

RESOLUTION NO. R-2011-28

A RESOLUTION SUPPORTING THE TRANSCANADA KEYSTONE XL PIPELINE PROJECT WHICH IS APPROXIMATELY 2,000 MILES OF NEW PIPELINE CONNECTING HARDISTY, ALBERTA, CANADA WITH FACILITIES IN PORT ARTHUR, TEXAS; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the Keystone XL Pipeline project, commonly referred as the TransCanada Pipeline will connect Hardisty, Alberta, Canada with facilities in Port Arthur, Texas, with approximately 2,000 miles of new pipeline, a portion of which will come through Smith County; and

WHEREAS, this TransCanada pipeline will create 13,000 American construction and manufacturing jobs and \$20 billion in construction costs for a lagging economy and reduce our dependence upon oil from unfriendly nations; and

WHEREAS, the TransCanada pipeline is expected to create more than 118,000 “spin-off” jobs during the two years of construction and its construction will generate \$600 million in new state and local tax revenues with an additional \$5.2 billion in property taxes; and

WHEREAS, gains in spending in Smith County during project development are estimated to be \$173.5 million, while increases for gross product come to \$149.6 million, along with \$123.5 million in personal income and 3,833 person years of employment. Increases from property taxes will be roughly \$31 million as the pipeline operates in the future.

WHEREAS, the TransCanada pipeline will provide efficiency gains by linking oil producers to allow gains between \$35.5 million and \$146 million annually and lower transport costs for a savings to Texas Gulf Coast refiners of \$473 million annually in allowing the shipping of 400,000 barrels per day ; and

WHEREAS, Texas refineries have been highly dependent upon imports from Mexico and Venezuela which have decreased output in recent years and the TransCanada pipeline will help provide a more reliable source of supply from a U.S. ally and thereby protect our national security; and

WHEREAS, the U.S. Department of State’s first environmental impact study, who must approve the project, found that the TransCanada pipeline would meet industry standards and not significantly affect the environment; and

WHEREAS, without the TransCanada pipeline the U.S. would not be able to benefit from the cost-efficient Western Canadian oil and would remain dependent upon unstable oil supplies; and

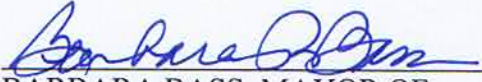
WHEREAS, pipelines remain the statistically safest way to transport oil and pipeline accident rate have fallen sharply and technology has improved reaction time to leaks and the ability to contain them.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TYLER TEXAS:

PART 1. That the City of Tyler urges the U.S. Department of State to approve the Keystone XL (TransCanada) Pipeline Project.

PART 2. That this Resolution shall be effective immediately upon adoption.

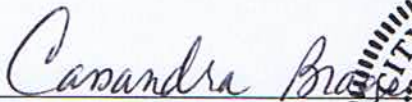
PASSED AND APPROVED this 28th day of September, A. D., 2011.



BARBARA BASS, MAYOR OF
THE CITY OF TYLER, TEXAS

ATTEST:

APPROVED:



CASSANDRA BRAGER, CITY CLERK





GARY C. LANDERS, CITY ATTORNEY