

## KENAI PENINSULA BOROUGH

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> **DAVE CAREY BOROUGH MAYOR**

## **MEMORANDUM**

TO:

Milli Martin, Assembly President

Members of the Kenai Peninsula Borough Assembly

THRU:

David R. Carey, Borough Mayor Mayor

Max Best, Planning Director

Craig Chapman, Finance Director *C* Chapman, Finance Director *C* Chapman, Grants Manager

FROM:

Gary Williams, Coastal Management Coordinator

DATE:

March 26, 2009

SUBJECT:

Ordinance No. 2008-19-50: Accepting and appropriating \$12,716.56 from the U.S.

Department of Interior for projects under the FY2007 Coastal Impact Assistance Program

The Coastal Impact Assistance Program (CIAP) was established under Section 384 of the Energy Act of 2005 and authorizes the Secretary of the Interior to disburse funds to Outer Continental Shelf (OCS) oil and gas producing states to mitigate the impacts of OCS oil and gas activities. The Minerals Management Service (MMS) has been delegated to implement the program. CIAP money will be shared among eligible states and will be allocated based upon formulas prescribed by the Act. A noncompetitive grant process is used to disburse the funds. No matching funds are required.

In May 2007, the Borough Assembly adopted Resolution 2007-32 approving four projects for CIAP grant funds for 2007. Projects that were approved include: Crooked Creek Restoration / Education (\$15,000), Kasilof Habitat Protection Assistance (\$8,000), Geographic Response Strategies (\$21,362), and CIAP Administration (\$15,073) for a total of \$59,435. In February 2008, a fifth project was added to the Assembly-approved list BY ADOPTION OF Resolution 2008-017. That project is the Crooked Creek Habitat Protection project at a cost of \$189,240 over a 4-year period. Assembly-approved projects must be submitted to the State for its approval, and then State-approved projects are forwarded to MMS for final approval.

The Borough recently received notice of grant awards for two of the five projects. The Kasilof Personal Use Fisheries Habitat Protection Assistance project received funding in the amount of \$6,074.34. This grant expires in September 2009. CIAP Planning and Administration was awarded \$6,642.22, with an expiration date of June 2009. The grant funds will reimburse the Borough for costs already incurred, thus the short period of performance for both grants. A shortened hearing date has been requested to accommodate processing the paperwork in a timely manner.

The attached ordinance, when enacted, will allow the Borough to enter into a grant agreement and to submit requests for payment. Your consideration of this ordinance is appreciated.

Attachments: ordinance, notices of grant award