

**STATE OF CALIFORNIA**  
**EMPLOYMENT TRAINING PANEL MEETING**  
Marriott Burbank Airport Hotel and Convention Center  
2500 Hollywood Way  
Burbank, CA 91505  
September 28, 2007

**PANEL MEMBERS**

Barry Broad  
Acting Chair

Barton Florence  
Member

Bob Giroux  
Member

Scott Gordon  
Member

Edward Rendon  
Member

Janice Roberts  
Acting Vice-Chair

Johnathan St. John  
Member

**Executive Staff**

Ada Carrillo  
Acting Executive Director

Maureen Reilly  
General Counsel

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**I. PUBLIC PANEL MEETING CALL TO ORDER**

Barry Broad, Chairperson, called the public Panel meeting to order at 9:35 a.m.

**II. ROLL CALL**

Members Present

Barry Broad  
Janice Roberts  
Barton Florence  
Scott Gordon  
John St. John  
Edward Rendon

Members Absent

Bob Giroux

Executive Staff Present

Ada Carrillo, Acting Executive Director  
Maureen Reilly, General Counsel

**III. APPROVAL OF AGENDA**

ACTION: Ms. Roberts moved and Mr. Rendon seconded the Panel approve the Agenda.

Motion carried, 6 – 0.

**IV. APPROVAL OF MINUTES**

Mr. Broad announced there was a correction to the August 24, 2007 minutes on Page 11. He referred to the first paragraph under Litton Systems Inc., stating, "Ms. Armstrong asked if the 24 hours per week training requirement and the 90-day retention period could be waived. He said it should read as follows: "Ms. Armstrong asked if the 24 hours **minimum per employee** training requirement and the 90-day retention period could be waived."

ACTION: Mr. St. John moved and Ms. Roberts seconded approval of the Panel Minutes of August 24, 2007.

Motion carried, 6 – 0.

## **V. REPORT OF THE EXECUTIVE DIRECTOR**

Barry Broad announced that Michael Saragosa was not present and has been appointed and accepted a position with another department. Mr. Broad thanked Mr. Saragosa in absentia for the time that he served as Executive Director. He said he was personally sorry to see him go and that he had done an excellent job.

Ada Carrillo, Acting Executive Director, was pleased to announce that the budget picture for next year is better than reported last month. Per AB194, Budget Clean-Up Bill, the ETP appropriation will be increased by \$10 million to reach the \$56.3 million originally proposed in January. The Governor is expected to sign the bill by October 14.

Ms. Carrillo referred to the Fund Status Report in the Panel Packet showing \$117 million in the Employment Training Fund for this fiscal year, of which, \$109,728 is appropriated. She said the Department of Social Services will receive a \$45 million budget appropriation. She said, including the budget appropriation and reinvested prior year disencumbrances, ETP has a \$70.3 million budget for the year. After administrative and prior year contract liabilities, new program funds available for the year are \$43.4. This results in approximately \$125 million worth of contracts for FY 2007-2008 based on minimal incremental encumbrances. If the Panel approves all projects at this meeting, there will be \$31.4 million remaining for the fiscal year, translating to approximately \$85 million in contract value. At the rate of \$12 million per month, Ms. Carrillo concluded, ETP will have committed all available funds by the end of May 2008.

Next, Ms. Carrillo provided more information stemming from the fact that the Bureau for Private Postsecondary Vocational and Education (BPPVE) became inoperative effective June 30, 2007. She said stopgap legislation, AB 1525, effective June 30, 2007, grandfathered BPPVE institutions certified as of June 30, 2007 through to July 1, 2008. AB 1525 also authorized the Department of Consumer Affairs to issue voluntary compliance agreements for institutions that had held a valid BPPVE certificate prior to June 30, 2007, through January 31, 2008.

A companion bill, SB 45 was enrolled and sent to the Governor for signature on September 19, 2007. It would extend voluntary compliance agreements to July 2008 and the grandfather expiration date to January 2009. It would also establish an interim BPPVE within the Department of Consumer Affairs. She said SB 823, which would enact a new BPPVE statute, was placed on suspense and cannot be considered until next year at the start of the new legislative session.

### Request Motion to Delegate in Event of Loss of Quorum

Ms. Carrillo asked for a motion to delegate to the Executive Director the authority to approve projects, in consultation with the Panel Chair or Vice Chair, if a quorum does not exist.

ACTION: Ms. Roberts moved and Mr. Gordon seconded the Panel delegate to the Acting Executive Director the authority to approve projects for which a quorum does not exist in consultation with the Panel Chair or Vice Chair.

Motion carried, 6 – 0.

Request Motion to Adopt Consent Calendar Projects/Action

Ms. Carrillo asked for a motion to adopt Consent Calendar items #1 through #20.

Aero Mechanism Precision Inc. ....	\$17,160
Atlas Database Software Corp. dba Atlas Development Corporation.....	\$49,972
Background Images, Inc. ....	\$21,840
Cali Bamboo, LLC .....	\$26,400
Capital Corrugated Inc. ....	\$54,912
Computer Sciences Corporation.....	\$28,800
Disco Hi-Tec America, Inc. ....	\$34,452
Dr. Fresh, Inc. ....	\$29,700
Harkness Enterprises, Inc. dba Pacific Plastics & Engineering .....	\$143,000
Hill Partnership, Inc. ....	\$20,196
Label Impressions, Inc. ....	\$35,828
Logic Devices, Incorporated .....	\$15,600
Merryvale Vineyards LLC .....	\$19,500
Photon, Inc. ....	\$7,800
Plasidyne Engineering and Manufacturing, Inc. ....	\$14,300
Rantec Power Systems Inc. ....	\$49,920
Sunpol Resins and Polymers, Inc. ....	\$15,600
The Kettel Group .....	\$26,676
Tuff Stuff Products, Inc. ....	\$46,800
US Hybrid .....	\$15,600

ACTION: Mr. St. John moved and Ms. Roberts seconded approval of Consent Calendar Items #1 through #20.

Motion carried, 6 – 0.

**VI. REPORT OF THE GENERAL COUNSEL**

Maureen Reilly, General Counsel, had nothing to report.

**VII. ECONOMIC OVERVIEW OF THE SAN FERNANDO VALLEY**

Kim Smith, Assistant Director of ETP, introduced Bruce Ackerman, President and Chief Executive Officer for the Economic Alliance of the San Fernando Valley. She said Mr. Ackerman, who has extensive experience in the economic development field specializing in the creation of partnerships between local government and the private sector, will provide an

overview of the current economic conditions within the Valley. In particular, he will address workforce availability and discuss how ETP funding could help further development in the Valley.

Mr. Ackerman said the Economic Alliance is a unique organization that was conceived as a response to the 1994 Northridge earthquake. Their estimates were that 20,000 – 30,000 people lost their jobs in the Valley. He said the Economic Alliance represents five cities – Glendale, Burbank, Calabasas, San Fernando and the largest city, Los Angeles, as a private non-profit economic development collaborative. Their whole focus is economic growth, in order to continue providing the kinds of jobs and quality of jobs that citizens and residents would like to see.

Mr. Ackerman said the Alliance sponsored an economic forecast study by California State University Northridge in 2007, which is probably the pre-eminent source about the economy in the San Fernando Valley. He said the 2008 projection has not changed, at just under 2 percent in job growth. He said the unemployment rate stands at 4 - 4.5 percent which is very good in comparison to the rest of the State.

Mr. Ackerman said housing starts have slowed down and that the construction industry has probably taken the largest hit of the economy. However, the San Fernando Valley has a multi-industry economy spread among entertainment, professional services, retail, manufacturing and construction. Mr. Ackerman said the manufacturing, technology and hospitality industries continue to thrive.

Mr. Ackerman said one of the Economic Alliance's most significant issues is making sure the education system (K-12, community college and university) is providing skills that workers need to fill the jobs in businesses that are hiring. He said the number one problem businesses express has nothing to do with cost of operating in California or the rates for unemployment insurance and workers compensation, but with the inability to find local people to fill jobs. Mr. Ackerman said the Economic Alliance is striving to do a better job of communicating what ETP represents and how ETP funding can assist Valley employers. He said there is still a lot of misinformation and misunderstanding, but he is hopeful that his organization and ETP can forge an even stronger relationship to better communicate with employers.

Ms. Roberts thanked Mr. Ackerman for his presentation. She said that in the business sector, employers are having a very difficult time finding employees with high vocational and technical skills. Mr. Ackerman agreed and said high schools in Los Angeles and throughout the State of California, have abandoned technical-education training programs. He said it is important for high school students to have the choice of academic or technical training, both of which lead to (upper-division) schooling.

Mr. Ackerman said the danger is that if businesses need workers with technical skills and cannot find them locally, then businesses will go outside to find them. He said we want to be able to fill California jobs with California residents. Mr. Broad asked about specific occupational areas where employers are finding it difficult to find qualified workers. Mr.

Ackerman said it was advanced technical skills in engineering and science, but also labor skills in the construction industry. He said there are apprentice programs that cannot find enough people interested in entering the construction trades. Mr. Ackerman said the three basic skills that businesses say graduates are lacking are: communication, teamwork and ethics. He said the Los Angeles Unified School District has been very receptive in reviewing this problem and trying to determine how it can be resolved.

Mr. Broad thanked Mr. Ackerman for his report and said he looks forward to continuing to work with the Economic Alliance of the San Fernando Valley.

## **VIII. REVIEW AND ACTION ON AGREEMENTS AND AMENDMENTS**

### **Single Employer Contractors**

#### **Automobile Club of Southern California**

Diana Torres, Manager of the San Diego Office, presented a funding proposal for Automobile Club of Southern California (ACSC) in the amount of \$1,013,500. She said that ACSC offers travel, motorist, and insurance services to its membership.

Ms. Torres introduced Kelly Bozza, Manager and Starlet Blanchette, Training Specialist of Education, Training & Development.

Mr. Broad said that in light of the improving fiscal situation, as discussed earlier by Ms. Carrillo, the Panel should be able to accommodate some of these larger proposals.

Ms. Roberts asked why the proposal was divided into two groups, both with and without a substantial contribution. She wanted to be sure that 900 employees being “retrained” were not trained under a previous contract. Ms. Torres was unsure and said this will be the third agreement for the employees in Job Number 2. She said there was a possibility that some employees in Job Number 1 were trained under a previous agreement.

Ms. Roberts asked about the number of employees who had completed training hours and had been retained for 90 days under the prior agreement. Ms. Bozza said they will earn 100 percent of the funding, without fail. Ms. Roberts asked if they would maximize the \$1.5 million for trainees currently in the retention period. Ms. Torres explained that occasionally the number of trainees who complete training and retention may be fewer than planned, but that does not prevent the employer from earning the maximum dollar amount of funding. She said the number to retain is a weighted-average number of hours so some individuals might have completed higher than that completed average.

Mr. Gordon thanked ACSC for recognizing the importance of investing in their instructor staffs and said it is very important to the success of the program.

**ACTION:** Mr. Gordon moved and Mr. Rendon seconded approval of the funding proposal for ACSC in the amount of \$1,013,500.

Motion carried, 6 – 0.

## **AHC Inc.**

Dolores Kendrick, Manager of the North Hollywood Office, presented a funding proposal for AHC Inc. (AHC), in the amount of \$198,000. She explained that AHC is an intermediary between healthcare providers and insurance carriers as a third-party collection business for Commercial Health Insurance claims, primarily to clients located within the eastern and central time zones. In 1998 an acquisition provided AHC the opportunity to expand service and assist healthcare facilities with account receivables problem solving solutions.

Ms. Kendrick introduced Vickie Clark, Vice President of Operations.

Mr. Broad asked if AHC contacts the patient or the insurance company. Ms. Clark said they contact patients to obtain information that would assist in the recovery effort of their claim. She explained they work directly on behalf of the hospital with the insurance company to hold them accountable to prompt pay statutes and the terms of the contract that they have agreed to with their hospitals. Mr. Broad said the Panel has traditionally been hesitant to fund consumer credit operations. She said AHC tries to hold the insurance payer accountable to the hospital, and only contacts the consumer or patient if they need additional information to resolve the delay in payment of insurance. Mr. Broad asked if AHC works with un-insured patients. Ms. Clark said they do not; typically, the hospital partners with other organizations to work on behalf of their un-insured patient base.

**ACTION:** Mr. Florence moved and Ms. Roberts seconded approval of the funding proposal for AHC in the amount of \$198,000.

Motion carried, 6 – 0.

## **American Biodiesel, Inc. dba Community Fuels**

Ms. Kendrick presented a funding proposal for American Biodiesel, Inc. dba Community Fuels (Community Fuels), in the amount of \$93,600. Community Fuels is dedicated to developing a regional and distributed production model for quality biodiesel: a clean, renewable diesel fuel that reduces the dependence on foreign oil, provides jobs in the community, and helps protect the environment. Community Fuels customers are biodiesel distributors also known as “jobbers”.

Ms. Kendrick stated representatives for the project were not present at the meeting.

Mr. Broad asked if the Panel had any issues with this proposal.

Ms. Roberts asked about manager occupations and said it was her understanding that no managers would be trained in this project. She was also concerned about the high cost-per-trainee and asked if the company is receiving WIA funds since it is a start-up operation. Ms. Carrillo addressed Ms. Robert's concerns. She said the cost-per-trainee was determined by the number of hours and that the company had originally requested a higher number. She said the company will provide up to 600 hours of training and ETP will fund 240 hours. She said since they are a small business in a priority industry the company qualified for a \$26.00

rate, which is how they arrive at the cost-per-trainee. She said that in consideration of the cost-per-trainee, the starting wage of \$17.00 per hour is substantially higher than the ETP wage, especially in the San Joaquin Valley with the high unemployment rate. She explained that, with only 15 employees, all are “frontline” even though some will receive management skills training. Ms. Roberts thanked Ms. Carrillo for the clarification.

**ACTION:** Ms. Roberts moved and Mr. Gordon seconded approval of the funding proposal for Community Fuels in the amount of \$93,600.

Motion carried, 6 – 0.

### **Fuel Total Systems California Corporation**

Ms. Kendrick presented a funding proposal for Fuel Total Systems California Corporation (FTS), in the amount of \$108,000. FTS is the first plant operated outside of Japan. FTS manufactures the six-layer Resin tank for automobiles produced by New United Motors Manufacturing, Inc. (NUMMI), in Fremont.

Ms. Kendrick pointed out an error on page four of the Memorandum. In the last sentence of the second paragraph: “According to the company representative, FTS is the only manufacturer of the six layer Resin tank in the world.” She said it should be: “According to the company representative, FTS is the only manufacturer of the six layer Resin tank in California”.

Ms. Kendrick introduced Kumar Gopal, General Manager.

Mr. Broad asked if this is new technology or if it is becoming standard in automobiles. Mr. Gopal said initially, the tank had one layer, but now has six layers and the technology is less than a decade old. Mr. Broad asked if the traditional fuel tank is made out of steel and is considerably lighter. Mr. Gopal agreed. Mr. Broad asked if it is more lightweight and if there is less chance of an explosion. Mr. Gopal answered in the affirmative.

Mr. Gordon asked if the tanks were tested for various fuels of the future. Mr. Gopal answered in the affirmative.

**ACTION:** Mr. Gordon moved and Mr. Florence seconded approval of the funding proposal for FTS in the amount of \$108,000.

Motion carried, 6 – 0.

### **Safeway, Inc.**

Creighton Chan, Manager of the Foster City Office, presented a funding proposal for Safeway, Inc. (Safeway), in the amount of \$982,680. Safeway is a large food and drug retailer that operates a large network of manufacturing, food processing and distribution facilities.



Mr. Chan introduced Kim Farnham, Director of HR Planning of Human Resources and Sonya T.M. Magee, Grant Writer & Contracts Administrator.

Ms. Roberts asked about workers at the Merced facility. Ms. Magee said training for Merced was only for frontline workers. She explained this is the same population of workers in the other plants; they are just not represented by a union. She said the company had completed as much as 20 hours of training per employee in the prior project but for frontline workers in the warehouse. She said that Safeway did not bill for any progress payments as soon as it became apparent that they could not reach the 24-hour minimum threshold per employee. Ms. Roberts asked if the decision was made during the retention period, as to not billing for progress payments. Ms. Magee was unsure since she was not involved with the prior project. Ms. Roberts wanted clear up the issue of whether any funding had been earned on the prior project, and was satisfied that it had not.

Ms. Roberts asked if all 862 employees in the current proposal are employed at the Pleasanton facility. Ms. Magee said they are not only employed at the Pleasanton office, but for IT employees who are scattered throughout the State. Ms. Roberts was concerned about the submittals and rosters since employees were not centrally located at one training facility and since a subcontractor is not assisting. Ms. Magee said the IT team has experience with training funded by federal grants and the rosters already come to them for recordkeeping. She said there is no centralized training department for the stores, but there is for IT.

Ms. Roberts was concerned about the large dollar amount of proposed funding since previous contracts were unsuccessful. Ms. Magee acknowledged it is a valid concern and said that in the last 2-5 years, Safeway has hired over 1,500 employees, which is the reason for the additional funding request.

Mr. Gordon asked if warehouse employees would receive training. Ms. Magee said they would. He asked if department managers voiced any opinions about potential morale problems, and Ms. Magee said they had not.

Mr. Broad stressed the importance of a positive outcome on this contract. Ms. Magee said they realize that the performance of this contract will dictate what happens in the future.

Mr. St. John asked if there was a need to centralize training, given the variety of occupations. Ms. Farnham said it is not the sole reason, but a contributing factor. Mr. St. John asked if the addition of 1,500 new employees determined the scope of training. Ms. Farnham agreed and said specifically with marketing and IT.

**ACTION:** Mr. St. John moved and Ms. Roberts seconded approval of the funding proposal for Safeway in the amount of \$982,680.

Motion carried, 5 – 0. (Ed Rendon absent for the vote)

## **Spreckels Sugar Company, Inc.**

Mr. Chan presented a funding proposal for Spreckels Sugar Company, Inc. (Spreckels Sugar), in the amount of \$34,560. Spreckels Sugar processes sugar beets to produce sugar at the Mendota, California facility. The sugar is packaged and/or sold in bulk at the Brawley factory.

Mr. Chan introduced Sharon Starcher, Administrative Coordinator and Dolores Romero, HR Manager/Benefits Coordinator.

Mr. Florence asked if 40 of the 80 represented employees work 1,100 hours per year, and if this means the remaining 40 employees work the traditional 2,000 hours. Mr. Chan said the 40 employees who work the regular 2,000 hours are covered by a collective bargaining unit. Mr. Broad asked if the additional 40 employees are seasonal employees who work during the production of the beet crops. Ms. Starcher answered in the affirmative.

**ACTION:** Mr. Gordon moved and Mr. Rendon seconded approval of the funding proposal for Spreckels Sugar in the amount of \$34,560.

Motion carried, 6 – 0.

## **Mountain Travel dba Mountain Travel Sobek**

Creighton Chan, Manager of the Foster City Office, presented a funding proposal for Mountain Travel dba Mountain Travel Sobek (MT Sobek), in the amount of \$99,792. He explained that MT Sobek focuses on small group adventure travel such as hiking, trekking, river-rafting, sea kayaking, safaris, wildlife and natural history, small boat expeditions, multi-sport, photo expeditions and cultural encounter adventures.

Mr. Chan introduced Jim Kennick, Chief Financial Officer and Sallyanne Monti, Senior Consultant.

Ms. Roberts asked about company marketing efforts. Mr. Kennick said the company began in 1969 so at that time, print ads and brochures were common marketing practices. She said they currently leverage business from the Internet, but a large portion of their clientele is repeat customers. He said they have a very good reputation in the marketplace and are finding that most clients that travel with them have traveled before with the company. He said they are finding there are many clients that do not know about mountain travel and are discovering their company on the Internet.

**ACTION:** Mr. Florence moved and Mr. Rendon seconded approval of the funding proposal for MT Sobek in the amount of \$99,792.

Motion carried, 6 – 0.

## **Veritable Vegetable, Inc.**

Mr. Chan presented a funding proposal for Veritable Vegetable, Inc. (Veritable), in the amount of \$164,736. He said that Veritable is a company primarily engaged in the integrated food processing and product packaging, distribution, sales and related internal services. Veritable packages and distributes over 9,700 products consisting of fresh fruits and vegetables to grocery stores, restaurants, schools, food service organizations, home delivery service organizations and consumers.

Mr. Chan introduced Peggy Da Silva, Education & Training Manager and Sallyanne Monti, Senior Consultant.

Mr. Broad asked if the warehouse and packaging facility is located in San Francisco. Ms. Da Silva agreed and said the facility is located in the south-eastern section of San Francisco and invited the Panel to visit.

**ACTION:** Ms. Roberts moved and Mr. Gordon seconded approval of the funding proposal for Veritable in the amount of \$164,736.

Motion carried, 6 – 0.

## **Special Employment Training (SET) Projects**

### **Good Samaritan Hospital, a California Limited Partnership**

Ms. Kendrick, Manager of the North Hollywood Office, presented a funding proposal for Good Samaritan Hospital, a California Limited Partnership (Good Samaritan), in the amount of \$274,680. She said that Good Samaritan is an accredited, general medical and surgical facility.

Ms. Kendrick introduced Pam Day, Chief Nursing Officer, Marie Peterson, Director of Performance Improvement/Risk Management and William Parker, President of National Training Systems Inc.

Mr. Broad asked about the advanced technology skills listed in the curriculum and if the training was specific or supplemental. Ms. Day said it is supplemental training because it is mandated that all nurses have a Bachelors Degree. She said the training nurses receive is at a two-year level and they are unable to get all of the clinical experience in that time. Ms. Day said Good Samaritan's patients have advanced needs and they are responsible in ensuring that patients have appropriate care. She said the advanced training is ongoing in the medical community.

**ACTION:** Mr. Florence moved and Ms. Roberts seconded approval of the funding proposal for Good Samaritan in the amount of \$274,680.

Motion carried, 6 – 0.

## **PCL Industrial Services, Inc.**

Ms. Kendrick presented a funding proposal for PCL Industrial Services, Inc. (PCL), in the amount of \$172,800. She said that PCL is a construction company whose key markets are oil and gas production, gas transmission and compression, small power and cogeneration producers, and cement and mineral mining.

Ms. Kendrick introduced Todd Yepez, Human Resources & Professional Development Manager and Ray Ramirez, Construction Manager.

Mr. Broad asked about the high turnover rate. Mr. Yepez said the national average of the construction industry is 61 percent turnover and PCL's rate is much lower than that. He said rig welders are in such high demand they can pick and choose their jobs. He said they often leave for a month-or-two and then come back to PCL. He said the construction industry has grown by approximately 39 percent in Bakersfield.

Ms. Roberts asked, if she purchased a Fortune 100 Book listing the best 100 companies to work for, would PCL be listed? Mr. Yepez said they would. Ms. Roberts questioned why employees would leave a company that is listed as one of the best to work for in America. She said perhaps they are leaving due to un-competitive wages, management staff issues, or other reasons. Mr. Yepez explained they are a self-performing district, versus a district like Glendale which was recently rated one of the top employers to work for in Los Angeles. He said "self-performing" means they have corporate staff and hourly workers so there is a division in wages. He said they constantly battle rig welders moving from company to company due to high demand. He said it is very difficult to keep and retain the rig welders even though their wages are competitive and they recently increased company benefits. He said their sister district in Bakersfield is also struggling with retaining rig welders.

Ms. Roberts asked about the interview process for rig welders. Mr. Yepez said the applicants must pass specific tests. He said they are doing their best to retain the rig welders, but they can always choose to leave. He gave an example of one rig welder who said he just did not want to work out-of-town, so he took another job.

Mr. Gordon asked if rig welders are kept busy on a continual basis or if there is ever a lapse in work. Mr. Yepez said they are keeping them busy. Mr. Gordon asked if that is why PCL does not subcontract? Mr. Yepez agreed and said they prefer to train rig welders internally. One of the things they are trying to change by training internally is to create a commitment on their part to remain with the company long-term. He said rig welders earn \$28.00 per hour plus they earn \$17.50 for their truck (which is called a rig). He said the first step in training funds would be for the \$10.00 - \$11.00 per hour helpers who will move up to \$16.00 per hour, and after 90-days to \$20.00 per hour, and after a year to the highest pay. He said PCL is hoping they will recoup the cost of training because even if they cannot retain the rig welders, the training remains an investment in the State. Mr. Gordon asked if rig welders are cross-trained in other proficiencies so that when work is slow, they are useful in other capacities. Mr. Yepez agreed and said pipe-fitting is part of the curriculum.

Mr. Ramirez said PCL offers two different types of welding. He said 20 percent is in manufacturing and approximately 80 percent is in the construction field. He said they need welders in both fields. He explained manufacturing welding is a different type of process; it is in a controlled environment and is less technically difficult. Mr. Ramirez said rig welders require more training to enter an uncontrolled environment. He said if welding work slows down, their wages are not reduced and they can assist with pipe-fitting estimates, and take-offs. He said there is plenty of other work available to keep rig welders busy.

Mr. Gordon asked what agreements PCL is assigned to with the crafts. Mr. Ramirez said they are an open shop and that Los Angeles is a union shop.

Mr. Florence asked where rig welders can receive welding training. Mr. Ramirez said the local colleges are training in shop-type welding only, which is a different process, and requires less skill and training. He said PCL can train shop welders to become rig welders and that it is a different process. Shop welders may earn \$40 to \$45 thousand per year, and a rig welder earns \$100 to \$120 thousand per year. He said shop welders are motivated to learn the more difficult process of rig welding, in order to obtain the higher wage.

Mr. Yepez said colleges are not producing rig welders and he is not aware of any entity that trains them. He said rig welding training is being conducted in the field and they are trying to under-herd that process and make it happen more quickly because they are in high demand. Mr. Florence asked if rig welder training is on-the-job. Mr. Yepez said it was not. He said PCL had created a ten-week program and had already trained the first group on their own dime because of high demand. Mr. Ramirez said it is his understanding that no other company in Kern County offers rig welder training. He said welders exiting the colleges are trained in shop-welding only.

Ms. Roberts asked if rig welding is portable and if the employees could move to another company. Mr. Ramirez said this is the nature of the trade, and some employees choose to move, especially when the industry is busy. He said that when the welders move from contractor to contractor, it drives the turnover rate up. He hoped that, by developing in-house training, PCL may increase retention.

Mr. Yepez said that if PCL cannot find qualified welders, they have to bring them in from out-of-state. Ms. Roberts suggested continuing exit interviews in order to determine why employees are leaving the company. Mr. Ramirez said company turnover is low, in comparison to many other contractors in the Valley that have a 60 percent turnover rate.

Mr. Broad asked about PCL's retirement. Mr. Yepez said they offer a 401K plan and match a four percent contribution if the employee contributes eight percent. Mr. Broad said a retirement plan should be an incentive for employees to remain with the company. Also, Mr. Yepez said, PCL recently made the investment of hiring specialists in human resources. Mr. Broad asked if work levels are reduced when oil prices fluctuate. Mr. Yepez said work changes slightly with the fluctuation of oil prices, but very little.

ACTION: Mr. St. John moved and Ms. Roberts seconded approval of the funding proposal for PCL in the amount of \$172,800.

Motion carried, 6 – 0.

### **Vista Healthcare, LLC**

Ms. Torres presented a funding proposal for Vista Healthcare, LLC (Vista), in the amount of \$298,188. She explained that Vista currently operates four specialty long-term acute care hospitals in California.

Ms. Torres introduced Barbara Schneider, Chief Operating Officer and Chief Nursing Officer and William Parker, with National Training Systems Inc.

There were no questions from the Panel.

ACTION: Ms. Roberts moved and Mr. Rendon seconded approval of the funding proposal for Vista in the amount of \$298,188.

Motion carried, 6 – 0.

### **Bank of America Corporation**

Mr. Chan presented a funding proposal for Bank of America Corporation (BofA), in the amount of \$1,244,650. Mr. Chan said that B of A provides diversified banking and non-banking financial services throughout the United States and internationally.

Mr. Chan introduced Angel Sanchez, Jr., Vice President of Government Partnerships and Steve Duscha, with Duscha Advisories.

Mr. Broad asked about training in “collections and recovery” as listed in the menu curriculum. Mr. Sanchez said there are a few units within California that handle collections and recovery, but 90 percent of this training is for associates that handle delinquencies that are typically within the first grace period. Mr. Broad asked about the loans B of A offers. Mr. Sanchez said the collections were for a variety of loans. He said the majority of training is for short-term notifications to keep customers current so they do not fall into the recovery state.

Ms. Roberts asked about the generic occupation title “associates”. Mr. Sanchez said they are all back-office employees, whose main function is customer service. Ms. Roberts asked if the 325 employees have been hired. Mr. Sanchez said some will be hired but the majority of trainees are current financial advisers who need to expand their job skills. Ms. Roberts asked about the 17 percent turnover rate. Mr. Sanchez said this is retraining, and the 17 percent rate covers all of the divisions including some with less than 10 percent turnover. Ms. Roberts asked if the training includes all California locations. Mr. Sanchez answered in the affirmative.

ACTION: Mr. Rendon moved and Mr. Florence seconded approval of the funding proposal for B of A in the amount of \$1,244,650.

Motion carried, 6 – 0.

### **Multiple Employer Contractor**

#### **Glendale Community College Professional Development Center**

Ms. Kendrick presented a funding proposal for Glendale Community College Professional Development Center (Glendale PDC), in the amount of \$996,516. Glendale PDC provides customized, job-specific training for business and workers through its Professional Development Center.

Ms. Kendrick introduced Kimberly Holland, Director and Pamela Welden, Program Manager.

There were no questions from the Panel.

ACTION: Mr. Florence moved and Mr. Rendon seconded approval of the funding proposal for Glendale PDC in the amount of \$996,516.

Motion carried, 5 – 0. (Scott Gordon absent for the vote)

#### **Southeast Area Social Services Funding Authority (SASSFA)**

Ms. Kendrick presented an amendment for Southeast Area Social Services Funding Authority (SASSFA), in the amount of \$37,400. She explained that SASSFA is a workforce development program provider under the CETA, JTPA, and WIA program for the County of Los Angeles. SASSFA currently operates a one-stop WorkSource Center and also administers special programs for many distinct client groups including dislocated workers, CalWORKS participants, low-income individuals, seniors and youth.

Ms. Kendrick introduced Francisco De Leon, Program Director and Cecilia Rodriguez, Rapid Response Coordinator.

There were no questions from the Panel.

ACTION: Mr. Rendon moved and Ms. Roberts seconded approval of the amendment for SASSFA in the amount of \$37,400.

Motion carried, 6 – 0.

#### **Career College of California**

Ms. Torres presented a funding proposal for Career College of California (CCC), in the amount of \$197,484. She said CCC was established to provide career training to residents of Santa Ana and neighboring communities in Orange County.

Ms. Torres introduced Al Lillestol, President.

Ms. Roberts commended CCC on enrolling their welfare-to-work recipients and working with them. Mr. Lillestol thanked her and said it takes a great deal of passion on both sides and they are convinced it is going to work.

Mr. St. John asked about the Microsoft Office Specialist and if it is a Microsoft Certified Program. Mr. Lillestol said it does not certify them at this point and is a Microsoft program and an Outlook and Internet research tool. He said in working with past students, that these are the basic needs of the industry they serve and this program would help them to enter into entry-level office positions. Mr. St. John asked if the curriculum in Microsoft is a certified program. Mr. Lillestol answered in the affirmative.

**ACTION:** Ms. Roberts moved and Mr. St. John seconded approval of the funding proposal for CCC in the amount of \$197,484.

Motion carried, 6 – 0.

Mr. Broad asked for the last two proposals to be presented as one. The remaining two proposals were presented as one, as the projects were identical. Ms. Torres explained each project would require separate voting from the Panel.

### **Southern California Glaziers Local Union 636 Joint Apprenticeship Trust**

### **Tradeshow and Sign Crafts Local Union 831 Training and Re-Training Trust Fund for Southern California**

Ms. Torres presented funding proposals for Southern California Glaziers Local Union 636 Joint Apprenticeship Trust (Glaziers Local 636), in the amount of \$220,024 and Tradeshow and Sign Crafts Local Union 831 Training and Re-Training Trust Fund for Southern California (Tradeshow Local 831), in the amount of \$220,024.

Ms. Torres introduced Jan Borunda, Project Coordinator for California Labor Federation and Ian Wright, Training Coordinator of Tradeshow & Sign Crafts Local Union 831 Training and Re-Training Trust.

Mr. Broad thanked Ms. Borunda for bringing in the contracts and to report back to Mr. Rainey that the Panel encourages seeing more of these projects.

Ms. Roberts asked if there is a reason the dollar amount for both contracts is identical. Mr. Wright said it was a case of mathematics - when the estimate of hours was calculated, the dollar amount was identical. Mr. Wright explained they are two completely separate programs (glazing and tradeshows) with separate training needs, but the dollar figure is the same.



### **Southern California Glaziers Local Union 636 Joint Apprenticeship Trust**

ACTION: Mr. Rendon moved and Mr. Florence seconded approval of the funding proposal for Glaziers Local 636 in the amount of \$220,024.

Motion carried, 6 – 0.

### **Tradeshow and Sign Crafts Local Union 831 Training and Re-Training Trust Fund for Southern California**

ACTION: Mr. Rendon moved and Mr. Florence seconded approval of the funding proposal for Tradeshow Local 831 in the amount of \$220,024.

Motion carried, 6 – 0.

### **IX. PUBLIC COMMENT**

There was no public comment.

### **X. EXECUTIVE SESSION**

The Panel held a closed executive session at this month's Panel meeting.

Mr. Broad announced that the Panel would enter into a closed executive session and the Panel would be considered to be in recess until the meeting adjourns at 1:00 p.m.

### **XI. ADJOURNMENT**

ACTION: Ms. Roberts moved and Mr. Rendon seconded adjournment of the meeting at 1:00 p.m.

Motion carried, 6– 0.