

# ***North Slope Borough and Oil Companies settle dispute***

**ANCHORAGE - AUGUST 15, 1980,** The North Slope Borough and the major oil companies operating at Prudhoe Bay have settled their long-standing dispute over the local government's sales tax.

The issue, in litigation since 1977, was settled out of court following negotiations among the parties.

An agreement was signed August 15th in the North Slope Borough offices in Barrow, with Major Jacob Adams representing the borough. Signing for the companies were: John Saint, vice president and general manager of Sohio; Frank Turpin, president of Alyeska Pipeline Service Company; Monte Taylor, Alaska operations manager of Exxon; and Paul Norgaard, vice president, North Slope District of Arco.

Lloyd Ahvakana, who was instrumental in initiating the settlement negotiations when he served as ac-

ting mayor last spring, was also present.

The dispute had centered around the amount of sales tax the borough could charge on oil company transactions at Prudhoe (which is in the borough). The companies are paying both state and local taxes on their property, and objected to a raising of the sales tax "beyond statutory limits." The state Superior Court agreed, and the borough appealed the decision to the Supreme Court. While the case was awaiting action last spring, settlement negotiations began, and agreement was reached after several months of discussion.