



State of California
Employment Training Panel

Training Proposal for:
**The Sheet Metal Workers' International
 Association Local 104 Bay Area Industry Fund**

Agreement Number: ET09-0210

Panel Meeting of: **July 25, 2008**

ETP Regional Office: **San Francisco Bay Area**

Analyst: D. Woodside

PROJECT PROFILE

Contract Type:	SET Frontline - Retrainee SET Multiple Barrier - Retrainee	Industry Sector(s):	Construction
Counties Served:	Northern California	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Sheet Metal Workers' International Association, Local 104	Priority Industry:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Turnover Rate %	Manager/Supervisor %
≤20%	0%

FUNDING DETAIL

Program Costs	Support Costs	Total ETP Funding
\$459,000	\$31,800	\$490,800

In-Kind Contribution
Inherent

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Average No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	SET Frontline - Retrainee	Business, Commercial, Computer and Literacy Skills	200	24 - 200	0	\$1,636	\$23.36
				Weighted Avg: 85			
2	SET Multiple Barrier - Retrainee	Business, Commercial, Computer and Literacy Skills	100	24 - 200	0	\$1,636	\$22.13
				Weighted Avg: 85			

Minimum Wage by County: Job Number 1 SET Frontline Worker statewide average hourly rate is \$23.36; the minimum hourly wage for all Job Number 2 trainees will be \$22.13 with health benefits per collective bargaining agreements.

Health Benefits: Yes No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: Yes No To Be Determined

Participating employers may use health benefits to meet the post-retention wage.

Other Benefits: Vary among participating employers. Collective bargaining agreement includes a pension plan.

Wage Range by Occupation	
Occupation Title	Wage Range
Mechanic (Journey-level)	
Technician (Journey-level)	
Specialist (Journey-level)	
Pre-Apprentice Technician	

INTRODUCTION

The Sheet Metal Workers’ International Association Local 104 Bay Area Industry Fund (hereafter referred to as the Sheet Metal Trust or Trust) seeks funding for retraining as outlined below:

Prior to the 1970s, the Sheet Metal Workers’ Union Local 104 and participating construction companies established five trust funds supporting five separate training centers located in San Leandro, Petaluma, San Francisco, San Jose, and Burlingame. In the 1970s, all of the Northern California training centers joined together as a coalition and formed the Sheet Metal Trust. There are 10 Trustees, five of whom are designated by the employers, and five by the union. There are 260 employers who contribute to the Trust fund. The five training centers serve 17 counties in Northern California and 5,000 union members. The Sheet Metal Trust is dedicated to developing and improving work skills that lead to secure and well-paid jobs in the construction industry.

This project will be funded under Special Employment Training (SET) pursuant to Title 22, California Code of Regulations, Section 4409 (a), for frontline workers earning at least the State average hourly wage in Job Number 1 where The Trust expects to train 200 journey-level and pre-apprentices. In Job Number 2, The Trust expects to train approximately 100 pre-apprentices with two or more barriers to employment such as limited educational background; limited English proficiency and/or math skills; lack of a significant work history; school dropout; and/or social economic barriers.

Training will be provided to 300 journey-level sheet metal workers and pre-apprentices to meet industry needs described as follows.

PROJECT DETAILS

Employer Demand

An aging workforce, a decrease in apprenticeship applicants and graduates from the apprenticeship program, an increase in workers for whom English is a second language, and new complex technologies have created major challenges for staffing California's sheet metal workers in the construction industry.

The proposed ETP-funded journey-level and pre-apprentice classroom/laboratory training will assist employers and workers by:

- 1) Meeting increased industry demand for certain types of workers e.g., welding new materials).
- 2) Developing a construction workforce that is more versatile at a worksite.
- 3) Transitioning residential workers into light commercial work.
- 4) Preparing employees for changes created by green initiatives. These green initiatives are customer-driven and should the employers not meet these needs, their customers may seek out and hire out-of-state contractors.
- 5) Learning to control costs and remain competitive against out-of-state and low-wage competition. Participating employers working with trained technicians will be able to control costs by reducing on-the-job scrap and having employees work more efficiently.
- 6) Preparing more individuals to enter apprenticeship programs through pre-apprenticeship.

Curriculum Development

The training centers share curriculum, develop best practices, and work together to plan any new training requested by employers. According to the Sheet Metal Trust, major portions of the curriculum and materials are developed by such industry leaders as iTi (International Training Institute for the Sheet Metal and Air Conditioning Industry) and SMACNA (Sheet Metal and Air Conditioning Contractors National Association). The training plan was jointly developed by union and employer representatives and is based on requirements set forth by iTi and SMACNA as well as the specific needs of the participating employers. For purposes of ETP funding, the following types of training will be provided:

Commercial Skills training will be provided to workers in danger of being displaced because of new and varied skills in demand by employers. For example, the market is pushing contractors (employers) to work with a wider array of materials, such as stainless steel, plastics, and copper. New time-saving machines, tools, and computer programs are also being introduced. Typically employers, many of which are small businesses, are only able to afford to do on-the-

job, informal training. ETP funding will allow the Sheet Metal Trust to provide classroom/laboratory training for these skill enhancements. In addition, changes in legislation, such as Title 24, demand that employers have one certified inspector at each site. Employers are forced to delay signing off on a completed job unless a certified inspector has reviewed the work. Currently, the number of certified service technicians available in northern California does not meet the demand. ETP-funded training will help meet the need for trained sheet metal mechanics, technicians, and air-conditioning specialists.

Training for both journey-level and pre-apprenticeship sheet metal workers will cover new equipment and updated standards as a result of pending green legislation and commercial interest in developing, retrofitting, and maintaining greener buildings. In addition, because of the current war in Iraq, employers are paying considerably more for metals. Classes will teach trainees to work with various materials, be more efficient, and improve systems to reduce waste.

Commercial skills training will also assist under-employed residential workers move into light commercial projects. The Sheet Metal Trust reports that the California Building Industry Association recently stated that housing production in California this year is likely to be at the lowest level since World War II. They also maintain that in both 2004 and 2005, the state issued permits for 200,000 housing units; in 2008, the state expects to issue only 72,350 permits. This decline in residential work has led to layoffs and less work for both journey-level and pre-apprentice residential workers. By retraining these residential workers using a commercial industry training curriculum, the centers will position the workers for more steady work in commercial projects.

Business Skills The new marketplace has created an urgency to complete a job on time and within budget. With workers being encouraged to work more quickly and effectively, they require team-building, leadership, and conflict resolution skills to operate in a team environment. Training in problem solving, customer service, decision-making, and time management will also be provided to trainees.

Computer Skills training will cover software used in scheduling, tracking, and planning jobs; and also provide skills in other software applications in use by participating employers.

Literacy Skills training will help trainees overcome communication barriers with co-workers, customers, and inspectors. Math training will allow more individuals to complete pre-apprentice programs and qualify for apprenticeships. Such training will help meet the need of the commercial industry for more highly-trained sheet metal workers.

Marketing and Employer Recruitment

In its first round of marketing the proposed training, the Sheet Metal Trust has identified companies and contacted them about participating in the program. The Northern California training centers will further publicize the availability of training through direct mailings, brochures/flyers, personal contacts, telephone calls, public service announcements, and e-mail announcements.

The training centers will also promote this training program at labor-management meetings and industry assemblies, visits to local schools, trade shows and industry meetings, such as SMACNA meetings. An informational flyer will be mailed to employers in all 17 counties represented by the Association. The flyer will be targeted to business owners, company presidents, human resource managers, and other senior industry executives.

Retention

Due to the nature of employment within the construction industry, retention for this project will be satisfied by employment of at least 500 hours within 150 days with up to three employers.

Commitment to Training

The Sheet Metal Trust states that ETP funds will not displace the existing financial commitment to training of participating employers. Currently, Trust fund contributions cover primarily the apprenticeship program and some general upgrade training such as basic first aid, workplace safety, and social responsibility. The Trust represents that safety training is, and will continue to be, provided by participating employers in accordance with all pertinent requirements under state and federal law.

The centers are committed to ongoing training after the ETP contract is completed. The specially designed curriculum to be funded by ETP will be used in the future and will make it much more affordable to offer ongoing classes to train journey-level workers and pre-apprentices.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal. With the Panel's assistance, these multiple training centers serving employers in 17 Northern California counties will be able to meet labor needs as rapid change occurs in the construction industry. In addition, the proposed training will improve job security and reduce periods of unemployment for sheet metal workers.

DEVELOPMENT SERVICES

This project was developed with the assistance of the California Labor Federation, Workforce Economic Development at no charge to the Sheet Metal Trust.

ADMINISTRATIVE SERVICES

Strategy Workplace Communications of San Mateo will provide administrative services for an amount not to exceed 13% of the amount earned.

TRAINING VENDORS

N/A

Exhibit B: Menu Curriculum

Class/Lab Hours

24-200

Trainees will receive any of the following:

Journey-Level Training

COMMERCIAL SKILLS

HERS (California Home Energy Rating System Program)
Ducts Maintenance
LEED and Title 24 Awareness (Green Training)
Working with Greener Building Materials
Upgrading Lead Handling and Asbestos Removal Skills
Proper Equipment Set-up (Green Training)
Advanced Welding Skills and Certification Preparation
Architecture Designs
Management and Monitoring of Materials
Testing Materials and Equipment – Proper Set up and Use (Green Training)
Materials and Equipment Testing for Industrial Use
Understanding Changes to Industry Standards (Green Training)

COMPUTER SKILLS

Scheduling and Planning Jobs
Job Tracking System
Automated Systems Applications

BUSINESS SKILLS

Advanced Teambuilding Skills
Advanced Leadership Skills
Advanced Customer Service Skills
Advanced Conflict Resolution
Advanced Problem Solving
Advanced Decision Making Skills
Advanced Inventory Checklist
Advanced Time Management
Filling Out Work Documents and Reports Accurately

LITERACY TRAINING (Literacy skills may not exceed 45% of the job training skills)

Math for Sheet Metal Workers
Basic English or ESL Skills for Sheet Metal Workers

Class/Lab Hours

24 – 200

Trainees will receive any of the following:

Pre-Apprenticeship Training

COMMERCIAL SKILLS

Sheet Metal Skills (Green Training)
Correct Use of Equipment (Green Training)
Blue Print Reading
LEED and Title 24 Awareness (Green Training)
Metal Building Methods and Materials
Hazardous Materials
Understanding Changes to Industry Standards (Green Training)
Drafting

COMPUTER SKILLS

Scheduling and Planning Jobs
Job Tracking System
Automated Systems Applications

BUSINESS SKILLS

Basic Teambuilding Skills
Developing Leadership Skills On the Job
Basic Service Technician Customer Service Skills
Conflict Resolution Techniques
Problem Solving Methods
Development of Decision Making Skills
How to Work with Inventory Checklists
Basic Time Management

LITERACY TRAINING (Literacy skills may not exceed 45% of the job training skills)

Math for Sheet Metal Workers