

Premier Technology

Application Summary and Analysis

Employer/Project Overview

Premier Technology, Inc. is a vertically integrated engineering, manufacturing, fabrication and construction company serving the following industries- Food and Beverage, Nuclear, Mining, Federal and Commercial services, with innovative design, engineering, custom metal fabrication, system integration, and field installation support.

Their growing workforce needs are urgent as the company is currently projecting to double in size over the next 2 ½ years. The company currently has 250 employees and plans to add over 150 welders to their staff in addition to other production and professional employees. The total full-time positions to be created in Idaho is 262. As the numbers indicate, they are in need of qualified welders the most, but the huge shortage of welders in their area makes it difficult to fill the many open positions. Their products require high tolerances, with various materials, which require skilled welders.

Locally, Idaho State University graduates 15-20 welders each year and College of Eastern Idaho graduates 10. They were able to visit and present to both graduating classes trying to recruit. Of those 25-30 students, they were able to hire 3, while the rest of the students went on to other opportunities. Even if they were able to hire all of the graduating students, they would still not be able to fill the open positions we have. According to the company, **“If you look at the Occupational Employment Statistics from the Department of Labor, the location quotient for Metal and Plastic Production Workers in Idaho is 0.77, significantly below the overall US average. We definitely see this shortage as we try to hire more welders. While our need is great, we are not the only company looking for welders, which makes the current pool quite small.”**

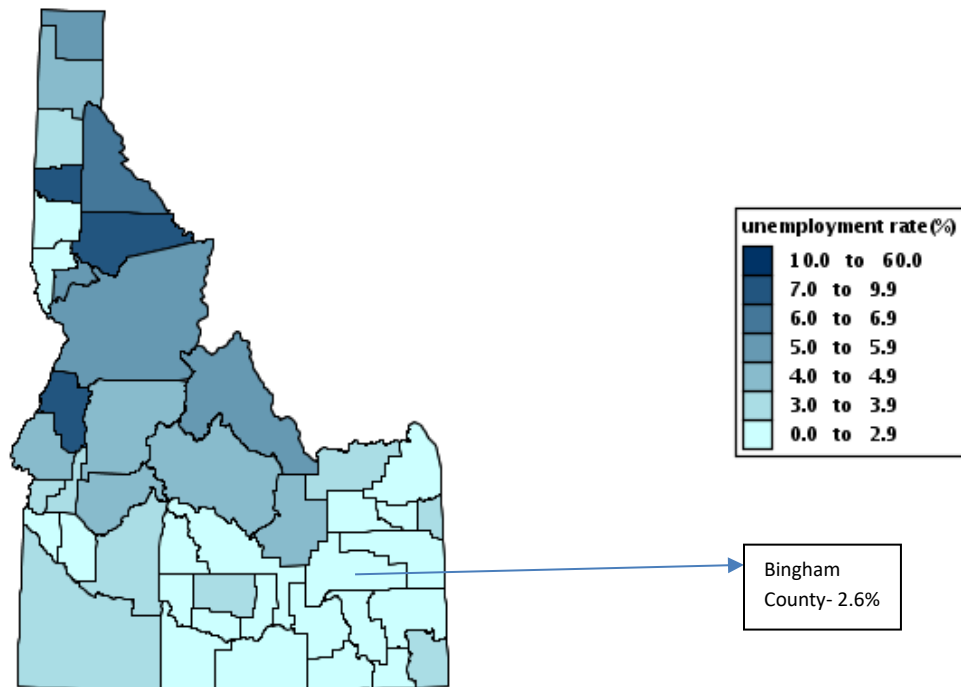
Project break down of Training Needs

Premier has a continuous job posting for welders. In the last 6 months they have interviewed and weld-tested 34 applicants. **Of those 34-weld tested only 21 have passed and were hired as welders.** They hired 4 that did not pass the weld test, as laborers, and plan to train them in the skills they need. Of the 21 that did pass, 13 were hired at a Level I and only 8 at a Level II. All of the Level I & II Welders will need additional training, which is the training most requested by volume in the grant. As you can see, at this rate, **they will not meet their goal of over 150 employees in 2 ½ years.** Therefore, they would like to be able to bring on more unskilled laborers and train them as welders.

According to the Occupational Employment Statistics from the Department of Labor, the average starting wage for Welders in Idaho is \$14.18 (25% Percentile), Premier has increased its minimum starting wage for an entry-level Welder to \$16.00 per hour and increased its maximum cap up to \$35.00 per hour to better compete in the marketplace and retain current employees. The majority of the planned training will be for employees in the welding field, but there are also a significant number of other positions they will be hiring for to support their growth. These positions include Quality Inspectors, Machinists, Electricians, Project Managers, Engineers, Drafters and Designers. These will all need training as they transition and obtain competencies required to work for Premier. Bingham County has one of the lowest unemployment rates in the State of Idaho as shown on the map below. Because of this, it is difficult to obtain and retain skilled labor.

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Application Summary and Analysis Unemployment rates by county, not seasonally adjusted, Idaho April 2018



*Map retrieved from <https://data.bls.gov/map/> 06/01/18

The training plan includes many nationally recognized certifications which will provide upward mobility and transferability for employees such as:

Title of Training	Academic Degree, Occupational License or Industry or Personnel Credential attained	# of Trainees
Geometric Dimensioning and Tolerancing Training	Certificate of Completion	40
NFPA70E Training	Certificate of Completion	32
Inspector Training	American Society for Nondestructive Testing Level II & III Inspector Certification	25
Understanding Welding Symbols	AWS Certificate	22
UL508A Training	Certificate of Completion	20
Electrical Apprenticeship	State Issued Apprentice Electrician License	16
Continuing Education for Journeyman Electricians	State Issued Journeyman/Master Electrician License	16
Robot Programing and Welding	Certificate of Completion	15
CNC Machine Training	Certificate of Completion	12
Climax Line Boring	Certificate of Completion	10
Solidworks Essentials	Solidworks Certificate	9
Solidworks Drawings	Solidworks Certificate	9
MasterCam Training	Certificate of Completion	6
Certified Welding Inspector	American Welding Society Certified Welding Inspector	6
Lead Auditor Training	Certificate of Completion	4
Southeast Idaho Society for Human Resources Management (SHRM) Business Professionals Conference/Training	Continuing Education Credits for SHRM - Certified Professional Certificate	3
Society for Human Resources Management (SHRM) certification test	SHRM - Certified Professional Certificate	2
Society for Human Resources Management (SHRM)-Certified Professional recertification	SHRM - Certified Professional Certificate	1
HR Certification Institute recertification	Professional in Human Resources certification	1

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WDTF Request: \$581,440

Return On Investment

- WDC Investment: **\$581,440 (100% of training)**- This investment will return 3.62 times its cost over the 2 year contract period based on annual increase in employee wages (\$2,104,980).
- Total WDC Investment per trainee of \$1,475 is only 60% of the \$2,500 Scoring Matrix recommendation.
- Premier Technology broke ground May 30th on a new addition to its Blackfoot facility. The 70,000-square foot, multi-phase expansion will include state-of-the art automated metal-processing equipment. The \$15 million expansion will create over 100 new jobs. According to KIDK, the company said the expansion would accommodate current business and prepare for future opportunities in manufacturing and advanced reactors.

See Next Page for Projected Trainees and Hires

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Projected Trainees and Hires:

New (N) or Retrained (R) Position?	Position Titles	Number of Positions	STARTING Wage	Wage AFTER Training	Annual wage increase AFTER Training
N	Welder 1	60	\$15.00	\$17.00	\$ 249,600.00
N	Laborer	40	\$12.00	\$15.00	\$ 249,600.00
N	Painter	10	\$12.00	\$18.00	\$ 124,800.00
N	Welder 2	20	\$18.00	\$20.00	\$ 83,200.00
N	Quality Control Inspector	10	\$19.00	\$23.00	\$ 83,200.00
N	Machine Operator 1	15	\$15.00	\$17.00	\$ 62,400.00
N	Project Manager	10	\$24.03	\$26.44	\$ 50,128.00
N	Quality Engineer	5	\$24.03	\$28.84	\$ 50,024.00
N	Receipt Inspector	8	\$12.00	\$15.00	\$ 49,920.00
N	Journeyman Electrician	10	\$24.00	\$26.00	\$ 41,600.00
N	Machinist 1	10	\$16.00	\$18.00	\$ 41,600.00
N	Drafter	10	\$16.00	\$18.00	\$ 41,600.00
N	Designer	10	\$18.00	\$20.00	\$ 41,600.00
N	Apprentice Electrician 1st Year	5	\$12.00	\$16.00	\$ 41,600.00
N	Driver	5	\$15.00	\$18.00	\$ 31,200.00
N	Engineer	5	\$33.65	\$36.05	\$ 24,960.00
N	Apprentice Electrician 2nd Year	5	\$16.00	\$18.00	\$ 20,800.00
N	Apprentice Electrician 3rd Year	5	\$18.00	\$20.00	\$ 20,800.00
N	Apprentice Electrician 4th Year	5	\$20.00	\$22.00	\$ 20,800.00
N	Machine Operator 2	5	\$18.00	\$20.00	\$ 20,800.00
N	Machinist 2	5	\$18.00	\$20.00	\$ 20,800.00
N	Programmer	1	\$25.00	\$28.00	\$ 6,240.00
N	Toolsetter	1	\$12.00	\$14.00	\$ 4,160.00
N	Human Resource Specialist	2	\$20.67	\$21.63	\$ 3,993.60
R	Painter	7	\$12.00	\$18.00	\$ 87,360.00
R	Welder 1	20	\$16.00	\$18.00	\$ 83,200.00
R	Quality Control Inspector	8	\$19.00	\$23.00	\$ 66,560.00
R	Laborer	10	\$12.00	\$15.00	\$ 62,400.00
R	Project Manager	10	\$24.03	\$26.44	\$ 50,128.00
R	Welder 2	10	\$18.00	\$20.00	\$ 41,600.00
R	Leadman	10	\$23.00	\$25.00	\$ 41,600.00
R	Journeyman Electrician	8	\$24.00	\$26.00	\$ 33,280.00
R	Quality Engineer	3	\$24.03	\$28.84	\$ 30,014.40
R	Machinist 2	7	\$18.00	\$20.00	\$ 29,120.00
R	Drafter	5	\$16.00	\$18.00	\$ 20,800.00
R	Designer	5	\$18.00	\$20.00	\$ 20,800.00
R	Machine Operator 1	4	\$15.00	\$17.00	\$ 16,640.00
R	Apprentice Electrician 1st Year	2	\$12.00	\$16.00	\$ 16,640.00
R	Engineer	3	\$33.65	\$36.05	\$ 14,976.00
R	Master Electrician	2	\$25.00	\$28.00	\$ 12,480.00
R	Machine Operator 3	2	\$25.00	\$28.00	\$ 12,480.00
R	Machinist 3	2	\$25.00	\$28.00	\$ 12,480.00
R	Apprentice Electrician 3rd Year	2	\$18.00	\$20.00	\$ 8,320.00
R	Machine Operator 2	2	\$18.00	\$20.00	\$ 8,320.00
R	Machinist 1	2	\$16.00	\$18.00	\$ 8,320.00
R	Programmer	1	\$25.00	\$28.00	\$ 6,240.00
R	Quality Control Supervisor	1	\$35.00	\$38.00	\$ 6,240.00
R	Receipt Inspector	1	\$12.00	\$15.00	\$ 6,240.00
R	Human Resource Manager	1	\$28.84	\$31.25	\$ 5,012.80
R	Quality Assurance Manager	1	\$38.46	\$40.86	\$ 4,992.00
R	Deputy Quality Assurance	1	\$38.46	\$40.86	\$ 4,992.00
R	Apprentice Electrician 2nd Year	1	\$16.00	\$18.00	\$ 4,160.00
R	Apprentice Electrician 4th Year	1	\$20.00	\$22.00	\$ 4,160.00
				Total	\$ 2,104,980.80