

Fairbanks Pipeline Training Center Construction, Utilities and Equipment **FY2011 Request: \$2,000,000**
Reference No: AMD 49027

AP/AL: Appropriation **Project Type:** Workforce Dev
Category: Development
Location: Fairbanks Areawide **Contact:** Corine Geldhof
House District: Fairbanks Areawide (HD 7-11) **Contact Phone:** (907)465-5937
Estimated Project Dates: 07/01/2010 - 06/30/2012

Brief Summary and Statement of Need:

This amendment changes the title of the project to include construction. The Fairbanks Pipeline Training Center is a public/private partnership that prepares Alaskans for work in the high demand oil/gas and construction industries. This expansion and additional purchases will make the Center fully operational for year-round training. This will support the department's mission by preparing Alaskans for jobs.

Funding:	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	Total
Gen Fund	\$2,000,000						\$2,000,000
Total:	\$2,000,000	\$0	\$0	\$0	\$0	\$0	\$2,000,000

<input type="checkbox"/> State Match Required	<input checked="" type="checkbox"/> One-Time Project	<input type="checkbox"/> Phased - new	<input 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:	0	0
Ongoing Operating:	0	0
One-Time Startup:	0	
Totals:	0	0

Additional Information / Prior Funding History:

FY06 \$1,500,000 GF (Sec 1, Ch 3, FSSLA 05, P 5, L 8);
FY07 \$3,000,000 GF (Sec 1, Ch 82, SLA 06, P 7, L 22);
FY08 \$2,700,000 GF (Sec 4, Ch 30, SLA 07, P 85, L 28);
FY09 \$3,000,000 Federal & \$3,000,000 GF (Sec 10, Ch 29, SLA 08, P 68, L 20),
in addition to the Fairbanks North Star Borough signing a 50-year lease for 40-acres of the field site.

Project Description/Justification:

This request will increase the capacity of the Fairbanks Pipeline Training Center to train the next generation of pipeline workers for building large diameter cross-country oil and gas pipelines, and train Alaskans for jobs in the cross-trades that exist now (plumbing, millwrights, welders, etc.) to meet the North Slope current and future demand for skilled Alaskan workers.

Despite production declines, employment in Alaska's oil industry currently supports near record payrolls. Over the first three quarters of 2009, the oil industry's average North Slope monthly job count was 13,111, slightly higher than the 12,667 for the same period in 2008.

The campaign to replace aging pipelines in Prudhoe Bay and adjoining fields following corrosion-related leaks establishes the projected need for skilled pipeline workers. North Slope producers are putting additional efforts toward producing and maintaining old fields, including the giant fields of

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Prudhoe and Kuparuk. Plus, work is planned on new North Slope fields, such as BP's Liberty project, Eni's offshore Nikaitchuq field, and the offshore Oooguruk field that Pioneer Natural Resources started up last year.

This employment picture demands the department continue the innovative training strategies identified in the Alaska Gasline Inducement Act (AGIA) Training Strategic Plan, developed with business and industry focusing on these high wage, high demand occupations.

This request will provide 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. There is also \$600,000 for acquisition of a heat recovery and ventilation system for the welding shop and additional welding and pipeline related equipment, including a Class B tractor for a new general freight and line haul apprenticeship program.