

CALIFORNIA APPRENTICESHIP COUNCIL

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CALIFORNIA APPRENTICESHIP COUNCIL FIRST
QUARTERLY MEETING
MINUTES
Hyatt Regency Monterey
January 29, 2015

Thursday – January 29, 2015

I. CONVENE REGULAR QUARTERLY MEETING

Chairperson Jack Buckhorn called the meeting to order at 9:03 a.m.

- A. Pledge of Allegiance
Chairperson Jack Buckhorn led the attendees in the pledge of allegiance
- B. Roll Call
DAS Chief Diane Ravnik called the roll.
The following Commissioners were present: Jack Buckhorn, Susan Anderson, Yvonne de la Peña, Carl Goff, Richard Harris, Paul Von Berg, Hector Velez Frank Quintero, Barbara Blake, and John Dunn standing in for Van Ton-Quinlivan, Pat McGinn, Aram Hodess, Jim Hussey, Christopher Christophersen, Chip Martin, Scott Gordon, and DAS Chief Diane Ravnik
Members absent: Christine Baker, and Carl Goff
- C. Installation of New CAC Chairperson
Commissioner Jack Buckhorn presented Commissioner Richard Harris as the new CAC Chairperson for 2015.
Newly installed CAC Chairperson Richard Harris presented Commissioner Jack Buckhorn with a plaque in recognition of his service as the CAC Chairperson for 2014.

II. EXECUTIVE SESSION

An Executive Session was not held during this quarter.

- A. Approval of previous minutes for October 30, 2014
A motion and a second were made to approve the minutes of the October 30, 2014 meeting. All were in favor. The motion carried.
- B. Announcements
1. DAS Chief Diane Ravnik reported there were no announcements for this quarter.

C. Communications

1. DAS Chief Diane Ravnik reported there were no announcements for this quarter.

III. BUSINESS SESSION

A. Legal Matters

1. Harley Morgan, et. al. v. State of California, et. al., Kern County Superior Court, Case No.280880, filed December 6, 2013 (SB 54 litigation)
Deputy Attorney General Lucy reported that there was no change in the Harley Morgan case.

B. CAC Appeal Panel Decisions

1. Faizah Dean vs. Cal-Nevada Power Lineman JATC DAS No. 2014-13
Deputy Chief Glen Forman reported that Scott Gordon and Hector Velez were appointed to the three member panel and Barbara Blake was appointed as the chairperson.
2. Emmanuel Unique Outreach Partners, Inc. – CAC 2014-14
This is a program that was not approved by DAS Chief Diane Ravnik. A hearing will be held sometime in March. The chairperson for this appeal is Susan Anderson and the committee members are Aram Hodess and Jim Hussey.

C. Apprenticeship Complaint Findings/Decisions by the Administrator of Apprenticeship – Chief Ravnik made the following report:

1. Ignacio Gonzalez-Salas v. Northern California Tile Industry J.A.T.C. Case 2014-18
DAS Chief Ravnik reported Mr. Gonzalez-Salas filed an appeal with the J.A.T.C. on their decision to terminate his Apprenticeship Agreement. Administrator of Apprenticeship Christine Baker found that his appeal was without merit and upheld the decision of the J.A.T.C.

D. Automatic Orders of the Council

Chief Ravnik reported approving the following new programs:

1. ILWU Shipsalers & Environmental Services Worker Local 56
Apprenticeship Training Program Trust #05178 – Approved October 17, 2014. In the occupation of Environmental Hazardous Material Emergency Responder & Service Worker.
2. La Moda Apprenticeship Academy #05182 – Approved December 8, 2014.
In the occupations of Barber and Cosmetologist.
3. City of Pasadena Water and Power Department Power Utility Test
Technician Joint Apprenticeship committee for the occupation of Power
Utility Electrical Mechanic – Approved 10-08-2014
4. City of Pasadena Water and Power Department Power Utility Test
Technician Joint Apprenticeship Committee for the occupation of Power
Utility Test Technician – Approved 10-08-2014

5. Desert Cosmetology Apprenticeship Academy, for the occupation of Cosmetologist in the city of Palm Springs – Approved 12-12-2014

E. Notice of Appeals During the Quarter

1. Chief Ravnik reported they were the same two appeals the Mr. Forman referenced earlier. The three member panels will be making their recommendations at the next CAC meeting.

F. Chief's Report

DAS Chief Diane Ravnik gave the following report:

- Upcoming CAC Meeting

The next CAC meeting will be held at the Sheraton Park Hotel in Anaheim on April 22nd & 23rd.

Chief Ravnik also reported that the California Division of Apprenticeship Standards has been chosen to host the next NASTAD (National Association of State & Territorial Apprenticeship Directors) conference. She asked the attendees if anyone was interested in sponsoring an event at the conference to please contact her or Deputy Chief Glen Forman. The meeting will be held at the Kona Kai in San Diego.

- DAS Staffing

DAS Chief Diane Ravnik reported that DAS is saddened by the death of San Jose DAS Consultant Mike Quiroz. Mike began his career as a machinist and has been a DAS Consultant since 2009 in the San Jose Field office. Mike will be greatly missed by his colleagues and the many apprenticeship program sponsors he has worked with.

- Statewide Initiatives in Support of Apprenticeship:

Chief Ravnik reported that the Governor's 2015-16 budget resulted in proposing the full restoration of apprenticeship RSI funding in the amount of \$14.1M. The budget also raised the number of hours allocated and the increases the rate of reimbursement to \$5.46. An additional \$15M of is set aside for new funding support of programs.

Another point of interest is the grant solicitation for the \$100M federal "American Apprenticeship Initiative Grants". The deadline for submitting applications is April 30, 2015. Information on the grant is also mentioned in the current DAS Newsletter.

DAS recently held a meeting on SB 54 which addresses safety issues within the refinery industry. A provision within the bill requires the Chief of Division of Apprenticeship Standards to approve curriculum for advanced safety training in the refineries. Deputy Chief Glen Forman and John Dunn, CCCCCO will be putting together a committee of subject matter experts to advise on curriculum development. Chief Ravnik asked the attendees to

contact Mr. Forman for any recommendations of subject matter experts for that advisory group.

- Partnerships

Chief Ravnik spoke briefly on some of the current partnerships with DAS such as State educational partners, Community Colleges and Adult Education, State and local Workforce Development Councils; Employment Training Panel (ETP). She also spoke on the aggressive outreach by DAS field office staff to all 49 local WIBs to educate them on apprenticeship and potential of collaboration with local apprenticeship programs.

- Veterans

Chief Ravnik noted that veterans remain a priority with DAS, as well as with the apprenticeship community. She shared information on a meeting she and Don Merrill attended with the Department of Defense and EDD, concerning a new program was initiated that would allow veterans to enter an apprenticeship program before they have been discharged from service. The wages are paid for 180 days of apprenticeship prior to their discharge. If anyone is interested in more detailed information please contact Don Merrill.

- DIR Communications

Ms. Ravnik introduced Victoria Maglio as the new staff member from DIR Communications unit. Ms. Maglio will be putting together future DAS Newsletters as well as providing services to DAS and the council on some of the items discussed at the Public Relations and Publicity committee such greater use of social media.

- Apprenticeship Training Fund Check Processing

Chief Ravnik gave a brief report. (Check distribution is attached to the Chief's Report).

- Apprentice Complaints

The Division has received a total of 21 apprentice complaints in 2014. A current status chart is in the Chief's Report.

G. DAS Audit Report

Deputy Chief Glen Forman gave a brief Audit report. He reported that most of the open audits are on revision of standards, required every 5 years. Contact Mr. Forman for any questions

H. Old Business

There was not old business to discuss.

I. New Business

1. Proposed Rule Making for AB 1870 (Training Fund)

Commissioner Aram Hodess gave the following report: he reported that discussions were held at the Standards, Rules, Regulations & Operating

Procedures committee on the proposed rulemaking for AB 1870. Deputy Chief Glen Forman explained the changes of the Labor Code 1777.5 regarding distribution of training fund contribution by DAS, noting that the changes conflicted with existing regulations in CCR 230.2 (d). Mr. Forman recommended deleting the superseded language.

Mr. Hodess further reported that it was moved, seconded and carried by the committee to recommend the action to the CAC. Mr. Forman stated that there is additional added language, which he explained.

Mr. Forman recommended to the full council to add the additional three sentences to be struck out to conform to the statute. A motion and a second were made.

There was discussion on the deletion of the additional language to be sent back to the committee for review. Commissioner Hodess withdrew his motion. The recommended changes will go back to the committee for review.

IV. FORUM – PG&E Workforce Education & Training Programs – Robert Marcial

Chief Ravnik stated that the original former speaker, Mr. Rainey was unable to attend due to a death in his family. Ms. Ravnik introduced Mr. Robert Marcial Director of PEC (Pacific Energy Center) and Statewide WE&T (Workforce Education & Training) Planning Lead for PG&E. Ms. Ravnik thanked him for accepting the invitation to be the guest Forum speaker on such a short notice.

Mr. Marcial gave a brief outline of California Public Utilities Commission (CPUC). The IOUs (Investor Owned Utilities) administer the Workforce Education & Training Program (WE&T) on behalf of the CPUC. The WE&T is a small portion of a larger portfolio for energy efficiency that the IOUs deliver.

PG&E has programs that address the K-12, the community colleges, UC-CSUs, and people in apprenticeship programs as well as a wide range of professions. PG&E has seven energy centers across the state that are either owned or operated by IOUs. The WE&T offers outreach events, consultations, technical advice to ensure people are asking the right questions about energy efficiency potential. The programs are free of charge. The funds for the programs are collected through the commission through three utilities rates on the electric side. On the gas side there is a public purpose programs charge.

Areas of focus for WE&T are looking to find how support members of the low income and disadvantaged communities. Another focus is on online and on-demand.

The WE&T has engaged with DAS to create a partnership with DAS and the apprenticeship community on workforce issues of energy efficiency.

Mr. Marcial represents the IOUs and the purpose is to inspire the power of customers to eliminate unnecessary energy use. The WE&Ts' goal is to see a workforce that is capable of achieving energy savings. They could be personal goals, those of the customers, the goals of California or the utility from the perspective of the WE&T and implementing the utility programs as well. The purpose for workforce education and training is essentially to provide that workforce, as well as the resources, knowledge and skills that it takes to achieve those goals.

Mr. Marcial presented a guidance plan recommendation that creates a dedicated three part skills-building portfolio targeting energy savings and workforce inclusion goals. One of the components is to carry out a program to enhance and verify Energy Efficiency skills for

the key trades in the state-certified apprenticeship system, through a partnership with the CCCCCO (California community Colleges Chancellor's Office) and DAS. He stated that after conversations with DAS Chief Ravnik and DAS Deputy Chief Glen Forman, they identified the concept of volunteering journeyman upgrade programs on energy efficiency craft by craft. This approach is more aligned with 'market building' which is essentially expanding a wide range of knowledge. Some of the potential outcomes could be subject matter expert IOU representatives on an advisory board, reviewing existing curriculum, developing and revising curriculum.

WE&T is looking for the best match that they have to offer programs to apprentices and journeymen that will deliver on those energy efficiency goals within the next 20 years. A key factor is collaboration with DAS and the utilities. The CPUC is looking for the highest potential for contributing to energy efficiency in buildings. He presented a graph on GWh by Technology – 2012-2013 (actual) vs. 2018 projected – for commercial buildings. He pointed out lighting, HVAC, whole building, and the building Envelope.

(Mr. Marcial's presentation is attached to these minutes posted on the website).

There was discussion on journeyman upgrade path vs the introduction of energy efficiency in apprenticeship training. John Dunn, CCCCCO stated that the Chancellor's Office looks for industry certification when offering support for new training or upgrade training. It was also stated that although training is essential for certification, that a focus on the skills is just as important as knowledge building. Mr. Marcial encouraged anyone interested in working with PG&E and other IOUs to include energy efficiency in their training to contact him.

V. CAC STANDING COMMITTEE REPORTS

A. CAC/CCA Liaison Committee – Report from January 29, 2015 CCA Chairperson Scott Lewis

Mr. Lewis reported that the committee accepted the Treasurer's report as submitted. He further reported that DAS Deputy Chief Glen Forman created a link on the DAS website for the 2016 CCA. The website will provide all aspects of the conference from registration to shirts. Final agreements with the Hyatt Regency Monterey have made and scheduled for April 26 – 29, 2016. He encouraged using the Pre-registration button which will help to establish an accurate count of attendees. The site is also set up for mobile devices. Mr. Lewis reported that there will be a change in the workshops to make them fewer and more interactive.

B. Equal Opportunity in Apprenticeship– Report from January 29, 2015 – Chairperson Susan Anderson

Commissioner Anderson reported on the presentation by Jamie Robison, Educational Services Facilitator for Southwest Carpenters Training Fund. Ms. Robison is also the founding Chair of the Southern California Sisters in the Brotherhood. She spoke on the recent event; "Bridging the Way" as well as her career as a millwright and now a trainer. Ms. Robison spoke on the challenges she met along her apprenticeship path.

Commissioner Anderson asked the attendees to contact her for any future speakers at the Equal Opportunity in Apprenticeship Committee meetings.

C. Related Supplemental Instruction – Report from January 29, 2015 – Chairperson Pat McGinn

Commissioner McGinn reported on a presentation by Commissioner Scott Gordon on Program Accreditation Process. There was also a presentation by Jeff Greendorfer on Financial Wellness for apprentices. Mr. McGinn reported that the topic for the next meeting would be on Web Based Training Standards.

D. Legislation Committee - Report from January 29, 2015 – Chairperson Yvonne de la Peña

Commissioner de la Peña reported that the committee reviewed the Governor's proposed 2015-2016 budget as it relates to apprenticeship. The budget bill that the committee is following is SB 69 and the identical Assembly version is AB 103. She reported that the bill restores the funding cuts that were made during the recession. In addition, \$15M has been added for creating new and innovative apprenticeship demonstration projects. With the augmentation, the community college line item is now \$22.0M and it includes their increase of the restoration, which was a 129% increase. Suggestions were made at the committee meeting regarding making a proposal to put some of the \$15M onto the California Department of Education LEA side. The total augmentation proposed is \$51.9M which includes a \$.42 increase the hourly rate, from \$5.04 to \$5.46. The \$5.46 is the rate of the non-credit community college classes. Another item discussed was to add into the budget bill, a connection to that rate so as to keep it connected and remains to the \$5.46 rate, and when that rate goes up the apprenticeship rate goes up along with it.

Another item of discussion was AB 86; the proposed budget increases the adult education block grant by \$500M. Apprenticeship is one of the five programs included in AB 86. It was discussed that the local consortium would have the opportunity to use those dollars for apprenticeship.

Commissioner Jack Buckhorn made a motion to write a letter to Governor Brown supporting the Governor's budget augmentation for apprenticeship. Commissioner Pat McGinn seconded the motion. All were in favor. The motion carried.

E. Rules, Regulations & Operating Procedures – Report from January 29, 2015 – Chairperson Aram Hodess

Commissioner Hodess reported that DAS Deputy Chief Glen Forman explained the changes in the Labor Code §1777.5 regarding distributions of training contributions by DAS, explaining that the changes conflicted with existing regulations in CCR 230.2 (d). Mr. Forman recommended eliminating this language to conform to the new legislation and Deputy Attorney General Lucy Wang agreed. It was m/s/c to recommend this action to the CAC.

He further reported that there was continuing discussion on revisions to the DAS 140 Form. After extended discussion, it was agreed that DAS Deputy Chief Glen Forman will post the suggested changes to the form, and a possible draft revised form and take any possible action at the next meeting.

It was also discussed in the meeting, that DIR/DLSE was responsible for investigating and enforcing apprenticeship violations.

VI. EDUCATION AGENCIES REPORT

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

Mr. Dunn encouraged the attendees to send him ideas for the use of \$15M in the governor’s proposed budget for new apprenticeship programs. He is conducting two webinars within the next few weeks on what new and innovative ways these monies might be used to support existing programs as well as new programs.

He also spoke on Prop 39 - Energy Efficiency grant and asked the attendees to contact him if they had any questions or confusion on how to qualify.

Mr. Dunn discussed how AB 86 consortiums are comprised of a seven member committee that makes decisions on how the funding is used. Each consortium is based upon a community college district. Adult schools and adult educational providers that are within that community college district boundaries are part of the consortium along with WIBs and other agencies involved in training. He further stated that at the April CAC meeting he will have someone from the Chancellor’s offices’ AB 86 division to make a presentation and answer more specific questions with what is going on with adult education as it relates to apprenticeship.

Mr. Dunn spoke on the multiple discussions on curriculum approval process with the community colleges. He asked the attendees to contact him directly with questions.

He further stated that the academic senate did a faculty prevention seminar that was academic curriculum approval focused. The meeting was positive in that it educated them on apprenticeship.

VII. REPORT OF ADMINISTRATIVE and COOPERATING AGENCIES

A. Division of Labor Standards Enforcement (DLSE) – Public Works Unit – Eric Rood, Assistant Chief – DLSE

Mr. Rood reported that DLSE completed their enforcement statistics for the Labor Commissioners’ office for calendar year 2014. He expressed that 2014 was the most impactful year in the construction industry. There were more debarments this year than in the history in the Labor Commissioners’ office. There were 26 legal owners and principals that were debarred in the public works arena for trying to defraud the systems in multiple violations. Currently the department has three active criminal cases, two of which are going to trial. Within the last two years the department has seen two contractors plead guilty of wage theft and both are serving two-year sentences.

Mr. Rood reported that the department issued over \$30M in penalties and wages last year. Regarding 1777.5 penalties, the department assessed over \$5M and recovered approximately \$1.8M. The department also recovered \$318,000.00 training fund contributions back to the California Apprenticeship Council (CAC).

He further reported that since legislation on SB 54 took effective, the department has seen a rise in the registration of contractors. Currently there are over 6,000 registered contractors. The department will hold a webinar on SB 54 regarding who needs to be registered, what is the definition of a contractor and more.

B. Employment Training Panel (ETP) – Peter Cooper, Assistant Director

Mr. Cooper reported that this fiscal year ETP's contracting capacity has risen to \$91M. Even though the monies have increased, the demand for those monies are even stronger. Of the \$91M, \$60M has been committed leaving a remaining \$31M. In the fall ETP decided to establish funding allocation for contract type and put pre-apps and applications on hold until the spring because of the large demand. Of the funding allocation for contract type, apprenticeship was allocated \$10.1M. This allocation was based on the prior three years. ETP also reduced their funding caps. As a result, the apprenticeship cap was reduced from \$450,000.00 per contract to \$300,000.00.

He further reported that ETP is close to going over the \$30M they are funding for apprenticeship. \$28.5M has currently been funded which includes \$7.6M of the \$10.1M allocation approved this fiscal year.

Mr. Cooper spoke on expanding apprenticeship in new sectors. He stated that ETP has approximately \$30M for the apprenticeship pilot which has been 99% in the construction industry. ETP is also supporting the direction of Governor Brown as well as the community colleges and others working with DAS with the intention of expansion in other sectors and funding them as well.

Mr. Cooper reported that on November 20th, ETP funded their first apprenticeship project outside of the construction sector – Holt Caterpillar – for \$165,900. They are currently working on an application with UFCW Local 5 Meat cutters apprenticeship program.

C. Office of the Director, Communications – Victoria Maglio, Public Information Officer

Ms. Maglio reported that the Communications unit is playing a more active role in DAS and will pursue, develop and enhance the outreach efforts through the various communication vehicles that are available. Please forward any ideas or suggestions to DAS Chief Diane Ravnik. Chief Ravnik stated that Ms. Maglio would participate in future Public Relations & Publicity committee meetings to promote apprenticeship through outreach efforts.

D. U.S. Department of Labor Employment and Training Administration – Office of Apprenticeship (USDOL/ETA/OA) – Rick Davis

Mr. Davis addressed the question 'does the Department of Labor provide guidance to State WIBs by TEGs (Training and Employment Guidance Letters) and by TENs (Training Employment Notices)? Notice # 1013-12 defines quality pre-apprenticeship programs and encourages partnerships in pre-apprenticeships. He stated that the department has a new website which is easier to navigate www.dollgov/apprenticehisp. He also announced that he now has three staff members. The new member will be working in the northern part of the Los Angeles area.

The department has 3,100 registered apprentices in the first year. The department is looking to reach approximately 10,000.

Mr. Davis announced the retirement of Michael Longeuay. Mr. Longeuay joined the U.S. Department of Labor's regional director with the Office of Apprenticeship in 2004. In his role as Regional Director, Mike has spearheaded OA's High Growth

Industries Initiative, developing new apprenticeship programs in the automotive, biotechnology, homeland security, and health care sectors, and promoting registered apprenticeship as a workforce development solution for the 21st Century. Prior to his appointment to Federal service, Mike completed an apprenticeship as a sheet metal worker, became an instructor, and spent nine years as Administrator of the Sheet Metal Local 104 and Bay Area Industry Training Fund. He was responsible for delivering industry-driven instruction in six centers in the greater Bay Area. He was also a member of the California Apprenticeship Council.

Mr. Davis on the recent State of the Union Address given by President Obama, who stated that he will ask more businesses to follow the lead of companies like CVS and UPS, and offer more educational benefits and paid apprenticeships – Mr. Davis stated that President Obama is the first president since 1937 who has mentioned apprenticeship and that he is very serious about apprenticeship. Mr. Davis expressed how grateful the Office of Apprenticeship is for the \$100M grant monies for apprenticeship.

He further spoke on RACC (Registered Apprenticeship-College Consortium), a national network of post-secondary institutions, employers, unions and associations that is creating opportunities for apprentices to further their education and earn undergraduate degree. Any member of RACC will be eligible for transferable credits.

(A more detailed report is attached to these minutes which are posted on the website).

D. California Association for the Advancement of Apprenticeship Training (CAAAT)
– Lorelei Sweet Upshaw – President

Ms. Upshaw gave a brief update on programs with CAAAT.

The instructors for the California American Fire Sprinkler Association (CAFSA) recently went through their annual evaluations and scored 90% or better.

ABC San Diego presented their 14th annual craft championship competition in December. The local winners were in the trades of electrical, plumbing, and sheet metal.

ABC SoCal also held their 21st annual craft championship competition with over 500 spectators in attendance. The two top plumbers and electricians will compete in the national completion in Fort Lauderdale, FL.

WECA will be hosting their annual crab feed “Claws for a Cause” on March 27th. this will benefit the Western Electrical Contractors Education Foundation.

Proceeds will go towards helping WECEF create more opportunities for scholarship, grants and materials for students in the electrical industry.

PHCCs’ annual apprenticeship competition is set for April 16th at Thunder Valley Casino Resort in Lincoln California. The winner of this competition will go to the PHCC California State Apprenticeship contest in Long Beach, CA.

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

Mr. Padilla reported the association held the installation of new officers for 2015 – 2017.

He also stated that the association reviewed the revision of their by-laws.

The Train the Trainer classes regarding construction noise and hearing loss prevention, will be offered in Sacramento and Southern California, and one in the Bay Area.

DAS Deputy Chief Glen Forman reported that the CAC newsletter is now posted on the website. Completion rates and the numbers for the building trades and the construction trades are published on the website and are available on the program sponsor page along with the new self-assessment form. All Committee Self-Assessments are due on March 31st.

Commissioner Jack Buckhorn asked for a moment of silence in memory of DAS Consultant Mike Quirioz.

VIII. ADJOURNMENT

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