



February 11, 2019

Bonnie Long  
Nevada Governor's Office of Economic Development  
555 East Washington Avenue, Suite 5400  
Las Vegas, NV 89101

**RE: Budget Increase Request for Great Basin College Ely Diesel Program**

Dear Ms. Long:

I would like to request approval for a budget increase of \$12,004 for the Great Basin College (GBC) CDL program. This will bring the total award amount to \$387,004. The primary reasons for this request are:

- GBC solicited quotes for the truck for the training of CDL students, when building the grant proposal. There were only 2 companies who were able to provide service in the Elko area.
- Of these 2 companies, one had a truck in stock and provided a quote, the price of which (\$142,900) was reflected in the original grant proposal.
- Due to the price of the quote being over \$50,000, GBC's purchasing guidelines require the solicitation of bids, and that those bids are open for 30 days.
- Due to the timing of grant approval and the bid process, when the solicitation for bids opened the truck previously available and quoted had been sold by the vendor, and then no other bids were subsequently submitted by any other vendors.
- GBC continued to research options for the truck, and one of the vendors identified was able to get a truck matching the needed specifications, but not for the price originally quoted. The result was that the only truck available for purchase, and available to be delivered in time for CDL courses, was \$160,890 - an increase in cost of \$17,990. In our Mod1, an additional \$5,986 in funding was approved to help cover the cost of the truck, however, we had to reduce our fuel/maintenance line item and marketing line item to cover the additional \$12,004. This budget increase request restores our fuel/maintenance budget line and marketing budget line to their original full amounts.

Thank you for your consideration of this request. Please feel free to contact Season Riley via email at [season.riley@gbcnv.edu](mailto:season.riley@gbcnv.edu) or via phone at 775-753-2317.

Sincerely,

Sonja S. Sibert  
Vice President for Business Affairs

**ELKO MAIN CAMPUS**

1500 College Parkway  
Elko, NV 89801  
775.738.8493 • fax 775.738.8771

**ELY BRANCH CAMPUS**

2115 Bobcat Drive  
Ely, NV 89301  
775.289.3589 • fax 775.289.3599

**PAHRUMP VALLEY BRANCH CAMPUS**

551 East Calvada Boulevard  
Pahrump, NV 89048  
775.727.2000 • fax 775.727.2014

**WINNEMUCCA BRANCH CAMPUS**

5490 Kluncky Canyon Road  
Winnemucca, NV 89445  
775.623.4824 • fax 775.623.1812

## WINN FUNDS - BUDGET INCREASE REQUEST

**APPLICANT NAME: NSHE Board of Regents, obo, Great Basin College**

**PROJECT NAME: GBC CDL Training**

**PROJECT PERIOD: 12/1/18-6/30/19**

**TUITION & FEES (Participant Trainings and Certifications):**

Describe the total training program costs

	Current Budget	Change	Revised Budget
Tuition and fees (includes CDL Permit, Physical and Drug Test)	\$ 100,800.00	\$ -	\$ 100,800.00
Training materials (\$220/student x 16)	\$ 3,520.00	\$ -	\$ 3,520.00
<b>Tuition &amp; Fees Subtotal:</b>	<b>\$ 104,320.00</b>	<b>\$ -</b>	<b>\$ 104,320.00</b>

**PERSONNEL & VARIABLE EXPENSES:**

Examples of costs in this section are provided below, change as needed:

	Current Budget	Change	Revised Budget
- Discretionary (truck fuel, maintenance cost)	\$ 7,998.00	\$ 6,002.00	\$ 14,000.00
- Discretionary (insurance)	\$ 14,000.00	\$ -	\$ 14,000.00
- Discretionary (various program/participant supplies: file folders, paper, pens, postage, printing/copying, etc. )	\$ 1,500.00	\$ -	\$ 1,500.00
- Project Director/Support Staff (use hourly, monthly, or annual cost) (\$57,380/yr x 18% x 7 months )	\$ 6,025.00	\$ -	\$ 6,025.00
-Project Director/Support Staff Fringe Benefits (provide % used for calculation) 32%	\$ 1,928.00	\$ -	\$ 1,928.00
- CDL Advisor/Assistant Support Staff (use hourly, monthly, or annual cost) \$10/hour	\$ 4,160.00	\$ -	\$ 4,160.00
- CDL Advisor/Assistant Support Staff Fringe Benefits (provide % used for calculation) 3.15%	\$ 131.00	\$ -	\$ 131.00
- Instructor (use hourly, monthly, or annual cost) 1 FTE (annual salary \$65,000/yr x 7 months)	\$ 37,917.00	\$ -	\$ 37,917.00
- Instructor Fringe Benefits (provide % used for calculation) 32%	\$ 12,133.00	\$ -	\$ 12,133.00
- Marketing of program: billboards, digital/online ads, radio ads, printed materials/flyers, vehicle (truck and trailer) wrap	\$ 23,998.00	\$ 6,002.00	\$ 30,000.00
<b>Personnel &amp; Variable Subtotal:</b>	<b>\$ 109,790.00</b>	<b>\$ 12,004.00</b>	<b>\$ 121,794.00</b>

**CAPITAL EXPENSES:**

List each type of equipment/system separately:

	Current Budget	Change	Revised Budget
2020 Peterbilt 579 Truck Training Vehicle	\$ 160,890.00	\$ -	\$ 160,890.00
<b>Capital Expenses Subtotal:</b>	<b>\$ 160,890.00</b>	<b>\$ -</b>	<b>\$ 160,890.00</b>

**TOTAL WINN REQUEST: \$387,004.00**

# Great Basin College – Commercial Driver License Program

## Workforce Development Program Experience

Founded in 1967, Great Basin College (GBC) is the oldest public community college within the Nevada System of Higher Education (NSHE). GBC enriches people's lives by providing student-centered, post-secondary education to rural Nevada. Educational, cultural, and related economic needs of the multicounty outreach area are met through programs of university transfer, applied science and technology, business and industry partnerships, developmental education, community service, and student support services in conjunction with certificate and associate and select baccalaureate degrees.

GBC is the primary provider of post-secondary education for rural and frontier Nevada. GBC covers over 86,500 square miles which includes a population of roughly 120,000 people, two time zones, and 10 of Nevada's 12 rural/frontier counties which include Elko, Esmeralda, Eureka, Humboldt, Lander, Lincoln, Mineral, Pershing, Nye and White Pine. The campus in Elko is a comprehensive residential college and centers are located in Battle Mountain, Ely, Pahrump, and Winnemucca. There are satellite facilities in over a dozen communities across northern and central Nevada. GBC has been instrumental in providing workforce development programs since its inception and works closely with its industry partners in the mining industry and mining related fields. For over 24 years, we have partnered with the Maintenance Training Cooperative, which includes the mining industry businesses. Most recently, Barrick, Kinross, Newmont, Raintree Construction, Sandvik, and SSR Mining have participated in the scholarship/paid internship for students to pursue a certificate or associate of applied science degree in electrical systems, diesel, instrumentation, millwright and welding technologies programs at GBC. Our current placement rate is 91% for these programs.

## Company Information

Name	Industry	Jobs to Fill	Average Wages
<i>Savage Services</i>	<i>Logistics</i>	<i>15</i>	<i>\$26.92/hour</i>
<i>Pilot Thomas</i>	<i>Logistics</i>	<i>50</i>	<i>\$31.11/hour</i>

## Statement of Need

Area mining companies have approached GBC to reinstate its training for a high-quality Commercial Driver's License (CDL). These companies heavily rely on competent truck drivers to provide all the transportation of goods into and out of their mine sites for all mining operations and expect shipments to be completed securely and safely. There is currently a nation-wide shortage of truck drivers (453 average annual openings), and the entire area of northeastern Nevada has been affected (164 average annual openings throughout all of GBC's outreach counties). As evidenced by our employer letters from Savage Services Corp. and Pilot Thomas Logistics, there is a need for at least 65 people in the near future from these two companies alone in the area. Due to the high cost of the training, and recent budget cuts, GBC had to end its training in 2017. The closest training programs that are available to the area are located in Sparks, Reno, Las Vegas, or out of state in Salt Lake City, Utah. Because of the high quality of driver that GBC was previously able to produce through its proven training program, area mining companies would prefer to invest in GBC's program, rather than seek training in distant metropolitan areas. As such, several companies are willing to address the shortage of drivers by creating a consortium of mining companies and trucking companies that can work toward a sustainable training model. Because the mining companies involved do not actually hire CDL drivers or require any of their personnel to obtain the CDL license, our primary mining company partner, Barrick Goldstrike Mines, Inc. has

provided leadership in establishing a multi-company consortium which currently includes Barrick, Savage Services, Corp. and Pilot Thomas Logistics to support the training program at GBC. The goal is to have enough consortium partners to contribute to the annual cost of the program, to make the cost affordable to all. Until the consortium is complete, however, immediate CDL training is necessary to ensure efficient, effective mining operations. Funding is sought to purchase a new truck, provide instructor support and student tuition support, marketing, as well as provide project management and oversight and student advisement/tracking.

## **Program Objectives and Outcomes**

### **Program Design**

GBC has worked with Barrick Goldstrike, Mines, Inc., Savage Services, Corp., and Pilot Thomas to restart its CDL training. These companies have reviewed the curriculum and design of the training and believe it to be what will fulfill their needs for competent, safe, drivers. The program will be open to the general public, and the consortium will be responsible for screening initial applicants for placement into the program.

The GBC CDL Training Program will provide basic knowledge of tractor/semi-trailer operation, proper maintenance and operation of motor cargo equipment, principles of routine vehicle inspections, review of the Rules and Regulations of the Department of Transportation and other federal and state regulatory agencies. Students will also learn vehicle operations, couple and uncouple of units, how to park and secure the vehicle under normal conditions, and safety procedures as defined by the Occupational Safety and Health Act.

Students will prepare to take the Nevada Commercial Driver's License examination for a Class "A" license. The training is 5 weeks in length and students will attend class 8 hours per day. The class size is limited by the seating capacity of the training vehicle, up to a maximum of 4 per class. All students must possess a valid Nevada CDL permit before entering this hands-on training class, must have obtained a physical indicating ability to drive the appropriate vehicles and must pass a DOT drug test within 30 days of class start date. While DMV arrangements will be coordinated through GBC, testing remains the responsibility of the student. Students will also be prepared and encouraged to take the Hazardous Material Endorsement Exam. From January 2019-June 30, 2019, there will be four, five-week sessions of instruction, which will allow for training of up to 16 people for ultimate employment with our industry partners.

### **Job Placement**

The Commercial Driver's License training has been developed to meet high levels of local demand in the mining, materials and logistics sectors. Completers of the training who attain their CDL Class A license will be connected to WINN employer partners. From CDL program information during the 2016-2017 year, there was a 90% completion rate and a 75% placement rate. Because this training will now be in direct partnership with local industry, and because of the high demand for CDL drivers, the only thing that will hinder a student from getting a job is his or her ability to successfully complete the training and pass the DMV testing.

### **Outcomes**

- 1) Provide Commercial Drivers' License training for up to 16 people by June 30, 2019.
- 2) Complete at least 14 students, who also receive CDL Class A license from DMV, by June 30, 2019.
- 3) Place at least 11 licensed students by September 30, 2019.
- 4) Establish a solid consortium of mining, materials and logistics sector businesses to sustain the CDL training for at least 3 years starting July 1, 2019, following completion of WINN funding.



October 11, 2018

Stacey Bostwick, Program Coordinator  
Governor's Office of Economic Development  
555 E. Washington Ave, Suite 5400  
Las Vegas, NV 89101

Subject: Workforce Innovations for a New Nevada (WINN) Application

Dear Ms. Bostwick:

Pilot Thomas Logistics is the premier provider of fuel, lubricants and chemicals to the Energy, Marine, Mining and Industrial markets.

The corporate headquarters are located in Fort Worth, Texas and there are more than 2,200 team members located throughout North America allowing us to provide high quality products and outstanding services to our valued customers.

By this letter, we wish to express our support for the Driving School built to serve the needs of Mining and Mine Support employers seeking high-skill workers in Nevada. This program offers high-wage opportunities to workers obtaining skills at Great Basin College at our company, we anticipate approximately 50 such openings each year in the next 5 years and are confident that this program will help provide the highly-skilled workforce we will need.

This application for WINN funds was developed through a collaborative partnership of regional stakeholders including Pilot Thomas Logistics, Barrick Gold Corporation, Great Basin College and community organizations in the region. We recognize the need for, and support the development of this Industry-based training program.

We look forward to continuing to work in partnership with Great Basin College and other stakeholders in this important effort.

Sincerely yours,

A handwritten signature in black ink, appearing to read "CMcDaniel", is written over a large, faint, circular watermark or stamp.

Charles McDaniel  
President of Marine, Mining & Industrial

September 21, 2018

Stacey Bostwick, Program Coordinator  
Governor's Office of Economic Development  
555 E. Washington Ave, Suite 5400  
Las Vegas, NV 89101

Subject: Workforce Innovations for a New Nevada (WINN) Application

Dear Ms. Bostwick:

Savage Services Corp. was founded in 1946, and has been in business more than 70 years. We are a privately held transportation, logistics, materials handling, and industrial services company. We are headquartered in Salt Lake City, UT, with over 4,000 Team Members serving customers at over 250 operating locations. We operate in 39 U.S. States, 4 Canadian Provinces, and Mexico.

By this letter, we wish to express our support for the CDL Consortium, built to serve the needs of truck transportation employers seeking high-skill workers in Nevada. This program offers high-wage opportunities to workers obtaining skills at Savage Services Corp. At our company, we anticipate approximately 15 such openings in the next 3 years and are confident that this program will help provide the highly-skilled workforce we will need.

This application for WINN funds was developed through a collaborative partnership of regional stakeholders. We recognize the need for, and support the development of this Industry-based training program.

We look forward to continuing to work in partnership with the CDL Consortium and other stakeholders in this important effort.

Sincerely yours,



Terrence Savage  
Senior Vice President