

Action:

**MATANUSKA-SUSITNA BOROUGH  
RESOLUTION SERIAL NO. 26-009**

A RESOLUTION OF THE MATANUSKA-SUSITNA BOROUGH ASSEMBLY SUPPORTING A PAYMENT IN LIEU OF TAXES FOR THE PIPELINE INFRASTRUCTURE OF THE ALASKA NATURAL GAS (AK-LNG) PROJECT.

---

WHEREAS, the AK-LNG project will commercialize and monetize natural gas from Alaska's North Slope to the global markets; and

WHEREAS, the AK-LNG project will provide natural gas for Alaska's in-state use to benefit the residents of Alaska; and

WHEREAS, the AK-LNG project will support hundreds of construction and engineering jobs during its construction; and

WHEREAS, the AK-LNG project will support many local communities in Alaska by supplying much-needed energy and jobs; and

WHEREAS, the AK-LNG project is estimated to cost \$44 billion in construction costs alone; and

WHEREAS, the AK-LNG project will also have ongoing operations and maintenance costs; and

WHEREAS, one of the ongoing costs of the AK-LNG project is the taxes to be paid on the infrastructure; and

WHEREAS, the AK-LNG pipeline represents about one-third of the total cost of the project; and

WHEREAS, the AK-LNG pipeline will be 806 miles long with 180 miles (or 22.3%) of the pipeline in the Matanuska-Susitna Borough;

and

WHEREAS, the AK-LNG project will benefit from fiscal certainty as to tax payments as part of the ongoing operational costs; and

WHEREAS, tax payments on property often lead to litigation because of disagreements over valuation; and

WHEREAS, litigation is not productive, not collaborative, and drains resources; and

WHEREAS, litigation should not be the goal of any municipality; and

WHEREAS, fiscal certainty will help the AK-LNG project move forward; and

WHEREAS, a Payment in Lieu of Taxes ("PILT") is another option for infrastructure to contribute to the community in which it is located; and

WHEREAS, a PILT can remove uncertainty and risk while also ensuring fairness to all involved; and

WHEREAS, a PILT can ensure that no one region receives a windfall at the expense of others; and

WHEREAS, a PILT can be fair and equitable.

NOW, THEREFORE, BE IT RESOLVED, the Matanuska-Susitna Borough Assembly supports a Payment in Lieu of Taxes for the pipeline infrastructure of the Alaska Natural Gas Project.

BE IT FURTHER RESOLVED, that the Matanuska-Susitna Borough

Assembly encourages the Alaska Legislature to enact laws allowing for a Payment in Lieu of Taxes for the pipeline infrastructure of the Alaska Natural Gas Project rather than relying on the current oil and gas real property tax mechanism.

ADOPTED by the Matanuska-Susitna Borough Assembly this - day of -, 2026.

---

EDNA DeVRIES, Borough Mayor

ATTEST:

---

LONNIE R. McKECHNIE, CMC, Borough Clerk

(SEAL)