BEFORE THE
CALIFORNIA CLEAN ENERGY JOBS ACT
CITIZENS OVERSIGHT BOARD

1516 NINTH STREET
ROSENFIELD HEARING ROOM - FIRST FLOOR
SACRAMENTO, CALIFORNIA

This meeting of the Citizens Oversight Board will include teleconference participation by one or more Board Members. (Gov. Code section 11123(b) (2).) The teleconference locations, in addition to the address above, are:

UNIVERSITY OF CALIFORNIA, LOS ANGELES
4608 GEOLOGY BUILDING
LOS ANGELES, CA  90095

THURSDAY, FEBRUARY 9, 2017
1:00 P.M.

Reported by
Peter Petty
APPEARANCES

BOARD MEMBERS PRESENT (*Via telephone and/or WebEx)

Kate Gordon, Chair
James (Walkie) Ray, Vice Chair
David Dias, Board Member
Randall Martinez, Board Member
*Chelina Odbert, Board Member
*Arno Harris, Board Member
*Mark Gold, Board Member

EX OFFICIO MEMBER PRESENT

Robert B. Weisenmiller

CEC STAFF PRESENT

Jack Bastida
Elizabeth Shirakh

ALSO PRESENT:

Hoang Nguyen, Calif Community College Chancellor’s Office
Mario Rodriguez Calif Community College Chancellor’s Office
Carlos Montoya, Calif Community College Chancellor’s Office
Bill McNamara, California Conservation Corps
Sarah White, California Workforce Development

PUBLIC COMMENT:

Rick Brown, Terra Verde Renewable Partners
I N D E X

THE BOARD WILL CONSIDER AND MAY TAKE ACTION ON THE FOLLOWING ITEMS:

1. INTRODUCTION AND ROLL CALL OF BOARD MEMBERS TO DETERMINE QUORUM. (Board Chair Kate Gordon)  

2. APPROVAL OF MINUTES FROM SEPTEMBER 22ND, 2016 CITIZENS OVERSIGHT BOARD MEETING. (Board Chair Kate Gordon)  

3. DISCUSSION AND POSSIBLE VOTE ON A CONFLICT OF INTEREST CODE FOR THE CALIFORNIA CITIZEN OVERSIGHT BOARD. The law requires that every state agency have a conflict of interest code, which identifies all agency officials and employees who make or participate in making governmental decisions. (Staff Member Jack Bastida)  

4. PRESENTATION AND POSSIBLE VOTE ON ANNUAL REPORT FROM THE CALIFORNIA ENERGY COMMISSION (Liz Shirakh, California Energy Commission)  

5. PRESENTATION AND POSSIBLE VOTE ON ANNUAL REPORT FROM THE CALIFORNIA COMMUNITY COLLEGE CHANCELLOR'S OFFICE. (Carlos Montoya, California Community College Chancellor’s Office)  

6. PRESENTATION AND POSSIBLE VOTE ON ANNUAL REPORT FROM THE CALIFORNIA CONSERVATION CORPS- ENERGY CORP PROGRAM. (Bill McNamara, California Conservation Corps)  

7. PRESENTATION AND POSSIBLE VOTE ON ANNUAL REPORT FROM THE CALIFORNIA WORKFORCE DEVELOPMENT BOARD. (Sarah White, California Workforce Development)
8. PRESENTATION AND POSSIBLE VOTE ON JOBS REPORT FROM THE CALIFORNIA WORKFORCE DEVELOPMENT BOARD. (Sarah White, California Workforce Development)

9. PUBLIC COMMENT.

Adjourn

Reporter certificate

Transcriber certificate
PROCEEDINGS

FEBRUARY 9, 2017                                  1:00 P.M.

CHAIR GORDON: Okay, hi everybody.
Welcome. I feel very far away from you all.
Welcome to the California Clean Energy Jobs Act/
Prop 39 Citizens Oversight Board meeting. Let us
call the meeting to order.

Jack, do you want to call the roll?

MR. BASTIDA: Of course.
First off, can everyone hear me online?
BOARD MEMBER HARRIS: Yes.
MR. BASTIDA: Okay.
BOARD MEMBER ODBERT: Yes.
MR. BASTIDA: Just wanted to check and make
sure of that.

Okay, call roll now.
Board Member Gordon?
CHAIR GORDON: Present.
MR. BASTIDA: Board Member Ray?
VICE CHAIR RAY: Here.
MR. BASTIDA: Board Member Kremen? No.
Board Member Harris?
BOARD MEMBER HARRIS: Yes.
MR. BASTIDA: Board Member Odbert?
BOARD MEMBER ODBERT: Here.
MR. BASTIDA: Board Member Martinez?
BOARD MEMBER MARTINEZ: Here.
MR. BASTIDA: Board Member Dias?
BOARD MEMBER DIAS: Here.
MR. BASTIDA: Board Member Gold?
BOARD MEMBER GOLD: Here.
MR. BASTIDA: We have a quorum established.
CHAIR GORDON: And welcome to the newest Board Member Mark Gold, who I have not yet met in person, but we’re glad to have you here on the phone and thank you for joining us for the oversight board, Mark.
BOARD MEMBER GOLD: Thank you. I’m sorry I couldn’t make up. I’ll make it up for the next one for sure.
CHAIR GORDON: Great. We have an item to approve the minutes from the last meeting, which was September, long time ago, September 22nd. Has everyone looked at the minutes? Do we have a motion to approve?
BOARD MEMBER DIAS: I motion to approve the minutes.
BOARD MEMBER MARTINEZ: Second.
CHAIR GORDON: Great. All in favor?
IN UNISON: Aye.
CHAIR GORDON: Anyone opposed? Sorry, aye. Anyone opposed? Any abstentions? Great, the minutes are approved unanimously.

I am going to turn to Staff Member Jack Bastida to talk to us about something we talked about last time and we tabled and held over to this meeting, which is the Conflict of Interest Code for the Board.

Jack, do you want to take that?

MR. BASTIDA: Yeah. Is it okay if I speak over here or you want me to...

CHAIR GORDON: Yes, it is.

MR. BASTIDA: All right. It’ll be easier, to control everything.

So as you probably know, each state agency has to have a Conflict of Interest Code established with the FPPC. This code is part of the Political Reform Act and it’s kind of in service to make sure that all the different designated positions are spelled out for Form 700.

Last meeting we were looking at the Conflict of Interest Code and it was expressed by Board Member Kremen to look at it a little bit in more detail, see if we can limit some of the
categories that must be disclosed by the Board Members, so we looked at that.

The Board Members are, if you look at your Page 2 here, the Board Members are designated in Position 1 Disclosure Category. What this means is that they need to disclose any investment or business positions in a business entity and source of income, which includes receipt of loans, gifts and travel payments if the business entity or source is an energy provider or energy related entity, or it has applied to receive funds from the Clean Energy Fund. They also need to disclose if they have any real property located within the boundaries or not more than two miles outside the boundaries of a local education agency school campus. This includes public school districts, individual charter schools and county offices of education. So that’s the first position which deals with Board Members.

Second position deals with our assistant general counsel and myself, the associated governmental program analyst. We have to disclose any investments, business position or business entities or sources of income from any gifts, loans or travel payments if the entity or source is the type that provides leased facilities, products,
equipment, vehicles, machinery or services,
including training and consulting services of the
type utilized by the Board.

So these disclosure categories, the first
one is a little bit more narrow than what is usually
a disclosure category for the FPPC. Last year for
your Form 700 you probably had to disclose any and
all businesses you had over a certain amount. This
is a little bit more narrow of a disclosure. We
went through with FPPC lawyers to make sure that
this is something that is in line with your duties
as Board Members for this Board.

CHAIR GORDON: Jack, members here and then
I’ll turn to the phone, questions about this or
discussion? This is narrower than the last version
we saw, so thank you, Jack, for going back and
working on that. Do we have concerns, questions?
We are going to vote on this today, so Jack?

MR. BASTIDA: Yes, just as a side comment
to have to do with the Form 700s. So I just got
trained by the FPPC as a Form 700 person, I guess,
and so I can take all your forms. I know there’s a
new e-disclosure that you can do online, do the form
online, that some members might be interested in.
You should have gotten an email from the FPPC with
your login information last month. But if you want
to do it the old fashioned way just mail me your
Form 700 and I will personally deliver it to the
building and make a copy for our records as well.

CHAIR GORDON: Jack, can you remind us of
the due date?

MR. BASTIDA: It’s April 22nd -- April 3rd,
okay, April 3rd. Maybe I’m thinking about my
anniversary. But yeah, that’s the date right there.

CHAIR GORDON: Questions, Board Members,
comments, questions, concerns?

VICE CHAIR RAY: I don’t recall receiving
email from you. Perhaps you could resend that.

MR. BASTIDA: That came, yeah, it should
have come directly from FPPC so it might have gotten
filtered out, but I can definitely forward you the
mail. I’ve already received your Form 700, Board
Member Ray, so you’re good.

VICE CHAIR RAY: Okay, I filled it out.

CHAIR GORDON: Wow. You did it without
getting the email, that’s impressive.

On the phone since there aren’t burning
questions in the room, on the phone are there
questions or concerns. We are going to vote on this
code so questions, concerns before the vote?
BOARD MEMBER GOLD: No.

BOARD MEMBER ODBERT: No question.

BOARD MEMBER HARRIS: None.

CHAIR GORDON: David, do you have a question?

BOARD MEMBER DIAS: Yeah, just really quick. It says not more than two miles outside the boundaries of a local educational agency or whatever. Is that I’m assuming air miles, correct?

MR. BASTIDA: That’s correct, yes.

BOARD MEMBER DIAS: Okay. Thank you.

CHAIR GORDON: No questions on the phone, it sounded like. Do we have a motion to approve the code?

BOARD MEMBER MARTINEZ: So moved.

BOARD MEMBER DIAS: Second.

CHAIR GORDON: Great. Do we have -- can you just call roll on this, actually?

MR. BASTIDA: Of course, yeah.

Board Member Gordon?

CHAIR GORDON: Aye.

MR. BASTIDA: Board Member Ray?

VICE CHAIR RAY: Yes.

MR. BASTIDA: Board Member Harris?

BOARD MEMBER HARRIS: Aye.
MR. BASTIDA: Board Member Odbert?
BOARD MEMBER ODBERT: Aye.

MR. BASTIDA: Board Member Martinez?
BOARD MEMBER MARTINEZ: Yes.

MR. BASTIDA: Board Member Dias?
BOARD MEMBER DIAS: Yes.

MR. BASTIDA: Board Member Gold?
BOARD MEMBER GOLD: Aye.

CHAIR GORDON: Great, the motion is approved. Thank you, everybody, for getting through that quickly. And again, thank you to staff for getting us back a clearer and narrower code.

We are moving to the meat of the agenda. Just as context for everyone in the room, I’m sure you all know this, but as you know, this Board is required to give a report every year to the Legislature on the status of the funds and the projects under the Clean Energy Jobs Act. As a part of that we request from each of the participating agencies a report to us on the progress and the status and today is our opportunity to hear from, I think all -- most -- all of those boards and programs about status, and they will be giving presentations.

We do ask that people try to limit their
presentations to 15 minutes, I think that’s what Jack asked you to do. I know that there will be a lot of questions and I’m sure that some of you will have a hard time with that but please try not to go too far over 15 minutes.

So we are going to start with the big chunk of money.

And I want to say thank you to Chair Weisenmiller for being here, too, actually, from the California Energy Commission.

So Liz, we are going to hear from you, thank you so much.

MS. SHIRAKH: So my name’s Liz Shirakh. I’m with the California Energy Commission, the Local Assistance and Financing Office of the Efficiency Division, and I’m the Program Lead for the Prop 39 K-12 Program, and for your consideration and possible approval today on behalf of the Energy Commission and Prop 39 staff, I’ll be presenting to you our second report to the Citizens Oversight Board.

Next slide.

For your information today I will present a brief overview of the Energy Commission’s report and my presentation will begin with the report overview
and moving into summary highlights of the three programs, the Prop 39 K-12 Program, the Energy Conservation Assistance Act Education subaccount, and our Bright School Program, and then wrapping up the presentation with time for questions and answers.

I’d first like to begin with the report overview.

Energy Commission staff along with other reporting agencies worked with COB staff member Jack Bastida last summary to review lessons learned from the first cycle. As a result, a more standardized report form outline was developed to provide a format consistency as well as a reporting schedule.

The Energy Commission administers three components of the California Clean Energy Jobs Act, a grant program called the Prop 39 Program, a revolving loan program, the Energy Conservation Assistance Act education subaccount program also known as ECAA-Ed, and a technical assistance program called the Bright School Program. All three programs receive funds from the Clean Energy Jobs creation fund created by Prop 39, and this report provides progress on all three programs.

This is the Energy Commission’s second
progress report to the Citizen’s Oversight Board. The report summarizes outcomes from the start of the Prop 39 K-12 Program in December 19, 2013 through the end of fiscal year 2015/16, June 30, 2016. Our first progress report to the Citizens Oversight Board covered December 19, 2013 through December 31, 2015, so it’s important to note that the second report just covers an additional six months from our first report.

Before discussing the program status it’s helpful to review the appropriations for the reporting period. This slide summarizes the 2013/14, 14/15, and 15/16 Clean Energy Job Fund appropriations for the Energy Commission’s programs.

The K-12 Program has total appropriations of nearly a billion dollars at $973 million.

The ECAA-Ed Program has total appropriations of $56 million for 2013/14 and for 14/15 fiscal years. The ECAA-Ed Program did not receive funding in fiscal years 15/16.

The first program I’d like to discuss is the Prop 39 K-12 Program that provides grant funding to install eligible energy efficiency and clean energy generation measures at K-12 schools. The Energy Commission is primarily responsible for
administering the Prop 39 K-12 Program, collecting, reviewing and approving energy expenditure plan applications.

The Energy Commission approved the first energy expenditure plans known as EEPs in April 2014, and the program has grown rapidly since. As of June 30, 2016, the Energy Commission approved $673 million for eligible energy project funding, and that’s the blue slice of the pie you see up there. In addition, $154 million has been approved for planning; that’s the pink slice.

Local educational agencies, or LEAs, request planning funds directly from the California Department of Education, so out of the total allocation of $973 million -- you can see that box at the top right of the slide -- nearly $827 million in Prop 39 funding has been approved this reporting period.

This next slide summarizes the reported cumulative spending as of June 30, 2016. for all approved EEPs, LEAs must provide an annual progress report each fiscal year. Once an EEP is completed, LEAs provide a final project completion report 12-15 months after project completion date. This report includes final project cost, estimated energy
savings, and 12 months of post-installation energy consumption data.

This slide breaks down the amount reported and spent in four categories. At the top of the slide you’ll see 52 submitted final project completion reports, and these are the reports that require the 12 months of post-installation energy usage data. These 52 LEAs reported spending $27 million of Prop 39 funding.

Going down to the next line, the white line, that’s 183 EEPs were completed, but they’re still collecting their 12 months of post-installation data, but they did report in their annual reports that they have spent $104 million.

Going down the table, 733 projects are still in construction and reported $151 million spent.

And finally, at the bottom we have energy planning funds. They reported $36.5 million reported as being spent.

So in total $318 million has been reported spent in LEAs throughout California, and that’s 38 percent of that $827 million that’s been approved this reporting period.

BOARD MEMBER HARRIS: Hi Liz, one question
on that, if I can?

MS. SHIRAKH: Sure.

BOARD MEMBER HARRIS: This is Arno Harris. Just looking at the line for EEPs still in construction, the ratio of dollars to number of projects is sort of different than the others. Is that the amount of spending to date on those projects, that’s not the total amount eligible or anticipated for those projects; is that correct?

MS. SHIRAKH: That’s correct, that’s what was reported spent to date. And again, these were as of June 30, 2016. Does that answer your question?

BOARD MEMBER HARRIS: Got it, thank you.

MS. SHIRAKH: Yes.

So I just wanted to point out that the Energy Commission did receive 99 percent of the reports due, and I wanted to acknowledge and thank both the Energy Commission and the LEAs for this high response rate, because without these annual reports and these final project completion reports we wouldn’t have data for this report.

Moving to the next slide.

This slide summarizes the totals for both the Prop 39 amounts spent and the amount approved
for this reporting period. The amount spent has nearly tripled in the last six months from $109 million reported in December 2015 to $318 million now reported in June 2016, so this is a very positive trend.

Next, I’d like to discuss the types of energy measures funded.

Each approved EEP can represent multiple eligible energy efficiency and clean energy measures at multiple school sites within an LEA. Specific types of eligible energy measures include lighting, HVAC, controls for lighting and HVAC, and other energy measures such as pumps, motors, drives, plug loads, building insulation which is like building envelope measures, domestic hot water, kitchen equipment, pool equipment, and clean energy generation or solar projects. In total there are about 40 eligible energy measures that are available in an EEP application.

So looking at the breakdown, this table summarizes the types of energy measures we’ve approved and the associated project costs with those categories.

So starting at the top, lighting represents about 50 percent of the approved energy measures.
Moving down, about 22 percent for controls, then HVAC at 15 percent. And the other categories that I mentioned in the previous slide fall under the category of other energy efficiency measures, and that’s at 12 percent.

Solar projects are about 2 percent but what’s interesting is if you look toward the right-hand column that shows the total project costs, solar projects actually account for about 12 percent of the total funding approved. And likewise, when you’re looking at HVAC, that is actually about almost 40 percent of our total funding. That’s because these projects are more expensive and they just have higher project costs.

CHAIR GORDON: Liz, have you seen any self-generation projects that are not solar?

MS. SHIRAKH: I don’t believe so.

BOARD MEMBER HARRIS: Quick question. This again is Arno Harris.

I’m just curious on the HVAC. I know that we made a recommendation and I think CEC followed up on in our report from last year. Do these numbers reflect already the changes in the return ratios that were made in that -- after that report, or is this the bought-down portion of the capital cost of
HVAC retrofits that schools are submitting to be covered by the Prop 39 Program?

MS. SHIRAKH: If I’m understanding your question, I know the Citizens Oversight Board did make recommendations last cycle to look at HVAC because some LEAs were concerned that it was hard to make the savings to investment ratio.

The Energy Commission did respond to that recommendation and we made changes to the guidelines that affected the savings to investment ratio. Specifically, getting into details of that, we changed the maintenance savings allowance from 2 percent to 3 percent, and that greatly affects HVAC because that’s basically you’re getting high efficiency HVAC you’re going to have less maintenance cost and therefore it was justified to increase that maintenance savings.

Those changes were done in July 2016 and again, this reporting period is through June, so those changes would not be reflected in these numbers. Does that answer your question?

BOARD MEMBER HARRIS: Got it. Yeah, so this is under the original program rules. Yes, that’s very helpful, thank you.

MS. SHIRAKH: Yes.
VICE CHAIR RAY: I have a question as well. My understanding is that the lighting and the controls are fairly easy to accomplish and in fact very possibly most schools now have pretty much exhausted their savings by doing those two things. Are we going to be able to meet our return formulas given that the future may portend a higher percentage of the other mechanisms?

MS. SHIRAKH: Well, we are seeing a lot of lighting projects still coming in, and later on my slide presentation you will see that the savings to investment ratio is trending up, which is meaning we are saving beyond $1 for every dollar we’re spending.

I don’t have a crystal ball but I feel confident that we will continue to get projects that meet the savings to investment ratio.

I do say I’ve been tracking these trends from the very beginning, and it seems like we have been about 50 percent lighting from the beginning of the program, so I’m seeing a consistent trend. I have not seen that go down.

VICE CHAIR RAY: Okay.

MS. SHIRAKH: Okay. So just wanted to finally on this slide point out we’ve funded through
June 30, 2016 about 13,000 energy efficiency measures and that covered about 3500 school sites.

This next section of the Prop 39 K-12 presentation is accomplishments, and this is my favorite slide because it’s pictures of real photos from Prop 39 K-12 projects, and these are photos that were provided to the Energy Commission in final project completion reports by the schools, and this is just a small representations of the thousands of energy measures being installed throughout California as a result of this program.

This slide shows the cumulative summary of the final project completion reports in the two reporting periods. Looking at the right-hand column, that’s this reporting period, 52 completed EEPs represent about $27 million in Prop 30 grant funds. The reported annual savings for these completed projects is 13,000 megawatts and over 54,000 therms. The reported energy savings is equivalent to the annual energy consumption of 2,053 homes, with total annual energy cost savings of $2.4 million.

It’s also important to note the savings to investment ratio, or the SIR, that’s the line at the very bottom of this chart. This means for every
dollar of Prop 39 dollars invested, $1.44 will be saved over time. And this is important because the statute requires that a project be cost-effective with total benefits greater than project cost over time.

Most of the 52 LEAs with completed energy projects experienced a decrease in energy use intensity, also known as EUI. The EUI is a metric that measures the annual rate of energy use per square foot of building space per year. It can be compared to mileage per gallon used to measure vehicle fuel economy.

Overall, the group of 52 LEAs saved 18.9 thousand btus per square foot, and this is calculated by comparing the 12 months of energy use data reported on an EEP application to the 12 months of post-installation energy use that’s reported on the final project completion report.

Now I’d like to briefly touch on a few of the other accomplishment of the program.

As promised, the Energy Commission initially launched the program, we continued to identify program improvements, and since the guidelines were originally adopted in December 2013 there have been three guideline revisions.
In June 2014 the first revision changed charter school eligibility, making it easier for charter schools to participate in the program.

In December 2014, just six months later, new revisions modified the savings to investment ratio for all LEAs.

And in July 2016, in response to the Citizens Oversight Board report to the Legislature, additional modifications to the sir were made through guideline revisions.

Next slide.

Another accomplishment I’d like to highlight is the publicly searchable database launched June 30, 2016. This database is simple to use, interactive, and provides quick searches for K-12 projects and community college district program projects. It was designed to provide information on a school site level through several ways for the public to view detailed program information, and this is available on our Prop 39 web page.

Another publicly available database is the State of California’s Climate Investment Map. Six statewide program topics are showcased, including clean energy programs, and the Prop 39 K-12 Program is represented in purple. With each Prop 39 funded
school site, a purple dot, and as you can see, purple dominates the map.

On this next slide I’ve zoomed in to highlight the Los Angeles basin area, and when you click on a purple dot the school site, Foothill High in this example, provides project information including estimated energy savings.

This database is also searchable by assembly and senate district or by address or by city. Program information is updated weekly and we also include our ECAA loan projects in this database.

As with any program, there are challenges. The biggest challenge is getting all LEAs to submit an energy expenditure plan to receive funding, and the following slides highlight this challenge.

The encumbered state of June 30, 2018 is the first challenge. To help illustrate how this date affects the program, I’ll discuss a few dates on a program timeline, showing the encumbrance date limits the use of funding in the final 2017/18 fiscal year.

To best manage the program and ensure LEAs have time to complete all the steps necessary to encumber funds by June 30, 2018, the Energy
Commission established an EEP due date of August 1, 2017. This is the final date a school can submit an EEP application to the Energy Commission. This deadline effectively shortens the program by 11 months.

This deadline poses another challenge. The California Department of Education announces the yearly allocations each October with an August 1st deadline. LEAs will now need to submit their applications two months before that October 2017 allocation announcement.

So to summarize, the necessary final EEP due date of August 1, 2017, shortens the program by 11 months, and to complicate the issue further, LEAs won’t have their allocations until October, two months after the application due date. This most likely will result in a high volume of EEP amendments due to project change orders, creating additional work for both LEAs and the Energy Commission.

BOARD MEMBER HARRIS: Quick question on this one.

MS. SHIRAKH: Yes.

BOARD MEMBER HARRIS: I believe in our report last year we highlighted this issue, maybe
not with this degree of specificity but that the end of the program would create a challenge for deploying funds.

Kate, I wonder if maybe we should either take time today or put on the agenda for our next meeting before we issue our report that we may want to underline this point in our report to the Legislature and advocate more strongly for some sort of continuation of the program.

And I guess the question I would have is that date’s coming up in 2017. Can the Legislature, is it a simple enough fix to merely extend dates that the Legislature could do it in a timeframe that would not result in the deadline hitting LEAs that are applying for the program.

CHAIR GORDON: I think we do have one more meeting before we have to submit our report to the Legislature. We’re hoping that the next meeting will be the meeting where we really have an in-depth discussion of recommendations, which is the most important section to some extent from this Board in the report where we actually provide our own recommendations based on what we’ve been hearing.

I’m hoping that today as we’re listening we will do what you’re doing, Arno, and to highlight
areas that we should focus on next meeting, and then
come to the next meeting with sort of a set and use
that as a time to narrow in on what we want to
recommend. But let’s keep our ears open for this
kind of thing because it’s clearly an issue. So
thank you for outlining it as clearly as you did.

Liz.

BOARD MEMBER HARRIS: Indeed. Thanks,
Kate.

CHAIR GORDON: And I’m sorry to your second
point. Jack, let’s work on as these come up you and
I can talk about some of the background kind of
information we need to know coming into that next
meeting about legislature timeframes, etcetera.

MR. BASTIDA: Okay.

MS. SHIRAKH: Okay, next slide.

Another challenge is the LEA participation, especially charter school participation. The Energy
Commission has continually provided extensive
program communication, outreach and education
through webinars, workshops, conference
presentations, press releases, blog posts, listserve
announcements, direct phone calls, direct mail, and
public meetings. Although these widespread efforts
we have facilitated increased LEA participation, yet
challenges do remain. The program is more than halfway through the funding period, yet fewer than half of the eligible 2,136 LEAs have requested project funding. If this trend continues there will be funding remaining at the end of the program.

As you can see from this slide, charter schools are not participating at the same rate as public school districts. As of June 30, 2016, 838 or 74 percent of charter schools were not participating. In comparison, only 37 percent of public school districts had not yet submitted an energy expenditure plan.

Next slide.

Charter schools have unique characteristics that prevent their full participation. Some of the challenges are that many charters are housed in privately leased facilities. Some charters are virtual charters with no buildings at all. Some charters have very few facilities with potential energy savings projects. And another challenge is that many charter schools do not have the staff resources to pursue facility improvements.

Other challenges that apply to all LEAs are that certain areas of California have low electric
rates which make it difficult to identify cost-effective energy projects.

And finally, small public schools, just like small charter schools, have such small facilities they are not able to identify eligible energy measures that use their entire allocation.

BOARD MEMBER GOLD: I have a question before you jump ahead.

MS. SHIRAKH: Yes.

BOARD MEMBER GOLD: This is Mark Gold, and sorry if you’ve addressed this in a previous meeting, I apologize being the new kid on the block.

But has there been an analysis by the CEC at this point of looking at what the spacial distribution is of who has applied and received funds and whether or not there are some specific areas or gaps geographically that might be, you know, in Title 1 school districts or the like that just haven’t gotten their act together for one reason or another to really apply? Or also, in some areas that might have really old schools which would probably be more energy inefficient but just haven’t done the work to submit the applications? Have you looked at that sort of from the big picture for the state as a whole?
MS. SHIRAKH: Yeah, we’ve actually done a lot of slicing and dicing of the LEAs that are in the program. We’ve looked at them by the type of LEA, like what you saw, charter school, public school, office county of education.

We also look at them by size and we call that tier, so if you have a school that has average daily attendance of 1 to 100, they get a certain amount of money. And then there’s four different tiers in this program, the fourth tier meaning very, very large school districts or large charter schools.

We’ve also looked at the participation and the LEA distribution geographically, looking at counties and as well as looking at LEAs, looking at a disadvantaged community or disadvantages LEA metric, looking at the free and reduced priced meals versus the average daily attendance.

So there are just lots of different ways to slice and dice this and we continue to hone in on our outreach and education based on, you know, what we’re seeing in these numbers.

Another thing we are doing is reaching out to, for charter schools for example, reaching out to the associations, the California Charter School
Association and the California Charter School Development Association, getting their support in trying to reach their members.

BOARD MEMBER GOLD: Thank you, I greatly appreciate that. In looking at, though -- I can’t remember what the exact number is, but if you have, you know, 60 percent of the eligible LEAs that have applied, then 40 percent haven’t, and just especially looking at those LEAs that have a history of energy inefficiency that you can look up with the data you have, or higher energy use or they’re in disadvantages communities or, you know, have those districts been identified and then you proactively do whatever you can to really try to get them into the system and apply before the money runs out?

MS. SHIRAKH: We definitely have, and one of the things I’d like to mention. You have mentioned looking at schools that might have older facilities or haven’t done energy efficiency, and one of the challenges in California is that there isn’t a school building inventory, so we can’t go to California Department of Education and say can we have the list of school buildings that were built prior to, you know, 1920. There is no such list, and so that is a challenge in California.
BOARD MEMBER GOLD: You literally would have to go county by county and look at institutions is the only way to really get that done?

CHAIR GORDON: Mark, this is Kate, and it is something we’ve talked about before but it’s a really good point to potentially bring up also in our recommendations. There’s no inventory of buildings so we don’t even know the number of specific buildings that are in the school community in California.

We know the number of districts, we know the number of sites, we don’t know the number of buildings, we don’t know the age, we don’t know the maintenance history, we don’t know the energy history unless they’ve applied for the program, so that is an issue that’s come up a couple of times in meetings over the last year as a real challenge when it comes to needs based outreach for the program.

VICE CHAIR RAY: Have you checked with DSA?
CHAIR GORDON: They didn’t have it.
VICE CHAIR RAY: They don’t?
CHAIR GORDON: Doesn’t exist.
BOARD MEMBER GOLD: I was just --
CHAIR GORDON: Walkie asked if we checked with the Department of State Architecture, and we’ve
-- this was an issue that came up repeatedly actually during the legislative discussions and the guideline implementation of Prop 39 and there is no inventory.

BOARD MEMBER GOLD: Okay. Well, for whatever it’s worth and maybe this is for a later discussion, and we’ve been talking to CEC about this for years.

So we have a faculty member here who has been asking for data and receiving data from some of the major IOUs and even DWP here in the L.A. Region, so she’s covered most of southern California. It’s not the most current of data but from the standpoint of looking at literally parcel by parcel data so you can identify the schools and see what the energy use was over time.

And she’s also gone to the planning departments etcetera to get the information on the buildings to get building age, so we have a lot of that for southern California, or we have the potential to extract a lot of that, so that just might be something to consider moving forward, just to give you an FYI.

CHAIR GORDON: Thank you, Mark.

BOARD MEMBER GOLD: Okay, thanks.
CHAIR GORDON: And we will talk about this at the next meeting for sure, I’m sure it will be one of the topics that comes up.

BOARD MEMBER GOLD: Okay. Thank you.

MS. SHIRAKH: Okay. So I’m just about ready to move to our next program.

Next slide, please.

CHAIR GORDON: And Liz, you get extra time because you have so many programs.

MS. SHIRAKH: Thank you.

The second program the Energy Commission administers if the Energy Conservation Assistance Act education subaccount, also known as ECAA-Ed. This financing program is a revolving loan program that provides zero percent loans to K-12 LEAs and community college districts for energy efficiency and clean energy generation projects.

Next slide.

ECAA-Ed received $28 million in both fiscal years 2013/14 and 2014/15 for a total of $58 million. No funding was allocated in fiscal year 2015/16.

Also included in this slide is funding from our Bright Schools Program. Public Resource Code authorizes the Energy Commission to set aside 10
percent of the job creation fund for school technical assistance to identify Prop 39 energy projects. Therefore, Bright Schools Program received just over $5.5 million of the $56 million. Next slide.

No, we’re on the right slide. I can’t see, it’s so far away.

As of June 30, 2016, 29 ECAA-Ed loans were approved by the California Energy Commission. This represents $46.4 million.

ECAA-Ed loan recipients request loans on a reimbursement basis based on invoices submitted to the Energy Commission. For this reporting period recipients requested and received $23.9 million in funds. Of the 29 approved loans, 10 have completed projects. One of the 10, and that’s the first one on the top of the table, has submitted a final project completion report. The remaining 19, the last line, are loans that are still in the construction phase.

Like Prop 39 grant program, the ECAA-Ed loans fund energy efficiency and clean energy generation projects. Each loan can represent multiple eligible measures, and of the 29 loans, 5 loans have funded energy efficiency measures only, 7
loans funded solar projects, and 17 loans funded a combination of solar and energy efficiency projects.

CHAIR GORDON: Liz, I was going to ask about default rates, but am I right that you don’t know yet about repayment and potential default because the projects aren’t done yet?

MS. SHIRAKH: For this particular program, for the ECAA-Ed, that is correct. We have 10 completed projects but to my knowledge, we’re good. No defaults.

CHAIR GORDON: No defaults. Okay, thank you.

MS. SHIRAKH: Okay. Moving to the third and final program administered by the California Energy Commission is the Bright School Program. Again, this falls under the ECAA-Ed Prop 39 funding. The Bright School Program assists LEAs in identifying energy savings projects in existing school facilities. The program provides a range of technical assistance services, including energy audits, third party proposal review, and professional engineering support activities.

Energy Commission through a competitive contract solicitation selected prime contractor and a team of professional energy engineers to provide
technical assistance and support. As of June 30, 2016, of the $5.6 million allocated to the program, $5.5 million had been encumbered in technical assistance contracts. The remaining $91,524 were reallocated to the ECAA-Ed loan program. Total expenditures for this reporting period is $2.3 million.

The Bright School Program provided technical assistance to 119 LEAs and community college districts, identifying energy measure opportunities at 260 school sites. These energy measure recommendations represent an estimated annual electric savings of nearly 22,000 megawatts and natural gas savings of over 260,000 therms, with total estimated energy cost savings of more than $3.6 million. The identified energy measures would require an investment of more than $53 million with potential utility incentives of nearly $2 million.

In conclusion, the Energy Commission looks forward to the program’s continued growth and partnership with LEAs and the Prop 39 interagency group and program stakeholders to deliver a strong program connecting job creation through energy efficiency and clean energy project installations.

And this concludes my presentation. Thank
you so much for your time, and I’d be happy to answer any additional questions.

CHAIR GORDON: Thank you so much, Liz, and thanks to the CEC for all of the work you’ve done on this large number of projects and reports, so thank you.

Let’s turn to questions.

BOARD MEMBER HARRIS: Can I ask one question?

CHAIR GORDON: Go ahead.

BOARD MEMBER HARRIS: The eager one on the phone.

CHAIR GORDON: That’s Arno, I assume.

BOARD MEMBER HARRIS: Yes.

If we go back two slides, I just want to make sure I understand some of the numbers that were presented there. There we go.

The $3.6 million in utility cost savings, that’s the annual anticipated savings?

MS. SHIRAKH: Yes, these are anticipated savings estimated savings if these recommendations were installed.

BOARD MEMBER HARRIS: Got it. Okay.

MS. SHIRAKH: Because again, this program identifies potential projects, and you see a report
cover on there. What schools do then is they can use these recommendations, put that into an energy expenditure plan and apply for funding through the Prop 39 K-12 Program.

BOARD MEMBER MARTINEZ: That’s actually my question as well. So we’ve identified $53 million worth of projects. Do we have any way of tracking whether or not those projects have applied for or have come to fruition, or will come to fruition?

MS. SHIRAKH: I don’t have the numbers of how many of these schools have actually applied to our program. I know we are working on the ones that still have not.

Do you have a number? Sixty-one of them still have not applied to the program, and we are doing outreach, encouraging them to submit.

We’ve actually extended or added to the tasks of our technical assistance contract and now offer LEAs that have gone through and have a Bright School Program services to actually complete that energy expenditure plan so we can get this into the program.

BOARD MEMBER MARTINEZ: Thank you.

MS. SHIRAKH: You’re welcome.

CHAIR GORDON: Walkie.
VICE CHAIR RAY: I think I know the answer to this question, but do religious schools whose religious component is de minimus, is there a logic whereby they would qualify? They’re nonprofit.

MS. SHIRAKH: Right now we are really focusing on public schools that are eligible for Prop 39. In the past we have funded nonprofit schools with the Bright School Program, but right now it’s targeting public school districts.

VICE CHAIR RAY: So there’s been a conscious decision not to serve religious schools.

MS. SHIRAKH: Because this money is focused for public school districts and the intent of Prop 39, you know, we have a list from CDE of schools that are eligible for the program, and if those schools are not on the list of eligible LEAs then at this point in time we have not been funding them.

To be honest, I don’t think we’ve -- I’m remembering back in history prior to Prop 39, I believe I remember one Catholic nonprofit school coming through the Bright School Program.

CHAIR GORDON: The legislation allocates the money to public schools so CEC doesn’t have the ability to go outside those boundaries.

MS. SHIRAKH: Thank you.
CHAIR GORDON: Charter school question. On your slide about charter schools, clearly we talked about this last year too, the charter schools not having the same participation rates as the public schools.

Do you have any idea -- you brought up some good points about some of the barriers to charter schools. Do you have any idea like what percent of that number of charter schools rent their facilities and/or are virtual and/or -- you know, the things that you brought up, I’m just wondering what the actual number is of eligible charter schools versus the number of charter schools in California.

MS. SHIRAKH: It’s my understanding through conversations with the California Charter School Association that 43 percent of charters are in leased facilities, so that’s a very large number.

CHAIR GORDON: Of your number here on this chart, whatever page that is -- yes. Of that number of schools, which is -- now I can’t see it. I know it’s up there but I can’t read that.

VICE CHAIR RAY: 1222.

CHAIR GORDON: 1222. So of that number you’re saying 43 percent of those are in leased facilities?
MS. SHIRAKH: Yes.

CHAIR GORDON: I’m wondering if we could somehow make that clearer, because what I worry about is that the impression presented by this slide is that there’s somehow -- it’s sort of a misimpression because those who are leasing their facilities are not likely to be coming in for a program to fix the facilities which they don’t own, it’s the owner/renter problem. It might be useful to be able to just sort of maybe do a dotted line or a shading or something to show which of those are actually eligible for the program versus all charter schools.

MS. SHIRAKH: I have learned that through conversations. We’re actually working with the California Charter School Association to get exact counts, which ones of these are in leased facilities and which ones not. But I think what I hear you saying is make a modification to the report; is that what you’re suggesting?

CHAIR GORDON: I’m not suggesting something to hold up the report approval because we’ll see other questions come up. I’m mostly saying I think for our report to the Legislature I would like to be able to say something intelligent about the number
of charter schools that are actually eligible for
this money and it would be good if you would
consider doing that investigation can you tell us
about that and can we discuss potentially doing some
kind of a small amendment to that chart that
wouldn’t require another vote?

MS. SHIRAKH: Absolutely.
CHAIR GORDON: Questions, David. One the
phone, Chelina, Mark? Walkie?

VICE CHAIR RAY: I know of a charter
school, a very, very successful charter school in
Santa Ana in a Title 1 area that operates in a
leased facility, it’s leased from the Santa Ana
Unified School District.

Now, it seems to me that that kind of a
lease or a lease on a facility for a long term,
maybe 10 years or more, should somehow qualify the
charter school for these funds.

MS. SHIRAKH: Let me clarify that.
Charters in leased facilities are certainly eligible
for the program, they’re not ineligible to
participate.

I think the challenge becomes if you are in
a leased facility and someone owns the building,
there’s not a great incentive to apply to the
program.

But in the situation where we have charter schools that are in publicly leased facilities, often the public school district -- for example, Los Angeles Unified School District is working with their charters that are in public facilities helping them identify their projects and kind of moving these energy applications along. The challenge, though, is it depends on the relationship with the public school district and the charter.

Does that make sense?

VICE CHAIR RAY: I’m sorry, I don’t understand, I’m slow.

MS. SHIRAKH: So no, the way the structure of this program works is that each charter has to submit their own application, and so if they’re in a public school district, that school district can’t actually submit an application for them, so they have to work in partnership, and I think sometimes that might be a challenge.

VICE CHAIR RAY: You mean the charter school would have to submit the application together with the public school that owns the facility?

MS. SHIRAKH: The charter school submits the application to the Energy Commission.
VICE CHAIR RAY: Right.

MS. SHIRAKH: But because they’re leasing the public school district facility, they need to be working in coordination with that public school district.

VICE CHAIR RAY: Why? Why?

MS. SHIRAKH: Because the public school district owns the building, it’s their building.

VICE CHAIR RAY: I know, but if the charter school is putting new efficient LED lighting in, the school district is going to be delighted.

MS. SHIRAKH: And that’s great. And when we have charters that come in on their own and do that, that’s awesome. That’s fantastic. I’m just saying that sometimes in leased facilities there may be less incentive to take the time to apply to the program.

VICE CHAIR RAY: I sensed that a leased facility didn’t qualify, so --

MS. SHIRAKH: No, leased facilities definitely qualify.

CHAIR GORDON: That was my mistake, I’m sorry, I used the word ‘eligible’ and I shouldn’t have used the word ‘eligible.’ What I actually meant was it would be good to know the -- yeah,
there’s disincentive in some of these cases with short term leases in particular. So I’m sorry about that, that was probably my fault.

VICE CHAIR RAY: Well, as a suggestion, you might engage in outreach to charter schools in leased facilities as I know they too would like to see energy efficiency.

MS. SHIRAKH: Yes, yes.

CHAIR GORDON: Questions on the phone? Arno, any burning follow-up questions? Mark, Chelina?

BOARD MEMBER ODBERT: None.

BOARD MEMBER HARRIS: None.

BOARD MEMBER GOLD: I’m good.

CHAIR GORDON: Are we ready for a motion to -- what we’re moving, just to be clear, we are voting today on whether to accept this report as our input to the report that we’re giving to the Legislature. I would propose that we make that motion in a way that allows for small modifications of things like charts or fonts or, you know, subheads and not have to have another vote, so I would love it if we could get a motion that allowed for that.

BOARD MEMBER MARTINEZ: So moved.
VICE CHAIR RAY: Second.

CHAIR GORDON: Perfect. Can we do a roll call on these just because I can’t see everybody?

MR. BASTIDA: Yes.

Board Member Gordon?

CHAIR GORDON: Yes.

MR. BASTIDA: Board Member Ray?

VICE CHAIR RAY: Yes.

MR. BASTIDA: Board Member Harris?

BOARD MEMBER HARRIS: Aye.

MR. BASTIDA: Board Member Odbert?

BOARD MEMBER ODBERT: Aye.

MR. BASTIDA: Board Member Martinez?

BOARD MEMBER MARTINEZ: Yes.

MR. BASTIDA: Board Member Dias?

BOARD MEMBER DIAS: Yes.

MR. BASTIDA: Board Member Gold?

BOARD MEMBER GOLD: Yes.

MR. BASTIDA: The motion is adopted.

CHAIR GORDON: Motion is adopted. Thank you. And can I just say thank you -- we should have said this earlier -- but to Jack Bastida for being very proactive about coming up with a standardized approach for these reports last year, but also to all of you for getting reports in on time because it
just makes this whole process so much easier and we’re able to absorb the information and talk about it and understand it, so makes it a lot smoother, so thank you, Liz and everyone, Chair Weisenmiller and everyone at the CEC.

All right. Moving on to the California Community College Chancellor’s Office, the next report, and Carlos Montoya is here to present.

MR. NGUYEN: I’ll be talking in Carlos’s stead.

CHAIR GORDON: And just tell us your name and your role, if you would.

MR. NGUYEN: Okay. Good afternoon. I’m Hoang Nguyen from the Chancellor’s Office. With me today I have Mario Rodriguez, the Vice Chancellor Finance and Facilities Planning, and of course, Carlos Montoya, the Director of Facilities Planning.

Thank you for giving us the opportunity today to tell you about our success with the Prop 39 Program and of course take into consideration the approval of our report here.

The Chancellor’s Office Prop 39 Program carried out the initial success from year one into years two and three, which are reported here, through the partnership with the IOUs and our
consultant, Newcomb Anderson and McCormick. We assisted the districts through the planning process all the way up until the completion of each project. We are currently working with our partners to work on year five, the planning of it.

So the report that we have here today consists of years two and three of the program for the facilities program side of the house. Workforce and economic development is only reporting year two, which I’ll explain why later on.

For the funds used by the districts for the facilities program for years two and three, of the $64.2 million allocated we have $2 million unencumbered remaining.

We had 254 projects closed out that equated to $54.9 million in total project costs, which was able to save 30 million kilowatt hours, 316,000 therm savings, for a total of $4 million in energy cost savings.

The incentives paid back to the districts was a little under $6 million.

The direct job years that were produced from these projects was 300 and a little over 8 trainee job years.

So the energy saved from these 254 projects
from years two and three would be able to power over 5,000 homes.

The lighting projects are still the most prominent projects out of the loading order. They take over 60 percent on average between years two and three. HVAC projects come in second, averaging slightly above 17 percent, followed closely by the control type projects, which also average on the lower end of 17 percent, followed by the remaining projects around 1 percent each.

For in-progress projects we have 481 projects that equated to $110 million in total project costs. These projects are estimated to save 44.7 million kilowatt hours, 1.3 million in therm savings, for an estimated $7 million in energy cost savings. The incentives paid back to the districts is estimated to be around $9.6 million.

The direct job years that will be produced from these projects is 605 and estimated at 16 trainee job years.

CHAIR GORDON: Quick question while we’re on this.

MR. NGUYEN: Yes.

CHAIR GORDON: We’re just looking at the chart on Page 11 of the report that shows lighting
and HVAC and the other.

MR. NGUYEN: Um-hmm.

CHAIR GORDON: There’s only one solar project and I’m just interested in your thoughts on why there aren’t more self-generation projects. In general what do you attribute that to?

MR. NGUYEN: Mainly attribute it to a whole lot of lighting projects on district emphasis. They started off with parking lots and the outside of the campus. Now they’re working on the actual buildings themselves on the interior, so lighting projects, unless they’re really good districts where they’re practically energy efficient like the one here which came from San Mateo, they didn’t really have a chance to start on them yet.

VICE CHAIR RAY: Do you think that by and large the junior colleges have now upgraded their lighting?

MR. NGUYEN: I do.

VICE CHAIR RAY: So the hit -- I got to be careful of the way I use words from my profession -- the bump from going to LED is not -- we’re not going to have that in the future.

MR. NGUYEN: I don’t believe so unless there’s some new technology out there that vastly
improves it over LED.

VICE CHAIR RAY: And what about controls, HVAC and lighting controls, have you mostly done that?

MR. NGUYEN: Not at all. Right now they’re trying to bundle lighting with HVAC to meet the SIR rating.

VICE CHAIR RAY: Do you think it’s going to be increasingly difficult to meet the SIR rating given lighting will not be available?

MR. NGUYEN: Well, right now we still have interior lighting for the buildings, so they’re working on that.

VICE CHAIR RAY: You’ve got how many -- you’ve got three years left before you exhaust that?

MR. NGUYEN: We’re working on the last year and a half of the program itself. The last time we talked with the IOUs and our consultant and districts, which is part of our partnership, they said some districts still have lighting projects for their buildings left over, so it’s in progress.

MR. RODRIGUEZ: I’m Mario Rodriguez, I could try to help maybe answer your question.

So I think Hoang, everything he said is correct so far in the fact that our districts
initially have primarily focused on the lighting and the controls as opposed to self-generation. That has to do not with just by chance, that has to do with that’s what our office has suggested as a loading order for the colleges, so before they start focusing on self-generation, take care of the efficiency side as much as possible, lower your bill before you start developing self-generation projects.

VICE CHAIR RAY: Well, self-generation has a very low return on investment, generally speaking.

MR. RODRIGUEZ: That’s partially why it’s also in the loading order that it’s in toward the end as well. So Hoang is also correct when he’s stating that initially they’re starting on the outside of the building and they’re moving toward the inside of the building.

The longer this program goes on, the less lighting projects that are still available. But I think the question you were asking was possibly trying to get at when is that year, and I think for us it’s very difficult for us to tell besides stating the fact that I just stated, which is you’re right, that the longer this project goes on the less of those lighting projects that are available, and
so we’re in year four, almost heading toward year 
five of potentially a five-year program, so if this 
extends out to ten years maybe we won’t have as many 
lighting projects anymore, but we think if it’s a 
five-year program we feel pretty confident that 
we’ll be able to maintain the savings to investment 
ratio and get the projects done in a timely manner.

VICE CHAIR RAY: Thank you.

MR. NGUYEN: Continuing on from in-progress 
projects. The energy estimated to be saved from 
these 481 projects will be able to power over 8800 
homes.

Moving on to workforce and economic 
development. They are currently only reporting year 
two for this report. This is due to their program 
which uses a grant application process which 
districts apply for, so this creates a longer cycle 
starting at year one.

So workforce and economic development are 
looking into expediting their program possibly by 
simultaneously going through all their remaining 
funding years.

For year two workforce and economic 
development received 12.8 percent of the total $37.9 
million, which resulted in $4.8 million for them to
create and improve curriculum, provide professional
development for faculty and support for regional
collaboration, developing partnerships and networks
for continued success for their students and
faculty. With that money more than 5000 students
completed degrees and certificates in year two; 700
of those students completed with an AA or an AS
degree; over 2000 completed a certificate and over
2500 with an industry or apprenticeship certificate.

CHAIR GORDON: Sorry, just on this, do you
have any sense of job placement numbers?

MR. NGUYEN: That I do not have. I’ll have
to ask WED for that.

CHAIR GORDON: That would be great to know
just for our overall understanding of how the
program is working.

MR. NGUYEN: Okay, I’ll ask them.

So in conclusion, our office is currently
working with districts for year five funding so they
can get started on their project list. With the
initial (inaudible) preliminary budget we sent out
an estimated allocation to the districts so they
could get started working on it with the IOUs and
our partners, NAM. Once the final budget comes out
in June, we’re expecting all the applications to
come in so that districts can get started in July
and August, so that way they can complete the
projects within the specified timeframe.

So our goal here is to continue the
momentum that we had from year one and finish out
this final year.

And that concludes my presentation.

CHAIR GORDON: Thank you. We’ll go to
discussion.

Yes, David.

BOARD MEMBER DIAS: Who are the incentive-
owned utilities?

MR. NGUYEN: They’re entities known as
PG&E.

BOARD MEMBER DIAS: Don’t you mean
investor-owned, then?

MR. NGUYEN: Yes.

BOARD MEMBER DIAS: It says “Incentive.”

CHAIR GORDON: Which page is that?

BOARD MEMBER DIAS: All through this thing.

CHAIR GORDON: Oh, typo, sounds like.

BOARD MEMBER DIAS: I was confused.

MR. RODRIGUEZ: Yeah, our apologies.

Someone must have done a find-and-replace on the
document. We’ll double check that when we get back
to the office.

BOARD MEMBER DIAS: I was wondering how an incentive owned a utility. Sorry.

MR. RODRIGUEZ: The investor-owned utilities provide incentives, that’s how it’s supposed to work. So our apologies.

BOARD MEMBER DIAS: Okay, no problem.

Thank you.

CHAIR GORDON: Good catch, David, thank you.

Questions from here or on the phone on the California Community Colleges report?

Arno, is that you?

BOARD MEMBER HARRIS: Yeah, I was just going to say I had the same question on the IOUs but I have no other questions, thank you.

CHAIR GORDON: Other questions on the phone.

BOARD MEMBER GOLD: No. No questions. You asked the solar question which was my question as well, so we’re good.

CHAIR GORDON: Great. I have one more question which actually goes to some of the earlier discussion.

So we know from the past couple of years
that the community colleges obviously run this program from a very centralized way, right, from the Chancellor's Office.

MR. NGUYEN: Correct.

CHAIR GORDON: Do you have a sense of -- did you map out the five years? Like do you have a sense of where the money will go through the end of the program? Because you’re running it all centrally and you have a good amount of communication with your districts.

MR. MONTOYA: Hi, this is Carlos Montoya. Not really. Our districts every year go in through a planning process so right now we’ve actually done a call for projects for year five, and so we will know, I think by April 1st is our deadline, of what we start to anticipate in terms of projects for year five.

When we originally started the program we thought, well, we ran it as five one-year programs where we were trying to get projects and funding out each and every single year, and we built it on the strength of an existing partnership with the investor-owned utilities that we’ve had in place since 2006.

So for us, when this program came into
place it was actually providing us additional
funding on top of a program that we were already
starting to work with our districts. Since we do
have 72 semi-autonomous local districts, so the
startup and coordination is usually kind of a heavy
part of the process so we were just lucky to have
that ahead of time.

CHAIR GORDON: Got it. Thank you, that’s
helpful.

Other questions? Any other questions in
here? All right, we should move to a motion with
the same caveat -- especially since we found a typo
already -- the same caveat as the last time
regarding grammar/other small changes. Is anyone
willing to make that motion?

BOARD MEMBER DIAS: So moved.

BOARD MEMBER ODBERT: So moved.

CHAIR GORDON: Oh, we had two of them, so
Chelina, I’m going to go with you since you haven’t
moved anything yet.

BOARD MEMBER DIAS: Second.

CHAIR GORDON: Great. Can we do a roll
call please, Jack?

MR. BASTIDA: Of course.

Board Member Gordon?
CHAIR GORDON: Yes.
MR. BASTIDA: Board Member Ray?
VICE CHAIR RAY: Yes.
MR. BASTIDA: Board Member Harris?
BOARD MEMBER HARRIS: Yea.
MR. BASTIDA: Board Member Odbert?
BOARD MEMBER ODBERT: Yes.
MR. BASTIDA: Board Member Martinez?
BOARD MEMBER MARTINEZ: Yes.
MR. BASTIDA: Board Member Dias?
BOARD MEMBER DIAS: Yes.
MR. BASTIDA: Board Member Gold?
BOARD MEMBER GOLD: Yes.
CHAIR GORDON: Great, so moved. Thank you, everybody. I like how we keep switching between aye and yes and we got a yea this time, that was good. We keep coming up with new ways of saying that. This is great, thank you. Thank you so much, Community Colleges.
MR. NGUYEN: Thank you.
CHAIR GORDON: You guys have done a great job of organizing these programs.
Moving to a presentation from the California Conservation Corps, Bill McNamara is here.
Hi, Bill.

MR. McNAMARA: First of all, I wanted to say thank you very much for inviting us to present today, it’s always a pleasure to see you all.

There are two forms of this. My name is Bill McNamara, I’m the Director of Energy Programs of the California Conservation Corps.

There are two forms of the presentation. There’s the slide set that I sent and also a more detailed text oriented version, although my slide presentation has a lot of text as well, which is the actual report itself.

So I wanted to start out by -- first slide.

We just wanted to start out, especially since we have at least one new Board Member, to give a little context of who the CCC is and what we actually do, that sort of thing, before we get into what it is we’ve actually accomplished.

So the Conservation Corps is a state agency, part of the Natural Resources Board, and its function is in the sense of workforce development and work/learn programs to assist young adults between 18 and 25 throughout California and also returning veterans up to 29.

So in that regard the CCC has within its
organization a separate, well, an operational group called the Energy Corps that was founded in 2013. So the design of what we’re doing with the energy efficiency funds that come from the Clean Energy Jobs Act are focused on actually producing clean energy in the sense of -- I’m sorry -- reducing energy use through energy efficiency, reducing energy costs, reducing greenhouse gas emissions, and also creating job opportunities for these young corps members in the energy industry and elsewhere. Those are the main focus points for what the CCC is actually doing.

Next.

So we have 26 operating locations throughout the state, and since the last report a year ago we’ve actually made one significant change, which is we’ve combined a number of our resources so there are a total of 10 California Conservation Energy Corps crews that work on Proposition 39 funded activity, and so we’ve created 4 energy centers in the state of California. They are in Sacramento, San Jose, Norwalk and Vista, which is in northern San Diego County.

So those facilities, whereas they used to be co-joined where they would do natural resource
work and energy work on a more distributive basis
are now focused entirely on delivering energy
efficiency and renewable energy services.

We also have one additional location in
Fresno in the Central Valley where there is one
Energy Corps crew that operates out of the Fresno
center but it’s primarily a natural resource
location for the CCC.

So from that standpoint we move our
resources out from those locations to anywhere in
the state and service according to wherever the
demand may be.

So from the standpoint of the actual goals
themselves, again, they’re really quite
straightforward.

We provide energy industry training for
these young corps members, young adults, that is
focused on primarily energy efficiency. We start
with training them for doing ASHRAE compliant energy
audits, which we call energy opportunity surveys.

They then go out into the field and
actually practice this on hundreds of buildings, and
they do many, many audits, many buildings.

Then we take the same group of people and
we bring them back in and train them again to do
energy efficiency retrofit work. And our focus, perhaps not surprisingly, on energy efficiency retrofit work is on lighting and controls. And we have a great deal of data regarding the individual schools, which I’ll get into in a minute, that might actually address some of the points that were brought up in the earlier presentations as well.

You know, as a combination of training and extensive workforce on-the-job training, workforce classroom training, and on-the-job training we have a very substantial number of projects that are actually engaged in by the corps members, both in terms of the energy opportunity surveys and also in the retrofit side.

The net of that is that we end up creating many different pathways for employment for these young adults, meaning in many cases the CCC Energy Corps is really all about partnership, working with others. And so as we work with contractors and ESCOs and third party energy efficiency companies and utilities throughout the state, these young corps members get a chance to be exposed to many things, many positive training events, and also, these are all potential employers, many of whom have actually gone ahead and employed or actually
recruited directly from the CCC ranks, and we have the numbers which I’ll get to at the end.

CHAIR GORDON: No, I was going to ask the placement rate number again.

MR. McNAMARA: Exactly. So the CCC itself -- next slide.

So this slide does a couple of things. First of all, it reports at the top of the slide what the actual allocations have been to the CCC since the 2013 timeframe, and you can see that in 2016/17 the allocation was $5.66 million. So the scale of the allocation to the CCC is not, you know, tremendously large by comparison to what we’ve seen already, but the results from what we’re doing actually are pretty considerable, meaning pretty substantial.

So the way in which it works is we take our allocation and we apply those funds to these different program activities, energy opportunity surveys and retrofits, and we offer those services in the form of labor and work to the LEAs throughout the state, so in that sense we are working in partnership either directly providing the services to the LEAs or working with other energy service providers that the LEA may actually have contracted
to do that work.

Next.

The three services that we actually provide are, as I mentioned, energy opportunity surveys, which are the ASHRAE compliant energy audits, and also these are low cost energy opportunity surveys.

We also provide low cost retrofit projects. And the term ‘low cost’ means in the case of the retrofit projects is that we don’t actually purchase the materials or the retrofit materials themselves, that’s incumbent on the LEA to purchase, whether they are purchasing it with their own Prop 39 allocation or other funds. But by actually providing the labor to do the installations we actually provide a substantial furtherance of their ability to purchase more of these lighting retrofits, and therefore we can do a broader spectrum of work for them, which we do with some frequency.

The third element is a no cost or low cost energy efficiency educational engagement, and I’ll show you what that actually looks like in its furtherance, but essentially, we do presentations on energy efficiency within the classroom environments for students. This is all focused on K-12 schools.
We also do program innovation work with them, and the largest of those, which I’ll show you shortly, is with the Los Angeles Unified School District.

CHAIR GORDON: Bill, you might get to this later, but what percent of the projects that are in process or have been completed so far through the CEC do you have Conservation Corps members doing audits and even more so doing the retrofits, do you know?

MR. McNAMARA: We don’t have across table information between what the LEAs have actually applied on the EEP side to the CEC and approved, unless they report that back to us.

What we have is our services are offered directly to the LEAs themselves, so they have a tendency to -- in some cases they will actually refer to or make use of the CCC’s energy opportunity surveys as the CCC’s energy opportunity surveys in their submission with the EEP package. So that information could be derived but we don’t actually have that as an independent -- I mean, as the CCC itself.

Next slide.

So let’s take a look at what that actually
looks like today.

So when we designed this program the idea was we would start in the beginning by doing assessments of as many locations as we could possibly do with the funding that we were provided to do that. So in the first year of funding, 2013 from July 1st forward to the end of the year we were spinning up or staffing up and training and putting together the curriculums and working with UC Davis Energy Efficiency Center and private sector entities as well to put together, you know, industry standard approaches to doing energy audits, knowing that we would do those at least for the first full year exclusively before we began to do retrofits. It’s kind of like measure before you cut. So we provided those activities in 2013 and 2014.

The chart here shows the year-to-date, meaning year-to-date at the end of the calendar year 2016, so this information starts in 2013, goes through 2016, and then the to-date column is the cumulative of all of that through the end of December 2016.

So within that timeframe we’ve done a total of 1,258 surveys of school campuses, or audits of complete, all the condition building and all the
exterior condition to ASHRAE level 2 compliance. So it’s a very extensive set of data on those.

From a building standpoint, those 1,258 school campuses actually have a total of 12,653 buildings, these are condition building spaces. So we have actually done approximately 20 percent of -- or actually had a response rate of about 20 percent of the total LEAs in the state in terms of we’ve actually done service work for.

So we actually are accumulating, we think, one of the largest detailed databases of actual room-by-room plug loads, fenestration of the envelope, full envelope insulation, all the energy use subsystems and all the best practices -- well, maybe not best but all the practices, O&M practices of all of those buildings that exist anywhere for a single market segment identified as commercial buildings in the class specifically to schools, so it’s a very substantial set of data that we have and we have intention of making, of course, that available and working with other entities who might like to mine that data.

So we’ve done, again, from a survey perspective we’ve done 408 LEAs, we’ve actually performed survey work for 408, which is about 20
percent of the existing population of LEAs statewide.

Next.

So what does that actually look like?

So as part of the process we started on paper doing the ASHRAE standard level audits, and we quickly found that that was really not the best approach, so we ended up developing a very simple ASHRAE, basically taking the ASHRAE level 2 forms and converting them into a tablet based system so it works on an Android system. You can use your phone, you can use a tablet, you can use this to collect the data and also to create a very extensive photographic inventory to go with, on a relational model, to go with all of the rooms and all the things that have been observed.

And again, from a survey content standpoint it’s a whole building approach. It’s the envelope, lighting, control systems, HVAC, internal plug loads, integrated energy management systems, fenestration, and O&M practices, so it’s a very extensive view into all of these facilities.

Next. Actually you’ve got the next, thank you.

So I mentioned that the data itself is very
extensive, and we have had some inquiries to make use of the data. In particular, our working relationships to develop the energy opportunity survey in conjunction or in partnership with UC Davis Energy Efficiency Center. There was an intentionality there -- there is the intention there of actually putting all of that information into a relational database and making that available and cross indexing other data as well, but as I said, it’s a very substantial set of data. It represents about 20 percent, we think, of the total population of buildings in the state, so it’s at least based on the averaging that we see now. We’ve done everything from the largest school districts to the smallest of the school districts throughout the state, which I’ll show you what that looks like.

Next.

On the eventuality or the progression of the program especially toward the end of 2015 and through all of 2016 was to move the ten crews which originally were focused on doing energy opportunity surveys to create a balance that finally moved to seven and three. So we do seven of the crews do actual retrofit work at LEAs, schools, and therefore create direct energy savings and direct cost savings.
and direct greenhouse gas reductions.

And three of the remaining crews actually do energy opportunity surveys and sometimes in addition, depending on the demand load, they will actually do retrofit work.

But all of the crews have been cross trained into both of those activities so that they really represent a pretty substantially attractive, from an employment standpoint, entry level group of individuals, which again I will show you in terms of how that’s playing out.

Corps members typically sign up for a year at the CCC, and many of the Energy Corps corps members are hired away well before that one-year period, which is a good problem for us to have in the sense of that’s the intention.

On the retrofit side we’ve done a total of 79 projects since sort of late 2015. These projects are fairly large scale, meaning they’re entire school campuses, multiple buildings. Sometimes for a school district there will be many school campuses done over an extended period of time, but they take a lot longer to do, obviously, than the surveys do, so the resources are tied up for a longer period of time -- or deployed for a longer period of time to
do that kind of work, but ultimately they are
generating very substantial amounts of savings.
    From that standpoint, we’ve done a total of
115,222 lighting retrofit changes, which would be
lighting fixtures and associated ballasts. There
are other work associated with that that we do. And
we’ve done about 8,883 of lighting control
installations as well throughout the state.
    The lighting changes that we’ve done is
actually about 15 different types of lighting
changes that we’ve done, both exterior and interior.
The most common is to convert from fluorescent to
LED tube lights. And in some cases, depending on
who the vendor is that the LEA selects to purchase
from, they may be with or without ballasts.
    But ultimately all of these changes are
also effecting on the subjective side the quality of
the educational environment itself, so there’s a
really positive multifaceted aspect of what we do.
Sometimes we tend to be talking about the energy
side, you know, exclusively, but there is in fact a
real effect on people as a result of this, and
that’s something that we, as the people who install
this and work with the school districts, get to see
very personally. We’ll observe the actual
conditions and see what it looks like and talk to
the teachers and students after the work is done.

From that standpoint, we have estimated
annual and sustainable KWH savings of about a little
over 7 million KWH to date. And there are many
projects that are in progress that are not yet
completed that are obviously not yet reported, but
this is through the end of 2016.

And from a greenhouse gas emissions
standpoint, using simple calculations from the EPA,
it’s about 1.683 metric tons of greenhouse gas
emissions abated.

Next.

This page here is simply restating some of
that in terms of showing the progression of that
growth of effect over years. So the blue chart over
here is talking about cumulative KWH saved through
the end of 2016. And then the green one is the cost
savings. And then sort of the orange color one is
greenhouse gas reductions.

Next.

This chart -- and you can see it more
clearly in the report than this actual very minute
portrayal here -- is of all the 58 counties in the
state of California.
Of the 58 counties, we’ve done a total of more than 400 LEAs, and the distribution of those LEAs is in 50 of the 58 counties. So 8 of the counties we have not yet served. That doesn’t mean that there isn’t a request in to do work, but we have not yet completed work in those areas, so anybody who is interested in the distribution from that county perspective, it’s here for you to look at.

The next slide is showing from an educational standpoint. So the first two were energy opportunity surveys and then the retrofit services, and the third one is educational engagement.

Now, some of that is very straightforward, as I said, doing presentations in the classroom environment for students and for other interested parties about energy efficiency, answering questions, promoting the understanding and the engagement of that especially with K-12 students.

But in addition to that, we also help to architect programs that are interactive engagements. So for example, with the L.A. Unified, which is the second largest school district in the country, largest in California, they have a pretty extensive
linked learning program wherein they are able to make arrangements with different private sector companies to work with their students and actually hire the students on a cooperative education program and give credits for this and take the students as employees and they’re actually employees of the school district during that period of time.

So one of the things we did is that the services that we offer have quite a heavy bias, which are on these charts, in the sense that we are trying to provide as many of these to ADA 5000 or less in terms of size of schools.

We service all schools who make a request, that’s without a doubt, but we give some slight scheduling preferences to schools that are ADA 5000 and less, and also that have 50 percent or more of the free and reduced priced lunch. So those combinations work together.

L.A. Unified is unique in the sense that they applied for 13,300 building audits, of which we provided 30 campuses. And the campuses we provided were all charter schools, by the way. And that was not us who said, gee, let’s do all the charter schools, because there are 56 of them in the L.A. Unified. These are leased entities that lease from
L.A. Unified, or so they report to me.

And so what we did was we said, okay, well, you pick the schools that you want. Obviously we can’t do the full 13,300 buildings, but we suggest you take who you think are the least efficient or at least oldest buildings or some combinations of those and come back to us with who you want to do, and they came back with a list that was all charter schools.

And they very actively promote -- this is firsthand observation over two and a half years with them on this topic -- they very actively promote the charter schools that are leasing from them their school facilities to apply for these types of, you know, for their EEPs and to make use of the Proposition 39 funding. So we ended up doing a total of actually 31 of their schools, the CCC providing the services.

But then the next step was, they have so many other facilities so we worked with one of the local corps. There are 14 local corps in the state of California. Now, they don’t get funding from Prop 39 in the sense of an allocation like the CCC. However, they can be funded to do the same sort of work by the LEA themselves using their Prop 39 funds
or non-Prop 39 funds. So we worked with them to
train the local Conservation Corps to be able to do,
using our curriculum and our materials and our
software systems to do the tablet surveys, etcetera,
and they ended up getting a multi-year contract with
L.A. Unified and the CCC provides initial training
for the students and then they have -- well,
actually, initial training for the L.A. CCC to do
the surveys for them.

But then we took it one step further and
said, okay, so how about if we train some of the
students, some of the high school students that
might be in your linked learning program, and so
they created a new program which has been announced
and the kickoff for that will be toward the end of
February or early March, and that new program is
called the SEAT Program, Student Energy Auditor
Training.

And that program actually we have trained
the first group of 20 of these students in the first
week of January. They now are deployed to work
onsite in the school district buildings throughout
the school districts in combination with the Los
Angeles Conservation Corps who has been contracted
to do energy opportunity surveys. So they’ve gone
through the same classroom environment that the L.A. Conservation Corps folks go through to be trainers like we do for our corps members, and then they go out on the job and work as part of that crew.

So it’s an extensive program. Half of the group goes through an additional eight weeks of classroom training and then they switch that group. They go back out into the field, the other field group comes back into the classroom.

That’s an example of some of the work that we’ve been doing to help further the Clean Energy Jobs Act intention of creating job opportunities. It’s creating many pathways for these high school students as well as our corps members for employment and also to community colleges, which we’re promoting them as a pathway that they should consider.

Next slide. Good.

CHAIR GORDON: Bill, sorry, on that last point, are you working directly with the Community College Chancellor's Office on that connection? I mean, is that like a formal relationship with the community colleges?

MR. McNAMARA: So the answer to that is yes, we do have -- we don’t work -- let me rephrase
that.

So we do work with community colleges, and as a point which you’ll see coming up very shortly, we work with Sierra College, for example, we contract them and we work with them very closely to develop the training for energy opportunity surveys as well as retrofit lighting retrofit classes, etcetera.

And we have worked in the sense of talked to and addressed different ways of working together with the Community College Chancellor's Office as well, but there isn’t an active program. There has been some funding at the present, but that’s an ongoing activity. So we work with individual community colleges. L.A. Trade Tech is another example.

So on the training side, we’ve trained a total of 553, on the survey side, 553 students which are corps members, and we’ve done 301 retrofit training of individuals.

Now, the thing is those are additive like you put those two together. In most cases, almost all cases, the 301 are part of the 553, but what I’m doing is providing the detail of all the different training and the level of training and activity that
these good folks, corps members, are actually engaged in, and I provide that data in this table from the beginning, July of 2013, all the way through the end of 2016 so that you have a sense of how that’s building up and what its effect is.

On the staff side, I provide the same information from the beginning 2013 through the end of 2016. We’ve trained a total of 37 of our staff and deployed them throughout the state. That doesn’t mean that they’re all still there, there is attrition over time, but most of them are there.

Next.

So this simple graph is an illustration of we draw -- on the lower left side with the big blue arrow, we draw people from all over California, young corps members, to join the CCC. They then go through this process which is up the pyramid, if you will. Everything from recruitment through comet training, which comet is kind of like a boot camp equivalent training, you know, physical training as well as social training, etcetera, in preparation for more technical training and moving out into the field.

Of the corps members that want to go into the energy field, which is a large percentage. The
CCC itself has about 1240 corps members right now. It’s authorized from a FTE perspective to have about 1500. So of those, then begin a pretraining engagement, and that goes through Schneider Electric’s Energy University courses, which are online courses. So they do a number of those courses in preparation, and then they go to be trained first for the energy opportunity surveys and they go out in the field and deploy and work in that area. Then they come back in again to do energy efficiency retrofit training.

And then there’s also another aspect whereas most of the corps members are deployed in crews, meaning CCC managed, CCC administered using our facilities, trucks, etcetera, to move them around.

There also are a number of engagements where we use an internship model where a third party energy efficiency company or ESCO might want or be willing or want to have corps members join in with their crews to work with their crews, so they are supervised by the sponsoring partner under a set of rules and responsibilities that we have for internship. That is a small number by comparison to the crew model but it does exist and there is great
interest.

From the internship model, a very high percentage, more than 80 percent of the interns are hired away by the people who bring them in. It’s kind of like a try before you buy model, so it’s been very successful in that regard.

Next.

So the demand on the survey side, so in August of 2013 we put out the announcement to all the LEAs of availability of energy opportunity surveys, and from that between that time period and the end of June we received about 350 LEAs who applied for our services. Those 350 LEAs were actually representative of about 80 percent of the total student population within those LEAs. The vast majority numerically were small but all of the large one applied as well, so that gives you some sense of the dynamics there.

That totaled more than 33,000 schools and 212 million square feet of building space that was requested for us to audit. From that number we’ve actually audited about 1,258 of those schools for 108 LEAs, and that total is 12,653 buildings.

So there’s still another 20,000 buildings left from those original applications, which I’m not
saying are still valid, you know, in the sense that they may have very well gone on and had somebody else do the work or decided not to do the work, but a large portion of them we still continue to get requests for energy opportunity surveys coming in literally every month, so the demand for the service is still very substantial but we’ve turned most of our resources toward the retrofit side which has a very large demand cycle.

Next.

On the side of the energy efficiency lighting retrofit installation, as I mentioned, we do the labor for that, so an LEA can say to us, okay, we have this. We use our Proposition 39 funds to pay for the crews. The crews go to the LEA location. The LEA is responsible for paying for everything else, you know, like buying the retrofit materials and getting whatever other supervision requirements that they may have locally as well. We then do the installation for those, and of course that’s a significant portion of the cost of doing the retrofit, so therefore typically the LEAs, of which we’ve done now about 79 of these projects, these LEAs typically are using, that we’ve observed, using the additional savings to buy more lighting
retrofits, because in many cases when you go to a school campus the choice for their particular budgeted funding opportunity would not cover the entire campus, but so now in conjunction with the CCC they can do many more and therefore get greater savings and much more cost effective implementation. And also, of course, it effects the quality of the work environment.

Next.

So this is sort of the end of the presentation.

One of the things we’ve found out is that from a hiring standpoint, and this is not -- we do have more detailed statistics on this, but these are things that are self-reported, meaning the actual corps members. We don’t have a mechanism to actually track the corps members after they leave the CCC. I’m not suggesting that there isn’t a way to do that, but we don’t currently track them. What we do is we ask them and many of them, a large percentage, will self-report that condition, like if they graduate from our program or if they leave our program early.

Now, as you’ll see here, to date 49. And these corps members all sign up for a one-year
period, so it’s not like all of them would have
graduated right away. So 49 of the Energy Corps
members have actually gone to work directly and
self-reported as well as their employers have
directly reported this to us as well, joined energy
industry companies. Typically these are contractors
and ESCOs but in some cases they are utilities and
other entities, third party energy efficiency
companies.

We’ve had requests, another 52 Energy Corps
members have also left early, meaning been hired
away by companies that are in the supply chain for
the energy efficiency companies, and in some cases
not directly associated with them.

So it’s a total of more than 100 of our
corps members that we’ve trained with Proposition 39
funds have been directly employed and measurably
employed. In many cases the compensation that
they’re getting is very substantial by comparison to
the track that they might have been on at the time
that they joined the CCC.

We also have had very substantial requests
from individual companies to hire more corps
members. Like in some cases like in the northern
San Diego County we have two crews that work out of
the Vista Center, and we’ve had at least three occasions now where those crews were -- I mean, we were solicited to hire the entire two crews away at one time. This is a very good thing, meaning it’s not what we want to do ultimately but we do want them to find this kind of employment. And these are from energy efficiency companies, so it’s a perhaps unscientific measure at the moment except for the ones that are actually hired, but the trending toward that in terms of like how long do CCC Energy Corps members stay in the program before they are hired out versus how many wait until the one year is up and they graduate from the program. We have quite a bit of data on that.

And the other thing is we’ve also been recognized, the CCC’s program has been recognized in a number of ways, and one of the ways is that a number of the contractors and ESCOs we worked with have actually decided that they would pick somebody from the CCC crew that works with them, or at least onsite with them, and give them a scholarship to community college or to a four-year school, or hire them away directly, and that’s what these photos at the bottom are actually of the presentation of awards. So we’ve gotten a number of award
recognitions for this. And the quality of the work that we do has been, I think, vetted by many entities that actually do this sort of work and held to a pretty high standard.

And that’s it for my presentation. Happy to answer any questions.

CHAIR GORDON: Thank you. Questions from the group. Walkie?

VICE CHAIR RAY: Yeah. Great, great presentation.

How many young people pass through your programs annually?

MR. McNAMARA: The collective CCC program, all of it?

VICE CHAIR RAY: Yeah.

MR. McNAMARA: Okay. So we have on any given day, at least for the last 18 months, we have about 1,240 corps members, and the attrition rate of that -- so the CCC is one of these organizations that when the economy is not wonderful we have lots of people who want to join. When the economy is doing very well they tend to stay less time. So we have probably about a 40 percent attrition rate per year, measured against the full year wherein people come to the CCC, they gain many skills and they put
those to good use, and during that time they have an opportunity to find a full-time employment that’s not with the CCC and they go to that.

VICE CHAIR RAY: So maybe 7-800 young people a year graduate or are in it long enough that they are adept at analyzing energy management issues.

MR. McNAMARA: This is the entire CCC. Now, the Energy Corps has a higher rate of retention, so we have a less separation rate, meaning people leaving for not wonderful reasons, but we have a higher rate of employed away, so the Corps members will get somewhere between six and ten months. The Energy Corps members become exposed to many opportunities and they get solicited to be hired away.

VICE CHAIR RAY: Where I’m going with this, there is some number, 800, 600, 1000 people who are suddenly trained and capable of becoming project managers, property managers, plant engineers. They’re on a pathway into the middle class.

MR. McNAMARA: Yes. But I will have to look at that again to give you a more realistic number, but I would say that out of the -- at any given time we have like 120 CCC Energy Corps corps
members, so from that number we would probably see about 200 corps members would come in and cycle through that population of intended population of 120 in a given year.

VICE CHAIR RAY: Okay.

MR. McNAMARA: So the target is 120 corps members that are Energy Corps, and during the year we would probably see up to 200 corps members join and leave for some good reason or go to one of our other crews.

VICE CHAIR RAY: You have corpsmen and women other than energy.

MR. McNAMARA: Yes. Yeah, very substantial.

VICE CHAIR RAY: I apologize.

MR. McNAMARA: We have 1,240 corps members collectively, all of the CCC, 26 locations. Out of that, the Energy Corps right now consists of 11 crews and staff, and 10 of those are Proposition 39 funded. So from that population we have about 120 corps members as the target annual population, and then it cycles through probably 200 people cycle through that annually.

VICE CHAIR RAY: I think it’s wonderful you’re sending these messengers out and doing good
and training people to enter the middle class.

MR. McNAMARA: Exactly. And just one last quick comment.

So a lot of these corps members were not on a track to any particular thing, whether it was college or career, and so the change for them is rather profound.

CHAIR GORDON: On this point, and then David, just on Slide 14, which is the slide where you talk about the number of trainees, it might actually be helpful -- you made the point verbally that many of the people trained for retrofit training had also already been trained for the surveys, but on the slide it looks like they’re individuals because it totals the number of trainees as if you have 1,505 but actually --

MR. McNAMARA: Yeah, I think the labeling could be changed. Those are instances of training.

CHAIR GORDON: And we won’t hold up approval unless there’s some other reason, but if you could just address that and make that clearer, I think that would be helpful.

MR. McNAMARA: I would be happy to do that.

CHAIR GORDON: David, did you have a...

BOARD MEMBER DIAS: Yeah, actually I was...
going to ask about that.

How do you recruit? And that’s another question I had, and then I have one other one.

MR. McNAMARA: So the CCC has a cadre of recruiters that are stationed throughout the state, and so we recruit either online -- I mean, people hear about us or they discover us online or somebody recommends us. Word of mouth is the biggest single point, recommendation by other young adults.

We also recruit directly into the Energy Corps itself, so there’s a general recruitment into the CCC and then once you’re in the CCC you might actually want to be interested in energy. When you found out that we did energy, you could say that you wanted to do that and you could move into the Energy Corps side.

But we also do direct recruiting now into the Energy Corps, which is something we didn’t do a year ago, and so we go to trade fairs or we go to community colleges or other places where they have energy seminars or that sort of thing and we show up and we talk about what we do and show all of this information and invite people to come and see us, etcetera, so we recruit in all those ways.

BOARD MEMBER DIAS: Great. And then the
other question. I was looking at the numbers of trainees, which is actually it looks like it’s that many, you know, the total is either 1505 or 1805.

MR. McNAMARA: Yeah, a total of instances of training.

BOARD MEMBER DIAS: Yeah, but it’s under the heading of training, so --

MR. McNAMARA: So I will adjust that.

BOARD MEMBER DIAS: Yeah, but then also the hours, and I’m assuming that like if you go to retrofit training, for example, you have 301 trainees that went through and then it had 24,000 hours, which is about 80 hours a person, I’m assuming?

MR. McNAMARA: Right.

BOARD MEMBER DIAS: Okay.

MR. McNAMARA: Yeah, so the courses are different lengths, and also it depends on, for example, if somebody comes in with a certain background, educational background, the CCC also has a direct relationship with the John Muir Charter School, so sometimes it takes a little longer, a little less time, but it’s a pretty standard length of time for the surveys and the retrofit training.

BOARD MEMBER DIAS: Okay. Thank you.
MR. McNAMARA: Welcome.

CHAIR GORDON: I know Randall had a question then we’ll go to the phone.

BOARD MEMBER MARTINEZ: Thank you for the presentation. I know that we’re going to have a presentation next by the California Workforce Development Board, and I notice that they made a grant to L.A. Trade Tech for a pre-apprentice training program, and you mentioned L.A. Trade Tech was one of your partners.

I’m curious if there’s cross utilization. Graduates from the pre-apprentice program, do they end up in the CCC or vice versa?

MR. McNAMARA: So at the present time -- this brings a broader topic of organized labor too, for example, to traditional apprenticeship programs. And so we don’t actually have a direct working relationship with L.A. Trade Tech in that particular regard. We do work with them. We’ve been talking with them about certification of the training programs we do and we’ve also talked to the Community College Chancellor’s Office and gone to their meetings and presented to the people from all the different campuses what services we have and how they might make use of those services.
In those cases they would not be Prop 39 funded because our Prop 39 fund is targeted to K-12, but on a reimbursement basis they might be interested in having these kinds of services performed or in which case they might use their Prop 39 allocation funds for that.

So we work with apprenticeship programs but not in a formal basis. Historically the CCC has done that but at the present time in the Energy Corps we have not. We’ve talked to people, we have presented those opportunities or worked with organized labor and others to explore the possibilities of having our program become like a pre-apprenticeship program so that we could help create a pathway for Energy Corps members to organized labor.

Same thing is true for going to community colleges. We’re working with community colleges now to develop a micro badging system which is kind of an accreditation thing for the work that we’re doing and the work experience that the corps members have.

So there’s still much to be done and a lot of other opportunities as well.

BOARD MEMBER MARTINEZ: It seems to me that if it is possible that a logical extension would be
for the Energy Corps to be recognized as a certified pre-apprentice program with organized labor.

    MR. McNAMARA: I certainly would agree with that.

    BOARD MEMBER MARTINEZ: Thank you.

    CHAIR GORDON: Thanks, Randall.

    On the phone, Arno, Chelina, Mark, questions?

    BOARD MEMBER GOLD: No questions, just obviously very, very impressive, so thank you.

    MR. McNAMARA: Thank you very much.

    BOARD MEMBER HARRIS: Thank you.

    CHAIR GORDON: Great. It sounds like no other questions from the members. So again, with the same caveats as before, looking for a motion to approve the report for our use in our bigger report with obviously small modifications, not needing additional votes. Is anyone willing to make that motion?

    BOARD MEMBER MARTINEZ: Kate, I’d like to make the motion perhaps with the understanding that when we convene next and we talk about possible recommendations that this group would make to the Legislature, that we discuss the concept of what we just discussed, the Energy Corps becoming a
certified pre-apprentice program.

CHAIR GORDON: Let’s take that up at the next meeting, but thank you, I will make a note of that. Actually, you reminded me that I did have a question, Bill, before we go to the motion, which is you said earlier a couple times that 10 of your 11 groups are Prop 39 funded. What happens to you if this program is not continued?

MR. McNAMARA: So in 2013 when I was called on as a consultant to architect the Energy Corps, there was no Prop 39, so it was meant to be a self-funded reimbursement based program.

So what we do is, what we haven’t talked about today, which is appropriate, is all of the other work that we are engaged in now with the Department of General services and private entities as well that is all about reimbursement based contract work.

So we will, if Proposition 39 is extended in some way, we will continue to put those funds to good use. But if it isn’t, we will create reimbursement opportunities, which I’m already doing.

CHAIR GORDON: Got it.

MR. McNAMARA: To take all of those 10
crews and more, which is what we’re doing right now.

CHAIR GORDON: Great, thank you. Great.

So Randall, I have the note down for the next meeting on recommendations, and thank you for the answer to that question. Looking again for a motion on this.

BOARD MEMBER MARTINEZ: So moved.

CHAIR GORDON: Thank you, Randall.

BOARD MEMBER DIAS: Second.

CHAIR GORDON: Second from David.

Roll call, please.

MR. BASTIDA: Board Member Gordon?

CHAIR GORDON: Yes.

MR. BASTIDA: Board Member Ray?

VICE CHAIR RAY: Yes.

MR. BASTIDA: Board Member Harris?

BOARD MEMBER HARRIS: Yes.

MR. BASTIDA: Board Member Odbert?

BOARD MEMBER ODBERT: (No audible response.)

MR. BASTIDA: Board Member Martinez?

BOARD MEMBER MARTINEZ: Yes.

MR. BASTIDA: Board Member Dias?

BOARD MEMBER DIAS: Yes.

MR. BASTIDA: Board Member Gold?
BOARD MEMBER GOLD: Yes.
CHAIR GORDON: Chelina is an abstention, right, because she’s not here anymore?
MR. BASTIDA: Yes.
CHAIR GORDON: Thank you. Thank you, Bill, for your presentation and for the program.
MR. McNAMARA: Pleasure.
CHAIR GORDON: And we will talk directly, as I will with everybody, just about any small modifications. Thank you.
MR. McNAMARA: Thank you for the opportunity today. Have a good day.
CHAIR GORDON: You, too.
All right. Both Items 7 and 8 put Sarah White on the hot seat here. The first will be the presentation and the potential vote on the annual report from the workforce development board and the second will be on the jobs report specifically.
And hi, Sarah.
MS. WHITE: Hi.
CHAIR GORDON: Welcome.
MS. WHITE: We have some flashy handouts if we could be so bold. They’re a little bit better than that. Could I just hand these out?
CHAIR GORDON: Great, thank you. I feel
like I should say you may approach the bench because
I feel like a judge up here.

MS. WHITE: Sort of, yeah. I was going to vault over but trying to maintain some decorum.

So good afternoon, thanks for having the state workforce board come in again to report on the work that we’re doing with and for all of you. We have put our energy into producing two different reports on two very different kinds of pieces of this project, which we will walk you through. I have a few slides but mostly wanted to give you the highlights and let the written reports speak for themselves. Answer any questions.

Oh, first of all, I’m Sarah White. I’m Deputy Director at the California Workforce development Board. I just wanted to flag for the next conversation we would be happy to partner with you in thinking through the role of pre-apprenticeship, specifically in and outside of Prop 39 and there’s a whole body of work that people fit into in all kinds of different ways and different organizations and we’ve done a lot of hard thinking about that around the state, so we’d be happy to -- that was a great question and I think we have some thoughts on that from lessons learned from this and
other work on that, so that’s an ongoing
corvernation which we’d be very interested in
participating in, but I’m not going to take us over
there today.

So I was struck as the earlier presenters
were talking how much a lot of this work is about
more broadly sharing the economic and the jobs
benefits of energy efficiency investments in
communities and in school districts around the
state, and the fact that we have for our training
programs we have just a tiny sliver of the Prop 39
money, about $3 million a year, but with that we are
investing not in training programs but in
infrastructure, by which I mean we’re not just
improving the capital of the built environment but
we’re improving the skills infrastructure. We’re
improving the human capital, and that’s a huge piece
of this work. It’s in the legislation in a variety
of ways and so I think when we talk about the
training that we’re doing that’s how we think of it,
as building a system of which pre-apprenticeship is
an enormous and important part.

Well, let’s go on to the next slide, let’s
talk a little bit about the goals.

So the pre-apprenticeship programs for Prop
39, as for most pre-apprenticeship programs, were designed to reach underserved communities, at-risk youths, veterans, women, low income, depending on the trade and the area, a variety of barriers to employment, and they really were designed specifically to provide what you all have mentioned earlier, which is specifically a career pathway to family supporting jobs, middle class jobs in the construction trades. We’ve talked about this before, and we think that the best way to get there is through training folks to enter into and be part of formal apprenticeship programs. It is the way that we guarantee wages, benefits, and quality of work across the state and the way that this prepares people not just for careers in energy efficiency but for careers across the spectrum of energy development.

So the other piece that I think is critical to know about our Prop 39 pre-apprenticeship program is that it’s based on the multi-craft core curriculum. Not going to go into great detail now, we have talked about this a little bit before, but what makes this different from other pre-apprenticeship programs is that the multi-craft core curriculum was developed nationally by the building
trades councils. Building and construction trades came together and all the different trades -- brick layers, ironworkers, plumbers, carpenters, laborers, electricians, dozens and dozens of trades came together and said --

Normally when you go into an apprenticeship you have to pick a trade and go through. So what the multi-craft core curriculum does is it says here are the common skills that we need to go into any of those trades. Let’s take a bunch of folks, train them with all of those common set of skills, and then you’re able to leap into any one of the trades instead of going straight through a single silent pathway. So it’s a very unique thing that was developed at a national level and has been piloted in California over the past five years, but then specifically is a piece of this training program.

So it’s very unusual. It gives people the opportunity to -- and one of the things we’ve seen with pre-apprenticeship is so essential, and I will come back to this at the end, is having actual negotiated relationships with the building construction trades, because you can train a lot of folks up but if they don’t have a place to go and someone to hire them, then they’re just trained,
right, and so we see this over and over again.

So the great thing about a strong pre-apprenticeship is that it actually has a relationship with the building trades. It doesn’t guarantee placement but it open a lot more doors. And again, I will come back to that.

So we’re excited about the multi-craft core curriculum, which is an essential piece of this. And the other thing to know about this work is that we build partnerships. You mentioned L.A. Trade Tech. And all of our different training partnerships -- we have 13 of them now -- are based on regional amalgamations of building trades councils, community based organizations, workforce development boards, community colleges, Conservation Corps in some cases, and they all work together and they often provide different things.

There’s no one person that does everything well, so you’ll find one person does the training. One group might be the best at the recruiting. Another group’s going to provide the sort of supportive services so that folks can actually succeed and make it through. So there isn’t any one organization we find does all of those things, but partners come together in different regions to do
that together. It’s a holistic approach.

So we have just released the (inaudible) report that we also sent around to you, I think this morning, talking about what’s happened just in the last year with these programs. So if you want to go ahead a slide, I don’t want to go into great detail here but I should just mention we have two cohorts of grantees.

The 1.0, as we call them, are six programs that we first launched in 2014. We have given them extended funding. We would like to see them get not just up to speed but continue refining the lessons that we learned in those pilots, and they are continuing to serve people, so we have six of the 1.0 grantees who we gave additional money to this year to continue.

And then if we go to the next slide, these are the new, the 2.0 grantees. We’re missing one there, I just have four. The fifth one there is the San Diego Urban Corps, so there are five new of these training implementation grants.

In addition, we have two development grants, which is a smaller allotment which gets partnerships together to figure out what they want to do. It gives them six months to come together
and say, you know, you can’t just build something from whole cloth. What’s it going to look like? Who’s going to do what? So these are the development grants. And in the first term we had development grants that are now funded as full training grants.

And then we have, as we had in the beginning, a technical assistance and capacity building from the California Labor Federation, their workforce and economic development initiative provides technical assistance on the ground.

These are very hard things to do. pre-apprenticeship is not for the faint of heart, and so the folks at WED work with each partnership on the ground to make sure that the partnerships are going, that everyone’s talking to each other and that people are being served, and they can troubleshoot in the moment whatever the problems are.

We also have a community practice where we bring together all the grantees four times a year to learn from one another. They are pilots. They’re all the same goals although they serve different groups of people.

And then we also have this year an investment in capacity building with the East Bay
Alliance for Sustainable Economy e-base who is looking into how community organizations and building trades work together to develop community workforce agreements, which are the way we get the demand side of this equation going.

In other words, what that means is that if you’re going to do a big public infrastructure project or a small one, it could be a school, it could be a stadium, that there’s a way to write into the program of that a way that benefits communities, like a community benefits agreement that guarantees that some of the investments will be reaped locally.

And it also guarantees a certain amount of local hire, so one of the ways you make sure that there are placement opportunities is that you write into the contract that people have to hire a certain number of people locally, a certain number of zip codes. It’s a standard practice but hard to do. With all the partners in the room it’s threading a needle, so we have some experts in doing that going around the state to work with regional partnerships to suggest how they might get involved upstream on this.

So those are our investments right now, so that’s about $5 million just for this year.
And if you want to go to the next slide.

Well, this is just repeating the alphabet soup which I just told you again, the kinds of partners, the workforce development board, the building trade council, the joint apprenticeship training committees, community based organizations, the community colleges, the Conservation Corps, and others. So getting these folks together into a single unit to figure out how to best serve groups of people and feed them into the construction trades is the challenge of this work.

And I should say that we -- and we explained this before but it’s worth saying again, that the vision of the Board’s Prop 39 training investments is that the best way to get disadvantages communities into pathways to the middle class, working on school projects or others is to get them into apprenticeships, which is a three- to five-year training program in the building trades.

So there’s not a guarantee that these folks are going to go in and tomorrow be working on the school. In fact, they wouldn’t have had time for that training.

The pre-apprenticeship is just to get folks
up to the level where they pass the reading and the
math and the tools and the other kinds of skills
necessary to get into an apprenticeship. Then the
apprenticeship itself is three to five years.
During the course of this we’re learning energy
efficiency skills to be used on these and many other
projects, but the point is to build the pathway and
the pipeline, right, rather than giving people a
narrow set of skills to do a single job at a single
site but to give them a lifetime career doing this
kind of work.

CHAIR GORDON: Sarah, I’m sorry.

MS. WHITE: Yes.

CHAIR GORDON: And I know Bill’s not here
anymore, unfortunately. So you just made an
important point about the three years, the long term
of the apprenticeship, and obviously they’re paid
while they’re in the program, right?

MS. WHITE: Yes.

CHAIR GORDON: So do you have any sense at
all of the kind of different outcomes of coming out
of that type of an apprenticeship program and going
into the trades in terms of pay, benefits, whatever,
you know, the quality of the job, versus people who
kind of go through the pathway you just talked
about, which is more of a single set of skills or
take a community college court, which is not a bad
thing but let’s just say versus another pathway.

MS. WHITE: Right. I mean, right, there’s
many ways up and in and through. I think that we
will get to that in actually we talk about the jobs
report, that’s where we address some of the job
quality issues.

I mean, this is the place where you find
the data that we have are good. If you take the
time to go into an apprenticeship, apprenticeship is
the gold standard of earn and learn training
programs. We find that they have the highest wages,
that they have the best job retention. It’s
actually a negotiated agreement between employers,
labor, and workers, so that people understand
there’s a training progression.

You start out making a little money. As
you gain skills, you gain income, and you get an
industry certified credential.

The same is true for the pre-
apprenticeship, this is a gateway into those
training paths.

The labor market data that we have shows
that the highest quality jobs and the only guarantee
of the quality of job is in the apprenticeship programs where possible.

CHAIR GORDON: David, of course go ahead.

BOARD MEMBER DIAS: I see you have the grantees, what is it, seven or eight or whatever it is. Did you open it up to more throughout California or is that just what you picked, or how did it just come to them?

MS. WHITE: We had an open request for applications that was a procured competitive process. The first round of grantees there were six of them, six training and implementation as well as two development and some technical assistance.

We did a second round last year that reopened it, and that’s where we got the seven new projects. The five grantees, the two development and the two others. So they were both open and competitive processes.

BOARD MEMBER DIAS: Good.

MS. WHITE: What we’d like to see, because as you can imagine, building these kinds of partnerships takes a fair amount of investment, time, money, resources, and they’ve been able to run cohorts through pretty quickly, which is amazing, but we want them to really build and thrive, so at
the end of the first round they were just up and
staring to run, and so we invested in them for a
second year based on performance criteria.

BOARD MEMBER DIAS: Are you going to open
it up for more later?

MS. WHITE: To talk about the future a
little bit, because we only have funding through
2018 we didn’t feel that there was room for another
round of that. What we were hoping to do is we have
set aside funds, we do have an investment plan so
that if performance is satisfactory with the new
rounds we would have enough money to raise the
development grants this year into full training and
implementation grants, let them run through the end
of 2018, as well as investing in the five that have
just started last summer and let them run through
the end of 2018 so that we have various grantees in
various stages of development, but that’s what we
think.

We did not think there was enough time in
one year to get these things up and going and done,
so that’s with the amount of money that we have,
which is also a limited amount of money, that’s
where we have budgeted it.

We do have other funding coming in from
other sources where we are considering doing a
different kind of open RFA but I can talk about
that.

BOARD MEMBER DIAS: Thank you.
MS. WHITE: Sure.
CHAIR GORDON: Did someone on the phone
have a question? We just heard a little bit of
feedback, wondering if someone was trying to break
in.

BOARD MEMBER HARRIS: Not me.
CHAIR GORDON: Okay.
MS. WHITE: Can we go ahead?
CHAIR GORDON: It wasn’t Arno, great.
Good, go ahead, Sarah.
MS. WHITE: Just keep running the slides
because I’m not even sure where we are now.
Oh, we’ll just jump in here, performance.
I just wanted to note that -- you talked
about -- you’ve asked a number of times about
placement. So tracking placement is very difficult
to do but something that we are committed to do as
part of this program.
What was negotiated at the beginning is
that the performance schools track a variety of
kinds of placement, what counts, and this is
consistent with the standard for workforce programs around the country, so a number of things.

Getting an industry valued credential, very important. We measure that by somebody who goes through. This means that when you go through a training program you come out with a piece of paper that tells employers and schools this is what I know. This is legit. I have a certificate. I have a credential. It means something. It’s not just I went to, you know, I went to the corner and got some skills, right, or I learned it in my basement. It means that this is a valued credential.

The MC3 certificate which folks get for going through this program is exactly that, so that any employer or any school looking to admit or hire folks knows exactly what they did to earn that degree. So we count earning an industry valued credential as an important benchmark.

Also, there’s a number of other placement outcomes.

Placement into state certified apprenticeship, again, the gold standard.

Placement in continuing education, because we think that going back into full secondary education for a longer career, obviously a great
outcome.

Placement in construction or energy efficiency employment. Apprenticeships, you only have an apprenticeship if there is a job. I sort of want to make this point that apprenticeship is not a system where you simply run through a pre-apprenticeship training program, then you get placed in an apprenticeship. There’s only enough apprenticeships for how many jobs there are, so when there are jobs open they will hire on apprentices. Usually we’ve found for this work it’s a ratio of 20 percent, so about one apprentice to every five or four workers, journey level workers for the training purposes because they are earning as they’re learning, right, so they’re learning on the job as well as in classroom instruction.

So this program, the Prop 39 program is just to get people up to the level to get into these apprenticeship programs.

So in the meantime, until an apprenticeship slot opens or somebody decides that’s not the career for them, getting a job in energy efficiency employment, even if it’s not a formal apprenticeship, counts as a win, right, like that’s a good thing. We want people to get employed.
We find that our placement numbers, in fact, that’s why we call it a snapshot, they are constantly moving because folks graduate from one of these pre-apprenticeship programs. They might work as a helper for three months, or they might work on a site for two months before they get accepted into an apprenticeship program, so it’s not just a straight pathway through. So the placement numbers vary as people move through their careers.

And once we have a solid dataset and are able to track these folks into the labor market, we will be able to measure their retention in apprenticeship as well as their income increase, and this is critical.

Again, apprenticeship is a long process and one of the things we find particularly with policies with barriers to employment is that the retention rates are not great in apprenticeship. It’s very difficult. Very high levels of reading and math. Very hard physical labor. You know, these are really tough jobs, and so folks wash out of them a lot, so one of the things we do with pre-apprenticeship is try to make sure that people are prepared and ready and know what they’re going into.

And then one of the things is to show that
this actually going through pre-apprenticeship actually helps them stay and persist through apprenticeship because apprenticeship persistent rates are really pretty low all over the country, and especially for women and people of color.

So these are some of the performance goals, I’ll give you a quick performance snapshot.

I think the thing to take away here, these are percentages which are an update of what we gave you last year. This is based only on the first six projects because they have completed more than a year. The second round that we talked about those grantees, we’ll have data for them this summer when they’re done with their first year.

So this cumulative data for the first two years of these six projects ending December of last year. The percentages are actually really remarkable. To have a 78 percent placement rate is pretty much unheard of in the world of workforce development, we’re tremendously excited about that.

The actual numbers, if you want the raw numbers, are people we’ve trained, I think we’ve enrolled a little over 1000 folks and somewhere close to 600 have already been placed into jobs. Again, a really, really high number.
There are lots of ways in here between enrolling and then surviving through the program and thriving in it and graduating and then moving on into a job, to have placed 600 people in the course of two years with a new program is pretty remarkable and we’re pretty excited about that.

So we want to move on to the last slide.

Yeah, so this is just, again, coming back to these lessons which I actually started out with because of some of the questions.

We found that active involvement with the building trades is really critical, so our partnerships are all different. Some of them, as I said, are led by workforce development boards, some of them are led by community based organizations. We have one, San Francisco, that is led by Conservation Corps actually, and we have some that are led and run by the building trades, and they all have different strengths but we find that the best indicator for placement and for success in the program is whether or not the partnerships, whoever is leading it has worked closely with the building trades.

And part of the program is not simply learning math and learning how to use tools, right?
It’s also learning about what all the different trades offer. What is that career like? What is that job like? Are you interested? Would you be good at it? Going out and actually living it. So if you have an opportunity to go out doing practice interviews for getting into an apprenticeship.

So when we say having a relationship with the building trades it’s like having a relationship with your employer, right? This is the connection that you’re going to need coming out of this training program.

Otherwise people are just, you know, this is how we’ve always done education in America, right? You get a degree and you’re released into the wild. It doesn’t really work like that anymore in our labor markets, right? So these folks we need to make sure there’s connections to the apprenticeship slots that are opening in the building trades. That’s why these relationships are so important.

Again, making the emphasis that placement into registered apprenticeship is not guaranteed. No pre-apprenticeship program guarantees placement into apprenticeship, and you have to be very clear about that up front, because think again it’s like,
well, okay, I got that certificate, now I should be able to go and get my apprenticeship, but it doesn’t work like that.

You’re setting people up for success. The problem is that disadvantages populations have a very hard time getting into apprenticeships at all for a variety of reasons. Pre-apprenticeship is to help broker that relationship so the doors are open to the building trades and also so that the requisite skills are learned ahead of time, and the supportive services are provided.

And the other piece we haven’t gone into detail about but the successful program provides more than just a curriculum, so all kinds of things that in our report there are little snapshots of each of the original six. All kinds of supportive services are required.

First of all, once people get into an apprenticeship, help with child care, transportation, continuing education. But even for the pre-apprenticeship there is a large case management position. We’ve found some of our most successful programs have run students through as a cohort. There is an all women’s cohort, for example, through Rising Sun that these women sort of
provide a formal peer support member to one another so that all of them made it through to graduation. The kind of peer support that applicants provide one another while going through the pre-apprenticeship is incredibly important to persistence throughout and to graduation.

Also things like you have to have a driver's license. Many people do not have a valid driver's license for a variety of reasons, and it could be because of prior offenses, it could be because you need to get your license back, but one of the things that supportive services do, ticket amnesty. They help people clear their driver's license because you can’t get a job. You could graduate from pre-apprenticeship but if you don’t have a driver's license you will never get a job, so helping people get their driver's license is one of the best things a training program could do, right.

And the same thing with record expungement for ex-offenders. We are serving increasingly a reentry population through these channels, and those are folks also who need help getting their paperwork cleared to be able to work in construction.

So those are the kinds of things that we’ve learned, so I think it’s just always guiding people
back to this idea that you think it’s just a
tool training program, but it’s really a whole suite of
services to help people get to the equal level of
opportunity that other folks have had all along.

So I think I’ll stop with that. We still
have to talk about jobs, so open to questions.

CHAIR GORDON: We’ll do questions and a
motion on this one, we’ll split these in two.

Yes, David.

BOARD MEMBER DIAS: I’d like to thank you
for this. This is a great thing. I’m a sheet metal
worker, I went through the apprenticeship and did
all the stuff, and I’m a former instructor and sit
on the JVC.

MS. WHITE: So you know.

BOARD MEMBER DIAS: So I know all this
stuff, but most trades do have through the building
trades have direct entry programs and we do bring
people in directly through the pre-apprenticeship
program, so I don't know if everybody opens up to
that or not but that’s a way to get them directly
in. It’s only a percentage through the state of
California maximum is 25 percent and that’s
including veterans, so you have to go through all
those regulations.
And yes, you do have to, a person has to have a driver's license and pass the math test and all that. Otherwise, they will not get in.

MS. WHITE: Yeah.

BOARD MEMBER DIAS: I know that.

MS. WHITE: Yeah. And I think there’s a variety of ways that the individual partnerships have negotiated those entries, it’s not always direct entry. In other words, that you automatically get to be an apprentice.

What it is is they’ll have a guaranteed interview, right? So let’s say you graduate with an MC3 certificate, the trades at that local area have agreed that you will get an interview to be an apprentice or that you will get certain points, you can move higher on the list. There’s all kinds of ways that this can be turned into an advantage in those competitions for the apprenticeship slot.

BOARD MEMBER DIAS: But thank you.

MS. WHITE: No, thank you.

CHAIR GORDON: Other questions, comments? On the phone? Room? So let’s do a motion on -- First of all, thank you. It’s a great presentation and a really impressive numbers, I’m amazed at the 600 number, actually, that’s shocking
and really impressive.

MS. WHITE: Right.

CHAIR GORDON: Can we get a motion on this report? We’re going to do Sarah’s second report on the larger job numbers for the whole program, but can we get a motion on this part?

VICE CHAIR RAY: So moved.

CHAIR GORDON: Thank you.

BOARD MEMBER DIAS: Second.

CHAIR GORDON: Second. Roll call please.

MR. BASTIDA: Board Member Gordon?

CHAIR GORDON: Yes.

MR. BASTIDA: Board Member Ray?

VICE CHAIR RAY: Yes.

MR. BASTIDA: Board Member Harris?

BOARD MEMBER HARRIS: Yes.

MR. BASTIDA: Board Member Odbert, I believe you are back?

BOARD MEMBER ODBERT: Yes.

MR. BASTIDA: Board Member Martinez?

BOARD MEMBER MARTINEZ: Yes.

MR. BASTIDA: Board Member Dias?

BOARD MEMBER DIAS: Yes.

MR. BASTIDA: Board Member Gold?

BOARD MEMBER GOLD: Yes.
CHAIR GORDON: Did we lose Mark?

MR. BASTIDA: Board Member Gold, are you there?

CHAIR GORDON: All right, we have lost another one off the phone, so that’ll be an abstention, thank you. Oh, are you back?

MR. BASTIDA: There he is. Board Member Gold?

BOARD MEMBER GOLD: That’s weird, I was talking the whole time but it didn’t come through, sorry about that, weird.

CHAIR GORDON: What’s your vote, Mark?

BOARD MEMBER GOLD: It was a yes.

CHAIR GORDON: Thank you. Great, thank you. So we have moved on that report.

We now get to go to the harder report from the Workforce Development Board. You got to do all your good success stories and now you have to do the hard data report.

MS. WHITE: Right.

CHAIR GORDON: Which is the jobs report on the full program. Go ahead, Sarah.

MS. WHITE: That’s fine.

Let me say also just thank you for listening to a slightly rambling report about the
projects. There was so much to share that it’s hard to know which are the highest level points to bring up for you. I encourage you to read through the case studies in the reports. And also, we’d be happy to put you in touch with -- there’s lots of -- it feels like there’s a graduation happening every month, right, and it’s a really incredible thing to go out to these sites and visit people who have made it through and who are now interviewing to have these careers, these high wage careers in occupations that they never dreamed they’d be able to, and it’s incredibly moving thing. The peoples’ stories are fabulous as well as I talk about building skill systems because where systems change, that’s what we do at the state board, but there’s a lot of really human stories here too which are really great.

But we also want to talk to you about the jobs data behind this, so I have a lot of paper here. I’m going to keep it relatively short and sweet.

Again, I came and talked to you last year about the methodology that we would use. The kinds of jobs and how it was hard to count them and how we planned to count them, and there was a lot of room
for sort of fun swirling presentations in that. Now we just have the numbers from the labor (inaudible) and just give you the straight numbers.

But I should say that -- make the caveat again that I am not a labor economist. We have worked closely with our colleagues at the University of California at Berkeley who also hired onto this project a nationally known construction economist because this is very thorny difficult data issues to get through, so we have some of the best folks in the country looking at this data.

I am here to report their results. I cannot draw them for you if you have questions about the methodology. We included a pretty lengthy methodology note in the report about how we arrived at these numbers, but what we’re trying to do is give the big picture and a little explanation of what that contains.

And also I should say that we’re hoping to do is to give it to the CEC or we can post on our website something that’s more like a chart book, right, that just shows here’s the six big things that you need to know about this and then a little bit of text. Kind of the reverse of the report. We have tiny little charts and lots of text. We just
want to move it into kind of an online thing that people can just click through and understand and we think that’s sort of the best way to transmit this information, so we’re on our way there.

But I think, again, to say that Prop 39, as you know, is an investment in the clean energy workforce intended to also increase the number of jobs in California supporting energy retrofit improvements while providing training in sustainable careers for all Californians. And I think that the data that we have addresses both of these questions. Both how many jobs were created and what the quality is.

So the big takeaway, let me say, is that the job creation is on a really decent par with what we predicted, there are no surprising things to know. We have no rabbits to pull out of a hat. We are on track with the mid range forecasts that were run by UC Berkeley last year and the year before. And the quality indicators which we have are really pretty great, right, so they speak directly to this goal of creating quality jobs that provide middle class careers, which was one of the goals of this.

So if we want to move to the first slide. I should remind folks that we are taking
the job measures only for the K-12 investments, which are the vast majority of the Prop 39 investments, but the job creation numbers by the investments to the community colleges and the Conservation Corps are tracked separately by those folks, so this is the K-12 job creation numbers and these numbers are for your purposes they go through the third quarter of last year and it’s based on the amount of approved money out the door for these projects, right, so that’s $752 million when adjusted to 2016 dollars.

So the job estimates are based on this disbursement rather than the final program expenditures because, as you’ve heard this morning I’m sure, the LEAs do not have to report until a full year after their projects.

And there’s been a lot of discussion in our data about what means a completed project, so we’re basing the job numbers on the amount of money that has gone out and been approved for these.

So with that, because I mean, if you actually -- I think when we looked in the fall at the CEC data there were only 60 projects that had actually been considered completed and measurable, so we are basing this on the money that went out the
door before the third quarter, and from that we find that California has created over 10,000 brand new jobs.

These are broken into about 4400 direct jobs, which are actually the direct construction industry jobs.

The indirect and induced jobs which you see here are the kinds of work that are created in an economy when construction happens, right. Sort of the indirect jobs are those in the supply chain and the induced jobs are because people now have money in their pockets to spend in their communities.

The reason this is important and especially in Prop 39 is because the legislation was used to close a tax loophole. This is entirely new money, it’s not just moving things around in the economy so these jobs would have been somewhere else and now they’re coming here. They’re considered brand new by the economists because it’s new money coming in.

So 10,000 jobs. That’s, again, sort of about the middle of the range estimates that we had before.

I would also just like to add to this. I didn’t put in a slide here but there is a notation in the report we also had Berkeley run us some of
the economic impact numbers overall, which said that in addition to the employment that is generated on this spending that was generated, so we have $587 million in induced spending and $361 million in indirect spending for the total economic impact of $1.7 billion from this work alone.

And this increase in economic activity they calculated generates an additional $88 million in state and local property taxes. So we feel the economic outcomes of the investments to date to retrofit schools have been a tremendous boon to the California economy, so that is good news.

Let me move ahead.

This is a detail which actually has gotten moved up here, it’s in the appendix. This is just to answer this question of where are most of the construction jobs. There was concern in the beginning that it went to a lot of consultants or managers, and actually only 2 percent went to the energy managers or the jobs in training, but actually the majority of the jobs, 98 percent of the jobs were in direct construction activities.

So if you want to move ahead.

This takes us to a couple slides where we talk about the story of job quality. These next two
just talk about the main job classifications.

Again, what are people doing when they do energy retrofits, right? So this is where we have direct data from the Department of Industrial Relations, from the certified payroll records, and it tells us some things about quality.

We know that in the sample that we have there’s an importance of highly skills specialty trades, so the electricians, the plumbers and pipefitters, the sheet metal workers working on two of the energy using systems in building, lighting and HVAC.

So the prominence of trades also that work on the building envelope is (inaudible).

Why don’t we go to the next slide.

This is another way of breaking this down because this is just showing the amount of highly skilled labor on these projects and where the work is being done with the investments that were made.

If you want to leap ahead.

This slide is probably the most important, I think, in terms of job quality because it shows what I mentioned earlier, which is that 18 percent apprenticeship utilization rate. So that means that 80 percent of the jobs are high quality journey
level or other trained construction jobs, which is great news.

Only 1 percent are occupations that didn’t require any formal training. Those are things like, in these cases, not in all cases, in some cases the lighting contractors who came in, if there were people that were being taught how to change lights, and also landscapers that came in to redo grounds after the work was done.

But the vast majority are in journey level occupations, and with 20 percent room for apprentices. Again, that shows us a ratio of about 1 trainee to 5 workers, which is incredibly good, that’s healthy, that’s what we see across the country in solid construction projects.

It also means that there’s room for a lot of apprentices to come into this work, and if we hop ahead.

Let me just back up for a second.

Kate, you had said, I should say this earlier, I just want to remind folks that apprentices are earning a salary while they’re getting three to five years of training that teaches a broad occupational skill set so they can be employed across the board in the construction
industry. And the state certified apprenticeships are really the gold standard in workforce training, and these are the pipelines for a middle class career and we’re very excited to see that there’s room for 20 percent. So far we have seen the data that 20 percent of the workers are apprentices.

If you move ahead, another way that we document the importance of apprentices is by showing the average hourly wage rate for apprenticeships in the selected trades on these projects. And I think you will see that these are not terrible wages, right? We’re talking about people making a living that they could support a family on. This is not about the low wage dead-end kinds of careers, these are kinds of jobs we want to be trained for. This is why we emphasize the importance of moving into apprenticeship because if you’re an apprentice you’re going to be making these kinds of wages.

These jobs are also, by and large they pay dental and health and retirement benefits, and the wages, again, high.

I think the only other thing -- is there another slide?

MR. BASTIDA: That’s all we have.

MS. WHITE: Oh, look at that.
I think the other thing I just want to draw your attention to is the sampling that we did.

So we had talked about building a data system where we could measure the jobs from the direct payroll records. There has still been an ongoing challenge in matching the CEC records and the payroll records, so while we’re able to use the DIR data and it is good to get at the job quality issues, to look at average wages and to look at benefits and apprenticeship utilization, the actual job numbers are modeled based on an in-plan modeling which is specific to the California construction industry based on the inputs that have been spent by CEC so far, so that’s where we get our job data number up front.

This is a nationally accepted form of modeling which is then ground truth, if you will, by the information we have from DIR about the nature of the jobs themselves. And then again, the modeling is applied specifically to the case of California and California’s economy and the construction trades involved in doing this work.

So that’s the sort of great --

CHAIR GORDON: Great.

MS. WHITE: -- good, slightly anticlimactic
end of the day, but happy to say that we’re seeing not just tremendous growth in skills infrastructure, but I think really solid job creation numbers as well.

CHAIR GORDON: Thank you, Sarah, you did such a good job last year of setting us up for not having good numbers that now that we get really good numbers it’s especially great, so really appreciate it.

MS. WHITE: Yes, they’re good. They’re solid numbers. I would say we are still going to get the short of, you know, some folks hope to see 40,000 and some folks -- but 10,000 jobs is a good number.

CHAIR GORDON: It’s great, and thank you. It’s as always a very clear presentation.

MS. WHITE: And again, the quality again, as I said, is very important because there’s a lot of ways to create crappy jobs. We don’t want those.

CHAIR GORDON: Questions for Sarah on the jobs data, or comments? Arno, Chelina --

BOARD MEMBER HARRIS: None. None for me.

That was great, thank you.

BOARD MEMBER ODBERT: No. Just also happy to see the numbers.
CHAIR GORDON: Mark, you weren’t here last year but Sarah was very discouraging about what she thought she would be able to provide to us in terms of numbers, so I think you’re experiencing us being happy not only about the numbers but about the ability to get some of the numbers.

MS. WHITE: Right.

CHAIR GORDON: It’s really great.

BOARD MEMBER GOLD: Also sounds like it was very strategic.

CHAIR GORDON: Yes. Well, thank you. Let’s have a motion on this report, which I think is our last motion of the day, and then we’ll do public comment afterwards, which we have not yet done. So motion on this report?

BOARD MEMBER DIAS: Move to accept the report.

CHAIR GORDON: Great.

BOARD MEMBER MARTINEZ: Second.

CHAIR GORDON: That was David and then Randall seconding.

Roll call, please.

MR. BASTIDA: All right.

Board Member Gordon?

CHAIR GORDON: Yes.
MR. BASTIDA: Board Member Ray?
VICE CHAIR RAY: Yes.

MR. BASTIDA: Board Member Harris?
BOARD MEMBER HARRIS: Yes.

MR. BASTIDA: Board Member Odbert?
BOARD MEMBER ODBERT: Yes.

MR. BASTIDA: Board Member Martinez?
BOARD MEMBER MARTINEZ: Yes.

MR. BASTIDA: Board Member Dias?
BOARD MEMBER DIAS: Yes.

MR. BASTIDA: Board Member Gold?
BOARD MEMBER GOLD: Yes.

CHAIR GORDON: Great. Thank you.
MR. BASTIDA: The motion is passed.

CHAIR GORDON: That was that. So we will take that report and the others that we voted on today and use them as the basis for our report to the Legislature.

Again, as with all of those motions, I probably and Jack will be reaching out individually to the different departments if we have specific questions on presentation or tweaking, making sure that we are not talking about the incentive-owned utilities, etcetera. But thank you to everybody who presented who’s still here.
Do we have any public comment, since we didn’t call for it during the items, on any item on the agenda?

Seeing none --

MR. BASTIDA: There might be online.

CHAIR GORDON: Oh, there might be on the phone. Is there any public comment or question on anything on the agenda or on our board in general on the phone, since this is an open line?

MR. BROWN: Yes.

CHAIR GORDON: Great.

MR. BROWN: Yeah, hi, this is Rick Brown from Terra Verde. As many of you know, we’re involved in (inaudible) with a lot of districts, over 50 now, and as we discussed last year where there was some concerns about the progress, last summary, you know, kicked it in terms of a lot of construction, and we all know why there were those delays. And this summer is going to be, you know, similar if not more. So that’s the good news.

I did want to comment quickly on the charter issue, because I think in listening to the discussion there’s still a little unclarity.

The problem with independent charters that are in leased buildings, and particularly in leased
facilities that, you know, are privately owned, is that it’s very, very difficult for those charters to qualify their energy expenditure plans because the requirements of the owner of the building to basically, you know, reimburse if the charter leaves the building makes it really hard to get that to happen.

We’ve done a lot of charters in our programs but they’ve all been charters that are in buildings that are owned by the local school District. No problem there. But in privately owned buildings, just doesn’t happen because you can’t get over that hump.

So just wanted to make sure there was clarity there. It’s not that we don’t want to try to do it, but the landlords just don’t want to go along with that provision.

The other issue that I really do want to highlight is the issue of school districts that are in particularly municipal or irrigation utility districts. Getting the formulas to work in terms of the savings is extremely difficult because of how those rates are structured.

And just like I know last year we gave some exceptions to districts that are in the north part
of the state where they are getting, you know, the
power prices are very cheap because of being in
large hydro areas, we really need that exception for
folks that are in places like Modesto, Merced,
Turlock Irrigation District, and some of the other
municipal utilities, because the only way they can
get out of the conundrum is by putting a lot of cash
into the project to lower that denominator to bring
up that SIR, and a lot of these districts in those
rural communities are very poor and they don’t have
the cash.

And because those are irrigation districts
where the rate structures are such that they’re in
really high peak pricing, solar doesn’t really bail
them out in terms of that SIR.

So I strongly encourage you to make a
recommendation that in the next iteration of
guidelines review that those districts be able to
get that exception. We have several that are in
those irrigation districts that are really
struggling to figure out how they’re going to make
their plans work because they just don’t have the
cash to bring it up the other way.

So those are my comments, thank you.

CHAIR GORDON: Thank you, Rick. Always
very helpful, and individual board members may be
following up with you on some questions specifically
around the charter question, but thank you very
much.

BOARD MEMBER DIAS: Kate?

CHAIR GORDON: Yes, David?

BOARD MEMBER DIAS: I don’t even know. I
deal with the CPC a lot and all that stuff, but do
the municipal utility districts give incentives like
the incentive-owned utilities do? And that was a
joke about the incentive-owned utilities.

CHAIR GORDON: That was good.

Bob, do you want to -- Chair Weisenmiller,
sorry, do you want to address that?

CHAIR WEISENMILLER: No, this is about
looking generally at the publicly owned utilities,
there’s like 44 of them. So some of them like SMUD
are very generous with incentives. On the other
hand, and I’m not going to be able to go through the
litany of all of them and certainly some of them are
less so, let’s put it that way.

But certainly if it’ll help, particularly
on this issue of the exemption issue or adjustment
issue, we can certainly have the staff try to pull
together some of it. You know, once we have an idea
of here’s the, say, half dozen you’re most concerned about we could try to see what’s there.

And certainly some of the peer use, like SMUD for example, was really trying to figure out how to help their customers participate. And again, the question is how many of the others are also being vigorous on that account? Don’t know.

BOARD MEMBER DIAS: Thank you.

CHAIR GORDON: Good question. And thank you.

Are there any other public comment from the phone? Nothing else? Great.

So we will, just as a reminder for the next meeting, we will -- which is on...

MR. BASTIDA: The 21st.

CHAIR GORDON: March 21st?

MR. BASTIDA: Yes.

CHAIR GORDON: We will be talking in much more depth about potential -- about recommendations, so between now and then Jack and I, and we will reserve the right to reach out to you all. We’re not going to do a committee this time but we will reach out individually to people to engage on this question of how to start putting together a draft of a recommendation section. What we’d ideally do is
have that draft for discussion at the next meeting, and then we’ll obviously be adding to it and amending it at that meeting. But to the extent that this conversation has brought up thoughts on that section, please bring those -- well, communicate those to Jack directly. Remember, we can’t do big emails, so directly to Jack or directly to me, and we will be bringing a draft to the next meeting.

And at the next meeting we hope to approve our entire report to the Legislature with any amendments that we include in the next meeting.

MR. BASTIDA: Yeah, we padded a few extra days this time so we can have time to do this.

CHAIR GORDON: It’s going to be a little bit less crazy than last year.

Great. Well, thank you to everybody, and I don’t think I have to move to adjourn, so I think I can just adjourn.

MR. BASTIDA: All right.

CHAIR GORDON: Thank you again to everyone.

BOARD MEMBER ODBERT: Thank you.

BOARD MEMBER GOLD: Bye, everybody.

BOARD MEMBER HARRIS: Thank you, guys.

CHAIR GORDON: Folks on the phone, thank you.
BOARD MEMBER ODBERT: See you guys next time. Okay.

(Adjourned at 3:57 p.m.)

--o0o--
I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were reported by me, a certified electronic court reporter and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of February, 2017.

PETER PETTY
CER**D-493
Notary Public
TRANSCRIBER'S CERTIFICATE

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were transcribed by me, a certified transcriber and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

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IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of February, 2017.

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Terri Harper
Certified Transcriber
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