



Industrial Workforce Alliance
October 25, 2007

Proposed, Planned, Approved Industrial Projects

Project Company	Total Cost	Timeline	Conservative Constant Staffing Need
Cheniere	\$1.0 B	2006-2008	1,000
Golden Pass	\$1.0 B	2007-2009	600
Motiva	\$4.5 B	2007-2010	4,500
TOTAL	\$1.8 B	2007-2010	3,500
Valero	\$1.0 B	2007-2010	2,000
Sempra	\$1.0 B	2008-2010	530
Total Projection	\$10.3 B	2006-2010	12,130



Workforce Clusters

- i Manufacturing / Industrial
- i Construction / Engineering
- i Medical / Healthcare
- i Logistics / Distribution
- i Retail / Hospitality / Call Centers /
Financial



SETWDB – Industrial Workforce Alliance

- i Began as an Alliance between
 - | SETX Workforce Development Board
 - | Golden Triangle Business Roundtable
 - | Beaumont / Port Arthur Chambers
- i Funded by the SETWDB
- i Organization is under the SETWDB
 - | Business Services Committee
 - | Marketing Committee
 - | Finance Committee



Industrial Workforce Alliance Members

Educational Institutions:

- i Lamar University
- i Lamar State College of Port Arthur
- i Lamar Institute of Technology
- i Lamar State College of Orange
- i Region 5 ESC
- i Liberty County Training Academy

High Schools:

- i Nederland ISD
- i Port Neches – Groves ISD
- i Sabine Pass ISD
- i Beaumont ISD
- i Port Arthur ISD
- i West Orange Cove ISD
- i Bridge City ISD
- i Silsbee ISD
- i Buna ISD



Industrial Workforce Alliance Members

Governmental

Organizations:

- i Southeast Texas Workforce Development Board
- i Texas Workforce Commission
- i Southeast Texas Regional Planning Commission
- i Department of Rehabilitative Services
- i Southeast Texas Management Network (TDHS)

Government:

- i Jefferson County
- i City of Port Arthur
- i City of Beaumont
- i Orange County
- i Hardin County



Industrial Workforce Alliance Members

Industrial Organizations:

- i Golden Triangle Business Roundtable
- i Associated Builders and Contractors (SETX)
- i Industrial Safety Training Corporation
- i Southeast Texas Plant Manager's Forum
- i Port Arthur Industrial Group
- i International Brotherhood of Electrical Workers
- i Sabine Area Labor Council
- i Building Trades Council
- i Pipefitters Local 195

Industrial Companies:

- i ExxonMobil
- i Golden Pass LNG
- i Motiva Enterprises
- i Valero Energy Corporation
- i Total Petrochemicals
- i Chevron Phillips Chem. Co.
- i Invista
- i Entergy
- i MeadWestvaco
- i Huntsman



Industrial Workforce Alliance Members

Contractors:

- i Bechtel Jacobs
- i Becon
- i Chicago Bridge and Iron (CB&I)
- i Fluor Daniels
- i Conex
- i Triple "S" Industrial
- i Echo Construction
- i GP Industries

Media:

- i KFDM 6
- i KBMT 12
- i KBTW 4
- i Beaumont Enterprise
- i Jobs Today
- i Clear Channel
- i Cumulus
- i Southeasttexas.com



Industrial Workforce Alliance Members

Economic Development

Organizations:

- i Greater Port Arthur Chamber
- i Greater Beaumont Chamber
- i Orange Chamber
- i Orange County EDC
- i Port Arthur EDC
- i Nederland EDC
- i Silsbee EDC
- i Entergy Economic Development
- i Chambers – Liberty Counties Economic Development



Industrial Workforce Alliance Members

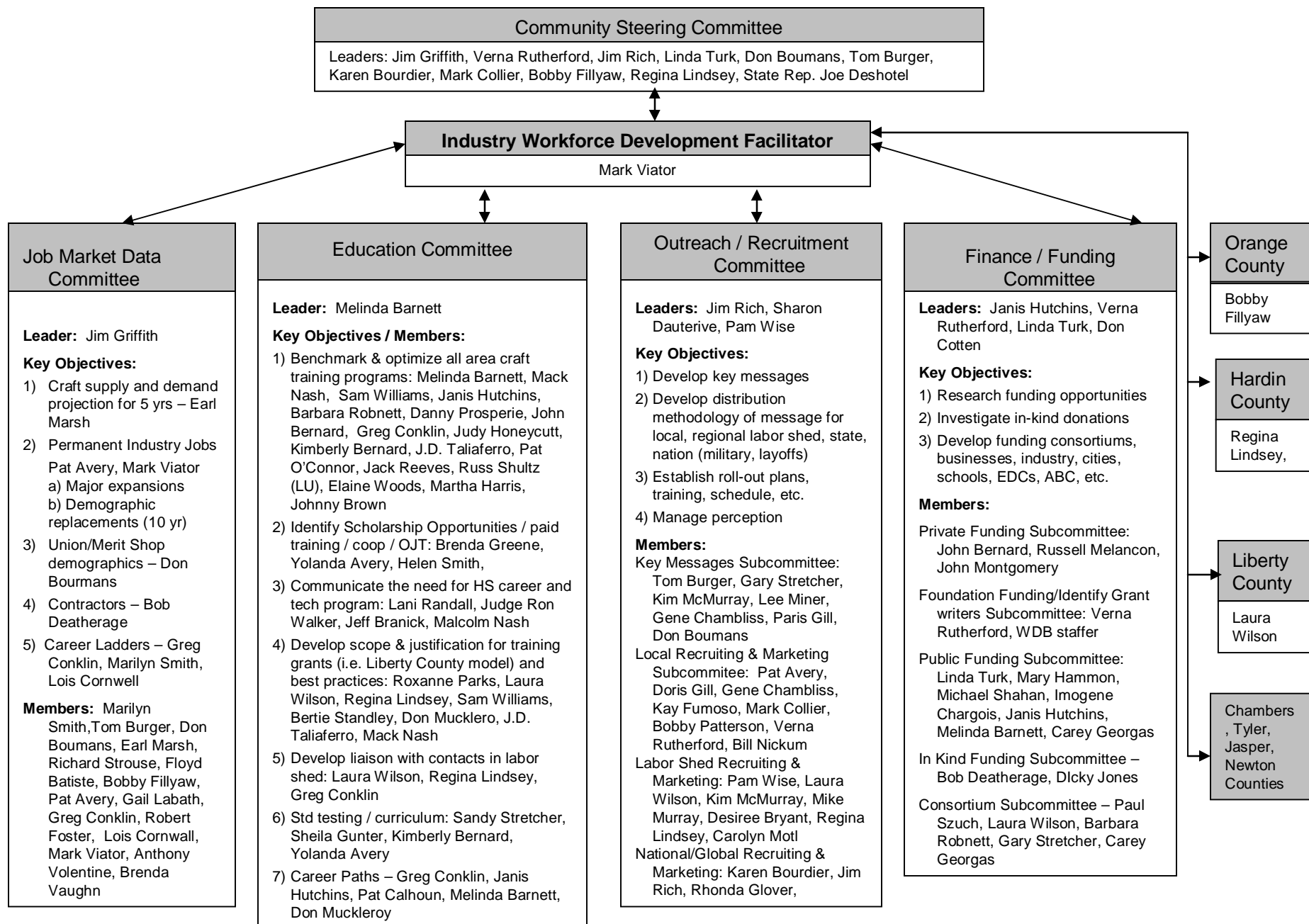
Non-Profits

- i Salvation Army
- i Communities In Schools
- i Southeast Texas Council on Alcohol & Drug Abuse

Faith Based

- i Beaumont Area Pastor's Association

Appendix "B" - Workforce Alliance Industry Cluster



At Large: Judge Caraway, Judge Thibodeaux, Commissioner Alfred, Commissioner Arnold, Mayor Becky Ames, Jeff Branick, Pat Avery



Job Data Market Committee

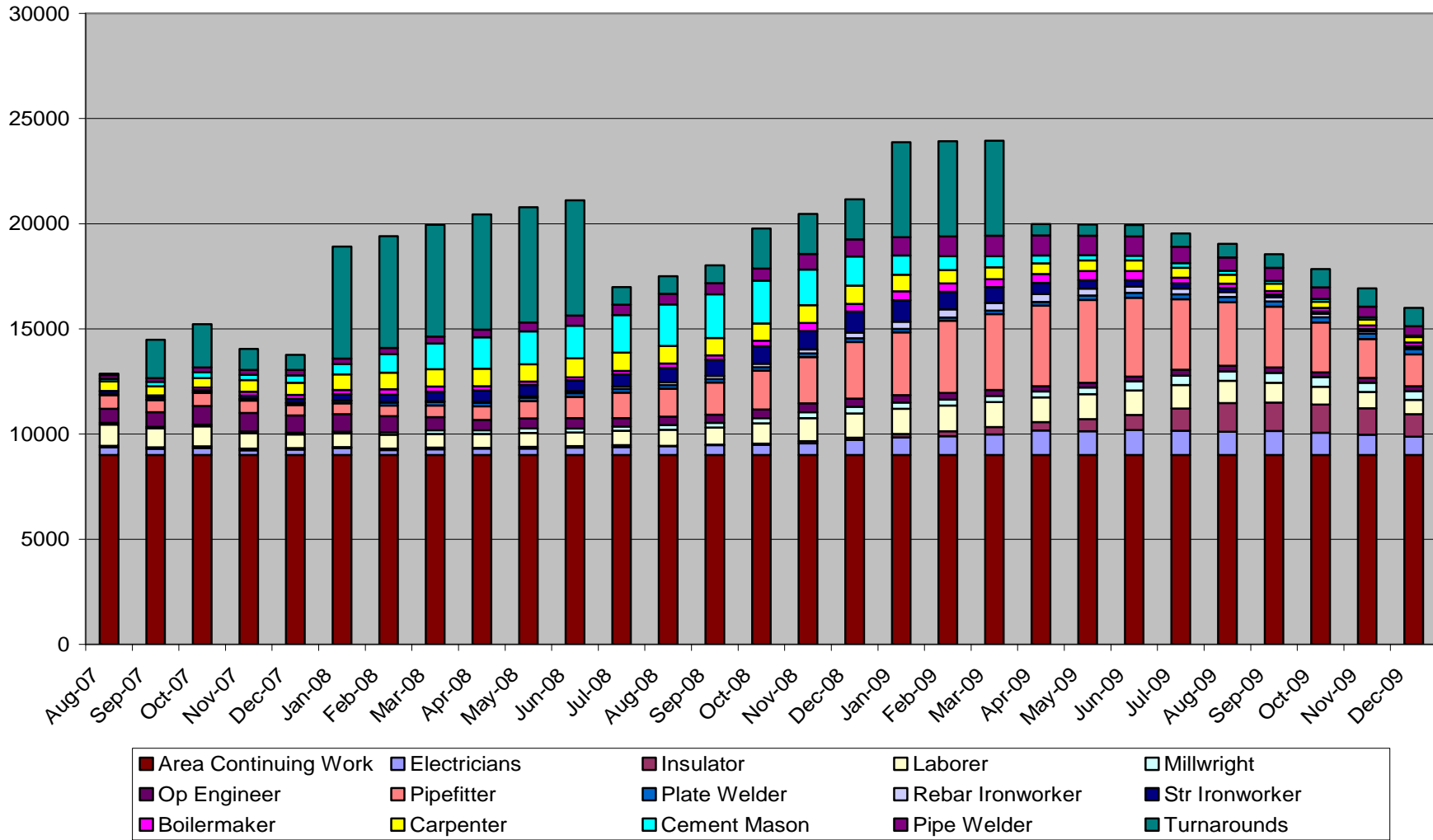
Major Objectives

1. Identify the number of crafts workers needed for the expansion projects
2. Identify the number of new positions and attrition positions by discipline
3. Translate the number of expansion numbers into specific craft workers needed

Appendix "D"

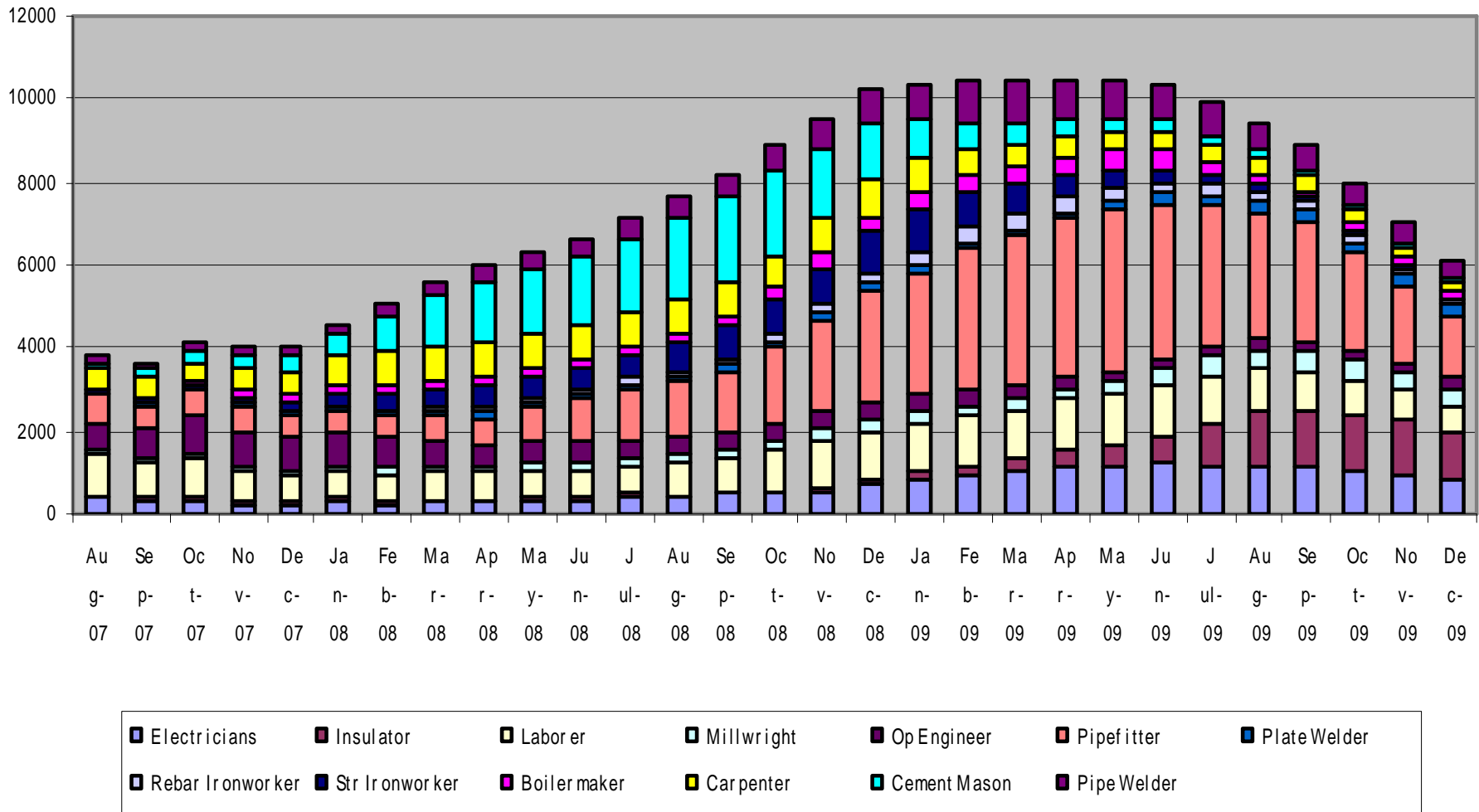
SETX Industrial / Commercial Workforce Demand 2007-2009

Area Demand Including Turnarounds



Appendix "E-1"

Workforce Demand By Craft – 5 Expansion Projects (only) Golden Triangle Demand Projection





US Southeast Workforce Need

- i Power Industry to investment \$900 billion in infrastructure in the next 15 years
 - | \$400 billion in the South
 - | \$160 billion - new generation capacity
 - | \$200 billion – new transmission / infra.
- i Nuclear Energy Institute (NEI) estimates that the SE will host 27 of the 31 nuclear plants for which license applications are being developed (8 in Texas)



US Southeast Workforce Need

- i North American Electric Reliability (NERC) estimates there will be:
 - | 16 Coal-Fired
 - | 26 Gas Turbine
 - | 35 Combined Cycle Generation Stationsbuilt in the SE region through 2013
- i Approx. 3,500 miles of transmission lines are scheduled to be built in 183 projects during the period of 2006-2013




US Southeast Workforce Need

- i American Petroleum Institute (API) estimates that refining capacity will expand by approx. 1 million barrels per day by 2012
- i Central Texas and the Gulf Coast portion of the SE US alone, demand for skilled labor in the energy sector through 2008 will exceed 39,575 workers
- i More than half of the 400,000 workers in the electric utility industry nationally will be eligible for retirement in the next five to 10 years and will need to be replaced



US Southeast Workforce Need

- i Construction Labor Research Council estimates that up to 185,000 new construction workers will be required nationally to replace the 95,000 retiring workers and deliver the necessary 1% to 2% workforce growth between 2005 and 2015



Skilled Labor Demand 2007 - 2011

Skilled Labor Classification	Total
Boilermaker/Tube Welders	21,998
Pipefitters/Combo Welders	38,150
Iron Workers	13,122
Millwrights	14,985
Electricians	21,694
Carpenters	5,343
Insulators	1,207
Heavy Equipment Oprs.	2,076
Total Estimated Workforce	118,575



Other Considerations - Industrial

- i Fulltime Plant Positions Created
- i Attrition of Fulltime Plant Workers Due To Retirement
- i Fulltime Contract Maintenance Positions Created
- i Additional Petrochemical Expansion – not announced
- i 5 to 7: 1 Ratio of Additional Jobs



Fulltime Positions Needed

- i Alliance is surveying 33 plants
 - | New expansion refinery positions
 - | New contract maintenance positions
- i Identify fulltime training needs



Other Considerations - Residential / Commercial

- i Hurricane Repair – (9/2008)
 - | \$210 million Home Repair (CDBG)
 - | \$82 million Rental Replacement Assistance
 - | \$26 million Home Repair (CDBG)
 - | \$12 million Sabine Pass Restoration
 - | \$7 million Home Repair (SSBG)

Total Hurricane Repair \$337 million



Other Considerations - Commercial

- i School Bond Elections
 - | Port Arthur ISD (\$118 M)
 - | Port Neches Groves ISD (\$123 M)
 - | Hardin Jefferson ISD (\$35 M)
 - | Beaumont ISD (\$389 M)
 - | Port Arthur (\$189 M)
 - | Lumberton ISD (\$?????)

 - i Commercial Ripple Effect (1998-2003)
 - | Dowlen Road - Beaumont
 - | Hwy. 69 – Port Arthur
- \$1 + billion – Hurricane / Commercial



Industrial / Commercial Workforce Projections

Historically (1990s)	8,000 – 10,000
Current Industrial / Commercial	10,000 – 12,000
Future Projections 2008 -2011	
Industrial / Commercial Current	10,000 – 12,000
Expansions / New Capital Projects	12,000 – 15,000
Future Commercial Ripple Effect	1,000 - 3,000
Fulltime Positions / Attrition	1,500 - 4,500
Economic Ripple Effect	5,000 - 7,500
Residential Construction	??? - ???
Maritime / Service sector	??? - ???
<u>Total Need</u>	29,500 – 40,500
New Workers Needed	(19,500 - 28,500)



Workforce Challenges

1. Housing Shortage
2. Worker Transportation
3. Drug Screening / Fitness For Duty
4. Ex-offenders
5. Youth Flight from SETX
6. High School Dropouts

The Workforce Gap

Where 9th Graders
Are Headed*

vs.

Where the Jobs Are**



28% will enter a 4-year college



20% require a 4-year college degree



32% will enter an associate degree program or advanced training



65% require an associate's degree or advanced training



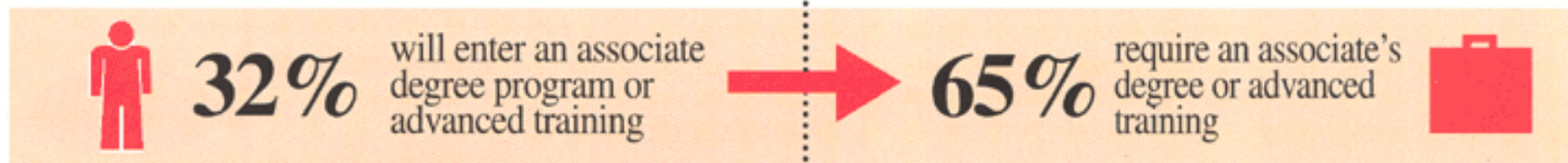
10% will lack the skills needed for employment



15% require minimum skills for employment



30% will drop out of the system before completing high school





Education Committee

1. Determine the number of current trainees
2. Prepare a training schedule to train 3,000 workers



Education Committee Member Organizations

Associated Builders and Contractors

Union Apprenticeships

Educational Institutions:

- | Lamar University
- | Lamar State College of Port Arthur
- | Lamar Institute of Technology
- | Lamar State College of Orange

National Contractors

Region 5 ESC

High Schools:

- | Nederland ISD
- | Port Neches – Groves ISD
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Liberty County Training Academy

Craft Title	Total # of Craft Workers Needed	Peak Time of Craft Need	Currently Being Trained	Training Goals By Craft	# of Classes to Fulfill Need (20-30 per class)
Heavy Equipment Operator	888	Oct. 07	TBD	195	10 classes
Carpenter	904	Jun. 08	TBD	200	10 classes
Civil / Cement Mason	2,075	Sep. 08	TBD	460	23 classes
Structural Iron Worker	1,018	Jan. 09	TBD	224	11 classes
Boilermaker	431	Jan. 09	TBD	95	5 classes
Rebar Iron Worker	381	Feb. 09	TBD	84	4 classes
Pipe Welder	972	Mar. 09	TBD	214	11 classes
Pipefitter	3,930	May. 09	TBD	870	43 classes
Electrician	1,194	Jun. 09	TBD	260	13 classes
Insulator	1,360	Aug. 09	TBD	300	15 classes
Millwright	473	Sep. 09	TBD	104	5 classes
Plate Welder	255	Nov. 09	TBD	56	3 classes
Total	13,881	Oct. 07 To Nov. 09	TBD	3,055	153 classes



Outreach Committee

Education Outreach Strategies

- i Speaker's Bureau
 - | Educate the public to understand the task of the craft jobs, the wages, the opportunities needed for industry

- i "Industrial Education Summit" (Oct. 23th)

- i "Athletes to Industry" Program
 - | Utilize Pro Athletes
 - | Random Drug Testing in HS



Outreach Committee

Education Outreach Strategies

- i “Ag to Industry” Program
- i “Operation GED Push” Program
- i Grassroots Outreach to Non-English Speaking
- i Industry / Media Alliance:
 - i Talk shows, news coverage, advertising
- i Military Outplacement



Outreach Committee

Skilled Worker Outreach Strategies

Local, Labor Shed and National

- | Local Subcontractors
- | National Contractors Data Base
- | Job Fairs
- | Advertising
- | Lay off areas
- | Utilization of Union Workers
- | State to State Recruitment
- | Media Alliance link with affiliates
- | Foreign Worker Strategy



Funding Committee

Funding Sources

Currently Available

- i \$2.5 million NEG Grant
- i \$250,000 Alliance Admin Grant

Future Sources

- i Regional Innovation Grants (DOL) - \$250,000
- i Veteran Grants
- i Customized Skill Development Grants
- i Employer Incentive Grants
- i Industry Grants
- i Economic Development Alliance to secure grants
- i Private Foundations



Funding Strategy

- i Utilize the \$2.5 million in NEG
- i Utilize the \$250,000 from the State of Texas
- i Grants to Lamar PA
- i Travel to Austin (end of Oct.)
- i Department of Labor (Nov. 5-7)



JOBS

- i Job categories
- i Salaries
- i Benefits
- i Working Conditions
- i Career Paths
- i Industry Expectations



Key Messages

- i Good paying jobs
- i Goal: train 3000 (15%)
- i 5 to 7 times more spin off jobs
- i 1/3 of construction jobs remain in area
 - i Permanent plant jobs
 - i Contractor jobs
- i Career paths opening up as baby boomers retire



Industrial Workforce Alliance Strategic Plan

www.entergy.com/txed



Questions????????