Board of Supervisors Memorandum

April 8, 2014

Resolution 2014-_____
Mitigation of Impacts and Costs to Pima County
from the Kinder/Morgan Sierrita Pipeline

Background

For the last two years, I have provided the Board of Supervisors with information regarding the Kinder/Morgan Sierrita Pipeline, LLC application to the Federal Regulatory Energy Commission (FERC) to construct, operate and maintain a new 60-mile long, 36-inch natural gas pipeline from Tucson Mountain Park south through the Altar Valley to the International Border near Sasabe, Arizona.

At every opportunity, staff has provided Kinder/Morgan, the FERC, the US Fish and Wildlife Service, and other agencies with an abundance of information documenting the magnitude of potential impacts from the selected West Route in Altar Valley, and the Board filed Resolution No. 2013-17 with FERC opposing the West Route. We have advocated throughout the National Environmental Policy Act (NEPA) public scoping and environmental impact statement process for the selection of a route that would cause the fewest impacts and costs to Pima County and residents of the Altar Valley.

Now that FERC has issued its Final Environmental Impact Statement, this project will very likely be approved; and there has been no mitigation offered to Pima County regarding our concerns of how the construction and operation of this pipeline route will result in an increase in illegal and unwanted trafficking, put the safety and wellbeing of area residents at much higher risk, increase costs to Pima County for public safety and related services, and land management. Some 860 acres of Conservation Land System (CLS) habitat area will be destroyed, and compensatory CLS lands are needed to mitigate these impacts.

Tax revenues from the pipeline will not be sufficient to offset costs to Pima County. Ongoing annual costs to the County are estimated to be $1,020,686, and one-time costs for law enforcement and mitigation of destroyed CLS habitat loss are estimated to be $4,016,040. In addition, Kinder/Morgan should be required to set up a mitigation fund of $7,000,000 to address and mitigate the long-term environmental degradation that results from this pipeline.

Recommendation

Given the strength of all available information regarding the adverse impacts that will befall us if the West Route is approved for construction and operation, I recommend the Board adopt the attached Resolution 2014-_____ directing the County Administrator to recover the full

costs to Pima County and to establish a conservation/mitigation fund from Kinder/Morgan Sierrita Pipeline, LLC to mitigate the long-term adverse impacts Pima County will realize from the construction and operation of the Sierrita Pipeline.

Respectfully submitted,

C.H. Huckelberry
County Administrator

CHH/mjk – April 3, 2014

Attachment

c: Linda Mayro, Director, Conservation and Sustainability Office

RESOLUTION NO. 2014-____

A RESOLUTION OF THE PIMA COUNTY BOARD OF SUPERVISORS SEEKING FULL MITIGATION FOR DAMAGES AND COSTS TO PIMA COUNTY THAT RESULT FROM THE CONSTRUCTION AND OPERATION OF THE WEST ROUTE ALTERNATIVE FOR THE KINDER MORGAN SIERRITA PIPELINE TO BE SITED THROUGH THE ALTAR VALLEY WEST OF THE BUENOS AIRES WILDLIFE REFUGE CROSSING THE INTERNATIONAL BORDER WITH MEXICO NEAR SASABE, ARIZONA

WHEREAS, the Sonoran Desert Conservation Plan identified the Altar Valley as one of the few remaining unfragmented and pristine areas in Pima County; and

WHEREAS, on February 7, 2013, El Paso/Kinder Morgan filed their application to the Federal Energy Regulatory Commission for the Sierrita Pipeline LLC project seeking authorization to construct, operate and maintain a new 60 mile long, 36-inch natural gas pipeline along the selected West Route from southwest of Tucson Mountain Park, south through remote and pristine areas west of the Buenos Aires National Wildlife Refuge in the Altar Valley to the international border near Sasabe, Arizona; and

WHEREAS, the West Route corridor will increase border and law enforcement security issues, increase unwanted and unlawful vehicular and human traffic, increase Sheriff patrol coverage and incident investigation, increase public safety and land management costs to Pima County; and

WHEREAS, a new West Route corridor will significantly impact conservation values within the Altar Valley watershed by fragmenting an intact, pristine landscape, impacting 860 acres of Conservation Land System habitat area, creating a second degraded infrastructure corridor, exacerbating the spread of invasive species, causing the permanent loss of native vegetation, increasing erosion and head cutting of drainages, devaluing Altar Valley Conservation Alliance investments in landscape restoration, impacting Tohono O'odham ancestral sites and cultural traditions, and devaluing County conservation investments in Altar Valley; and

WHEREAS, because of the significant impacts cited above, the Pima County Board of Supervisors passed Resolution No. 2013-17 on March 12, 2013, opposing this West Route; and

WHEREAS, on October 25, 2013, the Federal Energy Regulatory Commission issued its Sierrita Pipeline Draft Environmental Impact Statement with the West Route as the only action alternative; and

WHEREAS, Pima County provided extensive comments on the impacts and costs of the West route and the benefits of siting the route along existing corridors; and

WHEREAS, on March 28, 2014, the Federal Energy Regulatory Commission issued its Sierrita Pipeline Final Environmental Impact Statement for the West Route; and

WHEREAS, constructing the pipeline on the West Route will force Pima County to involuntarily bear significant increases in costs and annual expenditures necessary to provide appropriate levels of law enforcement and related services, restore damage to riparian areas and infrastructure, maintain roads, compensate for loss of Conservation Land System habitat, and provide responsible stewardship of the County's conservation lands and that these annual cost increases will result from constructing and operating the pipeline on the West Route; and

WHEREAS, Pima County will continue to request that these costs and larger regional impacts to the Altar Valley watershed be mitigated.

NOW, THEREFORE, BE IT RESOLVED that the Pima County Board of Supervisors:

1. Continues to oppose the construction and operation of the Sierrita Pipeline LLC project in Altar Valley on the West Route alignment as defined in its application for a Certificate of Public Convenience and Necessity and its application for a Presidential Permit.

2. Directs the County Administrator to recover the full costs to Pima County and to establish a conservation fund from Kinder Morgan/ Sierrita Pipeline, LLC to mitigate the long-term adverse impacts that Pima County will realize from the construction and operation of the Sierrita Pipeline.

Passed by the Board of Supervisors of Pima County, this ____day of _____, 2014.

_____
Chair, Pima County Board of Supervisors

ATTEST:

APPROVED AS TO FORM:

_____
Clerk of the Board

_____
Deputy County Attorney
REGINA NASSEN