

Introduced by:	Mayor
Date:	02/04/03
Action:	Adopted as Amended
Vote:	7 Yes, 2 No

KENAI PENINSULA BOROUGH

RESOLUTION 2003-016

A RESOLUTION SUPPORTING THE FEDERAL OUTER CONTINENTAL SHELF OIL AND GAS LEASE SALES 191 & 199

WHEREAS, the Federal Government, through the Minerals Management Service (MMS), has advertised its intent to offer portions of the Outer Continental Shelf (OCS) located within the waters of Cook Inlet for an oil and gas leasing program in 2004 and 2006; and

WHEREAS, the Draft Environmental Impact Statement (DEIS) for lease sales 191 in 2004 & lease sale 199 has been released for public comment; and

WHEREAS, the DEIS estimates that there is a 95% probability that 140 million barrels of oil and 190 billion cubic feet of natural gas would be recovered from the OCS; and

WHEREAS, the DEIS estimates potential tax revenues to the Kenai Peninsula Borough resulting from new pipelines and shore-based facilities built to develop and deliver oil or gas from the OCS at \$2.7 million per year over a 15 year period ; and

WHEREAS, the DEIS estimates that up to 400 direct jobs and 200 indirect jobs will be created if one platform is built in the OCS that produces 140 million barrels of oil; and

WHEREAS, the Kenai Peninsula Borough Assembly previously adopted KPB Resolution 2001-127, known as the Tri-Borough Resolution, that addresses five specific concerns related to minimizing impacts on the economy and environment of the Kenai Peninsula Borough and its communities; and

WHEREAS, the DEIS contains specific stipulations that address the prevention of conflicts with subsistence activities, commercial fishing and sport fishing activities within the OCS; and

WHEREAS, the DEIS provides for the withdrawal of over 300,000 acres of lease tracts from the proposed sales along the southern coast of the Kenai Peninsula and the Barren Islands to mitigate impacts to subsistence activities and critical habitat areas of Stellar Sea Lions and other species of concern; and

WHEREAS, the Kenai Peninsula Borough Assembly believes that all appropriate state and federal agencies and Congress must address each of the remaining concerns of the Tri-Borough Agreement that are beyond the scope of authority of the MMS; and

WHEREAS, at the January 27, 2003 meeting of the Planning Commission, the members of the Commission voted unanimously in support of the Outer Continental Shelf Lease sales as modified by the proposed Alternates 3 and 4 that withdraw over 300,000 acres near the lower Kenai Peninsula and

Barren Islands;

NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:

SECTION 1. That the Kenai Peninsula Borough Assembly supports Federal Lease Sales 191 and 199 within the waters of the Outer Continental Shelf of Cook Inlet under the provisions of the Tri-Borough Resolution 2001-127.

SECTION 2. That the Kenai Peninsula Borough Assembly supports the adoption of both alternates 3 and 4 of the Draft Environmental Impact Statement that would withdraw over 300,000 acres along the southern coast of the Kenai Peninsula and the Barren Islands from the proposed lease sales.

SECTION 3. That the Kenai Peninsula Borough Assembly will continue to demand that all future oil and gas exploration and development activities within the Outer Continental Shelf areas of Cook Inlet will adhere to points contained within the Tri-Boroughs Resolution 2001-127.

SECTION 4. That copies of this Resolution will be distributed to the Minerals Management Service, Interior Secretary Gail Norton, Senator Ted Stevens, Senator Lisa Murkowski, Congressman Don Young and Governor Frank Murkowski.

SECTION 5. This resolution shall become effective immediately upon adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 4TH DAY OF FEBRUARY, 2003.