# CALIFORNIA APPRENTICESHIP COUNCIL

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# CALIFORNIA APPRENTICESHIP COUNCIL 2020 FIRST QUARTERLY MEETING

Hilton Los Angeles North/Glendale 100 West Glenoaks Blvd Glendale, California 91202

#### Minutes

# Thursday, January 23, 2020

9:00 A.M.

# I. CONVENE QUARTERLY CAC MEETING

Jack Buckhorn makes introduction and advises the apprenticeship community that the new Chair Chris Christophersen was not able to make it to today's meeting and he would be chairing the meeting today. So we will postpone the introduction of 2020 CAC Chair.

Commissioner Frank Quintero who is a former Mayor of the City of Glendale gives a welcome on behalf of the City of Glendale and Glendale City Council. He wanted to thank the men and woman of Unite Here Local 11 they have worked at this facility here. They have worked on this redevelopment project which is here.

## A. Pledge of Allegiance

#### B. Roll Call

Present: Chip Martin, Susan Anderson, Jack Buckhorn, Richard Harris, Nick Esquival, Derrick Kualapai, Dick Zampa, Larry Hopkins, Louis Ontiveros, Yvonne de la Peña, Frank Quintero, Scott Gordon, Chip Martin, Kaitlin Conrad

Absent: Paul Von Berg, Frank Schetter, Chris Christophersen, Jim Hussey

# C. Executive Session

No executive session was held during the quarter.

D. Approval of minutes of previous meeting

A motion and a second for approval of the July 25, 2019 meeting minutes. All approved. The motion carried.

## E. Announcements

Apprenticeship eNewsletter- Esther Gamberutti, Associate Editor

Esther stated that we have been increasing the distribution of the newsletter by 140. Testimonial are still very important to receive from apprentices and instructors. The DAS website has a link to sign up for the newsletter. Positive feedback has been received from the CAC newsletter.

Eric Rood wanted to mention Scotts Gordon and the Labors that had a graduation for 630 graduates on Saturday and 15% of those graduates are woman. He stated that he also attended an alumni dinner where current Journeymen give testimonial and encourage new graduates on their journey and help to pay it forward.

It was mentioned that Scott Gordon was the commissioner the suggestion to start the original CAC Apprenticeship Newsletter

• Commemorative Construction Safety Flag-Marc Landau, MotivBrand

Short presentation was given by Marc regarding MotivBrand. Marc's company was the company that was used to design the Commemorative Construction Safety Flag.

MotivBrand is a promotional products company specializing in custom branding for American Labor Unions. They design and manufacture for a variety of industries and have proudly served Unions for over 40 years.

Marc gave examples of Carpenters T-shirts that were made. He presented before and after pictures of old logos that have been recreated into new logos. Incorporation of cityscapes on designs. They have in-house graphic artists and full-service production team, they are proud to be a one-stop shop for USA-made promotional products. You can get further information on their company at <a href="https://www.motivbrand.com/">https://www.motivbrand.com/</a>

#### F. Communications

A communication was received January 21, 2020 from the State Building and Construction Trades Council. This letter was in response of our Rules and Regulations committee attempts to do definitions on Labor Code Section 375c and that was received yesterday and also within our rules and regulations committee.

#### III. BUSINESS SESSION

A. Legal Matters - Deputy Attorney General Hutchison Meltzer

No legal matter to report at this time. He introduced Deputy Attorney General Andrea Schoor who will also be representing the CAC.

- B. Apprenticeship Complaint Findings / Decisions by the Administrator of Apprenticeship
- C. Notice of Appeals during the Quarter
- D. CAC Appeal Panel Decisions
- 1. Roy M. Arce v. Pipe Trades JATC of Santa Clara & San Benito Counties, DAS Case No. 2017-35 D. CAC Appeal Panel Decisions

Appeal panel committee was appointed at the last CAC. The apprentice has asked for an extension of time.

# F. Chief's Report – DAS Chief Eric Rood

Chief Eric Rood wanted to make mention of a great loss within the DAS with the passing of Apprenticeship Consultant Paul Marshall from our LA office. A moment of silence was given for all that he contributed to the Apprenticeship Community.

(Please see the attached)

#### G. Old Business

#### H. New Business

Legislation Committee meeting there was discussion regarding the Better Jobs and Higher Wages and discussed that the statues and regulations that are in the Labor Codes and that are in the unemployment and labor agencies would be moved into a new section. As a result of that discussion there was a motion made and approved for the CAC to go on record as supporting the move of all current statutory and regulatory language and maintain the current authority of the CAC. A motion of this recommendation was made and approved from the full CAC committee.

Chief Eric Rood advised that Titles could be possibly change with the merger of the new division.

#### IV. FORUM

# Prevailing Wage and Apprenticeship Enforcement Presentation from the Labor Commissioner's Public Works Unit

DAS Chief Eric Rood Introduced Alfredo Roman and Norbert Flores-DIR Deputy Labor Commissioners. They discussed contractors working on a public works project valued at \$30,000 or more have an obligation to hire apprentices. With few exceptions, this duty applies to all contractors and subcontractors on a project, even if their part of the project is valued at less than \$30,000. These exceptions include: °General contractors whose contract is worth under \$30,000.

- •When the craft or trade is not appropriate for apprentices.
- •When the contractor holds a sole proprietor license and personally performs all the work from start to finish, unassisted.

•In the case of a federal project when funding does not include any city, county, or state monies and that is not administered, controlled, or carried out by awarding bodies in California.

All public works contracts valued at \$30,000 or more carry an obligation to hire apprentices, unless the craft or trade does not require the use of apprentices, as indicated in the corresponding prevailing wage determination. This duty applies to all contractors and subcontractors on a project, even if their part of the project is less than \$30,000.

The Division of Apprenticeship Standards (DAS) provides assistance to contractors who need to employ apprentices on public works projects and may grant exemptions to the requirement to hire apprentices.

Some of the Contractors' Responsibilities are to submit contract award information for each craft required on the project using the DAS 140 form.

- o If you are approved to train apprentices, you must send the contract award information to your apprenticeship committee.
- If you are not approved to train apprentices, you must send the DAS 140 to all apprenticeship committees that can supply apprentices to the site of the public works project.
- Make training fund contributions in the amount established in the prevailing wage rate either to the applicable apprenticeship committee, or the California Apprenticeship Council (CAC).
- Contact the applicable apprenticeship committee to request apprentices for each craft or trade on your project using the DAS 142 form. The form must be submitted at least three business days before apprentices are required.
- Employ apprentices in the correct ratio. Be sure to employ one hour of apprentice work for every five hours performed by a journeyman level worker.
  - The minimum apprentice hourly ratio of five journeymen hours per one apprentice hour as required by <u>Labor Code 1777.5 (g)</u> is per craft and only includes straight time hours, not overtime. At the end of the project, straight time apprentice hours must equal one hour for every five straight time journeyman hours for each craft. For example, if you have a total of 100 journeyman hours at the end of the project in a craft, you would need 20 apprentice hours in that same craft.
  - If you fall under the regulations set forth in a specific program's standards, then you are allowed to use the maximum ratio set forth in those standards. Please contact the program or DAS for a copy of its standards.

- If you agree to be governed by the regulations set forth by the California Apprenticeship Council, then the minimum and maximum ratio is the same: a total of one apprentice hour for every five journeyman hours for the project as a whole.
- Contractors with an Individual Contractor Exemption granted by the Chief of DAS per Labor Code Section 1777.5 (j) or § 1777.5(k) still need to submit a Notice of Contract Award Information (<u>DAS 140</u>) to the appropriate apprenticeship committee(s). The Individual Contractor Exemptions and Apprentice Committee exemptions pertain only to the ratio of apprentices on a Public Works project.
- Provide worker's compensation benefits to apprentices.

The Labor Commissioner can issue a civil penalty of up to \$5,000 per month for work performed in violation of Public Contract Code Section 2600-2603. A contractor or subcontractor that commits a second or subsequent violation within a three-year period, may be assessed a civil penalty of up to \$10,000 per month.

The Skilled & Trained Workforce ("STW") requirements are qualifications for the building and construction workforce that California law requires on certain projects. Contractors and subcontractors who violate STW requirements can face civil penalties of up to \$10,000 per month and debarment, i.e. being prohibited from bidding on, being awarded, or performing work on a public works contract. For these reasons, public entities, awarding bodies, bidders, contractors, subcontractors, and other STW-covered entities should understand and comply with the STW requirements.

Alfredo Roman and Norbert Flores-DIR Deputy Labor Commissioners gave an overview on their day to day duties at the Labor Commissioners Office.

Many questions and comments were taken from the apprenticeship community.

#### V. EDUCATION AGENCIES REPORT

A. California Community Colleges – Nick Esquivel Coordinator of Apprenticeship Programs, California Community Colleges Chancellor's Office

Vice Chancellor Sheneui Weber from Workforce and Economic Development introduced Nick Esquivel.

We are still working on Fiscal year 2018-19 recal. Our goal was to create a new reporting system Nova. We are currently working with the programmers for some issues with the new system. We have since extended the recal period.

The governors proposed budget was just released. \$143.6 Million for apprenticeship \$92.3 million to the Chancellors office and \$51.2 is to go to the K-12 LEAs

The hourly reimbursement rate for Montoya funds is to increase from \$6.45 to \$6.59.

\$30 million will be going to California Apprenticeship Initiative. So that is an increase from \$15 million to \$30 million for California Apprenticeship Initiative.

The question came up in the RSI subcommittee meeting. How do we define work based learning in California?

Work-Based Learning is an educational approach, or instructional methodology that uses the workplace or real work to provide students with the knowledge and skills that will help them connect school experiences to real-life, work activities and future career opportunities.

In addition, the Governor's Budget provides \$20 million one-time for grants to expand access to work-based learning models and programs at community colleges, including working with faculty and employers to incorporate work-based learning into the curriculum.

Finance proposes Adjustments to the January budget through "spring letters." Existing law requires Finance to submit most changes to the Legislature by April 1. Existing law requires Finance to submit, by May 14, revised revenue estimates, changes to Proposition 98, and changes to programs budgeted based on enrollment, caseload, and population. For that reason, the May Revision typically includes significant changes for the CCC budget. Following release of the May Revision, the LAO publishes additional analyses evaluating new and amended proposals.

Questions and comments from the apprenticeship community.

# VI. CAC STANDING COMMITTEE REPORTS

A. CAC/CCA Liaison Committee – Report from January 22, 2020– CCA Chairperson Alex Beltran

Committee Chair Alex Beltran provided an update stating that the previous minutes were approved. The CCA event is scheduled to take place October 27, 2020 at a new hotel in the Monterey, the Hilton Garden Inn. The committee stated they have schedule to go to the hotel and sign the contract and pay their deposit. He stated that the CCA Co-Chair has stepped down. Alex made a motion to the CAC to appoint Ray LeVangi as CCA Co-Chair. It was Seconded and Approved.

Website to be posted within the next month and an email blast will go out to the apprenticeship community.

DAS Deputy Chief Glen Forman made an announcement regarding Hall of Fame nominations. Applications will be available after the 2<sup>nd</sup> quarter meeting and will be due at the 3<sup>rd</sup> quarter meeting. There is a small fee \$150.00.

Email blast from DAS will go out with the CCA website information.

B. Forums – Report from January 22, 2020– Chairperson Paul Von Berg

Chair Paul Von Berg was unable to chair. CAC Chair Jack Buckhorn, conducted the meeting for Von Berg. Previous minutes were approved. Discussions regarding the next CAC meeting. Other forum topics suggested:

- The Future of Work
- A presentation from the Department of Rehabilitation
- C. Legislation Committee Report from January 22, 2020– Chairperson Yvonne de la Peña

Yvonne de la Peña chaired the meeting. Meeting called to order. Minutes were approved. Reviewed IACA/CAC Bills of Interest and also the Governor's Budget for Apprenticeship. Nick Esquivel stated that between the January proposed budget. The governors proposed budget was just released. \$143.6 Million for apprenticeship \$92.3 million to the Chancellors office and \$51.2 is to go to the K-12 LEAs. Yvonne stated that they discussed the hourly reimbursement rate for Montoya funds is to increase from \$6.45 to \$6.59. \$30 million will be going to California Apprenticeship Initiative. We discussed the Governor's 2020-2021 budget proposal is the Administration's proposal to create the Department of Higher Wages and Better Jobs (Department) within the Labor and Workforce Development Agency (Agency). The new department would be composed of existing division's within the Agency to align "fragmented workforce programs." The budget proposal allocates \$2.4 million in one-time funding in General Fund dollars to fund executive staff positions. This will not go through The Little Hoover Commission it will be accomplished through a trailer bill that has not released yet.

This proposal, as is with any other governmental reorganization proposal, is required to be analyzed by (Commission). The Commission has a statutory obligation to review and make recommendations on all proposed government reorganization plans.

D. Related Supplemental Instruction Committee- Report January 22, 2020-Chairperson Dick Zampa

Dick Zampa chaired the committee meeting. Meeting called to order. Minutes were approved from January 2018. Discussion held regarding the approved instructor minimum qualifications. More regular meetings will be held going forward. Nick Esquivel Coordinator of Apprenticeship Programs from the California Community Colleges Chancellor's Office made a report during the meeting.

Jack Buckhorn thanked Nick and Dick for working together on the RSI committee.

E. Standards, Rules, Regulations & Operating Procedures Committee – Report from January 22, 2020 Chairperson Jim Hussey

Chair James Hussey was not in attendance. Commissioner Susan Anderson chaired the meeting. The meeting called the meeting to order. The previous minutes were approved. The main discussion item was AB235 "Substantial Overlap/Substantial Similar". To facilitate the approval process for new programs, the Rules and Regulations Committee is seeking public comment and input regarding a definition for the term "Substantial Overlap". Susan stated that they received a four page letter form the Building Trades Council. Susan stated that they reviewed a list of questions by Jack Buckhorn and Jim Hussey that were some food for thought regarding the definitions for these terms. She stated that they received a number of public comments. The RSI committee will continue to accept and receive writing comments on this item. Chief Rood and Deputy Chief Glen Forman gave a status report on two rule packages. SB56 Electronic reporting and the public works regulation.

Deputy Chief Glen Forman stated that another written comment was received Elaine Goldsmith.

#### VII. REPORT OF ADMINISTRATIVE and COOPERATING AGENCIES

- A. Division of Labor Standards Enforcement (DLSE) Public Works Unit Laura form the Long Beach DLSE office reported for the calendar year 2019. DLSE was able to excess \$6 million in Penalties for apprenticeship violations \$2.8 million were collected, training funds assessed \$771,000 and we were able to collect \$338,000.
- B. U.S. Department Of Labor Employment and Training Administration Office of Apprenticeship (USDOL/ETA/OA) Nora L. Carlton, California State Director

Since 2017, more than 683,000 new registered apprentices nationwide entered the apprenticeship system and these individuals obtaining the skills they need to succeed while earning the wages they need to build financial security.

We have been hiring on new staff for all the work that is taking place to expand apprenticeship.

The youth bill was granted to support at risk youth.

In June 2017, President Donald J. Trump signed an Executive Order (EO) on Expanding Apprenticeships in America. Section 4 of the EO, entitled "Establishing Industry-Recognized Apprenticeships," directed the Secretary of

Labor (Secretary) to consider proposing regulations that promote the development of apprenticeship programs by third parties. Section 8 of the EO directed the Secretary to establish a Task Force on Apprenticeship Expansion to identify strategies and proposals to promote apprenticeships, especially in sectors where apprenticeship programs are insufficient. In May 2018, the Task Force on Apprenticeship transmitted its final report to the President, including recommendations noting that the establishment of Industry-Recognized Apprenticeship Programs (IRAPs) could provide industry organizations and employers more tools to create high-quality apprenticeship programs and opportunities. To address America's skills gap and rapidly increase the availability of high-quality apprenticeship programs in sectors where apprenticeship opportunities are not widespread, the U.S. Department of Labor issued a Final Rule that establishes a system for advancing the development of high-quality IRAPs.

Grants that have been provided to increase the number of apprenticeship;

- Closing the skills gap- \$100 million
- Woman in non-traditional occupations- \$1.5Million
- Scaling apprenticeship through sector based strategies-\$183 million
- State apprenticeship expansion grants- \$ 50 million
- Technology Modernization grant to scale apprenticeship \$2.3 million

Chief Rood mentioned the state work plan 2929 and 2930. Glen Forman stated that 2930 the Standards, Rules, Regulations & Operating Procedures Committee will be tasked with putting it on their agenda. We need to revise the CalPlan to match 2930. So that a lot of our programs that have dual registration don't have conflicting standards.

C. Women in Non-Traditional Employment (W.I.N.T.E.R) Nettie Dokes, Pre-Apprenticeship Instructor

Nettie Dokes reported for W.I.N.T.E.R and stated that they just started their new Cohort this month. She stated that they will be posting their 2020 schedule to their website within the next few weeks. She reported their last cohort graduated December 8, 2019.

D. California Association for the Advancement of Apprenticeship Training (CAAAT) Tracey Barrett, President

California Association for the Advancement of Apprenticeship Training (CAAAT) Tracey Barrett reported ABC NorCal is taking action to address two of the largest problems that our local communities face: Skilled Worker Shortage and Homelessness. Over the last couple years ABC NorCal in partnership with the Salvation Army in Sacramento and Oakland has helped those individuals

ready to return to the workforce and who choose their vocation within the construction industry to achieve their career dreams! The stories are countless, and all melt our hearts and strengthen our conviction to changing lives. Achieving your dreams is one level of success, but helping others achieve their own dreams is how you leave your legacy.

Tracey Barrett reported that ABC NorCal Associated Builders and Contractors - San Diego Chapter (ABC San Diego) staff was joined by several of our contractor members to attend three different outreach events at High Schools in the San Diego and Poway areas. The goal was to help educate high school students on what it means to work in the construction industry. We also meet with some parents, teachers and school counselors to talk about the industries labor needs and apprenticeship programs.

Tracey Barrett reported that Western Electrical Contractors Association (WECA) Apprenticeship Statistics for 2019

- Average of 781 Apprentices
- Average Monthly Employment Rate of 98%
- Indentured 266 Apprentices
- Graduated 81 Apprentices
- WECA's Annual WECEF Scholarship Crab Feed Fundraiser will be held March 20, 2020 at the Rancho Cordova Facility
- E. California Apprenticeship Coordinators Association (CACA) Lupe Corral, President

Lupe Corral reported that their meeting was held yesterday. Minutes were approved and those present gave self-introductions. Minutes and treasury report were approved. Regional reports were given.

Southern California Operating Engineers stated that they opened up applications 2 weeks ago and stated that they received 3,000 applications in the first day and had 4,500 within a week. Southern California Sheet metal has reported over 923 apprentices. All trades reported that they have been attending many career fairs and outreach opportunities. Lupe stated that the North Valley Sheet metal has currently enrolled 156 new students. 90 new apprentices have been Joan Thornton has retired after 33 years as of December 31, 2019 so we would like to say congratulations to her.

#### IX. ADJOURNMENT

A motion and a second were made to adjourn the meeting. All were in favor. The meeting adjourned.