

Submitted by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Office of the Municipal Manager
For reading: May 11, 2010

CLERK'S OFFICE

APPROVED

ANCHORAGE, ALASKA

Date: 5-11-10 AR No. 2010-153

1 **A RESOLUTION APPROPRIATING THIRTY THOUSAND DOLLARS (\$30,000)**
2 **FROM THE ALASKA NATURAL GAS DEVELOPMENT AUTHORITY (ANGDA) TO**
3 **THE STATE GRANTS FUND (231), OFFICE OF COMMUNITY PLANNING AND**
4 **DEVELOPMENT, AS AN ADDITIONAL CONTRIBUTION FOR AN ANALYSIS OF**
5 **THE COMPETITIVE POSITIONING IN THE DEVELOPMENT OF A GAS-FED**
6 **VALUE-ADDED TECHNICAL INDUSTRY IN THE STATE OF ALASKA.**
7

8
9 **WHEREAS**, at the August 2008 meeting of the Tri-borough Commission, the Mayors
10 of the Municipality of Anchorage, Matanuska-Susitna Borough and Kenai Peninsula
11 Borough voted unanimously to co-sponsor a Gas-Fed Value-Added Technical
12 Conference to be held in Anchorage in April 2009; and
13

14 **WHEREAS**, ANGDA and the Municipality of Anchorage signed a Memorandum of
15 Understanding under which the Municipality of Anchorage is the lead agency, on
16 behalf of the Commission, to host the Conference; and
17

18 **WHEREAS**, Amendment 1 moved the date for the Gas-Fed Value-Added Technical
19 Conference to September 30, 2009; and
20

21 **WHEREAS**, Amendment 2 changed the scope of the project from a Gas-Fed Value-
22 Added Technical Conference to the development, coordination and execution of a
23 trade mission aimed at developing a Gas-Fed Value-Added Technical Industry to be
24 completed by January 30, 2010; and
25

26 **WHEREAS**, Amendment 3 added additional funding to perform an analysis of the
27 competitive positioning for this investment opportunity in the State of Alaska; and
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29 **WHEREAS**, Amendment 4 the date is extended for all activities covered under this
30 grant to be completed by September 30, 2010; now, therefore,
31

32 **THE ANCHORAGE ASSEMBLY RESOLVES:**
33

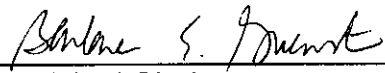
34 **Section 1.** The sum of Thirty Thousand Dollars (\$30,000) is hereby appropriated
35 from the Alaska Natural Gas Development Authority to the State Grants Fund (231)
36 for an analysis of the competitive positioning in the development of a Gas-Fed Value-
37 Added Technical Industry in the State of Alaska in the Office of Community Planning
38 and Development.
39

40 **Section 2.** This resolution shall be effective immediately upon passage and
41 approval by the Assembly.
42
43

PASSED AND APPROVED by the Anchorage Assembly this 11th day of
May, 2010.


Chair of the Assembly

ATTEST:


Municipal Clerk

Department of Appropriation:
Office of the Municipal Manager \$30,000.00

MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 295-2010

Meeting Date: May 11, 2010

From: MAYOR

Subject: A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE APPROPRIATING THIRTY THOUSAND DOLLARS (\$30,000) FROM THE ALASKA NATURAL GAS DEVELOPMENT AUTHORITY (ANGDA) TO THE STATE GRANTS FUND (231), OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT, AS AN ADDITIONAL CONTRIBUTION IN SUPPORT OF AN ANALYSIS OF THE COMPETITIVE POSITIONING OF A GAS-FED VALUE-ADDED TECHNICAL INDUSTRY IN THE STATE OF ALASKA.

In November 2008, the Anchorage Assembly approved the appropriation (AR 2008-263 / AM 754-2008, Exhibit A) of Two Hundred Fifty Thousand Dollars (\$250,000) from the ANGDA as a contribution in support of a Gas-Fed Value-Added Technical Conference to be held in Anchorage in April 2009. Also approved in November 2009 was a proprietary contract (AM 788-2008, Exhibit B) with the Anchorage Economic Development Corporation (AEDC) for the development and execution of the Gas-Fed Value-Added Technical Conference.

In November 2009, the Anchorage Assembly accepted an Assembly Information Memorandum (AIM 115-2009, Exhibit C) in which the scope of the Gas-Fed Value-Added Technical Conference was changed to the development, coordination and execution of a trade mission aimed at developing a Gas-Fed Value-Added Technical Industry in the State of Alaska.

In November 2009, Amendment 3 of the Memorandum of Understanding (MOU) with ANGDA was signed to give the Municipality of Anchorage an additional Thirty Thousand Dollars (\$30,000) as pass-through funds to AEDC to perform an analysis of the competitive positioning for this investment opportunity.

In March 2010, Amendment 4 was signed extending the date of performance to September 30, 2010 with all prior provisions of the MOU to remain the same from the November 2009 AIM 115-2009.

The Revenue and Expense detail follows:

REVENUES:

Account Number	Account Name	Amount
231.54838G.9825.BP2008	State Grant Revenue Direct	\$30,000

EXPENSES:

<u>Account Number</u>	<u>Account Name</u>	<u>Amount</u>
231.54838G.3101.BP2008	Professional Services	\$30,000

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE APPROPRIATING THIRTY THOUSAND DOLLARS (\$30,000) FROM THE ALASKA NATURAL GAS DEVELOPMENT AUTHORITY (ANGDA) TO THE STATE GRANTS FUND (231), OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT, AS AN ADDITIONAL CONTRIBUTION IN SUPPORT OF AN ANALYSIS OF THE COMPETITIVE POSITIONING OF A GAS-FED VALUE-ADDED TECHNICAL INDUSTRY IN THE STATE OF ALASKA.

Prepared by: Debra Fitzgerald, Office of the Municipal Manager
Fund certification: Lucinda Mahoney, CFO
231-54838G-9825-2008-\$30,000
(Alaska Natural Gas Development Authority MOU)
Concur: George J. Vakalis, Municipal Manager
Respectfully submitted: Daniel A. Sullivan, Mayor

Submitted by: Chair of the Assembly at the
Request of the Mayor
Prepared by: Economic & Community
Development
For reading: October 28, 2008

CLERK'S OFFICE

APPROVED

Date: 11-12-08

ANCHORAGE, ALASKA

AR 2008-263

A RESOLUTION OF THE MUNICIPALITY OF ANCHORAGE APPROPRIATING TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) FROM THE ALASKA NATURAL GAS DEVELOPMENT AUTHORITY (ANGDA) TO THE STATE GRANTS FUND (231), OFFICE OF ECONOMIC AND COMMUNITY DEVELOPMENT, AS A CONTRIBUTION IN SUPPORT OF A GAS-FED VALUE-ADDED TECHNICAL CONFERENCE TO BE HELD IN ANCHORAGE IN APRIL, 2009

WHEREAS, at the August, 2008 meeting of the Tri-borough Commission, the Mayors of the Municipality of Anchorage, Matanuska-Susitna Borough and Kenai Peninsula Borough voted unanimously to co-sponsor a Gas-Fed Value-Added Technical Conference to be held in Anchorage in April, 2009; and

WHEREAS, ANGDA and the Municipality of Anchorage signed a Memorandum of Understanding under which the Municipality is the lead agency, on behalf of the Commission, to host the Conference; and

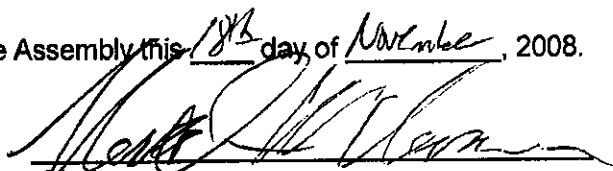
WHEREAS, ANGDA contributed \$250,000 in support of the Conference; now, therefore,

THE ANCHORAGE ASSEMBLY RESOLVES:

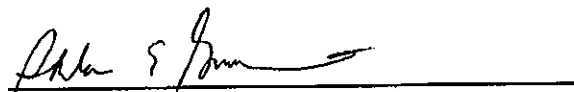
Section 1: The sum of Two Hundred Fifty Thousand Dollars (\$250,000) is accepted from the ANGDA as a contribution in support of a Gas-Fed Value-Added Technical Conference to be held in Anchorage in April, 2009 and is appropriated to the State Grants Fund (231), Office of Economic and Community Development.

Section 2: This Resolution shall become effective immediately upon passage and approval by the Anchorage Assembly.

PASSED AND APPROVED by the Anchorage Assembly this 18th day of November, 2008.


Chair

ATTEST:


Municipal Clerk

Department Appropriation:
Office of Economic and Community Development \$250,000



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

No. AM 754-2008

Meeting Date: October 28, 2008

From: **MAYOR**

Subject: **A RESOLUTION APPROPRIATING TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) FROM THE ALASKA NATURAL GAS DEVELOPMENT AUTHORITY (ANGDA) TO THE STATE GRANTS FUND (231), OFFICE OF ECONOMIC AND COMMUNITY DEVELOPMENT, AS A CONTRIBUTION IN SUPPORT OF A GAS-FED VALUE-ADDED TECHNICAL CONFERENCE TO BE HELD IN ANCHORAGE IN APRIL, 2009**

ANGDA provided \$250,000 in pass-through funds designated for support of a gas-fed value-added technical conference to be hosted in Anchorage in April, 2009. The conference features internationally prominent technical speakers in a program designed to highlight Southcentral Alaska as a potential location for petrochemical facilities reliant on natural gas byproducts. The Municipality of Anchorage is the lead agency overseeing hosting of the event.

The Revenue and Expense detail follows:

REVENUES:

Account Number	Account Name	Amount
231.54838G.9825.BP2008	State Grant Revenue Direct	\$250,000

EXPENDITURES:

Account Number	Account Name	Amount
231.54838G.3101.BP2008	Professional Services	\$250,000

THE ADMINISTRATION RECOMMENDS APPROVAL OF A RESOLUTION APPROPRIATING TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000) FROM THE ANGDA TO THE STATE GRANTS FUND (231), OFFICE OF ECONOMIC AND COMMUNITY DEVELOPMENT, AS A CONTRIBUTION IN SUPPORT OF A GAS-FED VALUE-ADDED TECHNICAL CONFERENCE TO BE HELD IN ANCHORAGE IN APRIL, 2009.

Prepared by: Jennifer Allen, Office of Economic & Community Development

Approved by: Mary Jane Michael, Executive Director, OECD

Concur: James N. Reeves, Municipal Attorney

Fund Certification: Sharon Weddleton, CFO

231.54838G.9825.2008 \$250,000

Concur: Michael K. Abbott, Municipal Manager

Respectfully submitted: Mark Begich, Mayor



MUNICIPALITY OF ANCHORAGE

ASSEMBLY MEMORANDUM

CLERK'S OFFICE No. AM 788-2008

APPROVED

Date: 11-18-08

Meeting Date: November 18, 2008

From: Mayor

Subject: Proprietary Contract with the Anchorage Economic Development Corporation for Development and Execution of a Gas-Fed Value-Added Technical Conference to be Held in Anchorage in April, 2009 for the Office of Economic and Community Development (\$250,000)

The Tri-Borough Commission plans to hold a Gas-Fed Value-Added Technical Conference in Anchorage in 2009. The event will target executive-level strategic planners from national and international oil and gas (O&G) and petrochemical companies. Its purpose is to raise Southcentral Alaska's profile as a desirable location for petrochemical facility development in connection with the Alaska natural gas spur/bullet pipeline project.

The Alaska Natural Gas Development Authority (ANGDA) has provided \$250,000 in pass-through funds to the Municipality of Anchorage (MOA) in support of the event (AR 2008-263, PH Nov 18, 2008). The MOA, Office of Economic and Community Development (OECD) is requesting authorization of a proprietary contract with the Anchorage Economic Development Corporation (AEDC) for \$250,000 to organize and execute the conference.

Conference Objectives

The focus of the conference is a development strategy related to the spur/bullet pipeline that offers significant economic benefits to the region, including cheaper natural gas prices for local consumers.

Key to the strategy is to attract one or more industrial shippers of natural gas and natural gas liquids (NGL's) for use in a petrochemical facility located near tidewater in the Cook Inlet region. The addition of industrial consumers bidding for capacity in the pipeline would greatly increase the volume of natural gas being shipped, and thus decrease the cost of natural gas delivered to Southcentral residents. Establishment of even one petrochemical facility would bring substantial capital investment to the region and generate millions of dollars in economic activity annually. Prospects would also exist for a new propane export facility to serve Alaska, U.S. and foreign markets; expansion of the existing LNG export facility in Nikiski; and potential reactivation of the fertilizer plant in Nikiski.

Alaska has a chance to attract the attention of the top global players in the petrochemical industry to the conference, given the existence of previously inaccessible reserves of ethane, propane and methane that could be shipped through the pipeline to Cook Inlet. It will be the role of the conference organizer to make clear the technical prospects for petrochemical development, showcase the region, and market the development opportunity to these participants.

Requirements for Conference Contractor

In addition to standard convention services, this project requires a contractor who is:

- Equipped to host an international conference in a highly technical subject area;

- Knowledgeable and experienced in the oil and gas industry;
- Familiar with the issues surrounding petrochemical development in Southcentral AK; and
- Able and empowered to negotiate regional development deals on behalf of the Municipality of Anchorage, Kenai Peninsula Borough and Matanuska-Susitna Borough.

Qualifications of AEDC

The President & CEO of AEDC, Mr. Bill Popp, was Oil, Gas and Mining Liaison for the Kenai Peninsula Borough (KPB) Mayor's Office 2002-2007, where he was tasked with developing policy on development of North Slope natural gas and connecting Southcentral Alaska through a spur pipeline to North Slope natural gas reserves. He has lobbied on behalf of the KPB at local, state and federal levels in support of those natural gas pipeline and O&G policies. Mr. Popp has worked directly with in-state O&G producers and out-of-state petrochemical companies interested in spur pipeline development to Cook Inlet, including responding to information requests, marketing the region to these companies, and giving site tours for visiting delegations from petrochemical companies.

AEDC has a 20 year relationship with the MOA as a non-profit agent tasked with marketing business opportunities in Anchorage to national and international business interests. In addition, AEDC recently signed an agreement with the Matanuska-Susitna and Kenai Peninsula Boroughs giving the organization limited authority also to market these boroughs, nationally and internationally, as part of a regional strategy for new business recruitment and investment within Southcentral Alaska.

The specialized industry knowledge and background of Mr. Popp, combined with an experienced communications and development team at AEDC, provides for a uniquely qualified organization to perform the necessary services and the ability to ensure this conference event is successful. Similarly, ANGDA in their sponsorship and funding role, recognize the importance of this event and are supportive of the selection of AEDC to perform these conference services.

Contributions

The estimated total cost of the conference is \$350,000. Through sponsorships and event registrations, AEDC is expected to contribute \$100,000 towards the total.

Recommendation

Based upon the above information, the Administration recommends that the Assembly approve the proprietary contract to AEDC for development and execution of a Gas-Fed Value-Added Technical Conference for April of 2009 in the amount of \$250,000.

(Funding for this contract is subject to approval of AR 2008-263, PH 11-18-2008)

Prepared by:	Jennifer Allen, Office of Economic & Community Development
Concur:	Mary Jane Michael, Executive Director, OECD
Concur:	Barton R. Mauldin, Purchasing Officer

Fund Certification:	Sharon Weddleton, CFO
231.54838G.9825.BP2008	\$250,000
(State Grant Revenue)	(subject to appropriation, AR 2008-263, PH 11-18-08)

Concur:	Michael K. Abbott, Municipal Manager
Respectfully submitted:	Mark Begich, Mayor

MUNICIPALITY OF ANCHORAGE

ASSEMBLY INFORMATION MEMORANDUM

No. AIM 115-2009

Meeting Date: November 17, 2009

Accepted 11/17/09

From: MAYOR

Subject: Change of Scope of Work for Gas-Fed Value-Added Technical Conference

In November 2008, the Anchorage Assembly approved the appropriation (AR 2008-263 / AM 754-2008) of Two Hundred Fifty Thousand Dollars (\$250,000) from the Alaska Natural Gas Development Authority (ANGDA) as a contribution in support of a Gas-Fed Value-Added Technical Conference to be held in Anchorage in April 2009. Also approved in November 2008 was a proprietary contract (AM 788-2008) with the Anchorage Economic Development Corporation (AEDC) for the development and execution of the Gas-Fed Value-Added Technical Conference.

A memorandum of understanding (MOU) was signed in October 2008 in which ANGDA would provide the funds as a pass-through grant for the conference. The municipality, through its contractor, AEDC agreed to develop and host a Gas-Fed Value-Added Conference on behalf of the Tri-Borough Commission. The design of the conference was to offer highly technical business content and feature prominent speakers to attract executive level strategic planners of International companies.

The conference was to highlight Alaska as a potential location for the development of petro-chemical and/or manufacturing facilities reliant on natural gas by-products. April 28-29, 2009 was the original target timeframe for the conference.

In May 2009, the Municipality of Anchorage and ANGDA signed a new MOU in regards to the Gas-Fed Value-Added Technical Conference. The one change in the MOU was that the conference was now scheduled for September 29-30, 2009. All other provisions of the MOU remained the same.

In September 2009, the Municipality of Anchorage and ANGDA signed another MOU which completely changed the scope of work from the original MOU signed in October 2008.

Where the first two MOU's were for the development of a Gas-Fed Value-Added Technical Conference to be held in Anchorage, the latest version is for the development, coordination and execution of a trade mission aimed at developing a gas-fed value-added technical industry in the State of Alaska.

The municipality continues to work with AEDC to organize and execute one or more trade delegations that will meet with, and engage, global chemical companies in discussions about the opportunities that exist to establish facilities within the Cook Inlet region of Alaska. Using the remaining funds from the original grant, AEDC will

provide the following deliverables:

- Engage chemical companies for meetings with the trade delegations. Focus will be on targeted globally recognized chemical companies located in several locations including China, Japan, Korea, Thailand, Taiwan, Canada and the United States
- Plan, organize and execute all necessary logistics in support of one trade delegation trip including travel, hotel, meals, ground transportation and other related needs to Asia. The delegation trip will be organized in a manner that maximizes opportunities for meetings with multiple chemical companies within the bounds of available funding. The targeted date for this trip will be November 7 through November 17, 2009. The date is subject to change as circumstances warrant.
- Engage up to nine stakeholders to participate in the trade delegations with expenses for their participation covered by grant funding. These stakeholders include senior representative of the State administration, State Senate and House of Representatives, the Municipality of Anchorage, Matanuska-Susitna Borough and Kenai Peninsula Borough.
- Engage up to five representatives from the Alaska business community, representative of key industries necessary to the successful establishment of any chemical industry operations in Alaska, to participate in the Asia trade delegation trip slated for November 7, 2009 at their own expense. AEDC will charge a customary flat fee to all industry participants not to exceed \$1,000 to organize all aspects of the participant's itinerary in addition to actual costs for transportation, accommodations and incidental expenses.
- Plan, organize and execute all necessary logistics in support of one or more small trade delegations trips (2-3 individuals) to target meetings with companies in North America and Asia as needed, based on remaining grant funds available.

All remaining activities covered under this grant amendment are expected to be completed by January 30, 2010.

Prepared by:	Debra Fitzgerald, Office of Community Planning & Development
Approved by:	Greg Jones, Executive Director, Office of Community Planning & Development
Concur:	George J. Vakalis, Municipal Manager
Respectfully submitted:	Daniel A. Sullivan, Mayor

Content ID: 009004**Type:** AR_FundsApprop - Funds Approp Resolution

A RESOLUTION APPROPRIATING THIRTY THOUSAND DOLLARS (\$30,000)
FROM THE ALASKA NATURAL GAS DEVELOPMENT AUTHORITY (ANGDA)
TO THE STATE GRANTS FUND (231), OFFICE OF COMMUNITY PLANNING

Title: AND DEVELOPMENT, AS AN ADDITIONAL CONTRIBUTION FOR AN
ANALYSIS OF THE COMPETITIVE POSITIONING IN THE DEVELOPMENT OF A
GAS-FED VALUE-ADDED TECHNICAL INDUSTRY IN THE STATE OF ALASKA.

Author: fitzgeraldl**Initiating
Dept:** Mayor**Date
Prepared:** 5/3/10 9:26 AM**Assembly
Meeting
Date:** 5/11/10

Workflow Name	Action Date	Action	User	Security Group	Content ID
Clerk_Admin_SubWorkflow	5/7/10 11:37 AM	Exit	Nina Pruitt	Public	009004
MuniManager_SubWorkflow	5/7/10 11:37 AM	Approve	Nina Pruitt	Public	009004
Finance_SubWorkflow	5/7/10 9:01 AM	Approve	David Ryan	Public	009004
OMB_SubWorkflow	5/8/10 8:30 AM	Approve	Cheryl Frasca	Public	009004
Mayor_SubWorkflow	5/5/10 4:55 PM	Approve	Nina Pruitt	Public	009004
FundsAppropWorkflow	5/5/10 4:49 PM	Checkin	Debra Fitzgerald	Public	009004
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Reddington

CONSENT AGENDA – RESOLUTIONS FOR ACTION-OTHER