

**JOB TRAINING INCENTIVE PROGRAM
MONTHLY BOARD MEETING**

Virtual Meeting

MEETING SUMMARY OF DECEMBER 11, 2020

ATTENDEES:

Board Members

Mark Roper – EDD Division Director - Board Chair
Marc Duske - NM Public Education Department
Michelle Doran – Department of Workforce Solutions
Michelle Ribeiro - Adult Education Div.
Ricky Serna - Department of Workforce Solutions
Monica Sandoval-Johnson - STEM Boomerang
Sean Burkland, International Association of Machinists and Aerospace Workers

JTIP Staff Present

Patrick Gannon, Program Manager
Avelina Borrego, Marketing Coordinator

JTIP Staff Absent

Jennifer Prada, Program Administrator

Guests

Alice Tyson, System Integration, Inc.
Laura Segura, System Integration, Inc.
Alyssa Cloud, System Integration, Inc.
Donald Garrett, National Water Services, Inc.
Elaine Landon, The Boeing Company
Mark Gaspers, The Boeing Company
Maureen Gannon, X Bow Launch Systems, Inc.
Kathleen Kellogg, X2NSat, Inc.
Adam Kidd, KiloNewton, LLC
John-Paul Bulow, Beck & Bulow Buffalo, LLC
Troy Beck, Beck & Bulow, Buffalo, LLC
Eric Montgomery, MVEDA
Louise Marquez, NM Economic Development Department
Maxwell Gruner, NM Economic Development Department
Peter Mitchell, NM Economic Development Department
Wendy Ederer, AED
Dennis Houston, AED

I. Introductions

The meeting convened at 9:06 am. Board Chair introduced and welcomed new board members Monica Sandoval-Johnson and Sean Burkland and each provided a brief overview of the organization they represented. This was followed by introductions of board and staff.

II. Approval of the Agenda

Mr. Gannon presented a revised agenda, that removed Teccinno Caffè, delaying the company's request until the January 8th board meeting.

Mr. Burkland made a motion to approve the agenda. Mr. Duske seconded the motion. Motion passed.

III. Amendment(s)

a) System Integration, Inc. JTIP PRJ-2021-0004 – Albuquerque

The company requested a total of \$11,700.00 for 1 trainee at an average wage of \$22.50 per hour. The company has been approved for JTIP on two previous occasions.

Ms. Borrego read the proposal summary, nothing more was added by the company. Alice Tyson thanked the JTIP board and the JTIP staff for all the support.

A motion to approve the request in the amount of \$17,700.00 to hire and train 1 employee was made Ms. Doran and seconded by Mr. Duske. Motion passed.

b) Indica Labs, Inc. JTIP PRJ-2021-0031 – Albuquerque

The company requested a total of \$63,431.20 for 2 trainees and 5 interns at an average wage of \$27.65 for trainees and \$22.12 for interns. \$44.83 per hour. The company has been approved for JTIP on five previous occasions.

Ms. Borrego read the proposal summary. Jonathan Bartlett, did not attend the meeting.

A motion to approve the request in the amount of \$63,431.20 to hire and train 2 employees at an average wage of \$27.65 and 5 interns at an average wage of \$22.12 was made by Mr. Duske and seconded by Ms. Doran. Motion passed.

IV. Proposals

a) National Water Services, Inc. – Santa Fe

The company requested a total of \$35,640 for four trainees at an average wage of \$19.63 per hour. The company has been approved for JTIP on ten previous occasions.

Ms. Borrego read the proposal summary.

Mr. Duske asked Mr. Garrett the difference between two of the positions: Service Technician Coordinator and Service Technician Installer. Service Technician Coordinator trains the technicians in the field and guide them through repairs in the field. They have to get technical training in order to perform certain repairs. Mr. Duske noted that the wages for the positions are the same. Mr. Garrett responded saying although the work performed by the positions are differ, the fundamental skill sets are the same.

Ms. Ribeiro followed up on a statement made by Mr. Garrett regarding the company's inability to find qualified applicants on the company's previous JTIP project. She asked about the avenues the company took to find applicants and is there a re-approach for this

round. Mr. Garrett's response was that the company used a variety of resources: Indeed, Facebook and Workforce Connection. He continued to say that the company has limited space and mentioned social distancing to be challenging. The company created a second shift to make sure there were not too many employees in the building at any given time.

Mr. Chair asked a question about COVID and safe work practices. Mr. Garrett responded with expanded shifts and PPE.

A motion to approve the request in the amount of \$35,640.00 to hire and train 4 employees with an average wage of \$19.63 was made by Ms. Doran and seconded by Mr. Duske. Motion passed.

b) The Boeing Company – Albuquerque

The company requested a total of \$1,113,112.40 for 34 trainees at an average wage of \$57.08 per hour. The company has been approved on four previous occasions.

Ms. Borrego read the proposal summary.

Ms. Landon thanked the board for the opportunity to request JTIP funds. Ms. Landon stated that the funding has allowed the company to enhance their training for their new hires and grateful for all of the support. The company has over 260 employees around the state including those in the Albuquerque office made up of engineers and business staff responsible for developing the next generation of directed energy systems including lasers and advanced optical systems. The research and development work around the state is done by the most highly skilled people in their field. The company offers great opportunities for New Mexico graduates to stay here or come back. The company has hired 45 engineers through JTIP and over 70% are residents of New Mexico along with drawing new talent into the state. Additionally, 15% are veterans.

Mr. Gasper thanked the board and was grateful for the JTIP support. On a separate note Mr. Gasper spoke of Boeing's Starliner program in support of NASA landing operations based at White Sands in 2021 and what a great opportunity to highlight the high tech opportunities that happen in New Mexico.

Ms. Sandoval-Johnson commented on the company's commitment to work with New Mexico's Universities and Community Colleges and asked what the company will do to fill the 34 positions. Ms. Landon responded with hiring fairs through university engineering departments, Workforce Solutions, staff referrals and networking.

Mr. Chair, commented on the company's tuition reimbursement program and the criteria for a which an employee can benefit from the opportunity.

A motion to approve the request in the amount of \$1,113,112.40 to hire and train 34 at an average wage of \$57.08 employees was made by Mr. Duske and seconded by Ms. Ribeiro. Motion passed.

c) X2nSAT, Inc. – Las Cruces

The company requested a total of \$160,650.00 for 11 trainees at an average wage of \$23.18 per hour and 7 interns at an average wage of \$17.57 per hour. The company has been approved on one previous occasion.

Ms. Borrego read the proposal summary.

Ms. Kellogg shared her gratitude to the JTIP board and the staff of JTIP. Many of the company's existing clients are looking to transition their service needs from Petaluma, CA to Las Cruces. X2nSAT will be doubling their workforce in Las Cruces in the next several months to support their customer base.

Mr. Montgomery stated that X2nSAT have been an incredible community partner and highlighted the company's engagement with NMSU & DACC and the opportunities the company brings to the students.

Ms. Marquez commended the company on bringing tech jobs to the region and the investment the company is making in the community.

Mr. Chair complemented the company on the great benefits the company provides, in particular 100% of the health premium paid for by the company and 50% for the dependents.

A motion to approve the request in the amount of \$160,650.00 to hire and train 11 employees and 7 interns was made by Ms. Doran and seconded by Mr. Burkland. Motion passed.

d) X Bow Launch Systems, Inc. – Albuquerque

The company requested a total of \$241,783.00 for 9 trainees at an average wage of \$42.53 per hour and 3 interns at an average wage of \$22.50. The company has been approved on one previous occasion.

Ms. Borrego read the proposal summary.

Ms. Gannon – The company is continuing to grow their operations in Socorro and in Albuquerque. The company continues to grow relationships with the AFRL and Kirkland. Some of the hiring will be related to a new project the company has brought on with one of the national labs that will be a strategic, long-term capability in sub-orbital research for New Mexico with a goal to see a 5-10-year multiple flight testing program utilizing the company's technology supporting the national labs nuclear modernization efforts.

Ms. Sandoval-Johnson, commented on the company's efforts to find local talent.

Mr. Duske asked about the level of manufacturing in New Mexico. Response from company: The company works with local component producers at the piece/part level. X Bow for its current flight/test program and long-term business plan model, the company would be the motor manufacturer and vehicle stack assembly integrator, test and launch service provider.

A motion to approve the request in the amount of \$241,783.00 to hire and train 9 employees and 3 interns was made by Mr. Duske and seconded by Mr. Serna. Motion passed.

e) KiloNewton, LLC – Albuquerque

The company requested a total of \$95,666.12 for 4 trainees at an average wage of \$38.93 per hour and 1 intern at an average wage of \$17.50. The company has been approved on two previous occasions.

Ms. Borrego read the proposal summary.

Mr. Kidd thanked the JTIP staff for their assistance. Mr. Kidd noted that the company had numerous projects, however, due to COVID many had been put on hold and thus the hiring was postponed. The company is expanding with more projects in the pipeline both within and outside of New Mexico. Mr. Kidd stated that all of the positions in the request today are the same positions that were not hired in the previous project.

Ms. Sandoval-Johnson asked if there is an opportunity for the new hires to work remotely due to the company's office space of 1,300 sq. ft. down town. Mr. Kidd stated that currently everyone with the company is working remotely. The company is looking at expanding into a larger facility.

Mr. Duske asked a question regarding how the company goes about recruiting for intern

positions. Mr. Kidd stated that they use the Workforce Connection and Indeed. Mr. Duske asked if the company has reached out to the engineering departments at the NM universities and have working relationships. Mr. Kidd responded to say that the company has a relationship with UNM.

Ms. Doran spoke on the wages and noted that the Manager and the Senior Engineer and noted that the entry wage for the positions are a bit low and recommended that the company consider raising them to attract better candidates. Ms. Doran mentioned that the company could go online at DWS to find wage data for the region.

Mr. Chair commended the company on their benefits package and the company's commitment to their employees.

A motion to approve the request in the amount of \$95,666.12 to hire and train 4 employees and 1 intern was made by Mr. Duske and seconded by Ms. Sandoval-Johnson. Motion passed.

f) Beck & Bulow Buffalo, LLC – Santa Fe

The company requested a total of \$41,000.00 for 6 trainees at an average wage of \$19.25 per hour. This is the first time the company has applied for JTIP.

Ms. Borrego read proposal summary.

Mr. Bulow thanked the board, the JTIP staff and to Peter Mitchell and Max Gruner for all of their assistance. The company is looking forward to growing their business in New Mexico and expanding manufacturing. Company is raising beef, bison as well as sources from other producers. Company is providing products to over 250 restaurants in NM.

Mr. Duske asked how the company procures the specialty meats such as wild boar and elk. Response from Mr. Bulow: Elk and wild board comes from USDA facilities.

Ms. Doran, Warehouse Manager wages may be a little low for the area.

Mr. Chair – Does the company have multiple ranches where they source beef? Response from Mr. Bulow is yes and do to the drought the company is able to purchase beef at a lower cost.

A motion to approve the request in the amount of \$41,000 to hire and train 6 employees was made by Mr. Duske and seconded by Mr. Burkland. Motion passed.

V. Approval of the Minutes

a. November 13, 2020 – a motion was made by Mr. Burkland and seconded by Ms. Ribeiro. Motion passed.

VI. Fiscal Update

Mr. Gannon reviewed the fiscal report and mentioned the projects in the pipeline.

VII. Other (Discussion Items)

a. Report on projects impacted by COVID-19 – Mr. Gannon reported that there have not been any additional hiring extensions on existing projects. He did note that the utilization rate has been lower over the past few months.

b. Next Board Meeting – January 8, 2021; 9:00 am-12:00 pm; Virtual Meeting

VIII. Adjourn

A motion to adjourn was made by Chairman Roper and seconded by all. The motion passed and the meeting adjourned at 10:54 am.