



**Training Proposal for:
Turner Construction Company
Agreement Number: ET10-0264**

Panel Meeting of: **October 23, 2009**

ETP Regional Office: **Sacramento**

Analyst: R. Hernandez

PROJECT PROFILE

Contract Type: SET/HUA - Retrainee

Industry Sector(s): Construction
Green Technology

Counties Served: Alameda, Fresno, Orange, Sacramento, San Diego, San Francisco

Repeat Contractor: Yes No

Union(s): Yes No
Northern California Carpenters Regional Council, Northern California District Council of Laborers

Priority Industry: Yes No

No. Employees in CA: 859

No. Employees Worldwide: 52,449

| Turnover Rate | Manager/Supervisor |
|---------------|--------------------|
| 11% | 0% |

FUNDING DETAIL

| Program Costs | Substantial Contribution | Total ETP Funding |
|---------------|--------------------------|-------------------|
| \$499,284 | \$0 | \$499,284 |

| In-Kind Contribution |
|----------------------|
| \$645,845 |

TRAINING PLAN TABLE

| Job No. | Job Description (by Contract Type) | Type of Training | Estimated No. of Trainees | Range of Hours | | Average Cost per Trainee | Post-Retention Wage |
|---------|---------------------------------------|---|---------------------------|------------------|--------|--------------------------|---------------------|
| | | | | Class / Lab | CBT | | |
| 1 | SET Frontline – Retrainee | Business Skills, Commercial Skills, Computer Skills, Continuous Improvement | 578 | 24-200 | 0- 40 | \$738 | \$23.64 |
| | | | | Weighted Avg: 41 | | | |
| 2 | SET/HUA Retrainee | Business Skills, Commercial Skills, Computer Skills, Continuous Improvement | 102 | 24 - 200 | 0 - 40 | \$720 | \$13.00 |
| | | | | Weighted Avg: 40 | | | |

Minimum Wage by County: Job Number 1 Statewide SET Hourly Wage \$23.64; Job Number 2 SET/HUA \$13.00 for Fresno County; \$14.18 Alameda County.

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

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

\$1.49 per hour may be used to meet the Post-Retention Wage in Job Number 1 and Job Number 2.

| Wage Range by Occupation | |
|--------------------------|------------|
| Occupation Title | Wage Range |
| Craftspeople | |
| Engineering Staff | |
| Regional Support Staff | |

Craftspeople include several job titles such as carpenters, laborers, assistant superintendent, superintendent, etc.

Engineering staff includes job titles such as field engineer, mechanical engineer, estimating engineer, cost engineer, project engineer, etc.

Regional support staff includes job titles such as office administrator, marketing assistant, accountant, purchasing assistant, purchasing clerk, estimator, etc.

INTRODUCTION

In this proposal, Turner Construction Company and TC Professional Services (Turner), both subsidiaries of Turner Corporation, seek funding for retraining as outlined below:

Founded in 1902, Turner provides construction and project management services to a cross-section of industries including, but not limited to, sports, pharmaceuticals, healthcare, retail, telecommunications, and entertainment. Turner has built large, recognizable projects such as

the John F. Kennedy Memorial Library in Boston, the Rock and Roll Hall of Fame in Cleveland, and the new Yankee Stadium in New York.

Company representatives state that it is the largest builder of green buildings in the nation and has extensive experience across a wide variety of sustainable construction projects, enabling Turner to create a detailed databank of cost effective green materials, building systems, processes, and suppliers to assist its clients. Since 2000, Turner has completed \$3.1 billion of construction that has been Leadership in Energy and Environmental Design (LEED) Certified by the U.S. Green Building Council. An additional \$9 billion in projects are LEED registered. The Engineering News-Record recognized Turner as having the most LEED Accredited Professionals on staff among construction management firms and as the largest builder of LEED Certified projects in the United States.

Turner has been determined eligible to receive ETP funding under Special Employment Training (SET) Title 22, California Code of Regulations (CCR), Section 4409 for its frontline workers who earn at least the state average hourly wage and are employed at Turner regional field offices. This proposal meets the Panel's priority industry requirements as a construction company.

PROJECT DETAILS

In order to improve the delivery of services to its clients and maintain sustainable building practices and environmental awareness throughout the organization, the company has recently implemented the following initiatives: Building Information Modeling (BIM), Lean Construction, and Integrated Project Delivery.

The BIM improves collaboration of the designers and trade specialists which reduces duplicated efforts, errors in design, requests for information, change orders, and associated delays and risks during procurement and construction. The new lean construction process will enable Turner to apply lean principles to better define needs of the project and provide more realistic budgeting and scheduling processes. The Integrated Project Delivery model will improve all aspects of the company's business including safety, quality, cost management, scheduling, planning, administration, supply chain, and employee development.

To implement these initiatives, Turner proposes to train 680 frontline workers (craftspeople, engineering staff and regional support staff) in Business Skills, Commercial Skills, Computer Skills, and Continuous Improvement Skills. The courses are specifically designed and are necessary for Turner workers to become LEED accredited, control both the client's and Turner's costs, improve project quality management, and effectively compete by utilizing up-dated systems and programs designed for the construction industry.

Trainees will receive one or more of the following types of training:

Business Skills Craftspeople, engineering staff, and regional support staff will receive business skills in areas such as business writing skills, communication skills, estimating skills, negotiation skills, purchasing and subcontractor relations, reading and understanding contracts, and train the trainer skills. This training will provide employees with the skills to support the company as it continues to grow and compete in the construction building industry.

Commercial Skills Turner will provide commercial skills training to its craftspeople, engineering staff, and regional support staff in areas such as building information modeling, construction skills, green building/concepts skills, leadership in energy and environmental design (LEED), logistics skills, and supply chain solutions. These skills will enable Turner's workforce to improve its job performance and meet the needs of Turner's customers. This training is not part

of an apprenticeship program and does not supplant any already existing approved apprenticeship program.

Computer Skills Turner will provide computer skills training to its craftspeople, engineering staff, and regional support staff in areas such as a construction waste recycling reporting system, design builder/design planner, intermediate/advanced Microsoft office skills, last planner system, primavera 6 scheduling software, and Turner talk project management system. These skills will enable Turner's workforce to proficiently use the systems.

Continuous Improvement The company's craftspeople, engineering staff, and regional support staff will receive training in continuous improvement skills aimed at moving the company to a higher level of performance through change management skills, conflict management skills, increased productivity skills, project management, and team building skills. These skills will enable the workforce to improve quality, perform more effectively in team environments, and improve leadership capabilities, thereby increasing the overall efficiency of Turner and adding value to its customers' projects.

Commitment to Training

The company's representatives report that Turner has committed \$1,500,000 for training in its California locations. Currently the company's on-going training consists of mandatory state and federally-regulated training, including safety, sexual harassment awareness, legal compliance, basic computer skills, employee orientation, security awareness, and personal development.

Turner represents that ETP funds will not displace its existing financial commitment to training. The company anticipates that the opportunity for enhanced training made possible by ETP funds will encourage an ongoing financial commitment in this area.

Turner represents that safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

Green Business Operations

To positively impact the communities it serves, Turner has recently launched a broad-based program of initiatives to promote sustainable development practices and to aggressively expand its capabilities and extend its leadership in this growing field.

In addition to the Green/LEED accredited training and Building Information Modeling, Turner is committed to decreasing its carbon emissions by 5% over the next five years by reducing electricity consumption in offices and reducing fuel consumption in company-owned and leased vehicles. Turner established this goal through its membership in the Environmental Protection Agency (EPA) Climate Leaders program. It was the first construction management firm in the U.S. to join EPA Climate Leaders in 2006 and is the first to set a greenhouse gas emissions reduction goal.

Turner utilizes equipment-related energy saving products; reduces production waste streams to improve environmental stewardship; and utilizes effective water conservation strategies to reduce impact to the local water table and to reduce embedded energy use. The company collaborates with the local utility to integrate process improvements to effectively reduce greenhouse gas and energy use.

Turner is also implementing an Online Construction Waste Recycling Reporting System and an eDocs system to eliminate the use of paper in reporting and billing of waste removal from the construction site and eliminate large quantities of manuals and "as built" drawings.

Special Employment Training/High Unemployment Area

Under Special Employment Training (SET) the company is not required to demonstrate out-of-state competition. In general, SET trainees must be earning at least the statewide average hourly wage at the end of the retention period. (Unemployment Insurance Code 10214.5. Title 22, CCR, Section 4409(a).)

The 102 trainees in Job Number 2 work in Fresno County and the City of Oakland which are High Unemployment Areas (HUA). These are regions with unemployment exceeding the state average by at least 25%, using the unemployment rate set by the Labor Market Information Division of the Employment Development Department. (Title 22, CCR, Section 4429(b).) However, Turner is not asking for a wage and/or retention modification.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal.

DEVELOPMENT SERVICES

The company retained Training Funding Partners (TFP) in Tustin to assist with development of this proposal for a flat fee of \$37,000.

ADMINISTRATIVE SERVICES

The company also retained TFP to perform administrative services in connection with this proposal for a fee not to exceed 12% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours****24 - 200****Business Skills**

- Business Writing Skills
- Communication Skills
- Contractor Controlled Insurance Skills
- Estimating Skills
- Finance/Accounting Skills
- Negotiation Skills
- Presentation Skills
- Purchasing and Subcontractor Relations
- Reading and Understanding Contracts
- Train-the-Trainer Skills

Commercial Skills

- Business Information Modeling
- Construction Skills
 - Wall Construction
 - Preconstruction Skills
 - Roofing Skills
 - Construction Moisture Control Skills
 - Window and Glass Skills
 - Low Voltage Systems
 - Plan Reading Skills
- Construction Incident Investigation Skills
- Field Engineering/Operations/Superintendent Skills
- Green Building/Concepts Skills
- HVAC Controls
- Insurance and Bonding
- Integrated Project Delivery
- Leadership in Energy and Environment Design
- Logistics Skills
- Loss Prevention Skills
- Mechanical/Electrical/Plumbing Skills
- Scheduling Skills
- Shop Drawing Review Skills
- Supply Chain Solutions

Computer Skills

- Construction Waste Recycling Reporting System
- Design Builder/Design Planner
- Intermediate/Advanced Microsoft Office Skills
- Last Planner System
- Primavera 6 Scheduling Software
- Turner Talk Project Management System

Continuous Improvement Skills

- Change Management Skills
- Conflict Management Skills
- Meeting Management Skills
- Increased Productivity Skills
- Leadership Skills
- Process Improvement Skills
- Project Management Skills
- Problem Solving/Decision Making Skills
- Quality Management Skills
- Team Building Skills

CBT Hours**0-40****Business Skills**

- Business Writing Skills (5)
- Communication Skills (5)
- Finance/Accounting Skills (4.5)
- Negotiation Skills (2)
- Presentation Skills (5)

Commercial Skills

- Construction Skills (30)
 - Wall Construction
 - Preconstruction Skills
 - Roofing Skills
 - Construction Moisture Control Skills
 - Window and Glass Skills
 - Low Voltage Systems
 - Plan Reading Skills
- Field Engineering/Operations/Superintendent Skills (2)
- Insurance and Bonding (2)
- Leadership in Energy and Environmental Design (LEED) (3)
- Logistics Skills (2)
- Mechanical/Electrical/Plumbing Skills (3)
- Moisture Control Skills (3)

Computer Skills

- Adobe Acrobat/Illustrator/Photoshop Skills (4)

Continuous Improvement Skills

- Change Management Skills (3)
- Conflict Management Skills (3)
- Meeting Management Skills (2.5)
- Increased Productivity Skills (2)
- Leadership Skills (4)
- Project Management Skills (4)
- Succession Planning Skills (4)

- Team Building Skills (4)
- Time Management Skills (5)

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



NORTHERN CALIFORNIA DISTRICT COUNCIL OF LABORERS

Affiliated with the Laborers' International Union of North America, National Construction Alliance and Change to Win

4780 CHABOT DRIVE, SUITE 200, PLEASANTON, CALIFORNIA 94588-3322 • Phone (925) 469-6800 • Fax (925) 469-6900



June 24, 2009

Employment Training Panel
1100 J Street, 5th Floor
Sacramento CA 95814

Re: ~~Application to Employment Training Panel for Turner Construction Company~~

Dear Ms. Kris Ohta:

The Northern California District Council of Laborers represents employees at Turner Construction's Oakland, California facility. We support the training of the workforce as it improves upon the skills of the workers we represent. Therefore, the Northern California District Council of Laborers supports Turner Construction Company's application for funding from the Employment Training Panel.

Best regards,

Cedric R. Porter 

Cedric R. Porter
Assistant Business Manager
NCDCL

CRP:asa
opeiu29 (afl-cio)

cc: [illegible]

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NORTHERN CALIFORNIA
CARPENTERS
REGIONAL COUNCIL

June 19, 2009

Employment Training Panel
1100 J Street, 5th Floor
Sacramento CA 95814

Re: Application to Employment Training Panel for Turner Construction Company

Dear Ms. Kris Ohta:

The Northern California Carpenters Regional Council represents employees at Turner Construction's facilities in Northern California. We support the training of the workforce as it improves upon the skills of the workers we represent. Therefore, the Northern California Carpenters Regional Council supports Turner Construction Company application for funding from the Employment Training Panel.

Best regards,

Paul Cohen

Director of Public and Governmental Relations

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