

Alaska Works Partnership - Fairbanks Pipeline Training Center

FY2009 Request: \$6,000,000
Reference No: AMD 41944

AP/AL: Appropriation

Category: Education

Location: Fairbanks Areawide

House District: Fairbanks Areawide (HD 7-11)

Estimated Project Dates: 07/01/2008 - 06/30/2010

Project Type: Construction

Recipient: Alaska Works Partnership

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Brief Summary and Statement of Need:

This project will provide funding to complete construction, equip and furnish a 15,000 - 20,000 square foot pipeline training facility. It will also construct a 40-acre cross-country pipeline field training site and construct housing, shop and welding facilities to prepare Alaska workers for employment on an Alaska Natural Gas Pipeline project and related oil and gas projects in Alaska. It contributes to the Department's mission of advancing opportunities for employment.

Funding:	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	Total
Fed Rcpts	\$3,000,000						\$3,000,000
Gen Fund	\$3,000,000						\$3,000,000
Total:	\$6,000,000	\$0	\$0	\$0	\$0	\$0	\$6,000,000

<input type="checkbox"/> State Match Required	<input type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input checked="" type="checkbox"/> Phased - underway	<input type="checkbox"/> On-Going
0% = Minimum State Match % Required		<input checked="" type="checkbox"/> Amendment	<input type="checkbox"/> Mental Health Bill	

Operating & Maintenance Costs:

	<u>Amount</u>	<u>Staff</u>
Project Development:	6,000,000	0
Ongoing Operating:	0	0
<u>One-Time Startup:</u>	<u>0</u>	<u>0</u>
Totals:	6,000,000	0

Additional Information / Prior Funding History:

In FY06 \$1,500.0 GF was provided for pipeline heavy equipment which would be used for training at the center. In FY07 \$3,000.0 GF and in FY08 \$2,700.0 GF was provided for construction of the center. Federal funds were authorized in 2005 by Public Law 108-324. This request would provide needed federal authorization as well as an additional \$3,000.0 GF. In addition to the state and federal funds, the Fairbanks North Star Borough has signed a 50-year lease for 40 acres for a pipeline field training site.

Project Description/Justification:

In January 2008, Governor Palin announced that TransCanada satisfied all of the mandatory requirements set out in the Alaska Gasline Inducement Act (AGIA). Thus, TransCanada's application will move to the next phase, the evaluation phase, of the AGIA process. It is hoped the Alaska legislature will give final approval to a licensee this legislative session.

This request will provide the remaining funds needed to construct a 15,000 - 20,000 square foot pipeline training facility. This includes classroom, offices, common areas, a multi-purpose shop, 18-booth welding/test center, equipment shop, rigging facility, crane certification area, and a pipeline training area to prepare Alaska workers for employment on a Alaska Natural Gas Pipeline Project and for current work on the Trans-Alaska Pipeline system and the North Slope. The project will include a

modular construction camp to house 48 Alaskans from rural Alaska and other communities when training in Fairbanks.

The Fairbanks North Star Borough has signed a 50-year lease with the Alaska Works Partnership (AWP) for 40 acres for a pipeline field training site which will allow for roads, pads, pipe storage areas and designated pipeline right-of-way training areas and the AWP has an option to purchase at fair market value 12 acres adjacent to the 40-acre site for construction of the training facility.

Examples of organizations supporting this request are the North Slope Contractors Association, Alaska Chapter of the Associated General Contractors, National Electrical Contractors Association, Mechanical Contractors, Fairbanks Building and Construction Trades, University of Alaska and the Fairbanks North Star Borough.

Up to \$20,000,000 of federal funds was authorized in Public Law 108-324 enacted in 2005 for training workers in Alaska in the skills required to construct and operate an Alaska gas pipeline system and for the design and construction of a training facility to be located in Fairbanks. Of these funds not more than 15 percent, or \$3 million, may be used for the training facility. The department is requesting a federal appropriation of \$3,000,000 which, along with the \$3,000,000 GF requested, will be used to complete construction, equip and furnish the center.

Preparing a skilled construction worker can take up to five years. The Alaska Gas Pipeline will require thousands of skilled workers. This proposed Pipeline Training Center must be built and operational at least five years before construction of the pipeline begins to meet the industry's needs with Alaskan workers.