

## **Municipal Advisory Group Resolution 2006-10**

### **A Resolution Relating to Local Hire Provisions of the Draft Stranded Gas Fiscal Contract**

- A. Whereas MAG Resolution 2004-06 stated residents should benefit from natural resource development by having access to both construction and operation jobs of the Alaska Natural Gas Pipeline; and
- B. Whereas there is a direct correlation between the number of Alaska residents hired for the construction of the Alaska Natural Gas Pipeline project and the need for new municipal services; and
- C. Whereas AS 36.10.007 states “It is the policy of the state that, to fulfill the duty of loyalty owed to its citizens and to remedy social or economic problems, the state will grant an employment preference to residents when the state is acting as a market participant;” and
- D. Whereas the Stranded Gas Development Act (AS 43.82) calls for the qualified applicant under the act to comply with all valid laws relating to hiring Alaska residents and contracting with Alaska businesses to work on the project and not to discriminate against Alaska residents or Alaska businesses; and
- E. Whereas the SGDA and the proposed contract under the SGDA have provisions that call for the employment of Alaska residents where residents are available, competitively priced and qualified; and
- F. Whereas the realization of maximum local hire can be of substantive benefit to the communities of Alaska and the companies involved in construction, operations and maintenance of an Alaska Natural Gas Pipeline; and
- G. Whereas competitive wages need to be established within the context of construction projects in the state of Alaska; Alaska residents should receive wages commensurate with their skills and experience, not the lowest bid from out-of-state workers.

NOW, THEREFORE, be it resolved by the Municipal Advisory Group that:

- 1. The Municipal Advisory Group recommends the State of Alaska should re-negotiate the Alaska hire sections of the proposed contract to strengthen local hire provisions.
- 2. The Municipal Advisory Group recommends the contract should include strong wage protections for Alaska workers to ensure that Alaska workers benefit foremost from the economic growth brought on my developing Alaska’s natural gas reserves.

Approved by vote of: Cities of Delta Junction, Fairbanks, Kenai, North Pole, Seward, Skagway, Valdez; Fairbanks North Star Borough; Haines Borough; Kenai Peninsula Borough; Municipality of Anchorage; North Slope Borough; Tanana Chiefs Conference.