

Sponsored by: Mayor Keller
Adopted: November 6, 2006
Vote: Cox, Ewing, Holler, Koskela, Menard and Metiva in favor

**CITY OF WASILLA
RESOLUTION SERIAL NO. 06-49**

**A RESOLUTION OF THE WASILLA CITY COUNCIL IN SUPPORT OF THE
MINERALS MANAGEMENT SERVICE (MMS) PROPOSED 5 YEAR PLAN FOR
OFFSHORE OIL AND GAS DEVELOPMENT.**

WHEREAS, according to the U.S. Minerals Management Service (MMS), Alaska's offshore waters contain US reserves estimated at 27 billion barrels of oil and 132 trillion cubic feet of natural gas (31 percent of all US offshore waters); and

WHEREAS, MMS estimates that the Chukchi Sea is the most promising and materially undeveloped US offshore petroleum basin; and

WHEREAS, lease sales are already occurring in the Beaufort Sea, and MMS estimates that there are approximately 23 trillion cubic feet of natural gas reserves in Bristol Bay; and

WHEREAS, domestic oil and gas development in Alaska will have a positive impact on the state economy and spur strong economic growth because it will create jobs, provide a significant tax source for local communities and support Alaska's business community; and

WHEREAS, domestic oil and gas development is good for America's economic and energy security; and

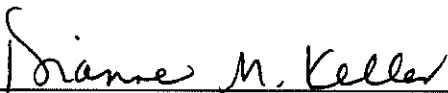
WHEREAS, over 40 years of oil and gas exploration and production activities in the Cook Inlet have provided stable jobs and economic benefits to the residents of Alaska with minimal impact on the environment; and

WHEREAS, with today's technology, offshore energy development can be conducted safely with minimal risk to people and the environment; and

WHEREAS, the local and state administrations as well as the Alaska Congressional delegation should approve policies that provide for Alaska and other coastal states to share in the revenues gained from offshore oil and gas production, as such production revenue could provide multiple benefits to state and local communities by improving infrastructure, adding educational funding for the schools and universities, and to address other important local needs.

NOW, THEREFORE, BE IT RESOLVED, by the Wasilla City Council: that the City of Wasilla strongly supports the MMS Proposed 5-Year Plan and Draft Environmental Impact Statement that provide sensible and responsible access to oil and gas resources on the Alaska Outer Continental Shelf and elsewhere in US offshore waters.

ADOPTED by the Wasilla City Council on November 6, 2006.

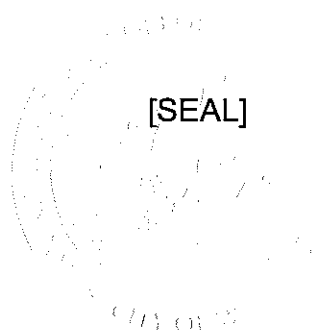


DIANNE M. KELLER, Mayor

ATTEST:



KRISTIE SMITHERS, MMC
City Clerk





**CITY OF WASILLA
LEGISLATION STAFF REPORT**

**RE: RESOLUTION SERIAL NO. 06-49: IN SUPPORT OF THE MINERALS
MANAGEMENT SERVICE (MMS) PROPOSED 5 YEAR PLAN FOR
OFFSHORE OIL AND GAS DEVELOPMENT.**

Agenda of: 11/06/06
Originator: Mayor Keller

Date: October 31, 2006

Route to:	Department	Signature/Date
X	Deputy Administrator Planning, Economic Development, Human Resources	<i>[Signature]</i> 10/31/06
X	City Clerk	<i>[Signature]</i>

REVIEWED BY MAYOR DIANNE M. KELLER: *[Signature]*

FISCAL IMPACT: yes\$ or X no

Funds Available yes no

Account name/number:

Attachments: Resolution Serial No. 06-49

SUMMARY STATEMENT:

The Minerals Management Service (MMS) is receiving comments on the draft Environmental Impact Statement (EIS) for the proposed 2007-2012 5 year program. The EIS evaluates proposed sales in Alaska's Beaufort and Chukchi Seas, North Aleutian Basin, and Cook Inlet.

According to MMS, Alaska's offshore waters contain reserves estimated at 27 billion barrels of oil and 132 trillion cubic feet of natural gas. The MMS believes the Chukchi Sea is the most promising offshore petroleum basin in the United States. Improved access to Alaska's offshore waters in a thoughtful and environmentally sensitive way could significantly improve the nation's domestic energy situation and provide economic stimulus to coastal communities in the state.

New leasing in the Alaska Outer Continental Shelf (OCS) should move forward only after proper local stakeholder consultation, planning and environmental analysis is undertaken. Exploration and development should be based on a strong regulatory system with stringent discharge requirements. Any leasing plan should consider conflict avoidance with other resource industries and subsistence harvest, seasonal operating restrictions, and impact mitigation.

As stated in the resolution, further exploration and responsible development of the area identified in the plan could have a positive impact economic impact on Alaska, its communities and residents as well as other areas in the United States.

The deadline for comments is November 22, 2006. If you would like more information please visit <http://www.mms.gov/5-year/2007-2012main.htm>.