



**Training Proposal for:**  
**Lomita Chamber of Commerce**  
**Agreement Number: ET16-0234**

**Panel Meeting of:** November 5, 2015

**ETP Regional Office:** North Hollywood

**Analyst:** L. Vuong

**PROJECT PROFILE**

Contract Attributes:	Priority Rate Retrainee SB <100 SET HUA	Industry Sector(s):	Manufacturing Transportation/Logistics Healthcare Wholesale Trade Services Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Turnover Rate:	≤20%		
Managers/Supervisors: (% of total trainees)	≤20%		

**FUNDING DETAIL**

<b>Program Costs</b>	+	<b>Support Costs</b>	=	<b>Total ETP Funding</b>
\$434,400		\$30,100 8%		\$464,500

In-Kind Contribution:	50% of Total ETP Funding Required	\$757,900
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**TRAINING PLAN TABLE**

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate	Business Skills, Computer Skill, Continuous Impr.	350	8-200	0	\$770	\$15.97
				Weighted Avg: 40			
2	Retrainee Priority Rate SB<100	Business Skills, Computer Skill, Continuous Impr.	150	8-200	0	\$1,112	\$15.97
				Weighted Avg: 40			
3	Retrainee SB<100	Business Skills, Computer Skill, Continuous Impr.	25	8-200	0	\$564	\$15.97
				Weighted Avg: 24			
4	Retrainee SB<100 SET HUA	Business Skills, Computer Skill, Continuous Impr.	25	8-200	0	\$564	\$11.98
				Weighted Avg: 24			

**Minimum Wage by County:** Job Numbers 1, 2 and 3: \$15.97 per hour for Los Angeles County; \$16.02 per hour for Orange County.

Job Number 4 (SET-HUA): \$11.98 per hour for Los Angeles County.

**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  Maybe

Participating employers may use health benefits to meet the Post-Retention Wage. Health benefits will vary by participating employer.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
<b>Job Numbers 1-4</b>		
Administrative Staff		60
Machine Operator		70
Production Staff		140
Engineer Level 1		10
Engineer Level 2		10
Manager/Supervisor Level 1		40
Manager/Supervisor Level 2		30
Shop Lead		150
Small Business Owners		40

## **INTRODUCTION**

Established in 1946 and located in Lomita, Lomita Chamber of Commerce (Lomita Chamber) ([www.lomitacoc.com](http://www.lomitacoc.com)) is a non-profit voluntary membership organization, serving the local business community, which is predominantly entrepreneurs and small businesses, with a mix of large corporations such as McDonalds, Taco Bell, Wells Fargo Bank, Albertson's Supermarket, and 99 Cents stores. Lomita Chamber's membership is comprised of approximately 5,000 businesses (90% meet the ETP definition of small business).

The Lomita community is known for its affordable housing and central location in the South Bay Area of Los Angeles County. Over the years, Lomita Chamber has sponsored various events to promote the community and businesses. Through these events, with the support of city departments and community leaders, the Lomita area has become known for fostering business growth.

Lomita Chamber enables networking for its members through its affiliation with local service providers such as insurance agencies, credit unions and business counseling. Lomita Chamber sees a greater need for making the existing businesses more competitive, not only in local community but also in surrounding cities or regions. To accomplish this goal, Lomita Chamber partners with Redondo Beach, Wilmington, Carson, Compton, Hermosa Beach, Lawndale, Hawthorne, Inglewood, City of Industry, El Segundo, Long Beach, Gardena, San Pedro and Palos Verdes through the South Bay Association of Chamber of Commerce.

## **PROJECT DETAILS**

This will be Lomita Chambers' second ETP Agreement. Lomita Chamber is focused on helping its members bring innovative business practices and new technology to the workforce. The proposed training program will provide them with sufficient Computer and Business Skills as needed to successfully manage and grow their businesses. Training will be offered to employers throughout the South Bay Area. The majority of training (95%) will be conducted at participating employer locations while the remainder will be at Lomita Chamber.

### **Training Plan**

Lomita Chamber has high employer demand for training in its ETP Agreement. Therefore, the Chamber wishes to continue providing training to meet the demand. Lomita Chamber has identified employers that have made firm commitments to participate upon Panel approval. The core group of employers represents 100% of requested funding for this proposal.

Lomita Chamber's curriculum is designed to enable each company to customize training. Participating employers have expressed a need to improve social media training for marketing, technical skills, and continuous improvement in order to stay competitive and meet customer demands. Training is scheduled to begin the week of October 26, 2015.

**Business Skills (30%)** – Training will be provided to all occupations to improve communication skills, customer relations, business writing skills and business problem solving.

**Computer Skills (30%)** – Training will be provided to all occupations to learn how to effectively use the Company's internal software applications to design, program, implement, and troubleshoot new computer software programs such as social media, accounting software, and Microsoft suite.

**Continuous Improvement (40%)** – Training will be provided to all occupations to promote teamwork and improve workflow, troubleshooting, and problem solving. Training includes process mapping, Lean Enterprise topics, and ISO Auditor compliance training.

### **Impact/Outcome**

Lomita Chamber will assist large and small companies to prepare for certification programs that are typically awarded based on training and internal improvement. These certifications often lead to new market opportunities, new customers, and increased sales, which will ultimately help companies, grow and provide workforce stability.

### **Commitment to Training**

Lomita Chamber represents that ETP funds will not displace the existing financial commitment to training made by the participating employers. Safety training is provided in accordance with all pertinent requirements under state and federal law.

Most of the participating employers, especially small companies, lack the resources and funding to conduct formal and structured training. The majority provide on-the-job, one-on-one training to new employees. ETP funding will allow these companies to introduce new business practices and services in order to sustain growth and remain competitive in California.

For some participating employers, this project will be an opportunity to participate in a formal training program for the first time. For other companies that may have only provided limited training in the past, ETP funding will enable them to provide a larger number of employees with a broader spectrum of skills development. Lomita Chamber anticipates employers will continue to provide training to support the ongoing implementation of new business practices and processes.

### **Special Employment Training**

Under Special Employment Training (SET), a participating employer is not required to demonstrate out-of-state competition and trainees are not required to meet eligibility standards for retraining. Job Number 4 will be funded under SET.

### **High Unemployment Area**

All trainees in Job Number 4 work in a High Unemployment Area (HUA) with unemployment exceeding the state average by at least 25%. Companies located in Los Angeles County (Compton, Hawthorne, City of Industry, Inglewood and Long Beach) qualify for HUA status and thus, qualify for the Standard Minimum Wage instead of the Statewide Average Hourly Wage.

#### ➤ Wage Modification

For trainees in Job Number 4, the Panel may modify the ETP Standard Minimum Wage by up to 25% if post-retention wages exceed the start-of-training wages. Lomita Chamber requests a wage modification to the HUA Minimum Wage of \$11.98 for these trainees.

### **Marketing and Support Costs**

Over the years, Lomita Chamber has established relationships with regional partners, community members and collaborative networks of businesses. Lomita Chamber hosts monthly meetings and uses newsletters, websites, and email communication to promote business

opportunities, procurement news, government-assisted programs, and various networking events. Lomita Chamber has four employees dedicated to marketing, recruiting, assessment, scheduling, and training; therefore, Lomita Chamber seeks full support cost of 8% to fund extensive marketing efforts to recruit additional participating employers and assessment activities of employers. Staff believes 8% support costs are justified in this proposal.

### **Substantial Contribution**

Lomita Chamber serves large and small companies, some of which may have received training in prior ETP contracts. If a large participating employer has received the benefit of training with payment earned in excess of \$250,000 within the past five years, reimbursement for trainees at the same facility will be reduced by either 15% or 30% to reflect a substantial contribution to the cost of training. Funding for any employer that has previously been assessed a substantial contribution will be reduced by 50%. Small businesses are not subject to this provision.

### **Trainer Qualifications**

Lomita Chamber reports that 70% of training will be provided by training vendor, Custom Corporate Communications. The remaining 30% will be provided by in-house staff. In-house staff are competent in the subject matter and have completed all classes required for the proficiency in each topic of training prior to delivery of training on that topic (see Training Vendor below).

### **Training Coordinator**

Lomita Chamber has designated one staff member responsible for all administrative responsibilities, including recording and tracking training. Lomita Chamber will utilize a third party vendor with ETP experience to aid in this endeavor (see Administrative Services below).

### **Tuition Reimbursement**

Lomita Chamber represents that students enrolled in the ETP-funded program will not be charged tuition, fees, or any other costs associated with training. The representation will be made a condition of the Agreement.

## **RECOMMENDATION**

Staff recommends approval of this proposal.

## **ACTIVE PROJECTS**

The following table summarizes performance by Lomita Chamber under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET15-0426	\$94,082	04/13/15 – 04/12/17	120	49	TBD

Based on ETP Online Systems, 4,288 reimbursable hours have been tracked for potential earnings of \$86,237 (92% of approved amount). The Contractor projects final earnings of \$94,082 (100% of approved

amount) based on training currently committed to by employers and in progress through to the end of the training period (11/11/15).

### **DEVELOPMENT SERVICES**

DLI & Associates LLC in San Juan Capistrano assisted with development at no cost.

### **ADMINISTRATIVE SERVICES**

DLI & Associates LLC will also perform administrative services for a fee not to exceed 10% of payment earned.

### **TRAINING VENDORS**

Custom Corporate Communications of Redondo Beach has been retained to provide up to 70% of the Continuous Improvement, Business and Computer Skills training for a fee of \$264,550.

**Exhibit B: Menu Curriculum****Class/Lab Hours**

8-200

Trainees may receive any of the following:

**BUSINESS SKILLS**

- + Business Writing Skills
- + Communication Skills
- + Sales Skills
- + Social Media Marketing
- + Project Management
- + Leadership Skills
- + Finance
- + Goal Setting
- + Managing Change
- + Performance Management Skills
- + Team Building
- + Time and Priority Management

**COMPUTER SKILLS**

- + E- Commerce
- + QuickBooks and Accounting Software
- + Search Engine Optimization
- + Social Media Networking Training
- + Microsoft Office Suite – Basic (Small Business)
- + Microsoft Office Suite – Intermediate/Advanced (Large Employer)

**CONTINUOUS IMPROVEMENT**

- + ISO Auditor Training
- + Quality Engineering
- + Six Sigma
- + Statistical Process Control Team Building
- + Lean Enterprise
- + Lean Manufacturing
- + Lean Office
- + Kaizen 7S
- + Process Improvement
- + Process Mapping
- + Problem Solving
- + Root Cause Analysis
- + Set Up Time Reduction

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.

**Participating Employers for  
Multiple Employer Contract (MEC) Retraining**

Contractor's Name: Lomita Chamber of Commerce  
Reference No: 16-0126

CCG No.: ET16-0234  
Page 1 of 2

PRINT OR TYPE IN ALPHABETICAL ORDER

Company: Alpert and Alpert

Address: 1815 South Soto Street

City, State, Zip: Los Angeles, CA 90023

Collective Bargaining Agreement(s): No

Estimated #of employees to be retrained under this Agreement: 110

Total # of full-time company employees worldwide: 203

Total # of full-time company employees in California: 203

Company: Harvest

Address: 1290 Hancock Street, #202

City, State, Zip: Anaheim, CA 92807

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 175

Total # of full-time company employees worldwide: 317

Total # of full-time company employees in California: 317

Company: Jondo

Address: 8030 E. Crystal Drive

City, State, Zip: Anaheim, CA 92807

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 40

Total # of full-time company employees worldwide: 75

Total # of full-time company employees in California: 60

Company: Ledtronics

Address: 23105 Kashiwa Court

City, State, Zip: Torrance, CA 92807

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 70

Total # of full-time company employees worldwide: 109

Total # of full-time company employees in California: 109



**Participating Employers in Retrainee  
Multiple Employer Contracts**

Contractor's Name: Lomita Chamber of Commerce  
Reference No: 16-0126

CCG No.: ET16-0234  
Page 2 of 2

Company: Par Manufacturing

Address: 9601 Jeronimo Road

City, State, Zip: Irvine, CA 92618

Collective Bargaining Agreement(s): No

Estimated #of employees to be retrained under this Agreement: 125

Total # of full-time company employees worldwide: 1,600

Total # of full-time company employees in California: 230

Company: Plastic Dress Up Company

Address: 11077 Rush Street

City, State, Zip: South El Monte, CA 91733

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 40

Total # of full-time company employees worldwide: 84

Total # of full-time company employees in California: 84

Company: Smith Cooper International

Address: 2867 Vail Ave.

City, State, Zip: Commerce, CA 90040

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 44

Total # of full-time company employees worldwide: 2,291

Total # of full-time company employees in California: 88

Company: T. Hasegawa USA Inc.

Address: 14017 East 183<sup>rd</sup> Street

City, State, Zip: Cerritos, CA 90703

Collective Bargaining Agreement(s): No

Estimated # of employees to be retrained under this Agreement: 50

Total # of full-time company employees worldwide: 82

Total # of full-time company employees in California: 74