

**Agency: Commerce, Community and Economic Development****Grants to Named Recipients (AS 37.05.316)****Grant Recipient: Alaska Laborers Training Trust****Federal Tax ID: 92-6003589****Project Title:****Project Type: New Construction and Land Acquisition**

# Laborer's International Union of North America Local 341 - Training Facility Construction and Upgrade

**State Funding Requested: \$4,000,000****House District: 20 / J**

One-Time Need

**Brief Project Description:**

Construction of a training facility to replace the current facility in order to meet the demands of industry and provide jobs to Alaskans.

**Funding Plan:**

Total Project Cost:	\$14,500,000
Funding Already Secured:	(\$10,500,000)
FY2012 State Funding Request:	<u>(\$4,000,000)</u>
Project Deficit:	\$0

*Funding Details:*

n/a

**Detailed Project Description and Justification:**

Fiscal Year 2012 Legislative Appropriations Request

To Complete Funding for Upgraded Alaska Laborers' Training Facility

The Alaska Laborers' Training Facility provides opportunities for all Alaskans to obtain the necessary skills to compete and excel in the construction industry. For 37 years, the current training facility has trained Apprentices and Journey workers of all different ages and races from the far-reaching villages to the largest of Alaska's metropolitan cities. While the Laborers have continued to lead the way with state-of-the-art training programs, the facility is no longer able to support the ever changing and highly demanding curriculums that today's workforce needs. It is critical to Alaska's future that a new and well-equipped Alaska Laborers' Training Facility begin construction to continue training for Alaska's future. Funding for 70% of the replacement facility will be provided by the Alaska Laborers, this request is to receive \$4.0 million for FY2012 from the State of Alaska to complete Phase I; which will allow for continuous training without a break in service.

The existing facility was originally built in the 1950's as the Country Kitchen restaurant. The Alaska Laborers' purchased the facility in 1974 and have constantly dealt with repairs, expansions, and renovations throughout its history. Considering these structural challenges, the facility has continuously maintained its focus and been able to excel with existing resources.

Since 2006, the facility certifies an average of 2,671 skills annually. 43% of these certificates were achieved by minorities; 25% by Alaska Natives. During this same period time, the Alaska Laborers have placed over 90% of all program registrants into employment upon successful completion of the program.

With only one classroom on-site, it is becoming more and more difficult to provide the level of training Alaska has come to expect in an expeditious manner. The dining room and auditorium are constantly being converted to support additional training classes as the demand for updated certifications in specialized skill are becoming industry standard. A critical component to the success of Alaska's future in construction is to provide multiple avenues for today's Alaskan Laborer to obtain these certificates.

A tremendous amount of support has been shown for the proposed Training Facility. The Mountain View Community Council believes it will bring remarkable new opportunities for long-term careers to the local community. Alaska Works Partnership believes a modern facility will be a vital component to building a natural gas pipeline. Whether training new Apprentices or experienced Journey workers, a new Alaska Laborers' Training Facility will enable all Alaskans with the skills necessary to be successful for generations to come.

#### Phase I: Planning, Preparation, and Initial Construction\*

##### Estimated Cost

Soft Costs (Legal, Title, Survey) \$75,000  
 Property Acquisition and Site Work \$2,500,000

##### Construction

Shop and Mezzanine Classroom \$2,000,000  
 Equipment Storage \$2,000,000  
 Design and Engineering \$285,250  
 Construction Administration \$40,750  
 Financing and Construction Interest \$308,070

Phase I Subtotal \$7,209,070

Contingency (15%) \$706,360

Phase I Cost \$7,915,430

#### Phase II: Final Construction

##### Estimated Cost

##### Construction

Core and Shell (15000sf @ \$264/sf) \$3,960,000  
 Tenant Improvements (15000sf @ \$50.00/sf) \$750,000  
 Design and Engineering \$329,700  
 Construction Administration \$47,100

Financing and Construction Interest \$356,076

Phase II Subtotal \$5,442,876

Contingency (15%) \$816,431

Phase II Cost \$6,259,307

Total Project Cost \$14,174,737

**Estimated Funding**

Alaska Laborers' Training Trust Fund \$7,500,000  
Sale of Existing Alaska Laborers' Training Facility \$3,000,000  
State of Alaska – Requested Legislative Grant \$4,000,000

Total Estimated Funding \$14,500,000

**Project Timeline:**

Expenditures will begin in the summer of 2011 and continue until summer of 2012. Phase 1 should be completed by summer of 2012.

**Entity Responsible for the Ongoing Operation and Maintenance of this Project:**

Alaska Laborers Training Trust

**Grant Recipient Contact Information:**

Name: A.J. Merrick II  
Title: Trustee  
Address: 13500 Old Seward Highway  
Anchorage, Alaska 99515  
Phone Number: (907)272-4571  
Email: jmerrick@local341.com

Has this project been through a public review process at the local level and is it a community priority?  Yes  No



## LABORERS' INTERNATIONAL UNION OF NORTH AMERICA



### ALASKA LABORERS' TRAINING FACILITY

#### **Fiscal Year 2012 Legislative Appropriations Request** **To Complete Funding for Upgraded Alaska Laborers' Training Facility**

The Alaska Laborers' Training Facility provides opportunities for all Alaskans to obtain the necessary skills to compete and excel in the construction industry. For 37 years, the current training facility has trained Apprentices and Journey workers of all different ages and races from the far-reaching villages to the largest of Alaska's metropolitan cities. While the Laborers have continued to lead the way with state-of-the-art training programs, the facility is no longer able to support the ever changing and highly demanding curriculums that today's workforce needs. It is critical to Alaska's future that a new and well-equipped Alaska Laborers' Training Facility begin construction to continue training for Alaska's future. Funding for 70% of the replacement facility will be provided by the Alaska Laborers, this request is to receive \$4.0 million for FY2012 from the State of Alaska to complete Phase I; which will allow for continuous training without a break in service.



Existing Alaska Laborers' Training Facility

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With only one classroom on-site, it is becoming more and more difficult to provide the level of training Alaska has come to expect in an expeditious manner. The dining room and auditorium are constantly being converted to support additional training classes as the demand for updated certifications in specialized skill are becoming industry standard. A critical component to the success of Alaska's future in construction is to provide multiple avenues for today's Alaskan Laborer to obtain these certificates.



Concept Design - Future Training Facility

A tremendous amount of support has been shown for the proposed Training Facility. The Mountain View Community Council believes it will bring remarkable new opportunities for long-term careers to the local community. Alaska Works Partnership believes a modern facility will be a vital component to building a natural gas pipeline. Whether training new Apprentices or experienced Journey workers, a new Alaska Laborers' Training Facility will enable all Alaskans with the skills necessary to be successful for generations to come.

**Phase I: Planning, Preparation, and Initial Construction\*****Estimated Cost**

Soft Costs (Legal, Title, Survey)	\$75,000
Property Acquisition and Site Work	\$2,500,000
Construction	
Shop and Mezzanine Classroom	\$2,000,000
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<u>Financing and Construction Interest</u>	<u>\$308,070</u>
Phase I Subtotal	\$7,209,070
Contingency (15%)	\$706,360
<b>Phase I Cost</b>	<b>\$7,915,430</b>

**Phase II: Final Construction****Estimated Cost**

Construction	
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<b>Phase II Cost</b>	<b>\$6,259,307</b>

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<b>Total Project Cost</b>	<b>\$14,174,737</b>
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**Estimated Funding**

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<b>Total Estimated Funding</b>	<b>\$14,500,000</b>
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Anchorage, AK 99501  
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(907) 569-4716 *fax (admin)*  
(907) 569-4720 *fax (programs)*  
1 (866) 297-9566 *toll-free*

P.O. Box 74313  
Fairbanks, AK 99707  
(907) 457-2597 *tel*  
(907) 457-2591 *fax*  
1 (866) 457-2597 *toll-free*

February 11, 2011

Mr. Joey Merrick, Business Manager  
Laborers Local Union #341  
2501 Commercial Drive  
Anchorage, AK 99501

Dear Mr. Merrick,

I am writing to express our support of your request for federal resources to construct a new Alaska Laborers Training School in Anchorage, Alaska. Alaska has a shortage of skilled construction workers and we need to increase training capacity for skilled laborers as we strive to increase our nation's energy independence through oil and natural gas development, rebuild the state infrastructure, to retrofit homes and facilities to increase energy efficiency, and to reduce fuel consumption and future carbon emissions.

The Alaska Laborers Training Trust is known for their quality of instruction. They teach many skills, from building roads to maintaining pipelines. The Laborers put trained members to work in high-skill, high paying jobs and in good careers that include health care and retirement benefits. The estimated cost model of the new facility shows the majority of funds will come from the private sector through the Alaska Laborer's Trust. By leveraging public funding, this project will result in a modern industry training school to support Alaska businesses and workers in the future, leading to more jobs for Alaska contractors and residents. Because it will be owned and operated by the Trust, the new training school can be sustained for many years to come without continued public funding.

Again, AWP is in complete support for this project and look forward to assisting your Trustees and the Union in the future to make this a reality.

Sincerely,

A handwritten signature in black ink that reads "Mike Andrews". The signature is written in a cursive, flowing style.

Mike Andrews  
Director

# MOUNTAIN VIEW COMMUNITY COUNCIL

## 1989 USA NEIGHBORHOOD of the YEAR

February 4, 2011

Senator Bill Wielechowski  
716 W 4th ave. Suite 200  
Anchorage, AK 99501

**RE: Mountain View Community Support for the new Alaska Laborers' Training School**

Dear Senator Wielechowski,

I am writing you to communicate the support of the Mt. View Community Council Executive Committee for the proposed Alaska Laborers' Training School.

Having a high-quality training facility in close proximity to the community will have many long reaching benefits. First, such a project adds to the entire Anchorage economy by creating local hire jobs to build the new facility. Second, local community businesses will experience an increase in volume and sales as more workers come into our community who might not have done so before. Lastly, once the school is in operation, the potential for career opportunities for members of the community is tremendous.

The sight of new construction is a hopeful sign that shows a commitment to the community and confidence in the future. A modern, attractive structure, with landscaped grounds adds value to the Mountain View Neighborhood Improvement Program.

I hope you will be able to advance this jobs creating project.

Thank You,



Don Crandall  
President  
Mt. View Community Council  
dhc@ak.net  
Phone: 907-272-8088

**P O BOX 142824 ANCHORAGE AK 99514-2824**  
**TAKE PRIDE IN MOUNTAIN VIEW**  
**Working Together FOR A DRUG & CRIME FREE Mountain View**

March 10, 2011

Subject: IN SUPPORT OF FUNDING REQUEST BY THE ALASKA LABORERS'  
TRAINING SCHOOL

Dear Members of the Alaska State Legislature:

On behalf of ASRC Energy Services – Houston Contracting Company, Inc. (“HCC”), I am writing to demonstrate my strong support for state funding to improve the Alaska Laborers’ Training School. Over the years, HCC has enjoyed a productive and positive relationship with the facility. In particular, our company’s employees, both shareholder and non-shareholder, benefit from the services of the Alaska Laborers’ Training School, which provides high quality job training and skill certifications that prepare Alaskans for the ever-changing job market.

Since 2006, the Alaska Laborers’ Training School has certified an average of 2,671 skills a year. 43% of these certificates were achieved by minorities; 25% by Alaska Natives. During this same time period, the Alaska Laborers have found jobs for more than 90% of all program registrants who successfully completed the program.

Additional vocational training opportunities are essential for Alaskans to succeed in our developing and diverse economy, and the Alaska Laborers’ Training School has helped to provide those opportunities for the past 37 years. With your help, the facility can prepare for the future, which is why state funding is essential for improving the Laborers’ Training School. The School is operated by the Alaska Laborers’ Training Trust, which is managed by a board consisting of both labor and management directors.

About 70 percent of the funding needed to proceed with the project is already in hand. This request is for the final funds needed to proceed with constructing an improved facility. HCC supports the allocation of additional funding to improve the Alaska Laborers’ Training School into the FY2012 state budget.

I appreciate your consideration of this request, and wish you a productive legislative session.

Sincerely,



Wade Blasingame  
President and General Manager  
Houston Contracting Company, Inc.  
3900 C Street, Suite 602  
Anchorage, Alaska 99503



P.O Box 196660

ANCHORAGE, ALASKA 99519-6660

TELEPHONE (907) 787-8700

Thomas J. Barrett  
President

March 16, 2011

Honorable Mike Chenault  
Speaker  
Alaska State House of Representatives  
State Capitol, Room 208  
Juneau, AK 99801

Dear Speaker Chenault:

I am writing to urge your support for funds for FY2012 to build a modern labor training facility in Anchorage.

Alaska has immense natural resources and a number of exciting projects both underway and on the horizon. To compliment these opportunities, we require a skilled workforce. For several decades, the Laborer's International Union of North America has used a remodeled former restaurant as its training hub. Our workforce development needs have tested the capabilities of that space, which has only one on-site classroom. Over the years, the Alaska Laborers have had to constantly make costly and necessary repairs, expansions and renovations.

Despite logistical challenges, the facility has a strong record: Since 2006, the training facility has certified an average of 2,671 skills annually. Of these certificates, 43 percent went to minorities – 25 percent to Alaska Natives. More than 90 percent of registrants were employed upon program completion.

The need for a training facility is clear. The time is right to invest in the workforce that is the backbone of Alaska. I urge you to support funding for this infrastructure. The return on this investment will be generations of skilled and trained professionals who will serve Alaska's people and economy for years to come.

Sincerely,

A handwritten signature in black ink that reads "Thomas J. Barrett". The signature is written in a cursive, flowing style.