to the Director. Two part-time staff will be dedicated to marketing, employer recruitment, needs assessments, scheduling classes, and ETP administration. CPMCA has also retained a third party administrator to assist with the administration of the project.

Marketing and Support Costs

The CPMCA has provided training for members since 2000. The organization markets to association members and members of the FCASC through web postings, mailings, and presentations at meetings.

The CPMCA is requesting 8% support costs to pay for recruiting employers and assessing their individual training needs. Although the "core" group of employers has been identified, additional employers will be added during the course of the Agreement. ETP staff recommends the 8% additional funding to support CPMCA staff time dedicated to recruitment and the large number of employers potentially eligible to participate in this program.

Curriculum Development and Feedback

As an employer association, the CPMCA receives continuous information regarding training needs from its membership. The curriculum was developed by CPMCA staff and is based on expressed needs of member employers and input from its Board. Curriculum content is refined and revised based on feedback in the form of trainee evaluations for each class and, subsequently, from their employers. This information is used to determine the relevance of training topics and the effectiveness of training delivery.

Special Employment Training Wage Modification

For trainees employed in a priority industry, the Panel may modify the Special Employment Training (SET) wage up to 25% below the statewide average hourly wage (from $28.37 to $21.28).

RECOMMENDATION

Staff recommends approval of this proposal and SET wage modification.

PRIOR PROJECTS

The following table summarizes performance by CPMCA under an ETP Agreement that was completed within the last five years:
<table>
<thead>
<tr>
<th>Agreement No.</th>
<th>Location (City)</th>
<th>Term</th>
<th>Approved Amount</th>
<th>Payment Earned $   %</th>
</tr>
</thead>
<tbody>
<tr>
<td>ET15-0140</td>
<td>Statewide</td>
<td>07/07/14 – 07/06/16</td>
<td>$198,816</td>
<td>$153,844 (77%)</td>
</tr>
<tr>
<td>ET13-0295</td>
<td>Statewide</td>
<td>02/02/13 – 02/01/15</td>
<td>$99,408</td>
<td>$99,408 (99%)</td>
</tr>
</tbody>
</table>

**DEVELOPMENT SERVICES**

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

**ADMINISTRATIVE SERVICES**

Steve Duscha Advisories will also perform administrative services for a fee not to exceed 13% of payment earned.

**TRAINING VENDORS**

To Be Determined
## Exhibit B: Menu Curriculum

**Class/Lab Hours**

8-200

Trainees may receive any of the following:

### BUSINESS SKILLS
- Project Management
- Administering Construction Contracts
- Negotiating Construction Contracts
- Legal Issues in Construction Management
- Foreperson Development
- Communications Skills
- Estimating
- Negotiating
- Developing and Coaching Employees
- Managing Change Orders
- Customer Service

### COMPUTER SKILLS
- Using Advanced Applications in Construction
- Project Management Software
- Construction Applications
- Estimating Applications
- Cost Tracking Systems
- Building Information Modeling Concepts and Applications

### CONTINUOUS IMPROVEMENT
- Quality Management Tools for Construction Management
- Creative Problem Solving
- Effective Decision Making
- Performance Improvement
- Planning & Goal Setting
- Leadership Training for the Construction Industry

### COMMERCIAL SKILLS
- Anchoring systems in concrete
- Seismic bracing

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**Note:** Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.
<table>
<thead>
<tr>
<th>Company</th>
<th>Address</th>
<th>City, State, Zip</th>
<th>Collective Bargaining Agreement(s)</th>
<th>Estimated # of employees to be retrained under this Agreement</th>
<th>Total # of full-time company employees worldwide</th>
<th>Total # of full-time company employees in California</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACCO Engineered Systems</td>
<td>6265 San Fernando Rd.</td>
<td>Glendale, CA 91201</td>
<td>Southern California Pipe Trades District Council 16</td>
<td>70</td>
<td>2,912</td>
<td>2,752</td>
</tr>
<tr>
<td>All Area Plumbing</td>
<td>1560 W. Industrial Park St.</td>
<td>Covina, CA 91722</td>
<td>Southern California Pipe Trades District Council 16</td>
<td>32</td>
<td>80</td>
<td>80</td>
</tr>
<tr>
<td>Meadows Sheet Metal and Air Conditioning</td>
<td>333 Crown Vista Dr.</td>
<td>Gardena, CA 90248</td>
<td>Southern California Pipe Trades District Council 16</td>
<td>15</td>
<td>45</td>
<td>45</td>
</tr>
<tr>
<td>Pan-Pacific Mechanical</td>
<td>17911 Mitchell St.</td>
<td>Irvine, CA 92614</td>
<td>Southern California Pipe Trades District Council 16</td>
<td>52</td>
<td>450</td>
<td>448</td>
</tr>
<tr>
<td>Company:</td>
<td>Suttles Plumbing &amp; Mechanical Corporation</td>
<td></td>
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<tr>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Address:</td>
<td>21541 Nordhoff St.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City, State, Zip</td>
<td>Chatsworth, CA 91311</td>
<td></td>
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<tr>
<td>Collective Bargaining Agreement(s):</td>
<td>Southern California Pipe Trades District Council 16</td>
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<tr>
<td>Estimated # of employees to be retrained under this Agreement:</td>
<td>15</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Total # of full-time company employees worldwide:</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total # of full-time company employees in California:</td>
<td>80</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
October 7, 2016

Mr. Steve Duscha  
P.O. Box 22650  
Sacramento, CA 95822

Dear Steve:

We support the application of the CPMCA to the Employment Training Panel.

Please call our office if you have further questions.

Thanks in advance,

Michael Layton  
Business Manager  
Financial Secretary/Treasurer  
Southern California Pipe Trades  
District Council 16

MLab  
Opeiu#537/afli-cio