

## CALIFORNIA APPRENTICESHIP COUNCIL

www.dir.ca.gov

455 Golden Gate Avenue, 9<sup>th</sup> Floor

San Francisco, CA 94102

Tel: (415) 703-4920

Fax: (415) 703-5477



ADDRESS REPLY TO:  
California Apprenticeship Council  
P. O. Box 420603  
San Francisco, CA 94142-0603

## CALIFORNIA APPRENTICESHIP COUNCIL FIRST QUARTERLY MEETING MINUTES

Hyatt Regency Monterey Hotel  
January 30, 2014

### Thursday – January 30, 2014

#### **I. CONVENT REGULAR QUARTERLY MEETING TO ORDER IN ORDER TO RECESS TO EXECUTIVE SESSION**

CAC Chairperson Paul Von Berg called the meeting to order at 9:05 a.m.

##### A. Roll Call

DAS Chief Diane Ravnik called the roll.

The following Commissioners were present: Paul Von Berg, Susan Anderson, Yvonne de la Peña, Carl Goff, Jack Buckhorn, Richard Harris, Barbara Blake, Pat McGinn, Frank Quintero, Neil Struthers, Chip Martin, Aram Hodess, Jim Hussey, Hector Velez, Scott Gordon, and DAS Chief Diane Ravnik

Members absent: Van Ton-Quinlivan, Christine Baker

##### B. CAC Chairperson Paul Von Berg announced that the meeting would recess to hold an Executive Session

#### **II. EXECUTIVE SESSION - Beach Room**

The Council recessed to a closed executive session pursuant to Government Code §11123(q) to discuss litigation to which the Council is or may become a party.

1. Kern, Inyo & Mono Counties Plumbing, Pipefitter & Refrigeration/Air Conditioning Mechanic Joint Apprenticeship and Training Committee v. California Apprenticeship Council, Court of Appeal of the State of California, First Appellate District, Case No. A136680, filed September 2012.
2. Harley Morgan, et al v. State of California, et al, Kern County Superior Court, Case No. 280880, filed December 6, 2013 (SB 54 litigation).

#### **III. RECONVENE QUARTERLY CAC MEETING**

Chairperson Paul Von Berg reconvened the meeting. Mr. Von Berg also stated for the record that Commissioner Neil Struthers has arrived.

##### A. Pledge of Allegiance

Commissioner Von Berg led the Pledge of Allegiance

##### B. Announcements

1. Installation of new CAC Chairperson

Commissioner Paul Von Berg introduced Commissioner Jack Buckhorn as the new CAC Chairperson for 2014. Chairperson Jack Buckhorn presented

outgoing CAC Chairperson Paul Von Berg with a commemorative plaque for his service and dedication to the CAC.

2. Governor's appointments of new CAC Commissioners  
DAS Chief Diane Ravnik swore in the following five newly Governor appointed Commissioners to the California Apprenticeship Council: Susan Anderson, Frank Quintero, Victor Velez, Chip Martin, and James Hussey.

C. Approval of previous minutes for October 24, 2013

Commissioner Paul Von Berg made a motion to approve the October 24, 2013 minutes. Commissioner Pat McGinn seconded the motion. All were in favor. The motion carried.

D. Communications

Chief Ravnik read the following communications - A letter from Lucy Wang, Deputy Attorney General, recommending the California Apprenticeship Council hold a closed executive session at its January 30, 2014 meeting.

#### **IV. BUSINESS SESSION**

A. Legal Matters

Deputy Attorney General Lucy Wang reported in the matter of the Kern, Inyo & Mono Counties Plumbing Litigation that on October 29, 2013 the court of appeals issued a decision in favor of the Plumbing Heating Cooling Contractors to allow the UAC to expand their plumbing apprenticeship program with Kern County. This decision has become final. An appeal was taken to the California Supreme Court and denied and a final decision was rendered on that. That matter is now concluded before the council.

The second legal matter is Harley Morgan vs the State of California. This is a state court action, stemming from the SB54 legislation, and the CAC is named as a defendant. There is an ongoing federal case involving the same issues as well. Ms. Wang noted that the connection between the legal issues and the California Apprenticeship Council are weak. This matter is in the early stages of litigation.

B. CAC Appeal Panel Decisions

DAS Chief Diane Ravnik reported that there were no CAC appeal panel decisions.

C. Apprenticeship Complaint Findings/Decisions by the Administrator of Apprenticeship

DAS Chief Diane Ravnik reported that there was one complaint in the matter of Matthew Hill v. JATC for Operating Engineers for the 46 Counties in CA. The decision was upheld by the administrator.

D. Automatic Orders of the Council

DAS Chief Diane Ravnik reported that there were no Automatic Orders of the Council

E. Notice of Appeals During the Quarter

DAS Chief Diane Ravnik reported that there were no appeals during this quarter

## F. Chief's Report – DAS Chief Diane Ravnik

Chief Ravnik reported that three DAS Apprenticeship Consultants from the Los Angeles District Office have retired within the last quarter – Anne Calvo, Salvador Trujillo, and Bill Bathurst and that Esther Gamberutti, San Jose/San Francisco District Office is retiring after 12 years with DAS.

She was pleased to announce that Don Merrill, Sacramento Sr. Consultant has been promoted as Area Administrator, working out of San Francisco Headquarters.

### Apprenticeship Program-Related Information

DAS continues its collaboration with CWIB and is also part of the “State Working Group” which includes representatives of ETP, EDD, GO-BIZ, CDE, CCCCCO and CWIB. DAS is continuing to implement AB 554 by working with the Coordinators Association and WIBs through DAS district offices.

Chief Ravnik chairs the CWIB Health Care Apprenticeship sub-committee and is working on developing pilot apprenticeship programs in health care occupations. She is part of an advisory committee to the Don Vial Center for Employment in the Green Economy, who is preparing a “Guidance Document” which provides an implementation plan for the IOUs (Investor Owned Utilities) on expenditure of their “Workforce Education and Training Funds”. In addition, the California Energy Commission recently adopted a strategic plan (EPIC- Electric Program Investment Charge) which includes a funding initiative of \$4.5 million to provide grants to develop and enhance training and apprenticeship programs to support clean energy deployment programs in IOU service territories. A RFP that apprenticeship program sponsors may apply for is anticipated shortly.

### DAS Field Activities/Outreach

Chief Ravnik highlighted a few of the various committees and advisory boards, and outreach events that consultants participated in during the last quarter – particularly those focused on veterans and women. (See report for further details.)

## G. DAS Audit Report – Rachel Freeman – Senior Consultant

Rachel Freeman reported that the unit has been reviewing data records that have occupations that have been stagnant within approved program standards (“Inactive Program Clean-Up Project”). Auditors have contacted the programs to verify if they had intentions of keeping that occupation active. It was found that most of them did not. Auditors scheduled audits with programs that decided to keep their occupation(s) active. Programs that opt to close out an occupation will fill out an OJT9 Form. The auditor will pass the information to the Senior Consultant for further processing.

## H. Old Business

### 1. SB 56 rule Making Update/Review/Amendments

Lucy Wang, Deputy Attorney General reported on the SB 56 Rulemaking. She stated that two public hearings were held in January for public comments on the proposed revisions. Ms. Wang stated that at the Los Angeles hearing there were

four oral comments made in support of the proposed revision. There were no oral comments at the San Francisco hearing. Two letters were received asking for clarifying language. After speaking with the individuals, the result was that the proposed language in the letters was duplicative of revisions that were already made. She asked the Council to make the following motion:

A motion and a second were made for Ms. Wang to prepare a final statement addressing the oral and written comments received by the California Apprenticeship Council, and to submit the rulemaking package to the Office of Administrative Law for a final determination. All were in favor. The motion carried.

#### I. New Business

##### 1. M.I.T.C. – Surveyor’s

Joanie Thornton, Administrator of Northern California Surveyor’s Apprenticeship – Operating Engineers Local 3, Duane Friel, Business Representative for Operating Engineers Local 12 – Technical Engineers Division and John Rector, Senior Business Representative for Operating Engineers Local 3 Technical Engineers Division. They came before the council for a modification to their Minimum Industry Training Criteria for the Surveyor’s. They asked that the

A motion and a second was made to remove the asterisk (\*) Party Chief Requirement – 1000 of the 8000 hours must be worked at Party Chief classification under Exhibit “B”, which states “An apprentice must work 1000 hours as a Party Chief as part of their 8000 hours of on the job training”. All were in favor. The motion carried.

##### 2. M.I.T.C.

DAS Deputy Chief Glen Forman announced a call to all M.I.T.C. committees in the apprenticeship community. He stated that this is the third year since M.I.T.C.s have been reviewed and the committees are required by statute to review them every three years and also, every year the committee is to get together to appoint a new chairperson for the committee and contact DAS with the results.

##### 3. Comments - Plumbers & Pipefitters

Training Coordinator for Plumbers & Pipefitters of the Central Valley asked for guidance and leadership from the council to show that the work processes are being followed by apprentices during their on-the-job training and that they are actually being trained in those work processes. Commissioner Buckhorn asked that he submit his request to the Chief of DAS for further discussion and or action.

#### V. **FORUM – Workforce Investment Board – Eligible Training Provider List (ETPL)**

Amy Wallace – Assistant Director for Workforce Innovations of the California Workforce Investment Board (CWIB) Apprenticeship Programs

Ms. Wallace reported that her agency works with DAS in designing policy and oversight for the workforce in California. The agency oversees the 49 local WIBs. The CWIB has been working on a new policy for the Eligible Training Provider List (ETPL). This is a vendor list of training providers that local workforce investment boards and others can use to provide training vouchers in the form of ITAs or individual training accounts to their clients who are interested in gaining skills in a particular industry or interested in upgrading their skill.

For the past ten years, the state has had a waiver around subsequent eligibility. When the ETPL was first enacted, budget programs were on the list that is used in varying degrees in local areas.

Within the last year the agency has been collaborating with board members and others in the workforce community as well as DAS in designing new criteria for classroom based training. The criterion is twofold. One is that training programs on the list, reflect demand/or priority industry sectors. The second criterion is focused on graduation and placement thresholds. The training related threshold has been placed at 70%. Providers on the ETPL need to be able to show that their graduates are actually achieving a job placement rate of 70%.

Ms. Wallace read the way the 70% threshold was attained. She stated “State registered apprenticeship programs which have had an annual apprenticeship completion rate of at least 70% of the average completion rate by occupation for two consecutive years in the applicable trade or occupation.” Apprenticeship programs are approached differently for workforce investment act purposes for those interested in entering into training through the ETPL. Being accepted into the apprenticeship program qualifies as job placement. The threshold was created around the program, but once they are in, it counts as placement. There is no retention measure on the program for the local workforce investment board. They do need to continue to have their annual leave negotiated retention bench marks as a whole.

Completion has not yet been defined in the ETPL. Ms. Wallace stated that it would probably depend on the trade or occupation. She further stated that the language has recently closed the public comment period and should be enacted within the next 20 – 30 days. The ETPL will be working with DAS to define what an appropriate completion threshold is, specifically by trade or occupation. ETPL focused on criteria and standards but have as much flexibility to be responsive to what actually happens on the ground with the trades and how things work in an apprentice classification.

DAS Deputy Chief Glen Forman emphasized that the ETPL uses the same calculation that the DAS Chief uses to trigger an audit. DAS is using the same criteria as the new regulations that were sent to AOL. It was asked how many apprenticeship programs are ETPL providers. Mr. Forman and Ms. Wallace both agreed that the number is very small, perhaps five or less. Ms. Wallace stated that it is not actually necessary for an apprenticeship program to be on the ETPL for a local workforce investment board to refer and get placement credit in an apprenticeship program for their clients. She further stated that because apprenticeship programs come with funding already attached for the training component there are ways to structure referral agreements at the local level, so that programs which may not meet the 70% threshold rate on the ETPL can still partner with their local workforce investment board to attract clients and new apprentices.

Mark Gonzalez, Northern California Cement Masons commented on the additional performance measures. He stated that when a person is dislocated, their income drops 18% - 22%. Ms. Wallace commented that Mr. Gonzalez’s suggestion is a way of thinking creatively and to collaborate with the local workforce boards. Ms. Wallace stated that workforce boards in California are held to “common measures” is based on placement rates. It is not the placement of people overall - it is the percentage. It is based on retention, which is measured by a brief snapshot in time of whether or not a client who has been placed has at least one day of earned

income in the following three quarters. This snapshot is likely to indicate that the client is still fully employed. The same scenario with income is based on a snapshot in time, but then it is extrapolated to be a proxy for an income increase that is negotiated at the local level. Construction trades are temporary or seasonal assignments. These assignments may not be captured in this snapshot of time for the local area.

Ms. Wallace will be collaborating with Deputy Chief Glen Forman and the community colleges.

In closing, she reported that March 24<sup>th</sup> is the target date that the new system will be available online.

## **VI. CAC STANDING COMMITTEE REPORTS**

A. CAC/CCA Liaison Committee – Report from January 29, 2014 – CCA Chairperson Scott Payne reported that there are not many sleeping rooms for Monday the 28<sup>th</sup> of April, but there still rooms available for the rest of the week. He further reported that he is working with DAS Chief Diane Ravnik on workshops. The committee still needs more exhibitors. Premium spots for advertising have all been taken. It was decided that the shirts will have stitching with the 75<sup>th</sup> Anniversary. Cecile Standridge and Jamie Robison were recognized for their contributions to the preparations for the conference.

B. Public Relations & Publicity Committee – Report from January 29, 2014 – Chairperson Carl Goff reported that discussions were made on e-mailing the proposed time and date of the “Working Group” to anyone interested in participating. If anyone interested in participating in the “Working Group” please give your e-mail address to Deputy Chief Glen Forman.

There was continued discussion on ensuring that the local WIBs (Workforce Investment Board), community colleges, and Legislature receive the newsletter. Commissioner Goff also reported on discussion of the committee creating a Facebook page. Deputy Chief Glen Forman will speak with the Communications Department and report back at the next CAC meeting in May.

In closing;

Commissioner Goff made a motion to the full council to induct the following persons to the Apprenticeship Hall of Fame: Richard Harris, Mike Quevedo Jr., John Bullock, Darell Lawrence, and Governor Edmund G. Brown, Jr..

Commissioner Buckhorn stated that the new honorees will be invited to the banquet on Thursday, May 1, 2014.

C. Standards, Rules, Regulations & Operating Procedures Committee – Report from January 29, 2014 – Chairperson Pat McGinn reported that the committee discussed the language in the Labor Code 1777.5 regarding apprenticeship ratio – specifically to the exemptions to the ratio. He stated that Deputy Chief Glen Forman gave a presentation on the standing exemptions that are available to all contractors, Commissioner Carl Goff gave a presentation on the Operating Engineers exemption, and Commissioner Scott Gordon also gave a presentation on the Laborers exemption. Commissioner McGinn stated he was in support of a change in the rules.

## **VII. EDUCATION AGENCIES REPORT**

A. California Community Colleges – John Dunn Coordinator of Apprenticeship Programs, California Community Colleges Chancellor’s Office

Mr. Dunn clarified his position for the new commissioners as being responsible for all the related and supplemental instruction money statewide, that comes to both the community colleges and the California Department of Education (CDE) local educational agencies, which include the County Office of Education, school districts, adult schools, and ROPs.

Mr. Dunn discussed a handout on the "Common Administrative Practices and Treatment of Costs", as well as other policies related to Apprenticeship programs. He stated that the trailer bill of the Budget Act last summer states that the Department of Education RSI (Related Supplemental Instruction) funding was combined with the Chancellor's office for administrative purposes.

He reported that the document is not a formal legal document, although he will be treating it as guideline for the LEAs. Changes in the Ed Code language were finalized and included a new provision which states that the CCCCCO and DAS, with equal participation by local educational agencies and community college apprenticeship administrators, shall develop common administrative programs. It also states that any policies developed to the subdivision shall become operative upon the approval by the CAC. The deadline for submitting the document is March 14, 2014.

Mr. Dunn noted that page 3, number 5 states "Most transfers, if approved, will take place on or around July 1 so as to coordinate with the fiscal cycle." It was found that if money needs to be moved from the CDE to the Chancellor's Office or vice versa, those different accounts the Department of Finance in the Controller's Office need to be involved. If a program wishes to move to another LEA but not transfer funds, the DAS will be responsible for the approval of a new LEA.

Mr. Dunn then discussed a situation of what would happen if the Governor and the Legislature decide to restore the funding that was taken away 5 years ago. After discussion with Vice Chancellor Van Ton-Quinlivan and Cris McCullough Dean for Policy Alignment and Outreach, CCCCCO, it was decided that the current programs would be the first to receive the funds. Mr. Dunn would research the records back to 2008 and find the amount of funding that was distributed to which college and LEA and allocate that amount.

Mr. Dunn reported that the CCCCCO website has been updated with more user friendly informational links on the Labor Code and Ed Code. He is in the process of adding links regarding apprenticeship and fiscal information.

Mr. Dunn addressed a question on reduced pricing on software. He stated that colleges have college prices and high schools received education discounts on software. Some programs are already receiving the benefit through their LEA. He urged programs to contact their local LEA to see if they qualify for reduced pricing on software. He further stated that if a program is unable to receive a discount through their LEA they could contact him, as the Chancellor's Office has a foundation that is able to provide a reduced price on software.

Mr. Dunn spoke on AB86, article 3, Adult Education Consortium Program. He stated that the bill will be an issue for adult education and the apprenticeship community because the two largest LEAs for apprenticeship RSI, LAUSD and Hacienda/La Puente USD are run through their adult schools. Currently, AB 86 is a grant to put together consortiums at community colleges because the Governor's intent was to move adult education into the community college sphere of influence.

Mr. Dunn will have a more complete report on how this will impact what the Chancellor's office does with the RSI dollars by the July CAC meeting. His next topic of discussion was on the 250M dollar Career Pathways Grant which is run by the Department of Education. He stated that this could provide a better linkage to the programs with more possible incentives and foster better partnerships.

Mr. Dunn also spoke on project he is currently putting together - Common Core Alignment. This will be helpful to the school districts as to what the programs can offer them in regards to curriculum.

As of December 2013, 14 of the 26 college LEAs have expended over 50% of their RSI hours. Four are already capped.

Commissioner Yvonne de la Peña reported that the Budget Bills AB 1457 and SB 851 – Budget Act of 2014 currently have the exact same dollar amounts in the budget in their identical current year in the amount of approximately \$7.1M for 3.5 to the community colleges and 15.6 for 3.5 which is the K-12. A plan is in the process of gathering information on how apprenticeship has increased or decreased. The plan is to restore the initial proposal of \$13M overall that has been cut.

## **VIII. REPORT OF ADMINISTRATIVE and COOPERATING AGENCIES**

A. Division of Labor Standards Enforcement (DLSE) – Public Works Unit – Christopher Kim – Senior Deputy – No report was given.

B. California Workforce Investment Board (CWIB) – Amy Wallace

Ms. Wallace stated that the CWIB is currently working on the implementation of AB 554. The bill was designed to link pre apprenticeship programs with registered apprenticeship programs that would require any use of Workforce Investment Act dollars on pre apprenticeship programs.

She stated that a requirement of each of the local WIBs was to submit a 5-year Strategic Plan. They are in the process of actualizing their individual plans. There is a criterion for “high performing WIBs”. This would make them eligible for additional discretionary and incentive dollars.

Ms. Wallace spoke on Proposition 39 which is funding for energy retrofits for school districts and community colleges. Last year the WIB received \$3M in Prop 39 funds to implement pre-apprenticeship training programs, primarily targeting “at risk” youth, veterans and other disadvantaged job seekers. Requests for applications will be available to implement training programs that employ the MC3 (Multi-craft Core Curriculum) pre-apprenticeship training framework.

C. U.S. Department of Labor Employment and Training Administration – Office of Apprenticeship (USDOL/ETA/OA) – No report was given

D. Tradeswomen, Inc. – Meg Vasey – Executive Director

Ms. Vasey reported that the recent statewide report showed 5 – 6 percent women in apprenticeship. She further reported that Trades Women Inc. and numerous programs and trades have increased their efforts on the recruitment of women.

Tradeswomen Inc. collaborates annually with the State Building & Construction Trades. April 25 – 27, 2014 is the next Women Building California and the Nation 2014 Women's Conference in the city of Sacramento. To register for the conference, visit the website at: <http://www.sbctc.org/#> . Delegations from

Australia and Canada will be in attendance as well as General Presidents from the Ironworkers and IUPAT. The conference has been expanded to include Pre-Apprenticeship Best Practices Institute.

E. California Apprenticeship Coordinators Association (CACA) – Jose Oscar Padilla – President

Mr. Padilla reported that the committee nominated and accepted the following officers for the 2014 CACA: Jose Oscar Padilla-President, Frank Cuneo-Vice President, Treasurer-Joanie Thornton, and Recording Secretary-Lupe Corral. He reported that the committee attended a public Rule Making hearing that was scheduled by DAS in San Francisco regarding approvals and audit limitations of the Labor Code §3071. A discussion was held about apprenticeship benefits which will affect apprentices that are dispatched to non-signatories that are not paying their benefits.

F. California Association for the Advancement of Apprenticeship Training (CAAAT) – Lorelai Sweet-Upshaw

Ms. Upshaw reported a few highlights of events within the last quarter:

- ABC NorCal attended the Jobseeker/Veteran event sponsored by the city of Livermore and the Alameda County Workforce Investment Board (WIB).
- ABC San Diego partnered with the National Association for Women in Construction to host their Block Kids competition for grades 1-6. The Block Kids competition challenges young future builders to “construct” a project out of interlocking blocks. Construction students from North County Trade Tech were on hand to assist. The championship attracted over 300 spectators.
- ABC SoCal held its annual Craft Championship with 24 vendors and was viewed by over 400 spectators. They will be sending 2 electricians and plumbers to the ABC National completion in Birmingham, AL.
- PHCC GSA participated in another successful North State BIA Career GPS Expo held at Cal Expo in Sacramento. Career GPS is a product of Leeds and Sacramento Works. Several thousand Jr. and Sr. High school students were in attendance.
- WECA’s Annual Apprenticeship Graduation Ceremonies will be held on February 1, 2014 for Southern California and February 22, 2014 for Northern California with a total of 94 graduates.

## **IX. ADJOURNMENT**

A motion and a second were made to adjourn the meeting. All were in favor. The meeting adjourned at 12:27 p.m.