

Introduced by: Mayor
Date: 10/11/05
Action: Adopted
Vote: 9 Yes, 0 No

**KENAI PENINSULA BOROUGH
RESOLUTION 2005-090**

A RESOLUTION SUPPORTING THE INCLUSION OF COOK INLET IN THE OUTER CONTINENTAL SHELF OIL & NATURAL GAS LEASING PROGRAM FOR 2007-2012

WHEREAS, the United States Department of the Interior, Minerals Management Service (MMS) has requested comments on the new 5-year Outer Continental Shelf (OCS) oil and gas leasing program for 2007-2012; and

WHEREAS, Cook Inlet has a history of over 100 years of oil and natural gas exploration and production, and there is a significant potential for hydrocarbon discoveries within the OCS area of Cook Inlet; and

WHEREAS, Southcentral Alaska faces significant future shortages of natural gas that require continued exploration efforts to meet the needs of residential, business, and industrial users; and

WHEREAS, Cook Inlet oil reserves are in steep decline, resulting in increased imports of higher cost oil from foreign sources to produce supplies of gasoline, diesel, and aviation fuels that are vital to the Alaskan economy; and

WHEREAS, an average of 1,389 people were employed by the hydrocarbon industry in 2004 within the Kenai Peninsula Borough, and that workforce generated \$111 million, or 18% of all reported payrolls within the Borough; and

WHEREAS, the Kenai Peninsula Borough will receive approximately \$11.8 million in property tax revenues from the hydrocarbon industry in FY2006, or nearly 25% of total property taxes collected by the Kenai Peninsula Borough in FY2006; and

WHEREAS, the Kenai Peninsula Borough has previously supported oil and natural gas leasing programs within the Cook Inlet OCS waters under the principles of the Tri-Boroughs position paper as stated in Assembly resolutions 2001-013, 2001-127, and 2003-016;

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

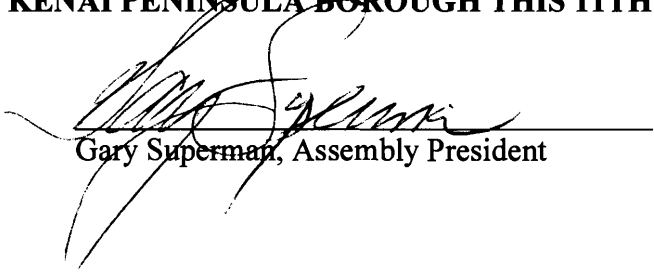
SECTION 1. That the Kenai Peninsula Borough supports the continued inclusion of Cook Inlet in the new 5-year Outer Continental Shelf Oil and Gas Leasing Program for 2007-2012.

SECTION 2. That a copy of this resolution be sent to Ms. Renee Orr, 5-year Program Manager, U.S. Minerals Management Service.

SECTION 3. That a copy of this resolution be sent to Senator Ted Stevens, Senator Lisa Murkowski, Congressman Don Young, Governor Frank Murkowski and Alaska Department of Natural Resources Commissioner Tom Irwin.

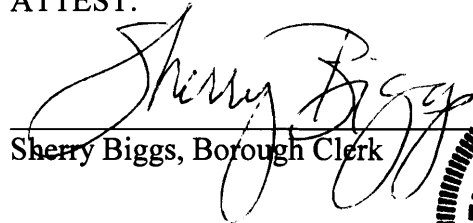
SECTION 4. This resolution shall become effective immediately upon adoption.

ADOPTED BY THE ASSEMBLY OF THE KENAI PENINSULA BOROUGH THIS 11TH DAY OF OCTOBER 2005.



Gary Superman, Assembly President

ATTEST:



Sherry Biggs, Borough Clerk

