

Introduced by: Superman, Long  
Date: 04/05/05  
Action: Adopted as Amended  
Vote: 9 Yes, 0 No, 0 Absent

**KENAI PENINSULA BOROUGH  
RESOLUTION 2005-027**

**A RESOLUTION SUPPORTING THE FEASIBILITY STUDY FOR THE SEWARD  
LAMINATED VENEER LUMBER (LVL) PLANT AND THE NIKISKI MEDIUM  
DENSITY FIBERBOARD (MDF) PLANT**

- WHEREAS,** the timber industry on the Kenai Peninsula Borough is a heritage industry that has been an important part of the Kenai Peninsula Borough's economy; and
- WHEREAS,** in 1995 the timber industry created \$33,752,777 in gross sales and in 2003 the gross sales dropped to \$4,207,791; and
- WHEREAS,** employment in the timber industry has decreased from a high of 190 in 1998 to 72 in 2003; and
- WHEREAS,** the forests of the Kenai Peninsula Borough, under all ownerships, as identified in the Report "All Lands/All Hands" published by the U.S. Forest Service, et al (including the Kenai Peninsula Borough), are decadent and pose a fire risk and falling tree danger to persons and property; and
- WHEREAS,** rehabilitating this forest will be very expensive ("All Lands/All Hands") estimated \$50 million per year for the next 10 years just to remove the most hazardous material; and
- WHEREAS,** most of the wood to be removed from the Kenai Peninsula has degraded to the point that only a small percentage is suitable for lumber or veneer, but a large proportion is still and expected to remain for some time viable as a source of fiber; and
- WHEREAS,** there is a need to provide well paying, permanent, professional and technical jobs for the residents of the Kenai Peninsula Borough; and
- WHEREAS,** two projects have been identified, that include a medium density fiberboard (MDF) mill that could be placed on the western side of the Peninsula and a laminated veneer lumber (LVL) plant that could be placed in Seward, if study shows one or both are economically feasible; and
- WHEREAS,** recent media accounts note that up to 500 jobs could be created if these two projects were completed; and

**WHEREAS,** a feasibility study should include both domestic and export market opportunities, competition, trends, research and promotional strategies, management strategies including job creation, short term and long-term employment projections, and detailed financial projections; and

**WHEREAS,** the study will also include timber analysis and availability, energy requirements, and other information that would prepare a "Bank Ready Business Plan;"

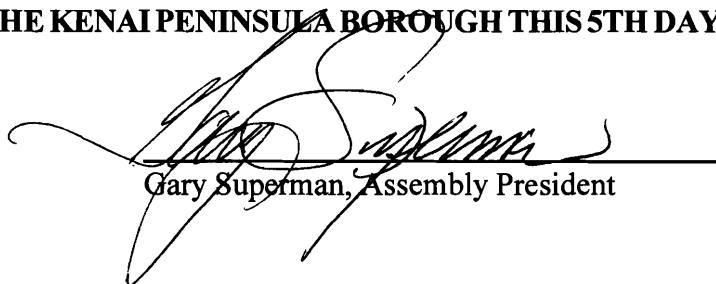
**NOW, THEREFORE, BE IT RESOLVED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH:**

**SECTION 1.** that the Kenai Peninsula Borough Assembly supports the feasibility study, and requests that the Legislature of the State of Alaska, currently in session, add this project to the capital budget now being prepared.

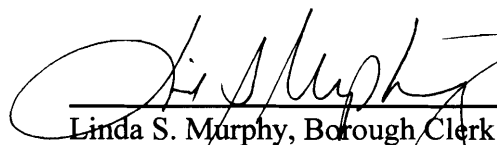
**SECTION 2.** That a copy of this resolution be sent to Senator Thomas Wagoner, Senator Gary Stevens, Senator Al Kookesh, Senator Con Bunde, Representative Mike Chenault, Representative Kurt Olson, Representative Paul Seaton, Representative Woodie Salmon and Representative Mike Hawker.

**SECTION 3.** That this resolution takes effect immediately upon adoption.

**ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 5TH DAY OF APRIL, 2005.**

  
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Gary Superman, Assembly President

ATTEST:

  
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Linda S. Murphy, Borough Clerk

