



April 8, 2013

Ms. Casey Sacks, PhD
Project Manager, Consortium Online Energy Training Consortium (COETC)
Trade Adjustment Assistance Community College and Career Training (TAACCCT)
Colorado Community College System
9101 East Lowry Blvd.
Denver, CO 80230

RE: Agreement # TC-22506-11-60-A-8 (Community College of Denver)
Consortium Member- Pueblo Community College

Dear Casey,

Please accept this letter as formal request to expand the scope of work for Pueblo Community College to move forward with providing hybrid Commercial Driver's License (CDL) training under the above referenced COETC (TAACCCT) grant award. Attached you will find the Case Statement and letters of support pertaining to this request, which will not change the scope and purpose of the grant, but enhances the ability of PCC to provide increased training opportunities in high demand by energy industry employers and contractors. Remaining grant funds available to PCC will support the work, upon approval.

Any assistance you can provide to expedite approval of this request so that the work can begin quickly is greatly appreciated.

Sincerely,

Patty Erjavec, President
Pueblo Community College

Pueblo Campus
900 W. Orman Ave.
Pueblo, CO 81004
719.549.3200

Southwest Colorado Community College
701 Camino del Rio | Durango, CO 81301
970.247.2929
33057 Hwy. 160 | Mancos, CO 81328
970.565.7496

Fremont Campus
51320 W. Hwy. 50
Cañon City, CO 81212
719.296.6100



TAACCCT – COETC Case Statement

Problem Statement:

Energy employers in our service region and across the State of Colorado have expressed a significant need to provide a highly skilled workforce of CDL (Commercial Driver's License) workers including Oil and Gas Field and Mining Industry Truck Drivers. A recent article in the Colorado Springs Business Journal titled **Drilling for jobs: Oil and gas industry will yield employment¹** stated, *"These are jobs that have good wages, and there's a strong secondary job market...They need truck drivers...Not because they create that many jobs to begin with, but because of the multiplier effect that they bring."* Oil and gas field drivers transport non-hazardous and hazardous materials in and out of the fields and are required to have a valid Class A, Certified Driver's License (CDL). Whether hauling drill pipe, driving water tankers to support hydraulic "fracking" in the oil and gas fields of Colorado, or hauling materials in and out of the mining operations, these truck drivers are critical to the energy industry employers in the area served by Pueblo Community College (PCC).

A review of the Colorado Workforce Center's O*NET Occupation Report for the Southwest Region of Colorado revealed Heavy and Tractor-Trailer Truck Drivers median hourly earnings at \$17.93 across categories various industry sectors. Those working in the Oil, Gas and Mining sectors median hourly earnings were recorded at \$25.16 (higher than others workers in excavation, rail-track and rail-yard, paving and logging). The most recent report showed that

¹ The Colorado Springs Business Journal (September 7, 2012) <http://csbj.com/2012/09/07/drilling-for-jobs/>

service unit operators, oil, gas, and mining jobs were increasing at a more rapid rate than other Truck Driver occupations with anticipated increase from 67 jobs in 2012 to 103 (2012-2021 change) estimating annual openings at 12/year. Other industry sectors are estimated to experience much smaller growth opportunities (e.g., projections for jobs in excavation, rail-track and rail-yard, paving and loading anticipate annual openings in a range of 0-2/year).

LMI Gateway data included below in Table 1 was pulled in the Fall Term 2012 coinciding with the Southwest Region report referenced above, demonstrates job growth in transportation sectors in the larger Southern Colorado region that directly relate to the requests coming from energy industry employers and contractors.

Table 1: LMI Fall 2011-2012 Employment Data

LONG-TERM EMPLOYMENT PROJECTIONS					2011-2021	
Occupational Employment Projections in Pueblo MSA for Transportation and Material Moving Occupations for a base year of 2011 and a projected year of 2021						
<i>Occupation Code (SOC)</i>	<i>Occupational Title</i>	<i>2011 Estimated Employment</i>	<i>2021 Projected Employment</i>	<i>Total 2011-2021 Employment Change</i>	<i>Annual Avg. Percent Change</i>	<i>Total Percent Change</i>
530000	Transportation and Material Moving Occupations	3,302	3,450	148	0.40%	4.50%
537051	Industrial Truck and Tractor Operators	147	135	-12	-0.80%	-8.20%
Occupational Employment Projections in Central Colorado for Transportation and Material Moving Occupations for a base year of 2011 and a projected year of 2021						
<i>Occupation Code (SOC)</i>	<i>Occupational Title</i>	<i>2011 Estimated Employment</i>	<i>2021 Projected Employment</i>	<i>Total 2011-2021 Employment Change</i>	<i>Annual Avg. Percent Change</i>	<i>Total Percent Change</i>
530000	Transportation and Material Moving Occupations	932	1019	87	0.009	0.093

Occupational Employment Projections in Eastern and Southern Colorado for Transportation and Material Moving Occupations for a base year of 2011 and a projected year of 2021

<i>Occupation Code (SOC)</i>	<i>Occupational Title</i>	<i>2011 Estimated Employment</i>	<i>2021 Projected Employment</i>	<i>Total 2011-2021 Employment Change</i>	<i>Annual Avg. Percent Change</i>	<i>Total Percent Change</i>
530000	Transportation and Material Moving Occupations	5,017	5,161	144	0.30%	2.90%
537051	Industrial Truck and Tractor Operators	224	211	-13	-0.60%	-5.80%

Occupational Employment Projections in Colorado for Transportation and Material Moving Occupations for a base year of 2011 and a projected year of 2021

<i>Occupation Code (SOC)</i>	<i>Occupational Title</i>	<i>2011 Estimated Employment</i>	<i>2021 Projected Employment</i>	<i>Total 2011-2021 Employment Change</i>	<i>Annual Avg. Percent Change</i>	<i>Total Percent Change</i>
530000	Transportation and Material Moving Occupations	126,694	138,777	12,083	0.90%	9.50%
537051	Industrial Truck and Tractor Operators	5,414	5,708	294	0.50%	5.40%

Proposed Solution:

To assist energy employers and eligible participants in training and job placement, PCC is proposing expansion of the scope of work already included in the TAACCCT Energy Grant (COETC), by providing training developed in a hybrid format to deliver a highly skilled workforce of CDL (Commercial Driver’s License) workers to address the need identified. Energy employers in the Four-Corner region located in southwest Colorado have brought to the attention of the Economic Workforce Development Division at PCC the need for CDL license workers to move energy related fields (see letters of support attached).

PCC's Economic Workforce Development Division has delivered CDL training in traditional format and has identified comparative cohorts of students. Traditional classes developed and piloted between December 18, 2011 and February 28, 2013, PCC stands poised and ready to move CDL training into a hybrid format and enhance the menu of choices available to TAA and other eligible participants in the region. The addition of CDL training designed to support workforce needs in the oil and gas fields and mining industry across the State, this expansion request fits well within the current scope of work. In addition, upon approval, the proposed scope of work will support PCC reaching the projected performance outcomes by adding the potential to serve an estimated 100 additional participants and place them in skilled and higher paying jobs with energy employers and contractors in the State of Colorado.

After analysis of the existing training opportunities in the area and the remaining time in this capacity building grant, we believe that starting other hybrid training classes spring 2013 and piloting classes through the completion of the grant (September 2014) PCC will be able to reach a total 759 participants in the energy industry. By adding the additional training of CDL for oil, gas, and mining industry, we believe that we will be able to meet the total training participants of 850, if not exceed our energy participant numbers.

This request will not change the scope and purpose of the grant, and budgeted resources remaining available to PCC support the work upon approval of expanding the approved activities to provide opportunities that address training for CDL in the oil, gas, and mining industry.



April 3, 2013

Nicole Fabrey, MNM
Grants & Operations Coordinator
Economic & Workforce Development
Southwest Colorado Community College
701 Camino Del Rio
Durango, CO 81301

Re: CDL Driver Training

Dear Ms. Fabrey:

Please accept this letter in support of CDL driver training. GCC Energy is an underground coal mine located in Hesperus Colorado. We employ 107 people in good paying jobs and are an important economic force in the area. Trucking is the lifeblood of our business as every nugget of coal mined is shipped out of here by a qualified CDL driver. We expect to mine and truck 770,000 tons of coal this year. That equates to over 100 truckloads every day.

Currently four major trucking companies handle our business. They are UST, High Country, Kelly and H & H Trucking. Clearly these trucking companies and others like them need a steady stream of trained and certified drivers in order to survive and provide safe and reliable transportation services for companies like GCC Energy. CDL truck drivers play an important role in the economy and we as a company are very much in support of training / certification opportunities being available to persons looking to enter this field.

Sincerely,

Matt Watson

Matt Watson
Human Resources
GCC Energy
6473 County Road 120
Hesperus, CO 81326

DAWN TRUCKING CO.

P.O. BOX 1498

FARMINGTON, NEW MEXICO 87499

(505) 327-6314

Ms. Case Sacks
9101 E. Lowry Blvd.
Denver, Colorado 80230

Ms. Sacks,

April 1, 2013


I am the Human Resource Manager for Dawn Trucking Co. here in Farmington, NM. I would like to offer our point of view regarding comprehensive CDL driving programs that are offered in the Four Corners region.

We have found that a 15 week CDL driving program has produced a better quality driver than the shorter term programs offered in the area. These new drivers are coming out of these long term schools with a better understanding of FMCSA safety rules and regulations which in turn keep us out of liable situations with FMCSA. Driving a truck isn't "just a job" anymore. It is a career that requires professionals.

It is difficult in the oil and gas transportation industry to hire "quality" drivers. We find that more often drivers use the transportation companies as revolving doors for better opportunities involving a mere 25 cents an hour increase in pay. We have found that the select few that we have hired from schools have a tendency to make the first company they hire on with a long term commitment. We have several drivers that we have hired fresh out of school that are ten year +/- employees and are "quality" drivers.

In short, Dawn Trucking is currently looking to fill five driving positions and it would be our preference to hire from a pool of new candidates to the industry that have been given right opportunities to grow and learn.

Sincerely,



E.M. Taylor

Dawn Trucking Co.

Human Resource Manager



March 18, 2013

Ms. Nancy S. Zimmer
Outreach Coordinator
Economic and Workforce Development Division
Pueblo Community College
900 West Orman Avenue, GC 201 B
Pueblo, Colorado 81004

RE: Letter of Support for CDL Training and Job Placement

Dear Ms. Zimmer:

As you know, SAGE owns and operates truck driver training programs at 25 locations across the country. These include two in Colorado, as well as numerous others in regions where oil, gas and mining operations are a significant part of the economy. SAGE Truck Driving Schools have long-standing experience in training for CDL truck operators, and a clear understanding of employer needs in various industries.

In our experience throughout the United States and in Colorado, CDL truck operators play a critical role in the operations of oil, gas and mining employers transporting materials, equipment and water.

In the last year, we estimate that Sage Trucking Driving Schools nationwide have placed over 1900 CDL program graduates in the oil, gas, mining and related fields. Companies we work with include some of the largest industry service providers in the country, including SanJel, Halliburton, Baker Hughes, Magnum Energy, Cal-Frac, Superior Well Services, Frac Tech, Chesapeake Energy, Key Energy and A & W Water, just to name a few. Most of these companies are actively hiring entry-level drivers in Colorado.



Training opportunities in this field would be greatly enhanced by the support of the TAACCT Energy grant funds.

In addition, SAGE Truck Driving School would be interested in partnering with Pueblo Community College to meet the CDL truck driving needs of the oil, gas and mining employers and the placement of successful training candidates in this field in the region.

We look forward to a successful program putting people to work in high-paying jobs.

Please let me know if you have any questions. I can be reached at 303-289-7243.

Sincerely,

Bonnie Babcock

Bonnie Babcock
School Director